

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5814

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2009; 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

House Bill No. 5814 as amended May 27, 2008

1 LINE-ITEM APPROPRIATIONS

2 Sec. 101. Subject to the conditions set forth in this act, the
3 amounts listed in this part are appropriated for the department of
4 human services for the fiscal year ending September 30, 2009, from
5 the funds indicated in this part. The following is a summary of the
6 appropriations in this part:

7 **DEPARTMENT OF HUMAN SERVICES**

8 APPROPRIATION SUMMARY:

9	Full-time equated classified positions..	<<10,391.8>>	
10	Unclassified positions	6.0	
	Total full-time equated positions.....	<<10,397.8>>	
11	GROSS APPROPRIATION.....	\$	4,642,241,200
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		2,416,700
15	ADJUSTED GROSS APPROPRIATION.....	\$	4,639,824,500
16	Federal revenues:		
17	Total federal revenues.....		3,166,860,900
18	Special revenue funds:		
19	Total private revenues.....		10,174,700
20	Total local revenues.....		47,161,000
21	Total other state restricted revenues.....		61,589,200
22	State general fund/general purpose.....	\$	1,354,038,700
23	Sec. 102. EXECUTIVE OPERATIONS		
24	Total full-time equated positions.....		398.7
25	Full-time equated unclassified positions.....		6.0

1	Full-time equated classified positions.....	392.7	
2	Unclassified salaries--6.0 FTE positions.....		\$ 617,900
3	Salaries and wages--269.7 FTE positions.....		16,559,900
4	Contractual services, supplies, and materials.....		5,992,100
5	Demonstration projects--9.0 FTE positions.....		9,483,100
6	Inspector general salaries and wages--99.0 FTE		
7	positions		5,809,900
8	Electronic benefit transfer EBT.....		7,333,600
9	Michigan community service commission--15.0 FTE		
10	positions		9,741,100
11	Internal audit services.....		674,700
12	State office of administrative hearings and rules		<u>4,204,700</u>
13	GROSS APPROPRIATION.....		\$ 60,417,000
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues.....		38,047,400
17	Special revenue funds:		
18	Total private revenues.....		3,199,600
19	Total local revenues.....		175,000
20	Total other state restricted revenue.....		25,000
21	State general fund/general purpose.....		\$ 18,970,000
22	Sec. 103. CHILD SUPPORT ENFORCEMENT		
23	Full-time equated classified positions.....	213.7	
24	Child support enforcement operations--207.7 FTE		
25	positions		\$ 24,381,800
26	Legal support contracts.....		139,753,600
27	Child support incentive payments.....		32,409,600

1	State disbursement unit--6.0 FTE positions	<u>18,508,900</u>
2	GROSS APPROPRIATION.....	\$ 215,053,900
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues.....	186,308,600
6	Special revenue funds:	
7	Total local revenues.....	340,000
8	Total restricted revenues.....	2,795,000
9	State general fund/general purpose.....	\$ 25,610,300
10	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY	
11	Full-time equated classified positions..... 17.0	
12	Bureau of community action and economic	
13	opportunity--17.0 FTE positions.....	\$ 1,929,900
14	Community services block grant.....	27,068,000
15	Weatherization assistance.....	<u>18,418,700</u>
16	GROSS APPROPRIATION.....	\$ 47,416,600
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	47,416,600
20	Special revenue funds:	
21	State general fund/general purpose.....	\$ 0
22	Sec. 105. ADULT AND FAMILY SERVICES	
23	Full-time equated classified positions..... 41.7	
24	Executive direction and support--5.0 FTE positions ...	\$ 434,200
25	Guardian contract.....	600,000
26	Adult services policy and administration--6.0 FTE	
27	positions	627,100

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1	Income support policy and administration--29.7 FTE	
2	positions	4,823,600
3	Employment and training support services	38,254,100
4	Wage employment verification reporting	848,700
5	Urban and rural empowerment/enterprise zones	100
6	Nutrition education	28,000,000
7	Marriage initiative--0.5 FTE positions	2,475,000
8	Fatherhood initiative--0.5 FTE positions	1,725,000
9	Crisis prevention and elder law of Michigan food for	
10	the elderly project	<u>200,000</u>
11	GROSS APPROPRIATION	\$ 77,987,800
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	ADJUSTED GROSS APPROPRIATION	\$ 77,987,800
15	Federal revenues:	
16	Total federal revenues	53,472,700
17	Special revenue funds:	
18	State general fund/general purpose	\$ 24,515,100
19	Sec. 106. CHILDREN'S SERVICES	
20	Full-time equated classified positions..... <<144.3>>	
21	Salaries and wages--41.2 FTE positions	\$ 2,762,200
22	Contractual services, supplies, and materials	936,300
23	Foster care payments	216,823,000
24	Adoption subsidies	242,298,900
25	Adoption support services--7.2 FTE positions	17,797,600
26	Youth in transition--2.0 FTE positions	13,266,900
27	Interstate compact	231,600

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1	Children's benefit fund donations	21,000
2	Teenage parent counseling--2.3 FTE positions	3,816,800
3	Families first	16,946,700
4	Strong families/safe children--3.0 FTE positions	14,902,100
5	Child protection and permanency--37.5 FTE positions ..	21,802,800
6	Zero to three	3,843,800
7	Family group decision making	2,454,700
8	Family reunification program	3,977,100
9	Family preservation and prevention services	
10	administration--14.5 FTE positions	2,156,800
11	Black child and family institute	100,000
12	Children's trust fund administration--<<12.0>> FTE	
13	positions	1,032,100
14	Children's trust fund grants	3,825,100
15	ECIC, early childhood investment corporation	14,823,000
16	Attorney general contract	3,349,700
17	Prosecuting attorney contracts	1,061,700
18	Child protection--5.0 FTE positions	803,200
19	Subsidized guardianship program	4,575,000
20	Domestic violence prevention and treatment--14.6 FTE	
21	positions	14,773,700
22	Rape prevention and services	2,600,000
23	Michigan youth opportunity initiative	1,225,000
24	Title IV-E compliance and accountability office--5.0	
25	FTE positions	392,700
26	Kent County child welfare demonstration project	300,000
27	Foster care youth project	<u>100</u>

1	GROSS APPROPRIATION.....	\$	612,899,600
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from DCH - crime victims fund.....		1,300,000
5	ADJUSTED GROSS APPROPRIATION.....	\$	611,599,600
6	Federal revenues:		
7	Total federal revenues.....		380,834,700
8	Special revenue funds:		
9	Private - children's benefit fund donations.....		21,000
10	Private - collections.....		3,225,000
11	Local funds - county chargeback.....		22,304,200
12	Compulsive gambling prevention fund.....		1,040,000
13	Children's trust fund.....		3,805,400
14	State general fund/general purpose.....	\$	200,369,300
15	Sec. 107. JUVENILE JUSTICE SERVICES		
16	Full-time equated classified positions.....	434.5	
17	High security juvenile services--137.0 FTE positions .	\$	17,005,100
18	Medium security juvenile services--224.0 FTE positions		21,326,300
19	Community juvenile justice centers--27.0 FTE positions		2,691,800
20	Child care fund.....		223,134,600
21	Child care fund administration--5.8 FTE positions		775,400
22	County juvenile officers.....		3,890,500
23	Community support services--2.0 FTE positions		1,495,500
24	Juvenile justice, administration and		
25	maintenance--20.0 FTE positions.....		2,703,100
26	Federally funded activities--13.7 FTE positions		1,866,200
27	W.J. Maxey memorial fund.....		45,000

1	Juvenile accountability incentive block grant--1.0	
2	FTE positions	1,297,900
3	Committee on juvenile justice administration--4.0	
4	FTE positions	511,800
5	Committee on juvenile justice grants.....	<u>5,000,000</u>
6	GROSS APPROPRIATION.....	\$ 281,743,200
7	Appropriated from:	
8	Federal revenues:	
9	Total federal revenues.....	95,539,600
10	Special revenue funds:	
11	Total private revenues.....	45,000
12	Local funds - state share education funds.....	2,828,500
13	Local funds - county chargeback.....	19,695,400
14	State general fund/general purpose.....	\$ 163,634,700
15	Sec. 108. LOCAL OFFICE STAFF AND OPERATIONS	
16	Full-time equated classified positions..... 8,343.5	
17	Field staff, salaries and wages--8,060.7 FTE positions	\$ 420,784,100
18	Contractual services, supplies, and materials	17,215,600
19	Medical/psychiatric evaluations.....	6,300,000
20	Donated funds positions--131.0 FTE positions	10,801,900
21	Training and program support--57.0 FTE positions	8,900,700
22	Child welfare institute--6.0 FTE positions	511,000
23	Food stamp reinvestment--78.8 FTE positions	8,663,800
24	Wayne County gifts and bequests	100,000
25	Volunteer services and reimbursement	1,294,900
26	SSI advocates--10.0 FTE positions	<u>2,166,100</u>
27	GROSS APPROPRIATION.....	\$ 476,738,100

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues.....	264,599,600
4	Special revenue funds:	
5	Local funds - donated funds.....	1,817,900
6	Private funds - donated funds.....	654,400
7	Private funds - Wayne County gifts.....	100,000
8	Private funds - hospital contributions.....	2,929,700
9	Supplemental security income recoveries.....	677,600
10	State general fund/general purpose.....	\$ 205,958,900
11	Sec. 109. DISABILITY DETERMINATION SERVICES	
12	Full-time equated classified positions.....	569.4
13	Disability determination operations--545.9 FTE	
14	positions	\$ 83,045,500
15	Medical consultation program--19.4 FTE positions	2,672,200
16	Retirement disability determination--4.1 FTE positions	<u>826,800</u>
17	GROSS APPROPRIATION.....	\$ 86,544,500
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from DMB - office of retirement systems.....	1,116,700
21	ADJUSTED GROSS APPROPRIATION.....	\$ 85,427,800
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	82,601,100
25	Special revenue funds:	
26	State general fund/general purpose.....	\$ 2,826,700
27	Sec. 110. CENTRAL SUPPORT ACCOUNTS	

1	Rent.....	\$	42,830,900
2	Occupancy charge.....		8,744,200
3	Travel.....		5,708,700
4	Equipment.....		277,300
5	Worker's compensation.....		3,993,000
6	Advisory commissions.....		17,900
7	Payroll taxes and fringe benefits.....		<u>262,679,900</u>
8	GROSS APPROPRIATION.....	\$	324,251,900
9	Appropriated from:		
10	Federal revenues:		
11	Total federal revenues.....		187,907,400
12	Special revenue funds:		
13	State general fund/general purpose.....	\$	136,344,500
14	Sec. 111. OFFICE OF CHILDREN AND ADULT LICENSING		
15	Full-time equated classified positions.....		228.0
16	AFC, children's welfare and day care		
17	licensure--228.0 FTE positions.....	\$	<u>24,307,000</u>
18	GROSS APPROPRIATION.....	\$	24,307,000
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues.....		12,100,300
22	Special revenue funds:		
23	Restricted - licensing fees.....		627,300
24	Restricted - health systems fees and collections.....		355,200
25	State general fund/general purpose.....	\$	11,224,200
26	Sec. 112. PUBLIC ASSISTANCE		
27	Full-time equated classified positions.....		7.0

1	Family independence program.....	\$	378,498,500
2	State disability assistance payments.....		39,080,600
3	Food assistance program benefits.....		1,221,340,900
4	State supplementation.....		60,197,000
5	State supplementation administration.....		2,477,100
6	Low-income home energy assistance program.....		116,451,600
7	Food bank funding.....		675,000
8	Homeless programs.....		11,646,700
9	Multicultural assimilation funding.....		1,715,600
10	Indigent burial.....		5,909,300
11	Emergency services local office allocations.....		21,865,500
12	Day care services.....		409,749,900
13	Refugee assistance program--7.0 FTE positions.....		<u>12,703,700</u>
14	GROSS APPROPRIATION.....	\$	2,282,311,400
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues.....		1,719,142,800
18	Special revenue funds:		
19	Child support collections.....		34,497,100
20	Supplemental security income recoveries.....		14,156,600
21	Public assistance recoupment revenue.....		3,610,000
22	State general fund/general purpose.....	\$	510,904,900
23	Sec. 113. INFORMATION TECHNOLOGY		
24	Information technology services and projects.....	\$	102,272,500
25	Child support automation.....		<u>50,297,700</u>
26	GROSS APPROPRIATION.....	\$	152,570,200
27	Appropriated from:		

1	Federal revenues:	
2	Total federal revenues.....	98,890,100
3	Special revenue funds:	
4	State general fund/general purpose.....	\$ 53,680,100

5 PART 2

6 PROVISIONS CONCERNING APPROPRIATIONS

7 GENERAL SECTIONS

8 Sec. 201. Pursuant to section 30 of article IX of the state

9 constitution of 1963, total state spending from state resources

10 under part 1 for fiscal year 2008-2009 is \$1,415,637,700.00 and

11 state spending from state resources to be paid to local units of

12 government for fiscal year 2008-2009 is \$143,572,200.00. The

13 itemized statement below identifies appropriations from which

14 spending to local units of government will occur:

15 DEPARTMENT OF HUMAN SERVICES

16 PERMANENCY FOR CHILDREN

17	Child care fund.....	\$ 138,133,500
18	County juvenile officers.....	3,645,500
19	OPPORTUNITY FOR ADULTS TO LIVE AND WORK IN THE COMMUNITY	
20	State disability program.....	\$ <u>1,793,200</u>
21	TOTAL.....	\$ 143,572,200

22 Sec. 202. The appropriations authorized under this act are

23 subject to the management and budget act, 1984 PA 431, MCL 18.1101

24 to 18.1594.

25 Sec. 203. As used in this act:

1 (a) "AFC" means adult foster care.

2 (b) "DCH" means the department of community health.

3 (c) "Department" means the department of human services.

4 (d) "DMB" means the department of management and budget.

5 (e) "ECIC" means early childhood investment corporation.

6 (f) "FTE" means full-time equated.

7 (g) "IDG" means interdepartmental grant.

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

9 (i) "RSDI" means retirement survivors disability insurance.

10 (j) "SSI" means supplemental security income.

11 (k) "Temporary assistance for needy families" or "TANF" or
12 "title IV-A" means part A of title IV of the social security act,
13 42 USC 601 to 604, 605 to 608, and 609 to 619.

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

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

18 (n) "VA" means veterans affairs.

19 Sec. 204. The civil service commission shall bill the
20 department at the end of the first fiscal quarter for the 1% charge
21 authorized by section 5 of article XI of the state constitution of
22 1963. Payments shall be made for the total amount of the billing by
23 the end of the second fiscal quarter.

24 Sec. 205. (1) A hiring freeze is imposed on the state
25 classified civil service. State departments and agencies are
26 prohibited from hiring any new full-time state classified civil
27 service employees and prohibited from filling any vacant state

1 classified civil service positions. This hiring freeze does not
2 apply to internal transfers of classified employees from 1 position
3 to another within a department.

4 (2) The state budget director may grant exceptions to this
5 hiring freeze when the state budget director believes that the
6 hiring freeze will result in rendering a state department or agency
7 unable to deliver basic services, cause loss of revenue to the
8 state, result in the inability of the state to receive federal
9 funds, or necessitate additional expenditures that exceed any
10 savings from maintaining a vacancy. The state budget director shall
11 report quarterly to the chairpersons of the senate and house of
12 representatives appropriations committees and the senate and house
13 fiscal agencies and policy offices on the number of exceptions to
14 the hiring freeze approved during the previous quarter and the
15 reasons to justify the exception.

16 Sec. 206. From the funds appropriated in part 1, the
17 department shall develop, post, and maintain, on a publicly
18 accessible Internet site, all expenditures made by the department
19 within the fiscal year. This posting shall include the purpose for
20 which each expenditure is made.

21 Sec. 207. (1) The department shall provide an evaluation of
22 any effort to privatize services within 9 months of implementation
23 to the appropriate senate and house appropriations subcommittees
24 and the senate and house fiscal agencies.

25 (2) Sanctions, suspensions, conditions for provisional license
26 status, and other penalties shall not be more stringent for private
27 service providers than for public entities performing equivalent or

1 similar services.

2 (3) Private service providers or licensees shall not be
3 granted preferential treatment or considered automatically to be in
4 compliance with administrative rules based on whether they have
5 collective bargaining agreements with direct care workers. Private
6 service providers or licensees without collective bargaining
7 agreements shall not be subjected to additional requirements or
8 conditions of licensure based on their lack of collective
9 bargaining agreements.

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

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

1 competitively priced and of comparable quality.

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

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

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

21 Sec. 213. (1) The department may retain all of the state's
22 share of food assistance overissuance collections as an offset to
23 general fund/general purpose costs. Retained collections shall be
24 applied against federal funds deductions in all appropriation units
25 where department costs related to the investigation and recoupment
26 of food assistance overissuances are incurred. Retained collections
27 in excess of such costs shall be applied against the federal funds

1 deducted in the executive operations appropriation unit.

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

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

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

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

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

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

17 Sec. 214. (1) The department shall submit a report to the
18 chairpersons of the senate and house appropriations subcommittees
19 on the department budget, the senate and house fiscal agencies and
20 policy offices, and the state budget director on the details of
21 allocations within program budgeting line items and within the
22 salaries and wages line items in all appropriation units. The
23 report shall include a listing, by account, dollar amount, and fund
24 source, of salaries and wages; longevity and insurance; retirement;
25 contractual services, supplies, and materials; equipment; travel;
26 and grants within each program line item appropriated for the
27 fiscal year ending September 30, 2009. With regard to federal

1 appropriations, for each program line item funded by no more than 3
2 federal funding sources, the department shall provide estimates of
3 the allocation of the appropriation for each specific federal
4 funding source.

5 (2) On a bimonthly basis, the department shall report on the
6 number of FTEs in pay status by type of staff.

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

14 Sec. 216. The department, in collaboration with the state
15 budget office, shall submit to the house and senate appropriations
16 subcommittees on the department budget, the house and senate fiscal
17 agencies, and the house and senate policy offices on or before
18 March 1, 2009 a report on appropriated and supportable FTE
19 positions within the executive budget proposal for the fiscal year
20 beginning October 1, 2009. The report shall contain all of the
21 following information for each individual line item contained in
22 the executive budget proposal for the department budget:

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

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

26 (c) The amount that is proposed to be allocated to salary and
27 wage costs from the gross appropriation for the line item on which

1 was based the increase in the executive budget proposal from the
2 amount appropriated for the line item in the department budget for
3 the fiscal year ending September 30, 2009, if different from the
4 amount in subdivision (b).

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

8 (e) The gross salary and wage expenditures for the line item
9 during the fiscal year ending September 30, 2008 and the estimated
10 salary and wage expenditures for the line item during the fiscal
11 year ending September 30, 2009.

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

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

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

19 (b) The travel is necessary to protect the health or safety of
20 citizens of or visitors to this state or to assist other states in
21 similar circumstances.

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

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

27 (e) The travel is necessary to secure specialized training for

1 staff that is not available within this state.

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

4 (g) The travel is necessary as part of the training of
5 department workers or the staff of private providers through the
6 child welfare institute.

7 (2) If out-of-state travel is necessary but does not meet 1 or
8 more of the conditions in subsection (1), the state budget director
9 may grant an exception to allow the travel. Any exceptions granted
10 by the state budget director shall be reported on a monthly basis
11 to the senate and house standing committees on appropriations.

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

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

23 (b) The destination of each trip.

24 (c) The dates of each trip.

25 (d) A brief statement of the reason for each trip.

26 (e) The transportation and related costs of each trip,
27 including the proportion funded with state general fund/general

1 purpose revenues, the proportion funded with state restricted
2 revenues, the proportion funded with federal revenues, and the
3 proportion funded with other revenues.

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

6 Sec. 218. (1) The department shall prepare an annual report on
7 the TANF federal block grant. The report shall include projected
8 expenditures for the current fiscal year, an accounting of any
9 previous year funds carried forward, and a summary of all
10 interdepartmental or interagency agreements relating to the use of
11 TANF funds. The report shall be forwarded to the state budget
12 director and the house and senate appropriations subcommittees on
13 the department budget and the house and senate fiscal agencies and
14 policy offices within 10 days after presentation of the executive
15 budget.

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

1 Sec. 219. The department shall not approve the travel of more
2 than 1 departmental employee to a specific professional development
3 conference or training seminar that is located outside of this
4 state. The only exception to this travel restriction involves a
5 professional development conference or training seminar that is
6 funded by a federal or private funding source and requires more
7 than 1 person from a department to attend.

8 Sec. 220. (1) In contracting with faith-based organizations
9 for mentoring or supportive services, and in all contracts for
10 services, the department shall ensure that no funds provided
11 directly to institutions or organizations to provide services and
12 administer programs shall be used or expended for any sectarian
13 activity, including sectarian worship, instruction, or
14 proselytization.

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

22 (3) The department shall ensure that faith-based organizations
23 are able to apply and compete for services, programs, or contracts
24 that they are qualified and suitable to fulfill. The department
25 shall not disqualify faith-based organizations solely on the basis
26 of the religious nature of their organization or their guiding
27 principles or statements of faith.

1 (4) The department shall follow guidelines related to faith-
2 based involvement established in 42 USC 604a.

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

8 Sec. 222. (1) The department shall report no later than April
9 1, 2009 on each specific policy change made to implement a public
10 act affecting the department that took effect during the prior
11 calendar year to the house and senate appropriations subcommittees
12 on the budget for the department, the joint committee on
13 administrative rules, and the senate and house fiscal agencies.

14 (2) Funds appropriated in part 1 shall not be used by the
15 department to adopt a rule that will apply to a small business and
16 that will have a disproportionate economic impact on small
17 businesses because of the size of those businesses if the
18 department fails to reduce the disproportionate economic impact of
19 the rule on small businesses as provided under section 40 of the
20 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

21 (3) As used in this section:

22 (a) "Rule" means that term as defined under section 7 of the
23 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

24 (b) "Small business" means that term as defined under section
25 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
26 24.207a.

27 Sec. 223. The department shall make a determination of

1 Medicaid eligibility not later than 60 days after all information
2 to make the determination is received from the applicant when
3 disability is an eligibility factor. For all other Medicaid
4 applicants, the department shall make a determination of Medicaid
5 eligibility not later than 45 days after all information to make
6 the determination is received from the applicant.

7 Sec. 224. The department shall approve or deny a Medicaid
8 application for a patient of a nursing home within 45 days after
9 the receipt of the necessary information.

10 Sec. 225. The department shall develop a rapid redetermination
11 process for nursing home residents whose Medicaid stay is greater
12 than 90 days. This process shall be implemented not later than
13 September 30, 2009.

14 Sec. 227. The department, with the approval of the state
15 budget director, is authorized to realign sources of financing
16 authorizations in order to maximize temporary assistance for needy
17 families' maintenance of effort countable expenditures. This
18 realignment of financing shall not be made until 15 days after
19 notifying the chairs of the house and senate appropriations
20 subcommittees on the department budget and house and senate fiscal
21 agencies, and shall not produce an increase or decrease in any
22 line-item expenditure authorization.

23 Sec. 259. From the funds appropriated in part 1 for
24 information technology, the department shall pay user fees to the
25 department of information technology for technology-related
26 services and projects. Such user fees shall be subject to
27 provisions of an interagency agreement between the department and

1 the department of information technology.

2 Sec. 262. (1) The department, in conjunction with county
3 department of human services boards of directors and the department
4 of management and budget, shall implement a plan to assist local
5 services delivery effectiveness and efficiency by maximizing use of
6 state resources while responding to unique needs in geographic
7 regions of the state. The department shall work with the department
8 of management and budget to reduce unnecessary layers of
9 management, such as zone offices or regional offices that may have
10 assumed their functions before eliminating county offices,
11 particularly when those county office closures would subject
12 clients and residents to lengthy travel in order to meet or consult
13 with their caseworker. Savings resulting from the plan shall be
14 allocated to county offices to fund additional frontline workers.
15 By February 1, 2009, the department shall submit a report to the
16 house and senate appropriations subcommittees on the department
17 budget, the house and senate fiscal agencies and policy offices,
18 and the state budget director that outlines the plan and shall
19 include a review of the structures of the regional zone offices,
20 describing their similarities and dissimilarities between regions.

21 (2) The department shall not close county offices in Presque
22 Isle County, Ontonagon County, Baraga County, or other counties
23 where closure would subject clients to undue travel burdens.

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

27 Sec. 270. (1) The department shall continue to implement a

1 plan to provide client-centered results-oriented programs and
2 services for each of the following programs:

- 3 (a) Day care assistance.
- 4 (b) Family independence program.
- 5 (c) Adoption subsidy.
- 6 (d) Foster care.
- 7 (e) Juvenile justice services.
- 8 (f) Jobs, education, and training (JET) pilot program and
9 other welfare reform activities.

10 (2) The plan shall include detailed information to be compiled
11 on an annual basis by the department on the following for each
12 program listed in subsection (1):

- 13 (a) The average cost per recipient served by the program.
- 14 (b) Measurable performance indicators for each program.
- 15 (c) Desired outcomes or results and goals for each program
16 that can be measured on an annual basis, or desired results for a
17 defined number of years.
- 18 (d) Monitored results for each program.
- 19 (e) Innovations for each program that may include savings or
20 reductions in administrative costs.

21 (3) During the annual budget presentation, the department
22 shall provide the senate and house appropriations subcommittees on
23 the department budget the information listed in subsection (2).

24 Sec. 271. The department shall provide a report to the senate
25 and house appropriations subcommittees on the department budget,
26 the senate and house fiscal agencies, and the senate and house
27 policy offices detailing the findings and progress related to all

1 of the following:

2 (a) Changes made by the courts with respect to court forms and
3 court rules to meet the requirements of the adoption and safe
4 families act of 1997, Public Law 105-89, 111 Stat. 2115.

5 (b) Department policy changes within the areas of foster care,
6 juvenile justice, and adoption to meet the statutory requirements
7 of the adoption and safe families act of 1997, Public Law 105-89,
8 111 Stat. 2115.

9 (c) A summary of the 7 systemic factors that determine this
10 state's compliance with the adoption and safe families act of 1997,
11 Public Law 105-89, 111 Stat. 2115.

12 (d) A summary of the 7 data outcome indicators used to
13 determine this state's compliance with the adoption and safe
14 families act of 1997, Public Law 105-89, 111 Stat. 2115, including
15 the length of time required to achieve family reunification for
16 foster care cases.

17 (e) Federal recommendations made to this state, including
18 recommendations to the courts.

19 (f) Federal penalties assessed against this state for
20 noncompliance.

21 (g) Status of the performance improvement plan submitted to
22 the federal government.

23 Sec. 272. The department shall provide the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, and the senate and house policy offices
26 a report detailing the findings and progress of all of the
27 following:

1 (a) Training programs conducted by the department, a
2 university affiliate, the child welfare institute, the Michigan
3 judicial institute, and any private agencies that have been
4 authorized to provide training.

5 (b) Changes made by the courts on court forms and rules used
6 in meeting the statutory requirements of the adoption and safe
7 families act of 1997, Public Law 105-89, 111 Stat. 2115.

8 (c) Department policy changes that impact meeting the
9 statutory requirements of the adoption and safe families act of
10 1997, Public Law 105-89, 111 Stat. 2115, for child care assistance,
11 the family independence program, the JET program, and foster care
12 and adoption, including juvenile justice programs.

13 (d) Recommendations for better compliance with federal
14 standards and increased eligibility for federal money made by a
15 workgroup composed of representatives from the department and other
16 departments, public and private agencies, and individual citizens.

17 (e) Federal recommendations submitted to this state, including
18 recommendations to the courts.

19 (f) Federal penalties assessed against this state.

20 (g) Changes in policies or practices resulting in additional
21 federal money, including how much additional federal money was
22 received.

23 (h) Any federal warnings or notices of potential sanctions or
24 penalties that may be imposed unless corrective state action is
25 taken.

26 (i) Measures taken to prevent or avoid sanctions.

27 Sec. 273. (1) On a timely basis, the department shall report

1 to the senate and house standing committees on human services and
2 the senate and house appropriations subcommittees with oversight on
3 the department budget regarding policy changes made to implement
4 the provisions of enacted legislation, including the annual
5 appropriation for the department budget.

6 (2) On an annual basis, the department shall provide a
7 cumulative list of all policy changes in the following areas: child
8 welfare services, child support, work first, work requirements,
9 adult and child safety, local staff program responsibilities, and
10 day care. The list shall be distributed to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house standing committees dealing with human services, and the
13 senate and house fiscal agencies and policy offices.

14 (3) Not later than July 1, 2009, the department shall report
15 to the senate and house appropriations subcommittees on the
16 department budget, the senate and house fiscal agencies and policy
17 offices, and the state budget director with copies of the annual
18 regulatory plan submitted to the state office of administrative
19 hearings and rules pursuant to section 53 of the administrative
20 procedures act of 1969, 1969 PA 306, MCL 24.253. The annual
21 regulatory reform plan shall not include proposals for rule
22 promulgation that exceed the statutory authority granted to the
23 department.

24 (4) Money for the preparation of the regulatory reform plan
25 shall be provided solely in section 102 of the funds appropriated
26 in part 1. Money appropriated in part 1 shall not be used to
27 prepare regulatory plans or promulgate rules that would exceed

1 statutory authority granted to the department. If the department
2 fails to comply with the provisions of section 39(1) of the
3 administrative procedures act of 1969, 1969 PA 306, MCL 24.239, no
4 money shall be expended for the further preparation of that
5 regulatory plan or the promulgation of rules for that regulatory
6 plan.

7 (5) Money appropriated in part 1 shall not be used to prepare
8 a regulatory plan or promulgate rules that fail to reduce the
9 disproportionate economic impact on small businesses as required in
10 section 40 of the administrative procedures act of 1969, 1969 PA
11 306, MCL 24.240.

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

16 Sec. 274. The department shall report to the house and senate
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, the senate and house policy offices, and
19 the state budget director as part of the annual budget presentation
20 on each federal grant this state was eligible to apply for, listing
21 both grants applied for and not applied for. This report will cover
22 grants exceeding \$500,000.00, related to fatherhood and marriage
23 initiatives, teen pregnancy prevention, kinship care, before- and
24 after-school programs, family preservation and prevention, homeless
25 prevention, and youth in transition.

26 Sec. 278. (1) The department shall contract with 1 or more
27 private consulting firms for revenue maximization services for all

1 caseload services currently provided by the department, including
2 services expanded such as the SSI advocacy program. A contract
3 under this section shall specify that the contractor locate waste,
4 fraud, error, and abuse within the department's services and
5 programs.

6 (2) A contractor shall not charge the department a fee for
7 services provided under subsection (1). However, a contractor shall
8 receive a negotiated percentage of the savings not to exceed 25% of
9 the gross savings achieved from implementation of a recommendation
10 made by the contractor under this section.

11 (3) The department shall retain up to \$7,500,000.00 of savings
12 achieved through the revenue maximization services contract as an
13 offset to general fund/general purpose costs. Additional savings
14 shall be allocated within the department for the following
15 purposes:

16 (a) Technology programs that help maintain an effective and
17 efficient computer system for caseworkers.

18 (b) Additional staff in order to reduce worker-to-case ratios.

19 (4) The department shall provide a report to the senate and
20 house appropriations subcommittees on the department budget, senate
21 and house standing committees on human services matters, senate and
22 house fiscal agencies and policy offices, and state budget director
23 by December 31, 2008 on the waste, fraud, error, and abuse located
24 under subsection (1). By April 1, 2009, the department shall
25 provide a progress report including the specific changes
26 implemented to achieve savings under this section and the timetable
27 for implementation of the remaining changes.

1 Sec. 279. All contracts relating to human services entered
2 into or renewed by the department on or after October 1, 2008 shall
3 be performance-based contracts that employ a client-centered
4 results-oriented process that is based on measurable performance
5 indicators and desired outcomes and includes the annual assessment
6 of the quality of services provided. During the annual budget
7 presentation, the department shall provide the senate and house
8 appropriations subcommittees on the department budget with the
9 measurable performance indicators, desired outcomes, and the
10 assessment of the quality of services provided for each contract
11 relating to human services entered into by the department during
12 the fiscal year ending September 30, 2009.

13 Sec. 280. The department shall submit a report to the house
14 and senate appropriations subcommittees for the department budget,
15 the house and senate fiscal agencies, the house and senate policy
16 offices, and the state budget director by February 1, 2009 on the
17 status of the department's information technology improvement
18 initiative "Bridges" integration project. The report shall include
19 details on the following:

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

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

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

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

3 (e) A projection of the resources necessary to expand the
4 capability of the Bridges system to link with the law enforcement
5 information network operated by the department of state police.

6 Sec. 283. Amounts appropriated in part 1 for information
7 technology may be designated as work projects and carried forward
8 to support technology projects under the direction of the
9 department of information technology. Funds designated in this
10 manner are not available for expenditure until approved as work
11 projects under section 451a of the management and budget act, 1984
12 PA 431, MCL 18.1451a.

13 Sec. 284. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$200,000,000.00 for
15 federal contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in this act under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

19 (2) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$5,000,000.00 for state
21 restricted contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in this act under section 393(2) of the management and budget act,
24 1984 PA 431, MCL 18.1393.

25 (3) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$20,000,000.00 for local
27 contingency funds. These funds are not available for expenditure

1 until they have been transferred to another line item in this act
2 under section 393(2) of the management and budget act, 1984 PA 431,
3 MCL 18.1393.

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

10 Sec. 286. The department shall contract with a private company
11 to conduct a study of ways to streamline the department's
12 procurement procedures for durable goods and services. A report and
13 recommendations for streamlining the department's procurement
14 procedures shall be prepared by the private contractor and
15 submitted to the house and senate appropriations committees and the
16 house and senate fiscal agencies by November 30, 2008.

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

21 Sec. 288. (1) The department shall not establish limits on
22 payments to providers for documented services provided in a manner
23 consistent with contractual requirements that are outside existing
24 legal statute of limitation guidelines.

25 (2) For purposes of establishing a liability within statute of
26 limitation guidelines, the department shall accept as billings any
27 documented or electronic correspondence in which a claim of

1 liability is asserted by a licensed or approved vendor or
2 subcontractor and where the claim includes the following:

3 (a) A department case number.

4 (b) A client name or surname.

5 (c) A vendor or subcontractor name.

6 (d) A program name or, when applicable, an identifying number.

7 (e) The dates of service claimed.

8 (f) The effective rates for the dates of services.

9 (3) The department shall actively communicate additional
10 documentation needs to vendors or subcontractors in furtherance of
11 payment for liabilities. Any claim made under the criteria
12 referenced in subsection (2) shall not be allowed to expire under
13 the statute of limitations because of a failure to act on the part
14 of the department.

15 Sec. 291. From the funds appropriated in part 1, the
16 department shall provide \$100.00 for a foster care youth project in
17 Detroit.

18 Sec. 295. It is the intent of the legislature to mandate the
19 department to cooperate with the department of state police to
20 incorporate the law enforcement information network system into
21 Bridges system in fiscal year 2009-2010.

22 **EXECUTIVE OPERATIONS**

23 Sec. 305. If federal funds become available to support a lead
24 testing program, the department shall, before issuing a license for
25 a day care facility and as part of licensing review and facility
26 inspection, require documentation verifying that the facility has

1 been inspected for lead hazards and that any lead hazards
2 identified have been remediated.

3 Sec. 306. Of the funds appropriated in part 1 for
4 demonstration projects, the department shall allocate \$200,000.00
5 to support the kinship care resource center administered by the
6 Michigan state university school of social work. Funding is
7 contingent upon the center's reporting of necessary data to the
8 department to demonstrate TANF or maintenance of effort
9 eligibility. The center shall submit quarterly reports to the
10 department detailing expenditures from this appropriation and
11 reviewing program outcomes including the number of families served
12 through counseling, respite care, and other services as well as the
13 number provided with information on kinship care. The department
14 shall submit each quarterly report to the house and senate
15 appropriations subcommittees on the department budget by January
16 15, April 15, July 15, and October 15 of each year.

17 Sec. 307. (1) Of the money appropriated in part 1 for
18 demonstration projects, \$200,100.00 shall be distributed as
19 provided in subsection (2). The amount distributed under this
20 subsection shall not exceed 50% of the total operating expenses of
21 the program described in subsection (2), with the remaining 50%
22 paid by local United Way organizations and other nonprofit
23 organizations and foundations.

24 (2) Money distributed under subsection (1) shall be
25 distributed to Michigan 2-1-1, a nonprofit corporation organized
26 under the laws of this state that is exempt from federal income tax
27 under section 501(c)(3) of the internal revenue code, 26 USC

1 501(c)(3), and whose mission is to coordinate and support a
2 statewide 2-1-1 system. Michigan 2-1-1 shall use the money only to
3 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
4 in January 2005.

5 (3) Michigan 2-1-1 shall report annually to the department and
6 the house and senate standing committees with primary jurisdiction
7 over matters relating to human services and telecommunications on
8 2-1-1 system performance, including, but not limited to, call
9 volume by community health and human service needs and unmet needs
10 identified through caller data and customer satisfaction metrics.

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

19 Sec. 309. From the money appropriated in part 1 for
20 demonstration projects, the department shall provide \$100,000.00 to
21 Youthville Detroit.

22 Sec. 310. From the money appropriated in part 1 for
23 demonstration projects, the department shall provide \$120,000.00
24 for a pilot program in Sanilac County. The program shall coordinate
25 a comprehensive system of care and referral for area families with
26 children ages 0-18.

1 **ADULT AND FAMILY SERVICES**

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

11 (2) The department may choose providers that will work with
12 counties to help eligible fathers under TANF guidelines to acquire
13 skills that will enable them to increase their responsible behavior
14 toward their children and the mothers of their children. An
15 increase of financial support for their children should be a very
16 high priority as well as emotional support.

17 (3) A fatherhood initiative program established under this
18 section shall minimally include at least 3 of the following
19 components: promoting responsible, caring, and effective parenting
20 through counseling; mentoring and parental education; enhancing the
21 abilities and commitment of unemployed or low-income fathers to
22 provide material support for their families and to avoid or leave
23 welfare programs by assisting them to take advantage of job search
24 programs, job training, and education to improve their work habits
25 and work skills; improving fathers' ability to effectively manage
26 family business affairs by means such as education, counseling, and
27 mentoring in household matters; infant care; effective

1 communication and respect; anger management; children's financial
2 support; and drug-free lifestyle.

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

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

11 Sec. 416. (1) In expending money appropriated in part 1 for
12 the marriage initiative, the department may contract with
13 independent contractors from various counties, including, but not
14 limited to, faith-based and nonprofit organizations. Preference
15 shall be given to independent contractors that provide at least 10%
16 in matching funds, through any combination of local, state, or
17 federal funds or in-kind or other donations. However, an
18 independent contractor that cannot secure matching funds shall not
19 be excluded from consideration for a marriage initiative program.

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

27 (3) A marriage initiative program established under this

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

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

14 (5) Upon receipt of the healthy marriage promotion grant from
15 the United States department of health and human services, the
16 department shall use the program criteria set forth in subsection
17 (3) to implement the program with the federal funds.

18 Sec. 418. From the funds appropriated in part 1 for employment
19 and training support services, the department may expand the
20 availability of individual development accounts (IDAs) with
21 \$200,000.00 for allocation to qualified IDA programs established
22 through the Michigan IDA partnership to serve TANF eligible
23 households in Michigan. The Michigan IDA partnership shall
24 encourage each TANF eligible household served to claim the federal
25 and state earned income tax credit (EITC) and to incorporate all or
26 part of any tax credit received in the household's IDA savings
27 plan, and shall provide the household with information concerning

1 available free tax assistance resources. In addition, the Michigan
2 IDA partnership and its program sites shall participate in
3 community EITC coalitions established under the plan to increase
4 the EITC participation of TANF families referenced in section 666.
5 The same amount shall be appropriated annually to further expand
6 IDA opportunities to low-income families to become more financially
7 self-sufficient through financial education, saving, wise
8 investment in home ownership, postsecondary education, small
9 business development, or a combination of those programs.

10 Sec. 419. The department in collaboration with the Michigan
11 State University center for urban affairs and its partner
12 organizations, the Michigan credit union league and the national
13 federation of community development credit unions, shall further
14 the work begun in fiscal year 1999-2000 that implemented the
15 individual development accounts programs in the growing number of
16 low-income designated credit unions, i.e., community development
17 credit unions (CDCUs) located in this state's poorest communities.
18 This further work will extend capacity-building and technical
19 assistance services to existing and emerging CDCUs serving low-
20 income populations and will include:

21 (a) Creation of a Michigan-based support system for the
22 capacity-building of existing and emerging CDCUs serving low-income
23 individuals and families, including development and testing of
24 training, technical assistance, and professional development
25 initiatives and related materials, and other capacity-building
26 services to Michigan CDCUs.

27 (b) Other related support to assist existing and emerging

1 CDCUs in becoming self-supporting institutions to assist
2 impoverished Michigan residents in becoming economically
3 independent.

4 (c) Training and technical assistance to CDCUs in the
5 development of support services, such as economic literacy, credit
6 counseling, budget counseling, and asset management programs for
7 low-income individuals and families.

8 Sec. 420. From the money appropriated in part 1 for employment
9 and training support services, the department may allocate
10 \$40,000.00 in TANF for welfare to career innovation grants to
11 replicate the Kent County model with Cascade engineering.

12 Sec. 423. (1) From the money appropriated in part 1 for crisis
13 prevention and senior food aid projects, the department shall
14 allocate \$75,000.00 to support ongoing efforts in Barry County to
15 provide programs to women or children, or both, facing crisis
16 situations as a result of domestic violence or abuse.

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

25 (3) Of the funds appropriated in part 1 for crisis prevention
26 and senior food aid projects, the department shall allocate
27 \$25,000.00 for a food aid outreach project in Muskegon County and

1 \$25,000.00 for a food aid outreach project in Kent County.

2 Sec. 424. Of the funds appropriated in part 1 for employment
3 and training, \$200,000.00 in TANF funds may be used for the
4 effective family formation program by the child and family resource
5 council in Kent County for the purpose of instructing unwed parents
6 in developing family formation and sustaining behaviors.

7 **CHILDREN'S SERVICES**

8 Sec. 501. The following goal is established by state law.
9 During the fiscal year ending September 30, 2009, not more than
10 3,000 children supervised by the department shall remain in foster
11 care longer than 24 months. The department shall give priority to
12 reducing the number of children under 1 year of age in foster care.
13 During the annual budget presentation, the department shall report
14 on the number of children supervised by the department and by
15 private agencies who remain in foster care between 12 and 24
16 months, and those who remain in foster care longer than 24 months.

17 Sec. 502. From the funds appropriated in part 1 for foster
18 care, the department shall provide 50% reimbursement to Indian
19 tribal governments for foster care expenditures for children who
20 are under the jurisdiction of Indian tribal courts and who are not
21 otherwise eligible for federal foster care cost sharing.

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

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

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

2 (c) Has not yet reached his or her nineteenth birthday.

3 (d) Is not eligible for federal supplemental security income
4 (SSI) payments.

5 Sec. 504. The department's ability to satisfy appropriation
6 deducts in part 1 for foster care private collections shall not be
7 limited to collections and accruals pertaining to services provided
8 only in the current fiscal year but shall include revenues
9 collected during the fiscal year in excess of the amount specified
10 in part 1.

11 Sec. 508. (1) In addition to the amount appropriated in part 1
12 for children's trust fund grants, money granted or money received
13 as gifts or donations to the children's trust fund created by 1982
14 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

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

<<(3) The department shall collaborate with the state child abuse
and neglect prevention board to develop recommendations on how to best
incorporate child abuse prevention strategies and practices into
suggested changes in state statute and department policy. The department
shall provide any recommendations developed with the state child abuse
and prevention board to the senate and house standing committees on human
services and appropriations subcommittees on the department budget not
later than March 1, 2009.

(4) From the funds appropriated in part 1 for children's trust fund
administration, the department shall devote \$180,000.00 towards 2.0
additional FTE for administration of the children's trust fund.

24 (5)~~(3)~~ >> From the funds appropriated in part 1 for the children's
25 trust fund, the department may utilize interest and investment
26 revenue from the current fiscal year only for programs,
27 administration, services, or all sanctioned by the child abuse and

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1 neglect prevention board.

2 <<4>(6)>> The department and the child abuse neglect and
prevention

3 board shall collaborate to ensure that administrative delays are
4 avoided and the local grant recipients and direct service providers
5 receive money in an expeditious manner. The department and board
6 shall seek to have the children's trust fund grants distributed no
7 later than October 31, 2008.

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

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

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

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

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

1 Sec. 513. (1) The department and representatives of private,
2 licensed child caring institutions shall collaborate in
3 establishing an out-of-state child placement task force to make
4 recommendations on the out-of-state placement of children.
5 Representation on the task force shall be equally divided between
6 the department and private, licensed child caring institutions.

7 (2) The department shall not expend money appropriated in part
8 1 to pay for the direct placement by the department of a child in
9 an out-of-state facility unless all of the following conditions are
10 met:

11 (a) There is no appropriate placement available in this state,
12 and an out-of-state placement exists within 100 miles of the
13 child's home.

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

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

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

22 (3) The child placement task force shall work with the
23 department to establish a reporting process by which counties and
24 courts may report negative experiences with out-of-state
25 facilities, and whether they would or would not recommend placement
26 of youth in those facilities.

27 (4) The department shall submit a report by February 1 of each

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

7 (5) The department shall cooperate with the auditor general to
8 conduct an audit of out-of-state placements for the fiscal year
9 ending September 30, 2008 to determine if the department properly
10 enforced the criteria set forth in section 513 of article 10 of
11 2006 PA 345, and to determine if payments to counties were made for
12 cases that were not eligible under the provisions of that act. The
13 purpose of this audit is solely to determine compliance with the
14 criteria. No child who was placed improperly in an out-of-state
15 placement shall be forced to relocate to another placement as a
16 result of this audit. A county that has received payment for a case
17 that this audit determines to be ineligible shall not be required
18 to reimburse the state for that payment.

19 (6) Future budgets for the department shall include a
20 requirement for audits similar to the audit required in subsection
21 (5). If a future audit determines a county has been improperly paid
22 for an ineligible case under this section, the county may be
23 required to repay the amount received for the ineligible case.

24 Sec. 514. The department shall make a comprehensive report
25 concerning children's protective services (CPS) to the legislature,
26 including the senate and house policy offices and the state budget
27 director, by January 1, 2009, that shall include all of the

1 following:

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

4 (i) The total number of reports of abuse or neglect
5 investigated under the child protection law, 1975 PA 238, MCL
6 722.621 to 722.638, and the number of cases classified under
7 category I or category II and the number of cases classified under
8 category III, category IV, or category V.

9 (ii) Characteristics of perpetrators of abuse or neglect and
10 the child victims, such as age, relationship, race, and ethnicity
11 and whether the perpetrator exposed the child victim to drug
12 activity, including the manufacture of illicit drugs, that exposed
13 the child victim to significant health and environmental hazards.

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

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

22 (c) The information contained in the report required under
23 section 8d(5) of the child protection law, 1975 PA 238, MCL
24 722.628d, on cases classified under category III.

25 (d) The department policy, or changes to the department
26 policy, regarding termination of parental rights or foster
27 placement for children who have been exposed to the production of

1 illicit drugs in their dwelling place or a place frequented by the
2 children.

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

6 Sec. 515. From the money appropriated in part 1 for foster
7 care payments and related administrative costs, the department
8 shall use performance-based contracts for foster care services with
9 agencies and other service providers that provided satisfactory
10 services under contract before January 1, 2008. The goal of these
11 contracts shall be to provide incentives for agencies to improve
12 services for children in foster care, but especially to improve the
13 process of finding them quality permanent placements, and reducing
14 their time as foster children. Not later than March 30, 2009, the
15 department shall provide an update to the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies and policy offices, and the office of the
18 state budget on benchmarks developed in conjunction with private
19 providers for these performance contracts, results agencies have
20 achieved in improving permanency placements, and recommendations
21 for further improvements for foster care services across the entire
22 state.

23 Sec. 516. (1) The department shall implement a child welfare
24 service pilot project in Kent County no later than July 1, 2009.
25 The pilot project will provide for the purchase of all child
26 welfare services, excluding child protection and evaluation
27 services, from child placing agencies.

1 (2) The department shall collaborate with child placing
2 agencies under contract with the department in Kent County to
3 achieve the following by June 30, 2009:

4 (a) Identify the goals and outcomes to be achieved with
5 implementation of the project.

6 (b) Determine the process through which the department will
7 monitor the project by utilizing total quality management,
8 utilization review, and outcome monitoring and systems review.

9 (c) Develop a policy that will require child placing agencies,
10 upon referral from the department, to accept placement and
11 permanency planning responsibilities for every child in Kent County
12 in court-ordered out-of-home placement.

13 (d) Create a process for an independent multi-diagnostic child
14 evaluation to determine the specific needs of children in need of
15 placement.

16 (e) Develop a treatment foster care model, a plan for a system
17 of care model to include community mental health agencies and
18 family courts, and a model for full family responsibility.

19 (3) The department shall provide a report not later than June
20 30, 2009 to the senate and house appropriations subcommittees on
21 the department budget, senate and house fiscal agencies, and senate
22 and house policy offices on the program outlined in subsection (2),
23 and a quarterly report thereafter, on the successes and failures of
24 the project and any recommendations for improvement.

25 (4) It is the intent of the legislature to expand the pilot
26 project described in subsection (1) to additional counties in
27 fiscal year 2009-2010.

1 Sec. 517. (1) From the funds appropriated in part 1, the
2 department is authorized to allocate funds to multipurpose
3 collaborative bodies. Priority for activities and services will be
4 given to at-risk children and families and cases classified by the
5 department as category III or category IV under sections 8 and 8d
6 of the child protection law, 1975 PA 238, MCL 722.628 and 722.628d.

7 (2) Funds appropriated in part 1 for 0 to 3 may be used to
8 fund community-based collaborative prevention services designed to
9 do any of the following:

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

12 (b) Improve parent/child interaction.

13 (c) Promote access to needed community services.

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

15 (e) Improve school readiness.

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

18 (3) The appropriation provided for in subsection (2) is to
19 fund secondary prevention programs as defined in the children's
20 trust fund's preapplication materials for fiscal year 2008-2009
21 direct services grants.

22 (4) Projects funded through the appropriation provided for in
23 subsection (2) shall meet all of the following criteria:

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

27 (b) Be secondary prevention initiatives. Funds are not

1 intended to be expended in cases in which neglect or abuse has been
2 substantiated.

3 (c) Demonstrate that the planned services are part of the
4 community's integrated comprehensive family support strategy
5 endorsed by the community collaborative and, where there is a great
6 start collaborative, demonstrate that the planned services are part
7 of the community's great start strategic plan.

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

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

15 Sec. 523. (1) From the funds appropriated in part 1 for youth
16 in transition, domestic violence prevention and treatment, and
17 teenage parent counseling, the department is authorized to make
18 allocations of TANF funds only to the agencies that report
19 necessary data to the department for the purpose of meeting TANF
20 eligibility reporting requirements.

21 (2) The agencies receiving teenage parent counseling TANF
22 funds shall report to the department on both of the following:

23 (a) Whether program services have impacted the following issue
24 areas:

25 (i) The number of teen participants having fewer repeat
26 pregnancies.

27 (ii) The completion rate for high school diplomas or GEDs.

1 (iii) The teen participants' rate of self-sufficiency.

2 (iv) The number of father participants.

3 (b) How many teens participate in the programs and have access
4 to any or all of the following services:

5 (i) Adult supervised, supportive living arrangements.

6 (ii) Pregnancy prevention services or referrals.

7 (iii) Required completion of high school or receipt of GED,
8 including child care to assist young mothers to focus on
9 achievement.

10 (iv) Support services, including, but not limited to, health
11 care, transportation, and counseling.

12 (v) Parenting and life-skills training.

13 (vi) Education, job training, and employment services.

14 (vii) Transition services in order to achieve self-sufficiency.

15 (viii) Instruction on self-protection.

16 (3) Agencies receiving teenage parent counseling funds shall
17 provide at least 10% in matching funds, through any combination of
18 local, state, or federal funds or in-kind or other donations.

19 Sec. 524. The department shall report on prevention programs
20 for which funds are appropriated in part 1 to the senate and house
21 appropriations subcommittees on the department budget during the
22 annual budget presentation. The report shall contain all of the
23 following for each program:

24 (a) The average cost per recipient served.

25 (b) Measurable performance indicators.

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

1 years.

2 (d) Monitored results.

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

5 Sec. 532. (1) The department, in collaboration with
6 representatives of private child and family agencies, shall revise
7 and improve the annual licensing review process and the annual
8 contract compliance review process for child placing agencies and
9 child caring institutions. The improvement goals shall be safety
10 and care for children. Improvements to the review process shall be
11 directed toward alleviating administrative burdens so that agency
12 resources may be focused on children. The revision shall include
13 identification of duplicative staff activities and information
14 sought from child placing agencies and child caring institutions in
15 the annual review process. The department shall report to the
16 senate and house appropriations subcommittees on the department
17 budget, the senate and house fiscal agencies and policy offices,
18 and the state budget director on or before January 15, 2009 on the
19 findings of the annual licensing review.

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

24 (3) The department shall develop a plan to license relatives
25 of foster children as foster care providers to ensure consistent
26 high standards of care for those foster children. The department
27 shall report on the plan to the senate and house appropriations

1 subcommittees with oversight over the department budget, the senate
2 and house standing policy committees generally concerned with
3 children's issues, the senate and house fiscal agencies and policy
4 offices, and the state budget director as part of the quarterly
5 reports required by section 582.

6 Sec. 533. (1) The department shall make payments to child
7 placing facilities for title IV-E out-of-home care services within
8 30 days of receiving all necessary documentation from those
9 agencies.

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

13 Sec. 536. The department shall not implement a geographically
14 based assignment system for foster care unless determined to be in
15 the best interests of the foster children.

16 Sec. 537. (1) The department, in collaboration with child
17 placing agencies shall develop goals, objectives, and performance
18 standards to evaluate achievements and results in providing quality
19 foster care for children, reductions in their time in foster care,
20 and better permanency placements.

21 (2) As part of the quarterly reports required by section 582,
22 the department shall submit a report to the senate and house
23 appropriations subcommittees with oversight over the department
24 budget, the senate and house standing policy committees generally
25 concerned with children's issues, the senate and house fiscal
26 agencies and policy offices, and the state budget director on the
27 goals, objectives, and performance standards developed under

1 subsection (1) and the results or outcomes of using the measures.

2 (3) The department, in collaboration with child placing
3 agencies, shall develop a strategy to implement section 115o of the
4 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
5 include a requirement that a department caseworker responsible for
6 preparing a recommendation to a court concerning a juvenile
7 placement shall provide, as part of the recommendation, information
8 regarding the requirements of section 115o of the social welfare
9 act, 1939 PA 280, MCL 400.115o.

10 Sec. 539. The department shall work in collaboration with
11 representatives from child placing agencies to ensure appropriate
12 placement for children who have been adjudicated abused, neglected,
13 or delinquent and for whom residential treatment is required. The
14 department and the representatives from the private nonprofit child
15 placing agencies shall focus on statewide placement criteria to
16 address the best interest of the child in need of services. The
17 placement criteria shall include a continuum of care settings and
18 options as appropriate for each child and his or her needs at
19 specific times, including home placements, relative placements,
20 shelter placements, and other options.

21 Sec. 544. The department shall continue pilot projects with
22 applications pending for accelerated residential treatment.

23 Sec. 546. (1) From the money appropriated in part 1 for foster
24 care payments and for child care fund, the department shall pay
25 providers of these services a \$27.00 administrative rate.

26 (2) The administrative rate provided in subsection (1) shall
27 be used to support the same array of administrative services

1 provided in fiscal year 2006-2007.

2 (3) The department shall reimburse providers of foster care
3 service for therapy and counseling services in addition to paying
4 the administrative rate provided in subsection (1).

5 Sec. 547. From the money appropriated in part 1 for foster
6 care payments and for child care fund, the department shall pay a
7 private provider of independent living services a daily rate equal
8 to the daily rate the provider received in the fiscal year ending
9 September 30, 2008 plus a 4% increase to that daily rate.

10 Sec. 548. During the annual budget presentation to the house
11 and senate appropriations subcommittees on the department budget,
12 the department shall report on progress in implementing the
13 recommendations of the task force that studied the disproportionate
14 representation of African-American and other children of color in
15 the child welfare and juvenile justice systems as required under
16 former section 548 of the fiscal year 2005-2006 budget act for the
17 department.

18 Sec. 549. The department shall meet with personnel employed by
19 the office of the children's ombudsman and the state court
20 administrative office's foster care review board to investigate
21 streamlining the oversight process for child welfare services and
22 to ensure appropriate and adequate oversight while reducing
23 duplication and redundancy between government offices.

24 Sec. 556. The department shall submit a report to the
25 chairpersons of the senate and house of representatives
26 appropriations committees and the senate and house fiscal agencies
27 and policy offices that includes all of the following:

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

5 (b) The number of requests received by the department from
6 adoptive parents for funds or reimbursement of costs to attend
7 conferences that include training or discussion of significant
8 adoption issues.

9 (c) The number of the requests described in subdivision (b)
10 that were approved by the department.

11 (d) The number of the requests described in subdivision (b)
12 that were denied by the department.

13 (e) The total amount of money expended on the requests
14 described in subdivision (b) that were approved.

15 (f) The number of fair hearing requests from adoptive parents
16 received by the department challenging the amount of the adoption
17 subsidy.

18 (g) The number of challenges described in subdivision (f)
19 alleging that a means test or similar test was used to determine
20 the amount of the adoption subsidy.

21 (h) The number of challenges described in subdivision (f)
22 alleging that an adoption subsidy amount was reduced without the
23 consent of the adoptive parent.

24 (i) The number of challenges described in subdivision (f)
25 alleging that a request for an increase in an adoption subsidy
26 amount was denied based on a means test or similar test.

27 (j) The number of adoption subsidy payments suspended when the

1 child is still in the custody of the adoptive parent, but no longer
2 in the physical care of that adoptive parent.

3 Sec. 559. If a conflict arises between the provisions of state
4 law, department rules, or department policy, and the provisions of
5 title IV-E, the provisions of title IV-E prevail.

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

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

15 Sec. 563. From the funds appropriated in part 1 for foster
16 care payments and related administrative costs, the department may
17 implement the federally approved title IV-E demonstration project
18 waiver.

19 Sec. 565. (1) From the funds appropriated in part 1 for
20 federally-funded family preservation programs, the department shall
21 allocate \$2,000,000.00 to Wayne County to provide home-based
22 programs as part of the county expansion of community-based
23 services to serve the county's adjudicated delinquent and abused
24 and neglected youth.

25 (2) One-half of the total amount allocated to Wayne County
26 shall be used to serve adjudicated delinquent youth, and 1/2 shall
27 be used to serve abused and neglected youth.

1 (3) Federal revenues shall be paid to Wayne County as
2 reimbursement for actual costs incurred, consistent with
3 established federal requirements.

4 (4) As a condition of receipt of federal funds pursuant to
5 subsection (1), Wayne County shall provide the department with a
6 plan for the use of allocated funds in a format to be specified by
7 the department. The county shall also provide the department with
8 all information required to demonstrate the appropriateness and
9 allowability of expenditures and to meet federal financial and
10 programmatic reporting requirements.

11 Sec. 567. (1) The department, in conjunction with child caring
12 agencies and the chairpersons of the house and senate
13 appropriations subcommittees on the department budget, shall review
14 all policies, practices, and definitions for residential treatment
15 security levels. The department shall give special consideration to
16 how the levels affect the eligibility for title IV-E funding of
17 residential facilities for both child welfare, abuse and neglect,
18 and juvenile justice youth and whether the policies, practices, and
19 definitions are consistent with federal title IV-E regulations,
20 with the goal of maximizing the amount of federal money available
21 to this state.

22 (2) The department shall work to implement some of the program
23 changes necessary to increase title IV-E reimbursement as
24 identified through research completed in fiscal year 2007-2008 as
25 mandated in section 567(2) of 2007 PA 131.

26 Sec. 568. From the money appropriated in part 1 for child
27 welfare improvements, the department may allow the private sector

1 to compete for the money to achieve permanency placement for
2 children in foster care and prioritize funding for children in
3 foster care who have barriers to permanency placement.

4 Sec. 570. (1) From the money appropriated in part 1 for the
5 subsidized guardianship program, the department shall make money
6 available to children who are receiving services from the
7 department at the time a guardian is appointed for the child, if
8 the court appointing the guardian considers it necessary to
9 continue those services for the success of the guardianship.

10 (2) The department may provide money to eligible children in
11 the subsidized guardianship program on an as-needed basis or in the
12 form of a 1-time payment to promote permanency for children.

13 (3) The department shall report during the annual budget
14 presentation to the senate and house appropriations subcommittees
15 on the department budget the number of guardianship subsidies and
16 recommendations for any modifications in the subsidized
17 guardianship program.

18 Sec. 571. The department shall maintain a title IV-E
19 compliance and accountability office with the following goals and
20 responsibilities:

21 (a) Study efforts in other states to determine best practices
22 for title IV-E-related activities and measures to maximize the
23 receipt of federal money for eligible cases.

24 (b) Coordinate compliance with federal regulations in order to
25 receive title IV-E money.

26 (c) Provide necessary technical assistance to local units of
27 government, including courts, to ensure proper handling of cases

1 and paperwork in preparation for federal audits and reviews.

2 (d) Coordinate a program to provide private persons, groups,
3 and corporations with incentives to make tax-deductible
4 contributions intended to assist foster care families to overcome
5 barriers to becoming licensed and eligible to receive title IV-E
6 money.

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

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

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

27 (2) From the money appropriated for foster care payments,

1 \$375,000.00 is allocated to support family incentive grants to
2 private and community-based foster care service providers to assist
3 with home improvements needed by foster families to accommodate
4 foster children.

5 Sec. 575. (1) Of the money provided for the training of human
6 services workers, particularly caseworkers, the department shall
7 use appropriated money to begin cultural sensitivity training and
8 awareness with the goal of effectively reducing the number of
9 minority children inappropriately removed from their homes for
10 neglect and placed in the foster care system when more appropriate
11 action would include the provision of support services to the
12 family.

13 (2) As part of the quarterly reports required by section 582,
14 the department shall provide a report to the house and senate
15 appropriations subcommittees with jurisdiction over the department
16 budget, the house and senate fiscal agencies, and the house and
17 senate policy offices on the specific cultural sensitivity training
18 and awareness efforts, family preservation and reunification
19 efforts.

20 Sec. 577. From the money appropriated in part 1, the
21 department shall allow a community collaborative to use strong
22 families safe children program funds for a prevention program that
23 meets standards agreed upon between the community collaborative and
24 county department offices in accordance with federal regulations
25 regarding expenditure of strong families safe children program
26 funds.

27 Sec. 580. The department and the department of community

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

10 Sec. 582. On the last working day of January, April, July, and
11 November, for the preceding fiscal quarter, the department shall
12 submit a comprehensive child welfare improvement report, compiling
13 material required by each section of this act related to child
14 welfare. This report will be provided to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house standing committees on human services, the senate and
17 house fiscal agencies, the senate and house policy offices, and the
18 state budget director and will provide an overview of the status of
19 all initiatives the department is required to carry out by this
20 appropriation act and the impact of those initiatives on meeting
21 the benchmarks established in the federal child and family service
22 review process. The report may include information about other
23 initiatives of the department and its service delivery partners
24 which support improvements in safety, permanency, and well-being
25 for the children and families served by Michigan's child welfare
26 system.

27 Sec. 584. From the money appropriated in part 1 for foster

1 care payments, the department shall provide \$100.00 for a 4.0% rate
2 increase for specialized services provided in residential foster
3 facilities.

4 **PUBLIC ASSISTANCE**

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

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

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

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

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

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

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

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

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

25 (b) A person with a physical or mental impairment which meets
26 federal supplemental security income disability standards, except
27 that the minimum duration of the disability shall be 90 days.

1 Substance abuse alone is not defined as a basis for eligibility.

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

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

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

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

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

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

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

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

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

1 the person may receive state disability assistance. Such a person
2 must actively participate in a substance abuse treatment program,
3 and the assistance must be paid to a third party or through vendor
4 payments. For purposes of this section, substance abuse treatment
5 includes receipt of inpatient or outpatient services or
6 participation in alcoholics anonymous or a similar program.

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

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

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

24 Sec. 607. The department's ability to satisfy appropriation
25 deductions in part 1 for state disability assistance/supplemental
26 security income recoveries and public assistance recoupment
27 revenues shall not be limited to recoveries and accruals pertaining

1 to state disability assistance, or family independence assistance
2 grant payments provided only in the current fiscal year, but shall
3 include all related net recoveries received during the current
4 fiscal year.

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

17 Sec. 609. The state supplementation level under the
18 supplemental security income program for the personal care/adult
19 foster care and home for the aged categories shall not be reduced
20 during the fiscal year beginning October 1, 2008 and ending
21 September 30, 2009. The legislature shall be notified not less than
22 30 days before any proposed reduction in the state supplementation
23 level.

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

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

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

9 Sec. 613. (1) From the money appropriated in part 1 for
10 indigent burial, the maximum allowable reimbursement limit for
11 indigent burials shall be \$909.00, which shall be distributed as
12 follows: \$579.00 for funeral directors, \$192.00 for cemeteries or
13 crematoriums, and \$138.00 for the provider of the vault.

14 (2) The department shall continue to work with funeral
15 directors to establish a regional or statewide pilot program that
16 allows flexibility in payments from the family of the deceased and
17 other resources to provide options for different funeral
18 arrangements and payment. The department may deviate from the
19 payment limits established in subsection (1) and section 611 in
20 making payments under the pilot program. The department shall
21 forward a copy of the pilot program plan to the senate and house of
22 representatives appropriations subcommittees with jurisdiction over
23 the department budget not less than 30 days before it is
24 implemented.

25 Sec. 614. The funds available in part 1 for burial services
26 shall be available if the deceased was an eligible recipient and an
27 application for emergency relief funds was made within 10 days of

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

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

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

15 Sec. 618. The department may only reduce, terminate, or
16 suspend assistance provided under the social welfare act, 1939 PA
17 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of
18 the following situations:

19 (a) The only eligible recipient has died.

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

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

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

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

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

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

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

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

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

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

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

14 Sec. 619. The department shall exempt from the denial of title
15 IV-A assistance and food assistance benefits, contained in 21 USC
16 862a, any individual who has been convicted of a felony that
17 included the possession, use, or distribution of a controlled
18 substance, after August 22, 1996, provided that the individual is
19 not in violation of his or her probation or parole requirements.
20 Benefits shall be provided to such individuals as follows:

21 (a) A third-party payee or vendor shall be required for any
22 cash benefits provided.

23 (b) An authorized representative shall be required for food
24 assistance receipt.

25 Sec. 620. The department with the approval of the state budget
26 director is authorized to increase federal spending authority for
27 food assistance program benefits if projected caseload spending

1 will exceed the spending authority in part 1. This authorization
2 adjustment shall be made 15 days after notifying the chairs of the
3 house and senate appropriations subcommittees on the department
4 budget and house and senate fiscal agencies.

5 Sec. 621. Funds appropriated in part 1 may be used to support
6 multicultural assimilation and support services. The department
7 shall distribute all of the funds described in this section based
8 on assessed community needs.

9 Sec. 627. From the funds appropriated in part 1 for the ECIC,
10 the department shall contract for the creation and support of
11 great start communities. Great start collaborative grants will be
12 awarded by competitive bid process to eligible intermediate
13 districts in an amount to be determined by the ECIC. The ECIC shall
14 provide technical assistance to great start communities through
15 intermediate school districts or other community agencies for the
16 implementation of their great start community needs assessment and
17 strategic plan.

18 Sec. 631. The department shall maintain policies and
19 procedures to achieve all of the following:

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

23 (b) Referral of persons so identified to counseling and
24 supportive services.

25 (c) In accordance with a determination of good cause, the
26 waiving of certain requirements of family independence programs
27 where compliance with those requirements would make it more

1 difficult for the individual to escape domestic violence or would
2 unfairly penalize individuals who have been victims of domestic
3 violence or who are at risk of further domestic violence.

4 Sec. 635. Within 24 hours of receiving all information
5 necessary to process an application for payments for child day
6 care, the department shall determine whether the child day care
7 provider to whom the payments, if approved, would be made, is
8 listed on the child abuse and neglect central registry. If the
9 provider is listed on the central registry, the department shall
10 immediately send written notice denying the applicant's request for
11 child day care payments.

12 Sec. 640. (1) From the funds appropriated in part 1 for day
13 care services, the department may continue to provide infant and
14 toddler incentive payments to child day care providers serving
15 children from 0 to 2-1/2 years of age who meet licensing or
16 training requirements.

17 (2) The use of the funds under this section should not be
18 considered an ongoing commitment of funding.

19 Sec. 643. As a condition of receipt of federal TANF funds,
20 homeless shelters and human services agencies shall collaborate
21 with the department to obtain necessary TANF eligibility
22 information on families as soon as possible after admitting a
23 family to the homeless shelter. From the funds appropriated in part
24 1 for homeless programs, the department is authorized to make
25 allocations of TANF funds only to the agencies that report
26 necessary data to the department for the purpose of meeting TANF
27 eligibility reporting requirements. Homeless shelters or human

1 services agencies that do not report necessary data to the
2 department for the purpose of meeting TANF eligibility reporting
3 requirements will not receive reimbursements which exceed the per
4 diem amount they received in fiscal year 2000. The use of TANF
5 funds under this section should not be considered an ongoing
6 commitment of funding.

7 Sec. 645. An individual or family is considered homeless, for
8 purposes of eligibility for state emergency relief, if living
9 temporarily with others in order to escape domestic violence. For
10 purposes of this section, domestic violence is defined and verified
11 in the same manner as in the department's policies on good cause
12 for not cooperating with child support and paternity requirements.

13 Sec. 653. From the funds appropriated in part 1 for food
14 assistance, an individual who is the victim of domestic violence
15 and does not qualify for any other exemption may be exempt from the
16 3-month in 36-month limit on receiving food assistance under 7 USC
17 2015. This exemption can be extended an additional 3 months upon
18 demonstration of continuing need.

19 Sec. 657. (1) The department shall fund a statewide before- or
20 after-school program to provide youth with a safe, engaging
21 environment to motivate and inspire learning outside the
22 traditional classroom setting. Before- or after-school program
23 eligibility is limited to geographic areas near school buildings
24 that do not meet federal no child left behind annual yearly
25 progress (AYP) requirements and that include the before- or after-
26 school programs in the AYP plans as a means to improve outcomes.
27 Before-school programs are limited to elementary school-aged

1 children. Effective before- or after-school programs combine
2 academic, enrichment, and recreation activities to guide learning
3 and inspire children and youth in various activities. The before-
4 or after-school programs can meet the needs of the communities
5 served by the programs.

6 (2) The department shall work in collaboration with
7 independent contractors to put into practice a program establishing
8 quality before- or after-school programs for children in
9 kindergarten to ninth grades. In order for an independent
10 contractor to receive TANF funds, a child served must be a member
11 of a family with an income that does not exceed 200% of the federal
12 poverty guidelines published by the United States department of
13 health and human services.

14 (3) The department shall, through a competitive bid process,
15 provide grants or contracts up to \$5,000,000.00 in TANF funds for
16 the program based on community needs. A county shall receive no
17 more than 20% of the funds appropriated in part 1 for this program.
18 From the funds appropriated in part 1 for before- or after-school
19 programs within day care services, the department is authorized to
20 make allocations of funds only to the agencies that report
21 necessary data to the department for the purpose of meeting TANF
22 and maintenance of effort eligibility reporting requirements. The
23 use of funds under this section should not be considered an ongoing
24 commitment of funding.

25 (4) The before- or after-school programs shall include
26 academic assistance, including assistance with reading and writing,
27 and at least 3 of the following topics:

1 (a) Abstinence-based pregnancy prevention.

2 (b) Chemical abuse and dependency including nonmedical
3 services.

4 (c) Gang violence prevention.

5 (d) Preparation toward future self-sufficiency.

6 (e) Leadership development.

7 (f) Case management or mentoring.

8 (g) Parental involvement.

9 (h) Anger management.

10 (5) The department may enter into grants or contracts with
11 independent contractors including, but not limited to, faith-based
12 organizations, boys or girls clubs, schools, or nonprofit
13 organizations. The department shall grant priority in funding
14 independent contractors who secure at least 25% in matching funds.
15 The matching funds may either be fulfilled through local, state, or
16 federal funds, and/or through in-kind or other donations.

17 (6) A referral to a program may be made by, but is not limited
18 to, any of the following: a teacher, counselor, parent, police
19 officer, judge, or social worker.

20 Sec. 658. From the funds appropriated in part 1 for day care
21 services, \$126,500.00 in TANF funds shall be allocated to Grand
22 Rapids youth commonwealth to support after-school and summer
23 programs at camp O'Malley. As a condition for receiving funds,
24 Grand Rapids youth commonwealth shall comply with all policies and
25 reporting requirements placed on recipients of before- and after-
26 school grants awarded under section 657.

27 Sec. 659. The department may provide staff support to the Kent

1 school services network to assist in addressing the multiple needs
2 of children and families at community schools. The department may
3 also participate in the expansion of this program in Kent County as
4 well as other areas of the state that may use the Kent school
5 services network program as a model.

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

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

21 Sec. 666. The department shall continue efforts to increase
22 the participation of eligible family independence program
23 recipients in the federal earned income tax credit.

24 Sec. 668. (1) In coordination with the Michigan alliance of
25 boys and girls clubs, the department shall expend \$250,000.00 to
26 make allocations for a statewide collaborative project to develop a
27 community-based program available to children ages 6 to 15.

1 (2) The department shall make allocations of TANF funds under
2 this section only to agencies that report necessary data to the
3 department for the purpose of meeting the TANF eligibility
4 reporting requirements. The use of TANF funds under this section
5 should not be considered an ongoing commitment.

6 (3) The department shall grant priority in funding to programs
7 that provide at least 10% in matching funds. The matching funds
8 requirement shall be fulfilled through any combination of local,
9 state, or federal funds or in-kind or other donations. A program
10 that cannot meet the matching requirement shall not be excluded
11 from applying for a contract.

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

14 (2) The department shall allocate up to \$9,250,300.00 for the
15 annual clothing allowance. The allowance shall be granted to all
16 eligible children as defined by the department.

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

21 Sec. 673. The department shall immediately send notification
22 to a client participating in the state child day care program and
23 his or her child day care provider if the client's eligibility is
24 reduced or eliminated.

25 Sec. 674. The department shall develop and implement a plan to
26 reduce waste, fraud, and abuse within the child day care program.
27 Beginning December 31, 2008, the department shall report annually

1 to the senate and house appropriations subcommittees for the
2 department budget, the senate and house fiscal agencies and policy
3 offices, and the state budget director on plan details and
4 implementation status.

5 Sec. 675. The department shall continue to explore policy
6 options and the potential costs of implementing a child day care
7 rate structure that more accurately reflects the market cost of
8 care by vicinity.

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

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

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

1 Sec. 677. The department shall establish a state goal for the
2 percentage of family independence program (FIP) cases involved in
3 employment activities. The percentage established shall not be less
4 than 50%. On a monthly basis, the department shall report to the
5 senate and house appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies and policy offices,
7 and the state budget director on the current percentage of FIP
8 cases involved in employment activities and the current percentage
9 of JET pilot program cases involved in employment activities. If
10 the FIP case percentage is below the goal for more than 2
11 consecutive quarters, the department shall develop a plan to
12 increase the percentage of FIP cases involved in employment-related
13 activities. The department shall deliver the plan during the next
14 annual budget presentation to the senate and house appropriations
15 subcommittees on the department budget.

16 Sec. 678. (1) The department shall provide the house and
17 senate appropriations subcommittees on the department budget with
18 an annual report on the activities of the early childhood
19 investment corporation (ECIC). The report is due by February 1 of
20 each year and shall contain at least the following information:

- 21 (a) Detail of the amounts of grants awarded.
22 (b) The grant recipients.
23 (c) The activities funded by each grant.
24 (d) An analysis of each grant recipient's success in
25 addressing the development of a comprehensive system of early
26 childhood services and supports.

27 (2) All contracts for comprehensive systems planning shall be

1 bid out through a statewide request-for-proposal process, and the
2 department shall send a report to the house and senate
3 appropriations subcommittees on the department budget covering the
4 selection criteria for establishing contracts on the day of
5 issuance of any request for proposals.

6 Sec. 679. (1) From the funds appropriated in part 1, the
7 department shall devote \$5,000,000.00 for a contract with a private
8 entity to implement and maintain an automated provider management
9 and payment system for the child day care program. The contract
10 shall include the following specifications:

11 (a) The contractor shall implement a system to ensure that
12 proper payments are made to child day care providers and
13 appropriate hours per child are submitted for reimbursement.

14 (b) The contractor shall implement a system for tracking
15 compliance and shall report back to the department on compliance.
16 The department shall use this information to appropriately sanction
17 for improper requests for payment.

18 (c) Payment or reimbursement shall be provided within 3
19 business days of receipt of information for payment.

20 (d) Upon implementation of the system, if the contractor
21 identifies fraud, error, waste, or abuse that has resulted in
22 overpayments, the contractor is eligible to retain a portion of the
23 total savings achieved by the department, not to exceed 25% of the
24 overpayment amount.

25 (e) The contractor shall provide the department with requested
26 information required for federal reporting.

27 (2) The department shall continue to determine recipient

1 eligibility for the child day care program and shall continue to
2 determine the amount of benefit to be provided to eligible
3 recipients and providers.

4 (3) The department shall work with the department of
5 management and budget to implement a bid process to identify a
6 contractor who can provide the services described in subsection
7 (1). If the department is unable to identify a contractor who can
8 implement system changes that would reduce expenditure in the child
9 day care program by \$15,000,000.00 within 24 months of program
10 implementation, the department shall not award a contract.

11 Sec. 682. The department shall notify the house and senate
12 appropriations subcommittees on the department budget, the house
13 and senate fiscal agencies, and the house and senate policy staffs
14 regarding the JET program savings for the fiscal year ending
15 September 30, 2008 and the details on the proposed use of that
16 money.

17 Sec. 683. (1) From the funds appropriated in part 1 for SSI
18 advocacy, \$1,275,000.00 shall be paid to the Michigan state bar
19 foundation for SSI advocacy services provided by the legal services
20 association of Michigan. A payment of \$400.00 shall be made for
21 each case referred to the legal services association of Michigan,
22 with a final payment of \$250.00 on case completion.

23 (2) The department shall not provide payment to the legal
24 services association of Michigan for assisting a recipient to
25 submit a frivolous appeal or application or for assisting a
26 recipient who has submitted multiple applications that have been
27 denied regarding the same disability, unless the legal services

1 association of Michigan determines that there is a valid reason to
2 pursue an appeal.

3 Sec. 684. The department shall provide a report by November 1,
4 2008 to the senate and house appropriations subcommittees on the
5 department budget, the senate and house fiscal agencies, and the
6 senate and house policy offices detailing the following:

7 (a) The maximum number of hours of care, over a 2-week period,
8 provided by a child care provider eligible for department
9 reimbursement for each month of fiscal year 2007-2008.

10 (b) The current department policy regarding the maximum number
11 of hours of care eligible for reimbursement over a 2-week period
12 through the child care program.

13 Sec. 685. (1) Not later than March 1, 2009, the department
14 shall report to the senate and house appropriations subcommittees
15 with jurisdiction over the department budget, and to the senate and
16 house appropriations subcommittees with jurisdiction over the
17 department of community health budget, on the number of recipients
18 that applied for Medicaid coverage, the number of recipients that
19 were approved for Medicaid coverage, and the number of recipients
20 that were denied Medicaid coverage. The report shall describe these
21 statistics for the fiscal year ending September 30, 2009 and
22 summarize department programs to assist persons in applying for
23 Medicaid.

24 (2) Not later than March 1, 2009, the department shall report
25 to the senate and house appropriations subcommittees with
26 jurisdiction over the department budget, and to the senate and
27 house subcommittees with jurisdiction over the department of

1 community health budget, on the number of applicants for home help
2 services. The department shall give a summary report on the number
3 of approved applications, denied applications, pending
4 applications, and the number of applications in which the applicant
5 was eligible for nursing home services.

6 Sec. 689. From the money appropriated in part 1 for day care
7 services, \$4,900,000.00 shall be expended to provide an increase in
8 the maximum state reimbursement rates paid to child care centers,
9 child care group homes, and child care family homes that are
10 licensed or registered with the department.

11 Sec. 693. (1) From the money appropriated in part 1 for the
12 family independence program, \$50.00 shall be provided to each
13 program recipient who verifies employment activity, as defined by
14 federal regulations, for a period of 3 successive calendar months.
15 A recipient is eligible to receive this benefit amount up to 4
16 times per year. A recipient is not eligible to receive this benefit
17 if he or she receives a sanction from the department.

18 (2) A recipient who is eligible for the benefit in subsection
19 (1) may also elect to receive an additional \$25.00 to be placed in
20 an individual development account on his or her behalf by the
21 department.

22 **JUVENILE JUSTICE SERVICES**

23 Sec. 702. Expansion of facilities funded under part 1 for
24 juvenile justice services shall not be authorized by the joint
25 capital outlay subcommittee of the appropriations committees until
26 the department has held a public hearing in the community where the

1 facility proposed to be expanded is located.

2 Sec. 705. (1) The department, in conjunction with private
3 juvenile justice residential programs, shall develop a methodology
4 for measuring goals, objectives, and performance standards for the
5 delivery of juvenile justice residential programs based on national
6 standards and best practices. These goals, objectives, and
7 performance standards shall apply to both public and private
8 delivery of juvenile justice residential programs, and data shall
9 be collected from both private and public juvenile justice
10 residential programs that can be used to evaluate performance
11 achievements, including, but not limited to, the following:

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

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

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

18 (d) Trends in census and population demographics.

19 (e) Staff and resident safety.

20 (f) Facility profile.

21 (g) Fiscal information necessary for qualitative understanding
22 of program operations and comparative costs of public and private
23 facilities.

24 (2) The department during the annual budget presentation shall
25 outline the progress of the development of the goals, objectives,
26 and performance standards, as well as the information collected
27 through the implementation of the performance measurement program.

1 The presentation shall include all of the following:

2 (a) Actual cost and actual days of care by facility for the
3 most recently completed fiscal year.

4 (b) Actual cost per day per youth by facility for the most
5 recently completed fiscal year.

6 (c) An analysis of the variance between the estimated cost and
7 days of care assumed in the original appropriation and the figures
8 in subdivisions (a) and (b).

9 (d) Both the number of authorized FTE positions for each
10 facility and the number of actual on-board FTE positions for the
11 most recently completed fiscal year.

12 Sec. 706. Counties shall be subject to 50% charge-back for the
13 use of alternative regional detention services, if those detention
14 services do not fall under the basic provision of section 117e of
15 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
16 operates those detention services programs primarily with
17 professional rather than volunteer staff.

18 Sec. 707. In order to be reimbursed for child care fund
19 expenditures, counties are required to submit department-developed
20 reports to enable the department to document potential federally
21 claimable expenditures. This requirement is in accordance with the
22 reporting requirements specified in section 117a(7) of the social
23 welfare act, 1939 PA 280, MCL 400.117a.

24 Sec. 708. As a condition of receiving money appropriated in
25 part 1 for the child care fund line item, by February 15, 2009,
26 counties shall have an approved service spending plan for the
27 fiscal year ending September 30, 2009. Counties must submit the

1 service spending plan to the department by December 15, 2008 for
2 approval.

3 Sec. 714. (1) The department shall provide technical
4 assistance for counties to develop information networks including,
5 but not limited to, serious habitual offenders comprehensive action
6 program (SHOCAP), juvenile justice on-line technology (JJOLT), and
7 juvenile violent reporting system (JVRS).

8 (2) The department shall assist counties in identifying
9 funding sources for the networks, including, but not limited to,
10 the child care fund and the juvenile accountability incentive block
11 grant.

12 (3) The local units of government shall report to the
13 department on expenditures of their juvenile justice information
14 networks in concert with their requests for reimbursement from the
15 child care fund.

16 Sec. 719. The department shall notify the legislature at least
17 30 days before closing or making any change in the status,
18 including the licensed bed capacity and operating bed capacity, of
19 a state juvenile justice facility.

20 Sec. 720. (1) The goal of high security juvenile services
21 funded in part 1 shall be to protect the general public from
22 dangerous juvenile offenders while providing rehabilitation
23 services to those offenders to safely prepare them for entry into
24 society.

25 (2) The department shall take into consideration the
26 recommendations on a methodology for measuring goals, objectives,
27 and performance standards developed in conjunction with private

1 providers of juvenile justice residential programs required in
2 section 705 of 2004 PA 344.

3 (3) The department shall allocate money to public and private
4 providers of high security juvenile services based on their ability
5 to demonstrate results in all of the following:

6 (a) Lower recidivism rates.

7 (b) Higher school completion rates or GED completion rates.

8 (c) Shorter average stays in a residential facility.

9 (d) Lower average actual cost per resident.

10 (e) Availability of appropriate services to residents.

11 (4) The department shall comply with section 115o of the
12 social welfare act, 1939 PA 280, MCL 400.115o, regarding placement
13 of juvenile offenders and shall refer to that statutory requirement
14 in making referral recommendations to courts for secure residential
15 programs.

16 (5) The department shall require, if possible and practical,
17 that aftercare services for a juvenile offender be provided by the
18 same organization or provider that provided residential care for
19 the juvenile.

20 Sec. 721. (1) The goal of medium or low security juvenile
21 services shall be effective treatment of juvenile offenders to
22 safely prepare them for entry into society.

23 (2) The department shall allocate money to public and private
24 providers of medium security juvenile services or to private
25 providers of low security juvenile services based on their ability
26 to demonstrate results in all of the following:

27 (a) Reduced rates of recidivism.

1 (b) Higher rates of high school or GED completion.

2 (c) Shorter average stays in a residential facility.

3 (d) Availability of appropriate services to residents.

4 (e) Lower average actual cost per resident.

5 (3) The department shall comply with section 1150 of the
6 social welfare act, 1939 PA 280, MCL 400.1150, regarding the
7 placement of juvenile offenders, and shall refer to that statutory
8 requirement in making referral recommendations to courts for
9 residential treatment programs.

10 (4) The department shall require, if possible and practical,
11 that aftercare services for a juvenile offender be provided by the
12 same program or provider that provided treatment for the juvenile
13 in residential care.

14 (5) The department shall provide for the transfer of medium
15 security services equivalent to 80 beds at the W.J. Maxey boys
16 training school, and shall provide for the placement of juvenile
17 offenders who need those services in community-based or privately
18 operated facilities. The transfer and placements shall be completed
19 by May 1, 2009 if community-based or privately operated facilities
20 have capacity for the new placements by that date.

21 Sec. 722. (1) The goal of juvenile justice day programs shall
22 be the effective treatment and rehabilitation of juvenile offenders
23 in appropriate community settings.

24 (2) The department shall allocate money to private providers
25 of juvenile justice day programs based on their ability to
26 demonstrate results in all of the following:

27 (a) Reduced rates of recidivism.

1 (b) Higher rates of high school or GED completion.

2 (c) Availability of appropriate services to offenders.

3 (d) Lower average actual cost per resident.

4 (e) Shorter average stays in a residential facility.

5 (3) The department shall reimburse community juvenile justice
6 providers at a daily rate of \$80.00 per day per juvenile resident.

7 Sec. 723. A private provider of juvenile services may receive
8 funding for services of different security levels if the provider
9 has appropriate services for each security level and adequate
10 measures to physically separate residents of each security level.

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

25 (2) A provider shall not receive a daily rate below \$130.00.

26 Sec. 728. It is the intent of the legislature that the
27 department and the department of corrections examine the potential

1 of entering into an intergovernmental agreement to place 140
2 children in the west wing of the Woodland center and in the
3 Sequoyah center on the campus of the W.J. Maxey training school.
4 The facilities shall be used to house children currently committed
5 to the department of corrections.

6 Sec. 730. The department shall review and may adjust daily per
7 diem rates to private providers of juvenile justice services in
8 recognition of added complex services.

9 **LOCAL OFFICE SERVICES**

10 Sec. 750. The department shall maintain out-stationed
11 eligibility specialists in community-based organizations and
12 hospitals.

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

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

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

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

23 (2) The department shall notify the senate and house
24 subcommittees on the department budget, the senate and house fiscal
25 agencies and policy offices, and the state budget office of family
26 resource center expansion efforts and shall provide all of the

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1 following at the beginning of the selection process or no later
2 than 5 days after eligible schools receive opportunity
3 notification:

4 (a) A list of eligible schools.

5 (b) The selection criteria to be used.

6 (c) The projected number to be opened.

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

<<Sec. 752. If sufficient funding becomes available from local
sources, the department shall support the operation of 2 additional
family resource centers in Genesee County and 1 additional family
resource center in Ingham County.>>

9 Sec. 753. The department shall implement the recommendations
10 of the 2004 public private partnership initiative's training
11 committee to define, design, and implement a train-the-trainer
12 program to certify private agency staff to deliver child welfare
13 staff training, explore the use of e-learning technologies, and
14 include consumers in the design and implementation of training. The
15 intent of the legislature is to reduce training and travel costs
16 for both the department and the private agencies. The department
17 shall report no later than December 1, 2008 on each specific policy
18 change made to implement enacted legislation and the plans to
19 implement the recommendations, including timelines, to the senate
20 and house appropriations subcommittees on the department budget,
21 the senate and house standing committees on human services matters,
22 the senate and house fiscal agencies and policy offices, and the
23 state budget director.

24 Sec. 754. The department shall allow private nationally
25 accredited foster care and adoption agencies to conduct their own
26 staff training, based on current department policies and
27 procedures, provided that the agency trainer and training materials

1 are accredited by the department, and that the agency documents to
2 the department that the training was provided. The department shall
3 provide access to any training materials requested by the private
4 agencies to facilitate this training.

5 **DISABILITY DETERMINATION SERVICES**

6 Sec. 801. The department disability determination services in
7 agreement with the department of management and budget office of
8 retirement systems will develop the medical information and make
9 recommendations for medical disability retirement for state
10 employees, state police, judges, and schoolteachers.

11 **CHILD SUPPORT ENFORCEMENT**

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

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

17 (3) From the federal money received for child support
18 incentive payments, \$14,500,000.00 shall be paid to the counties
19 based on each county's performance level for each of the federal
20 performance measures as established in the code of federal
21 regulations, CFR 45.305.2.

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

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

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

9 (7) From the state funds appropriated in part 1 for child
10 support enforcement, not less than \$9,570,000.00 shall be paid to
11 counties for use as the local/state match for federal title IV-D
12 services provided by the friend of the court and prosecuting
13 attorney. The money is to be used to offset the net effect of the
14 federal deficit reduction act that prohibits the use of federal
15 performance incentive funds paid to the state as local/state match
16 funds.

17 Sec. 902. (1) The department shall continue its work to fix
18 and improve the child support computer system using the funding
19 carried forward from fiscal year 2006-2007 appropriations.

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

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

1 section.

2 Sec. 903. The department may facilitate with the department of
3 community health a program under which the departments
4 independently or jointly contract with local friend of the court
5 offices to update and maintain the child support statewide database
6 with health insurance information in cases in which the court has
7 ordered a party to the case to maintain health insurance coverage
8 for the minor child or children involved in the case and to assist
9 in the recovery of money paid by the state for health care costs
10 that are otherwise recoverable from a party to the case. The
11 program shall be in addition to a program or programs under
12 existing contract between either or both of the departments with a
13 private entity on September 1, 2005. The program shall be entirely
14 funded with state and federal funds from money first recovered or
15 through costs that are avoided by charging the insurance coverage
16 for minor children from state programs to private insurance.

17 Sec. 904. The department is prohibited from charging back to
18 the counties any of the fees paid that are charged by the internal
19 revenue service or the department of treasury related to the tax
20 intercept and offset programs. The state share of those fees shall
21 be paid from money otherwise provided for office of child support
22 programs.

23 Sec. 905. Of the funds appropriated in part 1 for child
24 support collections, \$500,000.00 shall be allocated to counties for
25 the local match for friend of the court services legal support
26 contracts and to payments to county prosecutors for related legal
27 services.

1 Sec. 906. From the funds appropriated in part 1 for legal
2 support contracts, \$500,000.00 shall be allocated and paid pursuant
3 to section 18a of the social welfare act, 1939 PA 280, MCL 400.18a.

4 Sec. 907. The office of child support in cooperation with the
5 state court administrative office shall establish a pilot program
6 to examine the effectiveness of contracting with a public or
7 private collection agency as authorized under section 10 of the
8 office of child support act, 1971 PA 174, MCL 400.240.

9 Sec. 908. From the money appropriated in part 1 for child
10 support enforcement operations, \$500,000.00 shall be expended on a
11 contract aimed at collecting child support arrearages. Cases shall
12 be assigned to a contractor with the goal that at least 15% of
13 collected arrearages be owed to this state on behalf of current or
14 former TANF recipients. The contractor shall be allowed to retain
15 up to 15% of arrearages collected as a fee for services. By
16 September 30, 2009, the department shall report to the house and
17 senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, and the house and senate policy
19 offices on the following contract results:

20 (a) Number of cases assigned to the contractor.

21 (b) Number of cases in which the contractor successfully
22 collected on arrearages.

23 (c) Total arrearages collected.

24 (d) Total arrearages collected that were owed to this state as
25 reimbursement for public assistance.

26 (e) Total amount retained by the contractor.

27 Sec. 911. (1) The department shall implement a \$25.00 annual

1 fee pursuant to title IV-D, 42 USC 654(6)(B). The fee shall be
2 deducted from support collected on behalf of the individual. Fee
3 revenues shall be used to administer and operate the child support
4 program under title IV-D.

5 (2) The department shall provide the chairs of the senate and
6 house appropriations committees with model legislation authorizing
7 the fee referred to in subsection (1) by December 31, 2008.

8 OFFICE OF CHILDREN AND ADULT LICENSING

9 Sec. 1005. The department shall implement a performance-based
10 licensing model that will assure compliance with department policy
11 and statutory mandates. This model will prioritize licensing
12 activities based on risk to the vulnerable children and adults
13 residing in or receiving services from licensees.

14 Sec. 1007. The department shall furnish the clerk of the
15 house, the secretary of the senate, the senate and house fiscal
16 agencies and policy offices, the state budget office, and all
17 members of the house and senate appropriations committees with a
18 summary of any evaluation reports and subsequent approvals or
19 disapprovals of juvenile residential facilities operated by the
20 department, as required by section 6 of 1973 PA 116, MCL 722.116.
21 If no evaluations are conducted during the fiscal year, the
22 department shall notify the fiscal agencies and all members of the
23 appropriate subcommittees of the house and senate appropriations
24 committees.

25 COMMUNITY ACTION AND ECONOMIC OPPORTUNITY

1 Sec. 1101. Not later than September 30 of each year, the
2 department shall submit for public hearing to the chairpersons of
3 the house and senate appropriations subcommittees dealing with
4 appropriations for the department budget the proposed use and
5 distribution plan for community services block grant funds
6 appropriated in part 1 for the succeeding fiscal year.

7 Sec. 1102. The department shall develop a plan based on
8 recommendations from the department of civil rights and from Native
9 American organizations to assure that the community services block
10 grant funds are equitably distributed. The plan must be developed
11 by October 31, 2008, and the plan shall be delivered to the
12 appropriations subcommittees on the department budget in the senate
13 and house, the senate and house fiscal agencies, and the state
14 budget director.

15 Sec. 1103. The appropriation in part 1 for the weatherization
16 program shall be expended so that at least 25% of the households
17 weatherized under the program shall be households of families
18 receiving 1 or more of the following:

19 (a) Family independence program assistance.

20 (b) State disability assistance.

21 (c) Food assistance.

22 (d) Supplemental security income.

23 Sec. 1104. (1) Of the funds appropriated in part 1 for
24 community services block grants, \$2,350,000.00 represents TANF
25 funding earmarked for community action agencies.

26 (2) In addition to the money referred to in subsection (1),
27 the department shall award up to \$500,000.00 in competitive grants

1 to organizations based on their education and outreach with the
2 earned income tax credit (EITC). Organizations shall be given
3 preference based on their emphasis on clients who have never filed
4 for the EITC, clients with children, and clients for whom receipt
5 of the EITC will make it easier for them to move off public
6 assistance.

7 (3) In addition to the money referred to in subsection (1),
8 the department shall award up to \$250,000.00 in competitive grants
9 to organizations that seek to provide programs combining education
10 on the EITC with programs building skills for strong marriages,
11 fatherhood, or parenting.
12