

# HOUSE BILL No. 5882

## EXECUTIVE BUDGET BILL

February 23, 2010, Introduced by Rep. Spade and referred to the Committee on Appropriations.

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, 2011; 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:

PART 1

LINE-ITEM APPROPRIATIONS

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

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1 amounts listed in this part are appropriated for the department of  
 2 human services for the fiscal year ending September 30, 2011, from  
 3 the funds indicated in this part. The following is a summary of the  
 4 appropriations in this part:

5 **DEPARTMENT OF HUMAN SERVICES**

6 APPROPRIATION SUMMARY

7	Full-time equated classified positions.....	11,761.5	
8	Unclassified positions .....	6.0	
9	Total full-time equated positions.....	11,767.5	
10	GROSS APPROPRIATION.....		\$ 7,004,335,700
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers .....		1,130,300
14	ADJUSTED GROSS APPROPRIATION.....		\$ 7,003,205,400
15	Federal revenues:		
16	Total federal revenues.....		5,134,298,100
17	Federal - FMAP stimulus.....		13,467,500
18	Federal - other ARRA revenues.....		785,712,400
19	Special revenue funds:		
20	Total local revenues.....		35,251,800
21	Total private revenues.....		9,491,500
22	Total other state restricted revenues.....		65,778,800
23	State general fund/general purpose.....		\$ 959,205,300
24	<b>Sec. 102. EXECUTIVE OPERATIONS</b>		
25	Full-time equated unclassified positions.....	6.0	
26	Full-time equated classified positions.....	625.7	
27	Unclassified salaries--6.0 FTE positions.....		\$ 647,900

1	Salaries and wages--274.7 FTE positions .....	17,670,800
2	Contractual services, supplies, and materials .....	10,148,500
3	Demonstration projects--9.0 FTE positions .....	8,892,100
4	Inspector general salaries and wages--99.0 FTE	
5	positions .....	6,044,000
6	Electronic benefit transfer EBT .....	13,009,000
7	Michigan community service commission--15.0 FTE	
8	positions .....	9,159,100
9	AFC, children's welfare and day care	
10	licensure--228.0 FTE positions .....	25,329,700
11	State office of administrative hearings and rules ....	<u>5,808,000</u>
12	GROSS APPROPRIATION .....	\$ 96,709,100
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues .....	63,116,000
16	Special revenue funds:	
17	Total local revenues .....	175,000
18	Total private revenues .....	3,211,100
19	Licensing fees .....	541,100
20	Health systems fees and collections .....	216,100
21	Total other state restricted revenues .....	25,000
22	State general fund/general purpose .....	\$ 29,424,800
23	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>	
24	Full-time equated classified positions..... 198.7	
25	Child support enforcement operations--192.7 FTE	
26	positions .....	\$ 23,345,100
27	Legal support contracts .....	138,753,600

1	Child support incentive payments.....	32,409,600
2	State disbursement unit--6.0 FTE positions.....	<u>17,554,400</u>
3	GROSS APPROPRIATION.....	\$ 212,062,700
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenues.....	195,519,800
7	Special revenue funds:	
8	Total local revenues.....	340,000
9	Total other state restricted revenues.....	3,395,000
10	State general fund/general purpose.....	\$ 12,807,900
11	<b>Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY</b>	
12	Full-time equated classified positions.....	20.0
13	Bureau of community action and economic	
14	opportunity--20.0 FTE positions.....	\$ 2,327,900
15	Community services block grant.....	25,650,000
16	Weatherization assistance.....	<u>27,400,000</u>
17	GROSS APPROPRIATION.....	\$ 55,377,900
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues.....	55,377,900
21	Special revenue funds:	
22	State general fund/general purpose.....	\$ 0
23	<b>Sec. 105. ADULT AND FAMILY SERVICES</b>	
24	Full-time equated classified positions.....	44.7
25	Executive direction and support--5.0 FTE positions ...	\$ 551,100
26	Guardian contract.....	600,000
27	Adult services policy and administration--6.0 FTE	

1	positions .....		663,300
2	Office of program policy--33.7 FTE positions .....		5,570,500
3	Employment and training support services .....		14,735,000
4	JET Plus.....		20,000,000
5	Wage employment verification reporting.....		848,700
6	Urban and rural empowerment/enterprise zones .....		100
7	Nutrition education.....		30,000,000
8	Crisis prevention and elder law of Michigan food for		
9	the elderly project .....		<u>100,000</u>
10	GROSS APPROPRIATION.....	\$	73,068,700
11	Appropriated from:		
12	Federal revenues:		
13	Total federal revenues.....		43,252,500
14	Federal - emergency TANF contingency fund revenues		
15	(ARRA) .....		20,000,000
16	Special revenue funds:		
17	Total private revenues.....		25,000
18	State general fund/general purpose.....	\$	9,791,200
19	<b>Sec. 106. CHILDREN'S SERVICES</b>		
20	Full-time equated classified positions..... 235.0		
21	Salaries and wages--93.2 FTE positions .....	\$	6,845,900
22	Contractual services, supplies, and materials .....		2,892,700
23	Foster care payments.....		174,581,800
24	Foster care - children with serious emotional		
25	disturbance waiver .....		1,769,000
26	Adoption subsidies.....		230,783,700
27	Adoption support services--7.2 FTE positions .....		19,825,600

1	Youth in transition--2.0 FTE positions .....	16,393,700
2	Interstate compact.....	231,600
3	Children's benefit fund donations.....	21,000
4	Families first.....	18,450,700
5	Strong families/safe children--3.0 FTE positions .....	16,580,600
6	Child protection and permanency--37.5 FTE positions ..	19,030,900
7	Zero to three.....	3,843,800
8	Family reunification program.....	3,977,100
9	Family preservation and prevention services	
10	administration--14.5 FTE positions.....	2,121,900
11	Children's trust fund administration--12.0 FTE	
12	positions .....	1,055,400
13	Children's trust fund grants.....	3,825,100
14	ECIC, early childhood investment corporation.....	14,623,000
15	Attorney general contract.....	3,559,000
16	Prosecuting attorney contracts.....	2,561,700
17	Child protection--5.0 FTE positions .....	838,300
18	Subsidized guardianship program.....	4,773,000
19	Domestic violence prevention and treatment--14.6 FTE	
20	positions .....	14,871,200
21	Rape prevention and services--0.5 FTE position.....	3,300,000
22	Title IV-E compliance and accountability office--5.0	
23	FTE positions .....	429,800
24	Child welfare institute--40.0 FTE positions.....	6,631,100
25	Transitional supportive housing (ARRA).....	2,000,000
26	Child advocacy centers--0.5 FTE position.....	1,000,000
27	GROSS APPROPRIATION.....	\$ 576,817,600

1	Appropriated from:	
2	Federal revenues:	
3	Federal - FMAP stimulus.....	12,602,800
4	Child care and development block grant (ARRA) .....	1,960,600
5	Federal - transitional supportive housing revenues	
6	(ARRA) .....	2,000,000
7	Total other federal revenues.....	358,823,500
8	Special revenue funds:	
9	Local funds - county chargeback.....	19,426,200
10	Private - children's benefit fund donations.....	21,000
11	Private - collections.....	2,300,000
12	Compulsive gambling prevention fund.....	1,040,000
13	Children's trust fund.....	3,824,100
14	Sexual assault victims' prevention and treatment	
15	fund .....	1,000,000
16	Child advocacy centers fund.....	1,000,000
17	State general fund/general purpose.....	\$ 172,819,400
18	<b>Sec. 107. JUVENILE JUSTICE SERVICES</b>	
19	Full-time equated classified positions.....	248.5
20	Secure juvenile services--204.0 FTE positions.....	\$ 25,304,500
21	Child care fund.....	226,947,700
22	Child care fund administration--5.8 FTE positions....	806,000
23	County juvenile officers.....	3,904,300
24	Community support services--2.0 FTE positions.....	1,400,700
25	Juvenile justice, administration and maintenance--31.7	
26	FTE positions .....	4,431,800
27	W.J. Maxey memorial fund.....	45,000

1	Juvenile accountability block grant--1.0 FTE position	1,306,600
2	Committee on juvenile justice administration--4.0	
3	FTE positions .....	547,600
4	Committee on juvenile justice grants .....	<u>5,000,000</u>
5	GROSS APPROPRIATION.....	\$ 269,694,200
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues.....	133,355,100
9	Special revenue funds:	
10	Local funds - state share education funds.....	1,526,200
11	Local funds - county chargeback.....	11,141,200
12	Total private revenues.....	45,000
13	State general fund/general purpose.....	\$ 123,626,700
14	<b>Sec. 108. LOCAL OFFICE STAFF AND OPERATIONS</b>	
15	Full-time equated classified positions..... 9,614.5	
16	Field staff, salaries and wages--9,416.5 FTE positions	\$ 491,250,500
17	Contractual services, supplies, and materials.....	17,039,100
18	Medical/psychiatric evaluations.....	6,831,900
19	Donated funds positions--156.0 FTE positions.....	12,862,900
20	Training and program support--23.0 FTE positions.....	3,297,900
21	Wayne County gifts and bequests.....	100,000
22	Volunteer services and reimbursement.....	1,036,100
23	Volunteer services and reimbursement (ARRA)--2.0 FTE	
24	positions .....	250,000
25	SSI advocates--17.0 FTE positions.....	<u>1,575,200</u>
26	GROSS APPROPRIATION.....	\$ 534,243,600
27	Appropriated from:	



1	Federal revenues:	
2	Federal - FMAP stimulus.....	537,300
3	Federal - faith-based grant revenues (ARRA) .....	250,000
4	Total other federal revenues.....	333,455,700
5	Special revenue funds:	
6	Local funds.....	2,643,200
7	Private funds - donated funds.....	859,700
8	Private funds - Wayne County gifts.....	100,000
9	Private funds - hospital contributions.....	2,929,700
10	Supplemental security income recoveries.....	728,200
11	State general fund/general purpose.....	\$ 192,739,800
12	<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>	
13	Full-time equated classified positions.....	747.4
14	Disability determination operations--721.9 FTE	
15	positions .....	\$ 107,738,500
16	Medical consultation program--21.4 FTE positions .....	3,038,900
17	Retirement disability determination--4.1 FTE positions	<u>836,800</u>
18	GROSS APPROPRIATION.....	\$ 111,614,200
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from DTMB - office of retirement systems .....	1,130,300
22	ADJUSTED GROSS APPROPRIATION.....	\$ 110,483,900
23	Appropriated from:	
24	Federal revenues:	
25	Total federal revenues.....	107,604,300
26	Special revenue funds:	
27	State general fund/general purpose.....	\$ 2,879,600

1	<b>Sec. 110. CENTRAL SUPPORT ACCOUNTS</b>	
2	Rent and facilities.....	\$ 45,469,600
3	Occupancy charge.....	8,260,500
4	Travel.....	6,487,100
5	Equipment.....	227,300
6	Worker's compensation.....	3,525,900
7	Advisory commissions.....	17,900
8	Payroll taxes and fringe benefits.....	<u>328,036,200</u>
9	GROSS APPROPRIATION.....	\$ 392,024,500
10	Appropriated from:	
11	Federal revenues:	
12	Federal - emergency TANF contingency fund revenues	
13	(ARRA) .....	4,068,400
14	Federal - FMAP stimulus.....	327,400
15	Total other federal revenues.....	247,027,800
16	Special revenue funds:	
17	State general fund/general purpose.....	\$ 140,600,900
18	<b>Sec. 111. PUBLIC ASSISTANCE</b>	
19	Full-time equated classified positions..... 27.0	
20	Family independence program.....	\$ 441,112,500
21	State disability assistance payments.....	37,311,800
22	Food assistance program benefits.....	3,026,343,500
23	Food assistance program benefits (ARRA) .....	566,785,600
24	State supplementation.....	59,263,800
25	State supplementation administration.....	2,601,000
26	Low-income home energy assistance program.....	116,451,600
27	Food bank funding.....	1,345,000

1	Homeless programs.....	11,646,700
2	Multicultural integration funding.....	1,815,500
3	Indigent burial.....	4,209,200
4	Emergency services local office allocations.....	21,615,500
5	Child development and care.....	223,018,300
6	Day care training, technology, and oversight--20.0	
7	FTE positions .....	2,590,900
8	Refugee assistance program--7.0 FTE positions.....	<u>24,258,200</u>
9	GROSS APPROPRIATION.....	\$ 4,540,369,100
10	Appropriated from:	
11	Federal revenues:	
12	Federal - emergency TANF contingency fund revenues	
13	(ARRA) .....	190,647,800
14	Federal supplemental nutrition assistance revenues	
15	(ARRA) .....	566,785,600
16	Total federal revenues.....	3,493,421,500
17	Special revenue funds:	
18	Child support collections.....	29,531,700
19	Supplemental security income recoveries.....	17,467,600
20	Public assistance recoupment revenue.....	7,010,000
21	State general fund/general purpose.....	\$ 235,504,900
22	<b>Sec. 112. INFORMATION TECHNOLOGY</b>	
23	Information technology services and projects.....	\$ 96,723,100
24	Child support automation.....	<u>45,631,000</u>
25	GROSS APPROPRIATION.....	\$ 142,354,100
26	Appropriated from:	
27	Federal revenues:	

1	Total federal revenues.....	103,344,000
2	Special revenue funds:	
3	State general fund/general purpose.....	\$ 39,010,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

7 Sec. 201. Pursuant to section 30 of article IX of the state  
8 constitution of 1963, total state spending from state resources  
9 under part 1 for fiscal year 2010-2011 is \$1,024,984,100.00 and  
10 state spending from state resources to be paid to local units of  
11 government for fiscal year 2010-2011 is \$111,792,500.00. The  
12 itemized statement below identifies appropriations from which  
13 spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

14	DEPARTMENT OF HUMAN SERVICES	
15	Child care fund.....	\$ 102,777,800
16	County juvenile officers.....	3,658,800
17	Legal support contracts.....	2,486,100
18	State disability assistance payments.....	2,286,600
19	Child support enforcement operations.....	<u>\$ 583,200</u>
20	TOTAL.....	\$ 111,792,500

21 Sec. 202. The appropriations authorized under this bill are  
22 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
23 to 18.1594.

24 Sec. 203. As used in this bill:

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

1 (b) "ARRA" means the American recovery and reinvestment act of  
2 2009, Public Law 111-5.

3 (c) "CFSSR" means child and family services review.

4 (d) "Children's rights settlement agreement" means the  
5 settlement agreement entered in the case of Dwayne B. vs. Granholm,  
6 docket no. 2:06-cv-13548 in the United States district court for  
7 the eastern district of Michigan.

8 (e) "Current fiscal year" means fiscal year ending September  
9 30, 2011.

10 (f) "Department" means the department of human services.

11 (g) "Director" means the director of the department of human  
12 services.

13 (h) "DTMB" means the department of technology, management, and  
14 budget.

15 (i) "ECIC" means early childhood investment corporation.

16 (j) "FMAP" means federal medical assistance percentage.

17 (k) "FTE" means full-time equated.

18 (l) "IDG" means interdepartmental grant.

19 (m) "JET" means jobs, education, and training program.

20 (n) "Previous fiscal year" means fiscal year ending September  
21 30, 2010.

22 (o) "RSDI" means retirement survivors disability insurance.

23 (p) "SSI" means supplemental security income.

24 (q) "Temporary assistance for needy families" or "TANF" or  
25 "title IV-A" means part A of title IV of the social security act,  
26 42 USC 601 to 604, 605 to 608, and 609 to 619.

27 (r) "Title IV-D" means part D of title IV of the social

1 security act, 42 USC 651 to 655 and 656 to 669b.

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

4 (t) "VA" means veterans affairs.

5 Sec. 204. The civil service commission shall bill the  
6 department and agencies at the end of the first fiscal quarter for  
7 the charges authorized by section 5 of article XI of the state  
8 constitution of 1963. Payments shall be made for the total amount  
9 of the billing by the end of the second fiscal quarter.

10 Sec. 208. The department receiving appropriations in part 1  
11 shall use the Internet to fulfill the reporting requirements of  
12 this bill. This requirement may include transmission of reports via  
13 electronic mail to the recipients identified for each reporting  
14 requirement, or it may include placement of reports on an Internet  
15 or Intranet site.

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

26 Sec. 210. The director shall take all reasonable steps to  
27 ensure businesses in deprived and depressed communities compete for

1 and perform contracts to provide services or supplies, or both.  
2 Each director shall strongly encourage firms with which the  
3 department contracts to subcontract with certified businesses in  
4 depressed and deprived communities for services, supplies, or both.

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

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

18       (2) The department's ability to satisfy appropriation fund  
19 sources in part 1 shall not be limited to collections and accruals  
20 pertaining to services provided in the current fiscal year, but  
21 shall also include reimbursements, refunds, adjustments, and  
22 settlements from prior years. The department shall submit a written  
23 report to the chairpersons of the senate and house appropriations  
24 subcommittees on the department budget that identifies all  
25 reimbursements, refunds, adjustments, and settlements from prior  
26 years to be used to satisfy appropriation fund sources.

27       Sec. 213. (1) The department may retain all of the state's

1 share of food assistance overissuance collections as an offset to  
2 general fund/general purpose costs. Retained collections shall be  
3 applied against federal funds deductions in all appropriation units  
4 where department costs related to the investigation and recoupment  
5 of food assistance overissuances are incurred. Retained collections  
6 in excess of such costs shall be applied against the federal funds  
7 deducted in the executive operations appropriation unit.

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

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

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

15 (c) An outline of the past year's monthly status of worker to  
16 food stamp cases and monthly status of worker to food stamp  
17 applications.

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

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

23 Sec. 215. If a legislative objective of this bill or the  
24 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be  
25 implemented without loss of federal financial participation because  
26 implementation would conflict with or violate federal regulations,  
27 the department shall notify the state budget director, the house



1 and senate appropriations committees, and the house and senate  
2 fiscal agencies and policy offices of that fact.

3 Sec. 217. (1) Due to the current budgetary problems in this  
4 state, out-of-state travel shall be limited to situations in which  
5 1 or more of the following conditions apply:

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

8 (b) The travel is necessary to protect the health or safety of  
9 Michigan citizens or visitors or to assist other states in similar  
10 circumstances.

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

14 (d) The travel is necessary to comply with federal  
15 requirements.

16 (e) The travel is necessary to secure specialized training for  
17 staff that is not available within this state.

18 (f) The travel is financed entirely by federal or nonstate  
19 funds.

20 (2) Not later than January 1 of each year, each department  
21 shall prepare a travel report listing all travel by classified and  
22 unclassified employees outside this state in the immediately  
23 preceding fiscal year that was funded in whole or in part with  
24 funds appropriated in the department's budget. The report shall be  
25 submitted to the senate and house of representatives standing  
26 committees on appropriations, the house and senate fiscal agencies,  
27 and the state budget director. The report shall include the

1 following information:

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

4 (b) The destination of each travel occurrence.

5 (c) The dates of each travel occurrence.

6 (d) A brief statement of the reason for each travel  
7 occurrence.

8 (e) The transportation and related costs of each travel  
9 occurrence, including the proportion funded with state general  
10 fund/general purpose revenues, the proportion funded with state  
11 restricted revenues, the proportion funded with federal revenues,  
12 and the proportion funded with other revenues.

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

15 Sec. 218. By February 15 of the current fiscal year, the  
16 department shall prepare an annual report on the TANF federal block  
17 grant. The report shall include projected expenditures for the  
18 current fiscal year, an accounting of any previous year funds  
19 carried forward, and a summary of all interdepartmental or  
20 interagency agreements relating to the use of TANF funds. The  
21 report shall be forwarded to the state budget director and the  
22 house and senate appropriations subcommittees on the department  
23 budget and the house and senate fiscal agencies and policy offices.

24 Sec. 221. If the revenue collected by the department from  
25 private and local sources exceeds the amount spent from amounts  
26 appropriated in part 1, the revenue may be carried forward, with  
27 approval from the state budget director, into the subsequent fiscal

1 year.

2           Sec. 223. The department shall make a determination of  
3 Medicaid eligibility not later than 60 days after all information  
4 to make the determination is received from the applicant when  
5 disability is an eligibility factor. For all other Medicaid  
6 applicants, the department shall make a determination of Medicaid  
7 eligibility not later than 45 days after all information to make  
8 the determination is received from the applicant.

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

18           Sec. 259. From the funds appropriated in part 1 for  
19 information technology, departments and agencies shall pay user  
20 fees to the department of technology, management, and budget for  
21 technology-related services and projects. Such user fees shall be  
22 subject to provisions of an interagency agreement between the  
23 department and agencies and the department of technology,  
24 management, and budget.

25           Sec. 279. All contracts relating to human services shall be  
26 performance-based contracts that employ a client-centered results-  
27 oriented process that is based on measurable performance indicators

1 and desired outcomes and includes the annual assessment of the  
2 quality of services provided.

3 Sec. 283. From the funds appropriated in part 1, the  
4 department shall not enter into a contract with a non-profit  
5 organization whose chief executive officer or other employee  
6 receives financial compensation that is greater than 150% of the  
7 Governor's salary and wages. This section shall apply to all new  
8 contracts and contract extensions with non-profit organizations on  
9 or after October 1, 2010.

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

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

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

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

7           Sec. 287. The department shall work collaboratively with the  
8 child death review board and court system to improve communication  
9 and coordination between entities on the review and examination of  
10 child death in Michigan.

11           Sec 298. From the money appropriated in part 1 for 200  
12 limited-term eligibility full-time employees, the department shall  
13 inform all employees hired with these funds that their employment  
14 is temporary and should not be considered permanent. Any temporary  
15 employee hired may be given preference by the department for hiring  
16 if a suitable full-time permanent position becomes available within  
17 the department.

18           **EXECUTIVE OPERATIONS**

19           Sec. 307. (1) Of the money appropriated in part 1 for  
20 demonstration projects, \$500,000.00 shall be distributed as  
21 provided in subsection (2). The amount distributed under this  
22 subsection shall not exceed 50% of the total operating expenses of  
23 the program described in subsection (2), with the remaining 50%  
24 paid by local United Way organizations and other nonprofit  
25 organizations and foundations.

26           (2) Money distributed under subsection (1) shall be  
27 distributed to Michigan 2-1-1, a nonprofit corporation organized

1 under the laws of this state that is exempt from federal income tax  
2 under section 501(c)(3) of the internal revenue code, 26 USC  
3 501(c)(3), and whose mission is to coordinate and support a  
4 statewide 2-1-1 system. Michigan 2-1-1 shall use the money only to  
5 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
6 in January 2005.

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

13 Sec. 309. The department shall assess fees in the licensing  
14 and regulation of child care organizations as defined in 1973 PA  
15 116, MCL 722.111 to 722.128, and adult foster care facilities as  
16 defined in the adult foster care facility licensing act, 1979 PA  
17 218, MCL 400.701 to 400.737. Fees collected by the department shall  
18 be used exclusively for the purpose of licensing and regulating  
19 child care organizations and adult foster care facilities.

20 Sec. 310. The department shall furnish the clerk of the house,  
21 the secretary of the senate, the senate and house fiscal agencies  
22 and policy offices, the state budget office, and all members of the  
23 house and senate appropriations committees with a summary of any  
24 evaluation reports and subsequent approvals or disapprovals of  
25 juvenile residential facilities operated by the department, as  
26 required by section 6 of 1973 PA 116, MCL 722.116. If no  
27 evaluations are conducted during the fiscal year, the department

1 shall notify the fiscal agencies and all members of the appropriate  
2 subcommittees of the house and senate appropriations committees.

3 **CHILDREN'S SERVICES**

4 Sec. 502. From the funds appropriated in part 1 for foster  
5 care, the department shall provide 50% reimbursement to Indian  
6 tribal governments for foster care expenditures for children who  
7 are under the jurisdiction of Indian tribal courts and who are not  
8 otherwise eligible for federal foster care cost sharing.

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

12 (a) Has not yet graduated from high school or passed a high  
13 school equivalency examination.

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

15 (c) For a child adopted before the age of 16, has not yet  
16 reached his or her nineteenth birthday.

17 (d) For a child adopted at or after the age of 16, has not yet  
18 reached his or her twentieth birthday.

19 (e) Is not eligible for federal supplemental security income  
20 (SSI) payments.

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

25 (2) The state child abuse and neglect prevention board may  
26 initiate a joint project with another state agency to the extent  
27 that the project supports the programmatic goals of both the state

1 child abuse and neglect prevention board and the state agency. The  
2 department may invoice the state agency for shared costs of a joint  
3 project in an amount authorized by the state agency, and the state  
4 child abuse and neglect prevention board may receive and expend  
5 funds for shared costs of a joint project in addition to those  
6 authorized by part 1.

7 (3) The department may collaborate with the state child abuse  
8 and neglect prevention board to develop recommendations on how to  
9 best incorporate child abuse prevention strategies and practices  
10 into suggested changes in state statute and department policy. The  
11 department shall provide any recommendations developed with the  
12 state child abuse and prevention board to the senate and house  
13 standing committees on human services and appropriations  
14 subcommittees on the department budget not later than March 1 of  
15 the current fiscal year.

16 (4) From the funds appropriated in part 1 for the children's  
17 trust fund, the department may utilize interest and investment  
18 revenue from the current fiscal year only for programs,  
19 administration, services, or all sanctioned by the child abuse and  
20 neglect prevention board.

21 (5) The department and the child abuse neglect and prevention  
22 board shall collaborate to ensure that administrative delays are  
23 avoided and the local grant recipients and direct service providers  
24 receive money in an expeditious manner. The department and board  
25 shall seek to have the children's trust fund grants distributed no  
26 later than October 31 of the current fiscal year.

27 Sec. 509. (1) From the funds appropriated in part 1, the



1 department shall not expend funds to preserve or reunite a family,  
2 unless there is a court order requiring the preservation or  
3 reuniting of the family or the court denies the petition, if either  
4 of the following would result:

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

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

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

16 Sec. 513. (1) The department shall not expend money  
17 appropriated in part 1 to pay for the direct placement by the  
18 department of a child in an out-of-state facility unless all of the  
19 following conditions are met:

20 (a) There is no appropriate placement available in this state  
21 as determined by the department interstate compact office.

22 (b) An out-of-state placement exists that is nearer to the  
23 child's home than the closest appropriate in-state placement as  
24 determined by the department interstate compact office.

25 (c) The out-of-state facility meets all of the licensing  
26 standards of this state for a comparable facility.

27 (d) The out-of-state facility meets all of the applicable

1 licensing standards of the state in which it is located.

2 (e) The department has done an on-site visit to the out-of-  
3 state facility, reviewed the facility records, reviewed licensing  
4 records and reports on the facility, and believes that the facility  
5 is an appropriate placement for the child.

6 (2) The department shall not expend money for a child placed  
7 in an out-of-state facility without approval of the department  
8 interstate compact office. The department shall notify the  
9 appropriate state agency in that state including the name of the  
10 out-of-state provider who accepted the placement.

11 (3) The department shall submit a report by February 1 of each  
12 year on the number of children who were placed in out-of-state  
13 facilities during the previous fiscal year, the number of Michigan  
14 children residing in such facilities at the time of the report, the  
15 total cost and average per diem cost of these out-of-state  
16 placements to this state, and a list of each such placement  
17 arranged by the Michigan county of residence for each child.

18 Sec. 514. The department shall make a comprehensive report  
19 concerning children's protective services (CPS) to the legislature,  
20 including the senate and house policy offices and the state budget  
21 director, by January 1 of the current fiscal year, that shall  
22 include all of the following:

23 (a) Statistical information including, at a minimum, all of  
24 the following:

25 (i) The total number of reports of abuse or neglect  
26 investigated under the child protection law, 1975 PA 238, MCL  
27 722.621 to 722.638, and the number of cases classified under

1 category I or category II and the number of cases classified under  
2 category III, category IV, or category V.

3 (ii) Characteristics of perpetrators of abuse or neglect and  
4 the child victims, such as age, relationship, race, and ethnicity  
5 and whether the perpetrator exposed the child victim to drug  
6 activity, including the manufacture of illicit drugs, that exposed  
7 the child victim to substance abuse, a drug house, or  
8 methamphetamine.

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

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

17 (c) The information contained in the report required under  
18 section 8d(5) of the child protection law, 1975 PA 238, MCL  
19 722.628d, on cases classified under category III.

20 (d) The department policy, or changes to the department  
21 policy, regarding termination of parental rights or foster  
22 placement for children who have been exposed to the production of  
23 illicit drugs in their dwelling place or a place frequented by the  
24 children.

25 (e) The department policy, or changes to the department  
26 policy, regarding children who have been exposed to the production  
27 or manufacture of methamphetamines.

1           Sec. 515. The department shall use performance-based models  
2 for all foster care services. The goal of these models shall be to  
3 ensure that foster care services are provided in a manner that  
4 increases the state's compliance with CFSR and children's rights  
5 settlement agreement goals. Not later than March 30 of the current  
6 fiscal year, the department shall provide an update to the senate  
7 and house appropriations subcommittees on the department budget,  
8 the senate and house fiscal agencies and policy offices, and the  
9 office of the state budget on benchmarks developed in conjunction  
10 with private providers for this performance model, results the  
11 department or agencies have achieved in improving permanency  
12 placements, and recommendations for further improvements for foster  
13 care services across the entire state.

14           Sec. 517. (1) From the funds appropriated in part 1, the  
15 department is authorized to allocate funds for activities and  
16 services for at-risk children and families and cases classified by  
17 the department as category III or category IV under sections 8 and  
18 8d of the child protection law, 1975 PA 238, MCL 722.628 and  
19 722.628d.

20           (2) Funds appropriated in part 1 for zero to three may be used  
21 to fund community-based collaborative prevention services designed  
22 to do any of the following:

23           (a) Foster positive parenting skills especially for parents of  
24 children ages 0 to 3.

25           (b) Improve parent/child interaction.

26           (c) Promote access to needed community services.

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

1 (e) Improve school readiness.

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

4 (3) Projects funded through the appropriation provided for in  
5 subsection (2) shall provide a 25% local match of which not more  
6 than 10% is in-kind goods or services unless the maximum percentage  
7 is waived by the department.

8 Sec. 523. From the money appropriated in part 1 for youth in  
9 transition and domestic violence prevention and treatment, the  
10 department is authorized to make allocations of TANF funds only to  
11 agencies that report necessary data to the department for the  
12 purpose of meeting TANF eligibility reporting requirements.

13 Sec. 537. The department, in collaboration with child placing  
14 agencies, shall develop a strategy to implement section 1150 of the  
15 social welfare act, 1939 PA 280, MCL 400.1150. The strategy shall  
16 include a requirement that a department caseworker responsible for  
17 preparing a recommendation to a court concerning a juvenile  
18 placement shall provide, as part of the recommendation, information  
19 regarding the requirements of section 1150 of the social welfare  
20 act, 1939 PA 280, MCL 400.1150.

21 Sec. 548. During the annual budget presentation to the house  
22 and senate appropriations subcommittees on the department budget,  
23 the department shall report on progress in implementing the  
24 recommendations of the task force that studied the disproportionate  
25 representation of African-American and other children of color in  
26 the child welfare and juvenile justice systems as required under  
27 former section 548 of the fiscal year 2005-2006 budget act for the

1 department.

2           Sec. 570. (1) From the money appropriated in part 1 for the  
3 subsidized guardianship program, the department shall provide  
4 subsidies under this program to children who are wards of the court  
5 under section 2(b) of chapter XIIIA of the probate code of 1939,  
6 1939 PA 288, MCL 712A.2.

7           (2) The department shall report during the annual budget  
8 presentation to the senate and house appropriations subcommittees  
9 on the department budget the number of guardianship subsidies and  
10 recommendations for any modifications in the subsidized  
11 guardianship program.

12           Sec. 575. (1) Of the funds provided for the training of human  
13 services workers, particularly caseworkers, the department shall  
14 use appropriated funds to begin cultural sensitivity training and  
15 awareness with the goal of effectively reducing the number of  
16 minority children inappropriately removed from their homes for  
17 neglect and placed in the foster care system when more appropriate  
18 action would include the provision of support services to the  
19 family.

20           (2) Of the money appropriated to the department for family  
21 preservation and prevention, more specific focus shall be placed on  
22 preserving and reunifying families.

23           Sec. 578. The department and child placing agencies shall  
24 utilize a standardized assessment tool to measure the mental health  
25 treatment needs of every child supervised by the department. The  
26 department shall use the results of this assessment process to  
27 determine what services are to be provided to the child while under

1 department supervision.

2       Sec. 582. On the first working day of October and April, for  
3 the preceding six months, the department shall submit a  
4 comprehensive child welfare improvement report, compiling material  
5 required by each section of this bill related to child welfare.  
6 This report will be provided to the senate and house appropriations  
7 subcommittees on the department budget, the senate and house  
8 standing committees on human services, the senate and house fiscal  
9 agencies, the senate and house policy offices, and the state budget  
10 director and will provide an overview of the status of all  
11 initiatives the department is required to carry out by this  
12 appropriation bill and the impact of those initiatives on meeting  
13 the benchmarks established in the federal child and family service  
14 review process and the requirements established in the children's  
15 rights settlement agreement. The report may include information  
16 about other initiatives of the department and its service delivery  
17 partners which support improvements in safety, permanency, and  
18 well-being for the children and families served by Michigan's child  
19 welfare system.

20       Sec. 586. (1) Concurrent with public release, the department  
21 shall transmit all reports from the court-appointed settlement  
22 monitor, including, but not limited to, the needs assessment and  
23 period outcome reporting, to the state budget office, the senate  
24 and house appropriations subcommittees on the department budget,  
25 and the senate and house fiscal agencies, without revision.

26       (2) The department shall report monthly to the state budget  
27 office, the senate and house appropriations subcommittees on the

1 department budget, and the senate and house fiscal agencies, on the  
2 number of children enrolled in the subsidized guardianship and  
3 foster care - children with serious emotional disturbance waiver  
4 programs.

5 **PUBLIC ASSISTANCE**

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

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

25       (3) In order to participate in the rent vendoring programs of  
26 the department, a landlord shall cooperate in weatherization and  
27 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. (1) The department's ability to satisfy  
25 appropriation deductions in part 1 for state disability  
26 assistance/supplemental security income recoveries and public  
27 assistance recoupment revenues shall not be limited to recoveries

1 and accruals pertaining to state disability assistance, or family  
2 independence assistance grant payments provided only in the current  
3 fiscal year, but shall include revenues collected during the  
4 current year that are prior year related and not a part of the  
5 department's accrued entries.

6 (2) The department may use supplemental security income  
7 recoveries to satisfy the deduct in any line in which the revenues  
8 are appropriated, regardless of the source from which the revenue  
9 is recovered.

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

22 Sec. 609. The state supplementation level under the  
23 supplemental security income program for the personal care/adult  
24 foster care and home for the aged categories shall not be reduced  
25 during the current fiscal year. The legislature shall be notified  
26 not less than 30 days before any proposed reduction in the state  
27 supplementation level.

1           Sec. 610. In developing good cause criteria for the state  
2 emergency relief program, the department shall grant exemptions if  
3 the emergency resulted from unexpected expenses related to  
4 maintaining or securing employment.

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

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

13           Sec. 613. (1) From the money appropriated in part 1 for  
14 indigent burial, the maximum allowable reimbursement limit for  
15 indigent burials shall be \$700.00, which shall be distributed as  
16 follows:

17           (a) \$455.00 to the funeral director.

18           (b) \$145.00 to the cemetery or crematorium.

19           (c) \$100.00 to the provider of the vault.

20           Sec. 614. The funds available in part 1 for burial services  
21 shall be available if the deceased was an eligible recipient and an  
22 application for emergency relief funds was made within 10 business  
23 days of the burial or cremation of the deceased person. Each  
24 provider of burial services shall be paid directly by the  
25 department.

26           Sec. 615. Except as required by federal law or regulations,  
27 funds appropriated in part 1 shall not be used to provide public

1 assistance to a person who is an illegal alien. This section shall  
2 not prohibit the department from entering into contracts with food  
3 banks, emergency shelter providers, or other human services  
4 agencies who may, as a normal part of doing business, provide food  
5 or emergency shelter.

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

11 Sec. 618. The department may only reduce, terminate, or  
12 suspend assistance provided under the social welfare act, 1939 PA  
13 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of  
14 the following situations:

15 (a) The only eligible recipient has died.

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

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

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

22 (e) A recipient has been approved to receive assistance in  
23 another state.

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

26 (g) The only eligible recipient in the household has been  
27 incarcerated.

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

2 (i) A recipient is closed on 1 case to be activated on  
3 another.

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

6 (k) A recipient is disqualified for intentional program  
7 violation.

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

10 Sec. 619. The department shall exempt from the denial of title  
11 IV-A assistance and food assistance benefits, contained in 21 USC  
12 862a, any individual who has been convicted of a felony that  
13 included the possession, use, or distribution of a controlled  
14 substance, after August 22, 1996, provided that the individual is  
15 not in violation of his or her probation or parole requirements.  
16 Benefits shall be provided to such individuals as follows:

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

19 (b) An authorized representative shall be required for food  
20 assistance receipt.

21 Sec. 620. The department with the approval of the state budget  
22 director is authorized to increase federal spending authority for  
23 food assistance program benefits if projected caseload spending  
24 will exceed the spending authority in part 1. This authorization  
25 adjustment shall be made 15 days after notifying the chairs of the  
26 house and senate appropriations subcommittees on the department  
27 budget and house and senate fiscal agencies.

1           Sec. 621. Funds appropriated in part 1 may be used to support  
2 multicultural integration and support services. The department  
3 shall distribute all of the funds described in this section based  
4 on assessed community needs.

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

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

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

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

18           Sec. 635. Within 24 hours of receiving all information  
19 necessary to process an application for payments for child  
20 development and care, the department shall determine whether the  
21 child day care provider to whom the payments, if approved, would be  
22 made, is listed on the child abuse and neglect central registry. If  
23 the provider is listed on the central registry, the department  
24 shall immediately send written notice denying the applicant's  
25 request for child day care payments.

26           Sec. 640. (1) From the funds appropriated in part 1 for child  
27 development and care services, the department may continue to



1 provide infant and toddler incentive payments to child development  
2 and care providers serving children from 0 to 2-1/2 years of age  
3 who meet licensing or training requirements.

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

6 Sec. 643. As a condition of receipt of federal TANF funds,  
7 homeless shelters and human services agencies shall collaborate  
8 with the department to obtain necessary TANF eligibility  
9 information on families as soon as possible after admitting a  
10 family to the homeless shelter. From the funds appropriated in part  
11 1 for homeless programs, the department is authorized to make  
12 allocations of TANF funds only to the agencies that report  
13 necessary data to the department for the purpose of meeting TANF  
14 eligibility reporting requirements. Homeless shelters or human  
15 services agencies that do not report necessary data to the  
16 department for the purpose of meeting TANF eligibility reporting  
17 requirements will not receive reimbursements which exceed the per  
18 diem amount they received in fiscal year 2000. The use of TANF  
19 funds under this section should not be considered an ongoing  
20 commitment of funding.

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

27 Sec. 653. From the funds appropriated in part 1 for food

1 assistance, an individual who is the victim of domestic violence  
2 and does not qualify for any other exemption may be exempt from the  
3 3-month in 36-month limit on receiving food assistance under 7 USC  
4 2015. This exemption can be extended an additional 3 months upon  
5 demonstration of continuing need.

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 and state earned income tax credit.

24 Sec. 669. (1) The department shall distribute cash and food  
25 assistance to recipients electronically by using debit or  
26 purchasing cards.

27 (2) The department shall allocate up to \$12,751,000.00 for the

1 annual clothing allowance. The allowance shall be granted to all  
2 eligible children as defined by the department.

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

7 Sec. 673. The department shall immediately send notification  
8 to a client participating in the state child development and care  
9 program and his or her child day care provider if the client's  
10 eligibility is reduced or eliminated.

11 Sec. 674. The department shall continue administrative efforts  
12 to reduce waste, fraud, and abuse within the child development and  
13 care program. Beginning December 31 of the current fiscal year, the  
14 department shall report annually to the senate and house  
15 appropriations subcommittees for the department budget, the senate  
16 and house fiscal agencies and policy offices, and the state budget  
17 director on the estimated impact of efforts to reduce inappropriate  
18 payments through the child development and care program.

19 Sec. 675. (1) The department shall establish a 1-time basic  
20 training requirement for all enrolled child development and care  
21 aides and relative providers. All enrolled providers will be  
22 required to complete the basic training requirement in order to be  
23 eligible for state child development and care reimbursement  
24 payments.

25 (2) The department shall ensure that additional annual  
26 training beyond the basic training requirement is available for  
27 enrolled providers and shall make enhanced reimbursement payments

1 to enrolled providers who complete at least 10 hours of optional  
2 annual training.

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

17       Sec. 678. (1) The department shall provide the house and  
18 senate appropriations subcommittees on the department budget with  
19 an annual report on the activities of the early childhood  
20 investment corporation (ECIC). The report is due by February 15 of  
21 each year and shall contain at least the following information:

22       (a) Detail of the amounts of grants awarded.

23       (b) The grant recipients.

24       (c) The activities funded by each grant.

25       (d) An analysis of each grant recipient's success in  
26 addressing the development of a comprehensive system of early  
27 childhood services and supports.

1 (2) All ECIC contracts for comprehensive systems planning  
2 shall be bid out through a statewide request-for-proposal process.

3 Sec. 695. The funds appropriated in part 1 for food assistance  
4 program benefits (ARRA) that are financed by federal funds  
5 designated as ARRA funding represent federal funds associated with  
6 the American recovery and reinvestment act of 2009, Public Law 111-  
7 5. These federal funds are temporary in nature.

8 **JUVENILE JUSTICE SERVICES**

9 Sec. 705. (1) The department, in conjunction with private  
10 juvenile justice residential programs, shall develop a methodology  
11 for measuring goals, objectives, and performance standards for the  
12 delivery of juvenile justice residential programs based on national  
13 standards and best practices. The department will provide a unified  
14 data collection mechanism to ensure consistent reporting of  
15 aggregate case information from the courts. These goals,  
16 objectives, and performance standards shall apply to both public  
17 and private delivery of juvenile justice residential programs, and  
18 data shall be collected from both private and public juvenile  
19 justice residential programs that can be used to evaluate  
20 performance achievements, including, but not limited to, the  
21 following:

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

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

26 (c) Program outcomes including recidivism rates for youth  
27 served by the facility.

1 (d) Trends in census and population demographics.

2 (e) Staff and resident safety.

3 (f) Facility profile.

4 (2) The department during the annual budget presentation shall  
5 outline the progress of the development of the goals, objectives,  
6 and performance standards, as well as the information collected  
7 through the implementation of the performance measurement program.  
8 The presentation shall include all of the following:

9 (a) Actual cost and actual days of care by facility for the  
10 most recently completed fiscal year. This report shall also include  
11 the actual number of youth served as well as demographic  
12 information.

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

15 (c) An analysis of the variance between the estimated cost and  
16 days of care assumed in the original appropriation and the figures  
17 in subdivisions (a) and (b).

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

21 Sec. 706. Counties shall be subject to 50% chargeback for the  
22 use of alternative regional detention services, if those detention  
23 services do not fall under the basic provision of section 117e of  
24 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county  
25 operates those detention services programs primarily with  
26 professional rather than volunteer staff.

27 Sec. 707. In order to be reimbursed for child care fund

1 expenditures, counties are required to submit department-developed  
2 reports to enable the department to document potential federally  
3 claimable expenditures. This requirement is in accordance with the  
4 reporting requirements specified in section 117a(7) of the social  
5 welfare act, 1939 PA 280, MCL 400.117a.

6 Sec. 708. As a condition of receiving money appropriated in  
7 part 1 for the child care fund line item, by February 15 of the  
8 current fiscal year, counties shall have an approved service  
9 spending plan for the current fiscal year. Counties must submit the  
10 service spending plan to the department by December 15 of the  
11 current fiscal year for approval.

12 Sec. 719. The department shall notify the legislature at least  
13 30 days before closing or making any change in the status,  
14 including the licensed bed capacity and operating bed capacity, of  
15 a state juvenile justice facility.

16 Sec. 723. A private provider of juvenile services may receive  
17 funding for both secure and nonsecure services if the provider has  
18 appropriate services for each security level and adequate measures  
19 to physically separate residents of each security level.

#### 20 **LOCAL OFFICE SERVICES**

21 Sec. 750. The department shall maintain out-stationed  
22 eligibility specialists in community-based organizations, nursing  
23 homes, and hospitals.

24 Sec. 751. (1) From the funds appropriated in part 1, the  
25 department may implement school-based family resource centers based  
26 on the following guidelines:

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

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

4 (c) Notwithstanding subdivision (b), the center shall provide  
5 information regarding crisis pregnancy centers or adoption service  
6 providers in the area.

7 (2) The department shall notify the senate and house  
8 subcommittees on the department budget, the senate and house fiscal  
9 agencies and policy offices, and the state budget office of family  
10 resource center expansion efforts and shall provide all of the  
11 following at the beginning of the selection process or no later  
12 than 5 days after eligible schools receive opportunity  
13 notification:

14 (a) A list of eligible schools.

15 (b) The selection criteria to be used.

16 (c) The projected number to be opened.

17 (d) The financial implications for expansion, including  
18 funding sources.

19 **DISABILITY DETERMINATION SERVICES**

20 Sec. 801. The department disability determination services in  
21 agreement with the department of technology, management and budget  
22 office of retirement systems will develop the medical information  
23 and make recommendations for medical disability retirement for  
24 state employees, state police, judges, and schoolteachers.

25 **CHILD SUPPORT ENFORCEMENT**

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



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

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

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

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

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

21           Sec. 909. (1) If statewide retained child support collections  
22 exceed \$38,300,000.00, 75% of the amount in excess of  
23 \$38,300,000.00 is appropriated to legal support contracts. This  
24 excess appropriation may be distributed to eligible counties to  
25 supplement and not supplant county title IV-D funding.

26           (2) Each county whose retained child support collections in  
27 the current fiscal year exceed its fiscal year 2004-2005 retained

1 child support collections, excluding tax offset and financial  
2 institution data match collections in both the current year and  
3 fiscal year 2004-2005, shall receive its proportional share of the  
4 75% excess.

5 (3) Payments to counties contracting with collection agencies  
6 shall be reduced by the amount paid to the vendor. This  
7 authorization adjustment shall be made upon notification of the  
8 chairs of the house and senate appropriations subcommittees on the  
9 department budget, the house and senate fiscal agencies, and the  
10 state budget director.

11 Sec. 910. If title IV-D-related child support collections are  
12 escheated, the state budget director is authorized to adjust the  
13 sources of financing for the funds appropriated in part 1 for legal  
14 support contracts to reduce federal authorization by 66% of the  
15 escheated amount and increase general fund/general purpose  
16 authorization by the same amount. This budget adjustment is  
17 required to offset the loss of federal revenue due to the escheated  
18 amount being counted as title IV-D program income in accordance  
19 with federal regulations at 45 CFR 304.50.

20 Sec. 911. The department will implement a \$25.00 annual fee  
21 pursuant to title IV-D, section 454(6)(B)(ii), of the social  
22 security act, 42 USC 651. The fee shall be deducted from support  
23 collected on behalf of the individual. Fee revenues shall be used  
24 to administer and operate the child support program under part D of  
25 title IV of the social security act.

26 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

27 Sec. 1101. Not later than September 30 of each year, the

1 department shall submit for public hearing to the chairpersons of  
2 the house and senate appropriations subcommittees dealing with  
3 appropriations for the department budget the proposed use and  
4 distribution plan for community services block grant funds  
5 appropriated in part 1 for the succeeding fiscal year.

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