

SUBSTITUTE FOR
SENATE BILL NO. 192

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of human services for the fiscal year ending September 30, 2014, from the following funds:

DEPARTMENT OF HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated classified positions..... 12,038.7

1	Unclassified positions	6.0	
2	Total full-time equated positions.....	12,044.7	
3	GROSS APPROPRIATION.....		\$ 6,045,776,100
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers		30,594,600
7	ADJUSTED GROSS APPROPRIATION.....		\$ 6,015,181,500
8	Federal revenues:		
9	Federal - food assistance administration (ARRA)		35,846,200
10	Social security act, temporary assistance for needy		
11	families		535,807,300
12	Federal supplemental security income.....		8,543,100
13	Total federal revenues.....		4,222,618,600
14	Special revenue funds:		
15	Total private revenues.....		9,856,000
16	Total local revenues.....		37,891,500
17	Total other state restricted revenues.....		151,506,400
18	State general fund/general purpose.....		\$ 1,013,112,400
19	State general fund/general purpose schedule:		
20	Ongoing state general fund/general		
21	purpose	1,010,958,200	
22	One-time state general fund/general		
23	purpose	2,154,200	
24	Sec. 102. EXECUTIVE OPERATIONS		
25	Total full-time equated positions.....	673.7	
26	Full-time equated unclassified positions.....	6.0	
27	Full-time equated classified positions.....	667.7	

Senate Bill No. 192 as amended April 30, 2013

1	Unclassified salaries--6.0 FTE positions	\$	707,000
2	Salaries and wages--270.7 FTE positions		16,713,900
3	Contractual services, supplies, and materials		12,115,400
4	Demonstration projects--7.0 FTE positions		6,463,000
5	Inspector general salaries and wages--132.0 FTE		
6	positions		7,495,100
7	Electronic benefit transfer EBT		13,009,000
8	Michigan community service commission--15.0 FTE		
9	positions		11,382,900
10	AFC, children's welfare and day care		
11	licensure--243.0 FTE positions		29,365,200
12	State office of administrative hearings and rules		7,351,400
13	Staff and cost contingency fund		<u><<37,171,200>></u>
14	GROSS APPROPRIATION	\$	<<141,774,100>>
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of education		13,874,900
18	ADJUSTED GROSS APPROPRIATION	\$	127,899,300
19	Appropriated from:		
20	Federal revenues:		
21	Social security act, temporary assistance for needy		
22	families		8,887,800
23	Total other federal revenues		60,196,800
24	Special revenue funds:		
25	Total private revenues		3,845,800
26	Total local revenues		16,400
27	Total other state restricted revenue		83,600

Senate Bill No. 192 as amended April 30, 2013

1	State general fund/general purpose	\$	<<54,868,800>>
2	Sec. 103. CHILD SUPPORT ENFORCEMENT		
3	Full-time equated classified positions.....	180.7	
4	Child support enforcement operations--174.7 FTE		
5	positions	\$	20,604,800
6	Legal support contracts.....		113,253,600
7	Child support incentive payments.....		32,409,600
8	State disbursement unit--6.0 FTE positions.....		<u>11,315,400</u>
9	GROSS APPROPRIATION.....	\$	177,583,400
10	Appropriated from:		
11	Federal revenues:		
12	Total federal revenues.....		154,768,700
13	Special revenue funds:		
14	State general fund/general purpose	\$	22,814,700
15	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY		
16	Full-time equated classified positions.....	16.0	
17	Bureau of community action and economic		
18	opportunity--16.0 FTE positions.....	\$	2,044,200
19	Community services block grant.....		25,840,000
20	Weatherization assistance.....		<u>16,340,000</u>
21	GROSS APPROPRIATION.....	\$	44,224,200
22	Appropriated from:		
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families		500
26	Total federal revenues.....		44,223,700
27	State general fund/general purpose	\$	0

1	Sec. 105. ADULT AND FAMILY SERVICES		
2	Full-time equated classified positions.....	594.7	
3	Executive direction and support--4.0 FTE positions ...	\$	379,400
4	Guardian contract.....		490,200
5	Adult services policy and administration--7.0 FTE		
6	positions		819,100
7	Office of program policy--31.7 FTE positions		4,151,200
8	Employment and training support services		5,377,800
9	Wage employment verification reporting.....		547,300
10	Nutrition education--2.0 FTE positions		30,034,200
11	Elder law of Michigan MiCAFE contract		175,000
12	Elder abuse prosecuting attorney.....		300,000
13	Michigan rehabilitation services--550.0 FTE positions		138,275,900
14	Independent living.....		<u>4,488,600</u>
15	GROSS APPROPRIATION.....	\$	185,038,700
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG from department of education.....		22,500
19	ADJUSTED GROSS APPROPRIATION.....	\$	185,016,200
20	Appropriated from:		
21	Federal revenues:		
22	Social security act, temporary assistance for needy		
23	families		4,860,400
24	Federal supplemental security income.....		8,543,100
25	Total other federal revenues.....		141,040,800
26	Special revenue funds:		
27	Private - gifts, bequests, and donations.....		1,935,000

1	Local vocational rehabilitation match.....	6,500,000
2	Second injury fund.....	148,400
3	Rehabilitation service fees.....	1,434,300
4	State general fund/general purpose.....	\$ 20,554,200
5	Sec. 106. CHILDREN'S SERVICES	
6	Full-time equated classified positions..... 120.8	
7	Salaries and wages--58.2 FTE positions.....	\$ 3,143,900
8	Contractual services, supplies, and materials.....	1,143,000
9	Interstate compact.....	179,600
10	Families first.....	17,950,700
11	Strong families/safe children.....	12,350,100
12	Child protection and permanency--23.0 FTE positions..	16,627,800
13	Family reunification program.....	3,977,100
14	Family preservation and prevention services	
15	administration--11.0 FTE positions.....	1,408,300
16	Children's trust fund administration--12.0 FTE	
17	positions	787,600
18	Children's trust fund grants.....	2,325,100
19	Attorney general contract.....	3,939,000
20	Prosecuting attorney contracts.....	2,561,700
21	Child protection.....	673,900
22	Domestic violence prevention and treatment--14.6 FTE	
23	positions	15,205,800
24	Rape prevention and services--0.5 FTE positions	5,072,300
25	Child advocacy centers--0.5 FTE positions	2,000,000
26	Child abuse and neglect - children's justice act	
27	--1.0 FTE positions	617,700

Senate Bill No. 192 as amended April 30, 2013

1	Family preservation and prevention services programs .	2,500,000
2	<<Human trafficking intervention services	100>>
2	GROSS APPROPRIATION.....	\$ <<92,463,700>>
3	Appropriated from:	
4	Federal revenues:	
5	Social security act, temporary assistance for needy	
6	families	48,793,400
7	Total other federal revenues.....	30,799,100
8	Special revenue funds:	
9	Compulsive gambling prevention fund.....	1,040,000
10	Children's trust fund.....	2,070,100
11	Sexual assault victims' prevention and treatment	3,000,000
12	Child advocacy centers fund.....	2,000,000
13	State general fund/general purpose.....	\$ <<4,761,100>>
14	Sec. 107. CHILD WELFARE SERVICES	
15	Full-time equated classified positions.....	3,884.4
16	Children's services administration--97.0 FTE positions	\$ 6,892,600
17	Title IV-E compliance and accountability office--4.0	
18	FTE positions	506,900
19	Child welfare institute--45.0 FTE positions	8,010,900
20	Child protective services workers--1,626.6 FTE	
21	positions	76,721,300
22	Direct care workers--1,132.7 FTE positions	55,910,200
23	Education planners--14.0 FTE positions	754,300
24	Permanency planning conference coordinators--57.0	
25	FTE positions	3,426,900
26	Child welfare first line supervisors--555.4 FTE	
27	positions	37,799,000

1	Administrative support workers--226.0 FTE positions ..	9,463,500
2	Second line supervisors and technical staff--49.0	
3	FTE positions	3,799,500
4	Permanency planning specialists--56.0 FTE positions ..	3,423,900
5	Contractual services, supplies, and materials	8,673,000
6	Settlement monitor.....	1,625,800
7	Foster care payments.....	190,766,600
8	Serious emotional disturbance - waiver program	3,275,800
9	Serious emotional disturbance - nonwaiver program	2,932,000
10	Guardianship assistance program.....	5,945,000
11	Child care fund.....	166,512,100
12	Child care fund administration--6.2 FTE positions	828,200
13	Adoption subsidies.....	219,376,700
14	Adoption support services--10.0 FTE positions	24,696,700
15	Youth in transition--5.5 FTE positions	14,703,600
16	Child welfare medical/psychiatric evaluations	6,607,500
17	Psychotropic oversight contracts	<u>1,118,200</u>
18	GROSS APPROPRIATION.....	\$ 853,770,200
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from department of education.....	237,600
22	ADJUSTED GROSS APPROPRIATION.....	\$ 853,532,600
23	Appropriated from:	
24	Federal revenues:	
25	Social security act, temporary assistance for needy	
26	families	184,220,700
27	Total federal revenues.....	294,810,900

1	Special revenue funds:		
2	Private - collections.....	1,474,100	
3	Local funds - county chargeback.....	16,699,900	
4	State general fund/general purpose.....	\$ 356,327,000	
5	Sec. 108. JUVENILE JUSTICE SERVICES		
6	Full-time equated classified positions.....	182.0	
7	W.J. Maxey training school--69.0 FTE positions.....	\$ 10,592,400	
8	Bay pines center--42.0 FTE positions.....	4,769,000	
9	Shawono center--42.0 FTE positions.....	4,851,500	
10	County juvenile officers.....	3,904,300	
11	Community support services--2.0 FTE positions.....	1,295,500	
12	Juvenile justice, administration and		
13	maintenance--24.0 FTE positions.....	3,978,400	
14	Juvenile accountability block grant--0.5 FTE positions	1,281,300	
15	Committee on juvenile justice administration--2.5		
16	FTE positions	340,300	
17	Committee on juvenile justice grants.....	3,000,000	
18	In-home community care.....	<u>1,500,000</u>	
19	GROSS APPROPRIATION.....	\$ 35,512,700	
20	Appropriated from:		
21	Federal revenues:		
22	Total federal revenues.....	5,107,500	
23	Special revenue funds:		
24	Local funds - state share education funds.....	2,168,100	
25	Local funds - county chargeback.....	9,158,000	
26	State general fund/general purpose.....	\$ 19,079,100	
27	Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS		

1	Full-time equated classified positions.....	5,790.0	
2	Field staff, salaries and wages--5,548.0 FTE positions	\$	293,501,400
3	Contractual services, supplies, and materials		13,404,800
4	Medical/psychiatric evaluations		1,420,100
5	Donated funds positions--208.0 FTE positions		13,757,600
6	Training and program support--24.0 FTE positions		2,441,300
7	Volunteer services and reimbursement		1,142,400
8	SSI advocates--10.0 FTE positions		<u>786,400</u>
9	GROSS APPROPRIATION	\$	326,454,000
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from department of corrections		100,000
13	IDG from department of education		7,835,400
14	ADJUSTED GROSS APPROPRIATION	\$	318,518,600
15	Appropriated from:		
16	Federal revenues:		
17	Social security act, temporary assistance for needy		
18	families		60,398,200
19	Total other federal revenues		129,004,200
20	Special revenue funds:		
21	Local funds		3,349,100
22	Private funds - donated funds		2,601,100
23	Supplemental security income recoveries		630,700
24	State general fund/general purpose	\$	122,535,300
25	Sec. 110. DISABILITY DETERMINATION SERVICES		
26	Full-time equated classified positions.....	572.4	
27	Disability determination operations--546.9 FTE		

1	positions	\$	83,545,500
2	Medical consultation program--21.4 FTE positions		2,509,200
3	Retirement disability determination--4.1 FTE positions		<u>423,900</u>
4	GROSS APPROPRIATION.....	\$	86,478,600
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG from DTMB - office of retirement services		536,100
8	ADJUSTED GROSS APPROPRIATION.....	\$	85,942,500
9	Appropriated from:		
10	Federal revenues:		
11	Total federal revenues		82,926,700
12	Special revenue funds:		
13	State general fund/general purpose	\$	3,015,800
14	Sec. 111. CENTRAL SUPPORT ACCOUNTS		
15	Rent.....	\$	46,804,500
16	Occupancy charge.....		8,967,000
17	Travel.....		8,220,700
18	Equipment.....		62,600
19	Worker's compensation.....		1,727,100
20	Payroll taxes and fringe benefits		<u>400,728,300</u>
21	GROSS APPROPRIATION.....	\$	466,510,200
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from department of education.....		6,044,500
25	ADJUSTED GROSS APPROPRIATION.....	\$	460,465,700
26	Appropriated from:		
27	Federal revenues:		

1	Social security act, temporary assistance for needy	
2	families	107,018,200
3	Total other federal revenues	189,238,000
4	Special revenue funds:	
5	State general fund/general purpose	\$ 164,209,500
6	Sec. 112. PUBLIC ASSISTANCE	
7	Full-time equated classified positions..... 8.0	
8	Family independence program.....	\$ 239,422,100
9	State disability assistance payments	26,556,400
10	Food assistance program benefits	2,798,081,200
11	Food assistance program benefits (ARRA)	35,846,200
12	State supplementation	63,226,700
13	State supplementation administration	2,118,600
14	Low-income home energy assistance program	139,651,600
15	Food bank funding	1,795,000
16	Homeless programs	15,721,900
17	Chaldean community foundation	1,000,000
18	Multicultural integration funding	1,515,500
19	Indigent burial	4,300,000
20	Emergency services local office allocations	16,092,600
21	Michigan energy assistance program--1.0 FTE positions	60,000,000
22	Refugee assistance program--7.0 FTE positions	27,955,900
23	Energy self-sufficiency program	<u>35,300,000</u>
24	GROSS APPROPRIATION	\$ 3,468,583,700
25	Appropriated from:	
26	Federal revenues:	
27	Social security act, temporary assistance for needy	

1	families	105,817,700
2	Federal supplemental nutrition assistance revenues	
3	(ARRA)	35,846,200
4	Total other federal revenues	2,998,121,100
5	Special revenue funds:	
6	Child support collections	29,033,400
7	Supplemental security income recoveries	14,955,900
8	Public assistance recoupment revenue	7,010,000
9	Low-income energy assistance fund	60,000,000
10	Michigan merit award trust fund	30,100,000
11	State general fund/general purpose	\$ 187,699,400
12	Sec. 113. INFORMATION TECHNOLOGY	
13	Data center operations	\$ 13,191,300
14	Telecommunications	8,291,600
15	Support services	10,504,200
16	Staff support	33,377,100
17	Direct agency charges	47,534,000
18	Administration and internet	6,217,000
19	Child support automation	<u>42,117,700</u>
20	GROSS APPROPRIATION	\$ 161,232,900
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from department of education	1,943,600
24	ADJUSTED GROSS APPROPRIATION	\$ 159,289,300
25	Appropriated from:	
26	Federal revenues:	
27	Social security act, temporary assistance for needy	

1	families	15,810,400
2	Total federal revenues	88,385,600
3	Special revenue funds:	
4	State general fund/general purpose	\$ 55,093,300
5	Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS	
6	Full-time equated classified positions..... 16.0	
7	Juvenile justice behavioral health study	\$ 250,000
8	Family preservation and prevention services	
9	programs--1.0 FTE positions	1,500,000
10	Child protection and permanency	1,000,000
11	Demonstration projects	1,500,000
12	One-time child support enforcement operations--11.0	
13	FTE positions	1,092,400
14	One-time medical consultation program--4.0 FTE	
15	positions	<u>807,300</u>
16	GROSS APPROPRIATION	\$ 6,149,700
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues	3,995,500
20	Special revenue funds:	
21	State general fund/general purpose	\$ 2,154,200

22 PART 2

23 PROVISIONS CONCERNING APPROPRIATIONS

24 FOR FISCAL YEAR 2013-2014

25 GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2013-2014 is \$1,164,618,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$91,338,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

Child care fund.....	\$	83,256,100
County juvenile officers.....		3,904,300
State disability assistance payments.....		976,400
Legal support contracts.....		3,141,000
Family independence program.....		<u>60,600</u>
TOTAL.....	\$	91,338,400

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

Sec. 203. As used in this act:

(a) "AFC" means adult foster care.

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

(c) "Current fiscal year" means the fiscal year ending September 30, 2014.

(d) "Department" means the department of human services.

(e) "Director" means the director of the department of human services.

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

1 (g) "IDG" means interdepartmental grant.

2 (h) "MiCAFE" means Michigan's coordinated access to food for
3 the elderly.

4 (i) "Previous fiscal year" means the fiscal year ending
5 September 30, 2013.

6 (j) "Settlement" means the settlement agreement entered in the
7 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
8 States district court for the eastern district of Michigan.

9 (k) "SSI" means supplemental security income.

10 (l) "Temporary assistance for needy families" or "TANF" or
11 "title IV-A" means part A of title IV of the social security act,
12 42 USC 601 to 619.

13 (m) "Title IV-D" means part D of title IV of the social
14 security act, 42 USC 651 to 669b.

15 (n) "Title IV-E" means part E of title IV of the social
16 security act, 42 USC 670 to 679c.

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

22 Sec. 207. (1) Sanctions, suspensions, conditions for
23 provisional license status, and other penalties shall not be more
24 stringent for private service providers than for public entities
25 performing equivalent or similar services.

26 (2) Neither the department nor private service providers or
27 licensees shall be granted preferential treatment or considered

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

7 Sec. 208. Unless otherwise specified, the department shall use
8 the Internet to fulfill the reporting requirements of this act.
9 This requirement shall include transmission of reports via
10 electronic mail to the recipients identified for each reporting
11 requirement, and it shall include placement of reports on the
12 Internet.

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

23 Sec. 211. Funds appropriated in part 1 shall not be used by a
24 principal executive department, state agency, or authority to hire
25 a person to provide legal services that are the responsibility of
26 the attorney general. This prohibition does not apply to legal
27 services for bonding activities and for those outside services that

1 the attorney general authorizes.

2 Sec. 212. (1) In addition to funds appropriated in part 1 for
3 all programs and services, there is appropriated for write-offs of
4 accounts receivable, deferrals, and for prior year obligations in
5 excess of applicable prior year appropriations, an amount equal to
6 total write-offs and prior year obligations, but not to exceed
7 amounts available in prior year revenues or current year revenues
8 that are in excess of the authorized amount.

9 (2) The department's ability to satisfy appropriation fund
10 sources in part 1 shall not be limited to collections and accruals
11 pertaining to services provided in the current fiscal year, but
12 shall also include reimbursements, refunds, adjustments, and
13 settlements from prior years.

14 Sec. 213. The department may retain all of the state's share
15 of food assistance overissuance collections as an offset to general
16 fund/general purpose costs. Retained collections shall be applied
17 against federal funds deductions in all appropriation units where
18 department costs related to the investigation and recoupment of
19 food assistance overissuances are incurred. Retained collections in
20 excess of such costs shall be applied against the federal funds
21 deducted in the executive operations appropriation unit.

22 Sec. 214. On a quarterly basis, the department shall report on
23 the number of FTEs in pay status by type of staff.

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

1 the department shall notify the state budget director, the house
2 and senate appropriations committees, and the house and senate
3 fiscal agencies and policy offices of that fact.

4 Sec. 217. The departments and agencies receiving
5 appropriations in part 1 shall prepare a report on out-of-state
6 travel expenses not later than January 1 of each year. The travel
7 report shall be a listing of all travel by classified and
8 unclassified employees outside this state in the immediately
9 preceding fiscal year that was funded in whole or in part with
10 funds appropriated in the department's budget. The report shall be
11 submitted to the house and senate standing committees on
12 appropriations, the house and senate fiscal agencies, and the state
13 budget director. The report shall include the following
14 information:

15 (a) The dates of each travel occurrence.

16 (b) The total transportation and related costs of each travel
17 occurrence, including the proportion funded with state general
18 fund/general purpose revenues, the proportion funded with state
19 restricted revenues, the proportion funded with federal revenues,
20 and the proportion funded with other revenues.

21 Sec. 219. The department shall maintain a searchable website
22 accessible by the public at no cost that includes, but is not
23 limited to, all of the following:

24 (a) Fiscal year-to-date expenditures by category.

25 (b) Fiscal year-to-date expenditures by appropriation unit.

26 (c) Fiscal year-to-date payments to a selected vendor,
27 including the vendor name, payment date, payment amount, and

1 payment description.

2 (d) The number of active department employees by job
3 classification.

4 (e) Job specifications and wage rates.

5 Sec. 220. The department shall ensure that faith-based
6 organizations are able to apply and compete for services, programs,
7 or contracts that they are qualified and suitable to fulfill. The
8 department shall not disqualify faith-based organizations solely on
9 the basis of the religious nature of their organization or their
10 guiding principles or statements of faith.

11 Sec. 221. (1) If the revenue collected by the department from
12 private and local sources exceeds the amount spent from amounts
13 appropriated in part 1, the revenue may be carried forward, with
14 approval from the state budget director, into the subsequent fiscal
15 year.

16 (2) The department shall provide a report on the amount of
17 each revenue stream to be carried forward, as well as the
18 cumulative amount, for the closing fiscal year by October 30, 2014,
19 to the senate and house appropriations subcommittees on the
20 department budget, the senate and house standing committees on
21 families and human services, and the senate and house fiscal
22 agencies and policy offices.

23 Sec. 222. (1) The department shall notify the chairpersons of
24 the senate and house appropriations subcommittees on the budget for
25 the department of any policy changes at least 30 days before the
26 implementation date.

27 (2) The department shall report no later than April 1 of the

1 current fiscal year on each specific policy change made to
2 implement a public act affecting the department that took effect
3 during the prior calendar year to the house and senate
4 appropriations subcommittees on the budget for the department, the
5 joint committee on administrative rules, and the senate and house
6 fiscal agencies.

7 Sec. 225. The department may hire physicians to be part of the
8 medical review team (MRT) on a temporary basis if Medicaid
9 applications are backlogged more than 2,000. The temporary
10 physicians shall be retained until the backlog has dropped below
11 2,000 for 2 consecutive months. The role of the physicians will be
12 to obtain medical evidence from and grant medical determinations to
13 applicants.

14 Sec. 226. Before issuing a request for proposal for contracted
15 services, the department shall issue a request for information or a
16 request for quotation for the proposed service. The department
17 shall integrate the information obtained through the request for
18 information or request for quotation into the request for proposal.

19 Sec. 240. The department shall notify the house and senate
20 appropriations committees and the house and senate fiscal agencies
21 of any changes to a child welfare master contract that results in
22 increased rates or increased spending on services not less than 30
23 days before the change takes effect.

24 Sec. 250. (1) Amounts appropriated in part 1 for information
25 technology may be designated as work projects and carried forward
26 to support technology projects under the direction of the
27 department of technology, management, and budget. Funds designated

1 in this manner are not available for expenditure until approved as
2 work projects under section 451a of the management and budget act,
3 1984 PA 431, MCL 18.1451a.

4 (2) The department shall send the work project requests via
5 electronic mail to the chairpersons of the senate and house
6 subcommittees on the budget for the department at least 30 days
7 before the date that those requests go into effect.

8 Sec. 251. Funds appropriated in part 1 for the staff and cost
9 contingency fund shall be made available to the department for
10 additional staffing and cost needs. These funds are not available
11 for expenditure until they have been transferred to another line
12 item in this act under section 393(2) of the management and budget
13 act, 1984 PA 431, MCL 18.1393.

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

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

24 Sec. 265. Within 14 days after the release of the executive
25 budget recommendation, the department shall provide the state
26 budget director, the senate and house appropriations chairs, the
27 senate and house appropriations subcommittees on the department

1 budget, respectively, and the senate and house fiscal agencies with
2 an annual report on estimated state restricted fund balances, state
3 restricted fund projected revenues, and state restricted fund
4 expenditures for the fiscal years ending September 30, 2013 and
5 September 30, 2014.

6 Sec. 274. (1) The department, in collaboration with the state
7 budget office, shall submit to the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, and the house and senate policy offices on the day the
10 governor submits to the legislature the budget for the ensuing
11 fiscal year a report on spending and revenue projections for each
12 of the capped federal funds listed below. The report shall contain
13 actual spending and revenue in the previous fiscal year, spending
14 and revenue projections for the current fiscal year as enacted, and
15 spending and revenue projections within the executive budget
16 proposal for the fiscal year beginning October 1, 2014 for each
17 individual line item for the department budget. The report shall
18 also include federal funds transferred to other departments. The
19 capped federal funds shall include, but not be limited to, all of
20 the following:

21 (a) TANF.

22 (b) Title XX social services block grant.

23 (c) Title IV-B part I child welfare services block grant.

24 (d) Title IV-B part II promoting safe and stable families
25 funds.

26 (2) By February 15 of the current fiscal year, the department
27 shall prepare an annual report of its efforts to identify

1 additional TANF maintenance of effort sources from all of the
2 following, but not limited to:

3 (a) Other departments.

4 (b) Local units of government.

5 (c) Private sources.

6 Sec. 279. (1) All contracts relating to human services shall
7 be performance-based contracts that employ a client-centered
8 results-oriented process that is based on measurable performance
9 indicators and desired outcomes and includes the annual assessment
10 of the quality of services provided.

11 (2) During the annual budget presentation, the department
12 shall provide the senate and house appropriations subcommittees on
13 the department budget and the senate and house fiscal agencies and
14 policy offices a report detailing measurable performance
15 indicators, desired outcomes, and an assessment of the quality of
16 services provided by the department during the previous fiscal
17 year.

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

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$5,000,000.00 for state
26 restricted contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

1 in this article under section 393(2) of the management and budget
2 act, 1984 PA 431, MCL 18.1393.

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

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

15 (5) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$40,000,000.00 for federal
17 TANF contingency funds. It is the intent of the legislature that
18 these funds shall be used to meet any shortfalls in budgeting for
19 ongoing expenses that meet the eligibility requirements of the TANF
20 block grant and for any other appropriate program expenses. These
21 funds are not available for expenditure until they have been
22 transferred to another line item in this article under section
23 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

24 Sec. 290. Any public advertisement for state assistance shall
25 also inform the public of the welfare fraud hotline operated by the
26 department.

27 Sec. 291. (1) The department shall verify, using the e-verify

1 system, that all new department employees, and new hire employees
2 of contractors and subcontractors paid from funds appropriated in
3 part 1, are legally present in the United States. The department
4 may verify this information directly or may require contractors and
5 subcontractors to verify the information and submit a certification
6 to the department.

7 (2) By March 1 of the current fiscal year, the department
8 shall submit to the house and senate appropriations committees and
9 the house and senate fiscal agencies a report certifying that it
10 has verified, or has required contractors and subcontractors to
11 verify, using the e-verify system, that all new department
12 employees and new hire employees of contractors and subcontractors
13 are legally present in the United States.

14 Sec. 293. The department may use funds from the funds
15 appropriated in part 1 to strengthen marriage and family relations
16 through the practice of marriage and family therapy for
17 individuals, families, couples, or groups. The goal of the therapy
18 shall be strengthening families by helping them avoid, eliminate,
19 relieve, manage, or resolve marital or family conflict or discord.

20 Sec. 296. Not later than November 30, the department shall
21 prepare and transmit a report that provides for estimates of the
22 total general fund/general purpose appropriation lapses at the
23 close of the fiscal year. This report shall summarize the projected
24 year-end general fund/general purpose appropriation lapses by major
25 departmental program or program areas. The report shall be
26 transmitted to the office of the state budget, the chairpersons of
27 the senate and house appropriations committees, and the senate and

1 house fiscal agencies.

2 Sec. 297. Not later than October 20 of the current fiscal
3 year, the department shall notify the legislature, the chairpersons
4 of the senate and house appropriations committees, and the
5 chairpersons of the senate and house human services appropriations
6 subcommittees of anticipated overspending in any line item in the
7 previous fiscal year.

8 Sec. 298. By March 1 of the current fiscal year, the
9 department shall provide to the senate and house appropriations
10 subcommittees on the department budget, the senate and house fiscal
11 agencies, and the senate and house policy offices an annual report
12 on the supervisor-to-staff ratio by department divisions and
13 subdivisions.

14 Sec. 299. The department shall maintain, on a publicly
15 accessible website, a department scorecard that identifies, tracks,
16 and regularly updates key metrics that are used to monitor and
17 improve the department's performance.

18 **EXECUTIVE OPERATIONS**

19 Sec. 307. (1) From the funds appropriated in part 1 for
20 demonstration projects, \$400,000.00 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.

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

9 (3) Michigan 2-1-1 shall refer to the department any calls
10 received reporting fraud, waste, or abuse of state-administered
11 public assistance.

12 (4) Michigan 2-1-1 shall report annually to the department and
13 the house and senate standing committees with primary jurisdiction
14 over matters relating to human services and telecommunications on
15 2-1-1 system performance, including, but not limited to, call
16 volume by community health and human service needs and unmet needs
17 identified through caller data and customer satisfaction metrics.

18 **ADULT AND FAMILY SERVICES**

19 Sec. 401. All funds appropriated in part 1 for independent
20 living shall be used to support centers for independent living in
21 compliance with federal rules and regulations for those centers, by
22 existing centers for independent living to serve underserved areas,
23 and for projects to build capacity of centers for independent
24 living to deliver independent living services. Applications for the
25 funds shall be reviewed in accordance with criteria and procedures
26 established by the department. Funds shall be used in a manner

1 consistent with the state plan for independent living.

2 Sec. 402. The Michigan commission for the blind and the
3 Michigan rehabilitation services shall work collaboratively with
4 service organizations and government entities to identify qualified
5 match dollars to maximize use of available federal vocational
6 rehabilitation funds.

7 Sec. 403. It is the intent of the legislature that the funds
8 appropriated in part 1 for Michigan rehabilitation services, and
9 any future funds appropriated for that purpose, shall not be spent
10 unless Michigan rehabilitation services addresses, works to remedy,
11 and accounts for the deficiencies found in Michigan rehabilitation
12 services as detailed in the most recent auditor general report of
13 Michigan rehabilitation services, and provides all relevant
14 documentation on expenditures of the funds appropriated in part 1.

15 Sec. 415. (1) If funds become available in part 1, the
16 department may contract with independent contractors from various
17 counties, including, but not limited to, faith-based and nonprofit
18 organizations. Preference shall be given to independent contractors
19 that provide at least 10% in matching funds, through any
20 combination of local, state, or federal funds or in-kind or other
21 donations. However, an independent contractor that cannot secure
22 matching funds shall not be excluded from consideration for the
23 fatherhood program.

24 (2) The department may choose providers that will work with
25 counties to help eligible fathers under TANF guidelines to acquire
26 skills that will enable them to increase their responsible behavior
27 toward their children and the mothers of their children. An

1 increase of financial support for their children should be a very
2 high priority as well as emotional support.

3 (3) A fatherhood initiative program established under this
4 section shall minimally include at least 3 of the following
5 components: promoting responsible, caring, and effective parenting
6 through counseling; mentoring and parental education; enhancing the
7 abilities and commitment of unemployed or low-income fathers to
8 provide material support for their families and to avoid or leave
9 welfare programs by assisting them to take advantage of job search
10 programs, job training, and education to improve their work habits
11 and work skills; improving fathers' ability to effectively manage
12 family business affairs by means such as education, counseling, and
13 mentoring in household matters; infant care; effective
14 communication and respect; anger management; children's financial
15 support; and drug-free lifestyle.

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

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

24 Sec. 416. (1) If funds become available in part 1, the
25 department may contract with independent contractors from various
26 counties, including, but not limited to, faith-based and nonprofit
27 organizations. Preference shall be given to independent contractors

1 that provide at least 10% in matching funds, through any
2 combination of local, state, or federal funds or in-kind or other
3 donations. However, an independent contractor that cannot secure
4 matching funds shall not be excluded from consideration for a
5 marriage initiative program.

6 (2) The department may choose providers to work with counties
7 that will work to support and strengthen marriages of those
8 eligible under the TANF guidelines. The areas of work may include,
9 but are not limited to, marital counseling, domestic violence
10 counseling, family counseling, effective communication, and anger
11 management as well as parenting skills to improve the family
12 structure.

13 (3) A marriage initiative program established under this
14 section may include, but is not limited to, 1 or more of the
15 following: public advertising campaigns on the value of marriage
16 and the skills needed to increase marital stability and health;
17 education in high schools on the value of marriage, relationship
18 skills, and budgeting; premarital, marital, family, and domestic
19 violence counseling; effective communication; marriage mentoring
20 programs which use married couples as role models and mentors in
21 at-risk communities; anger management; and parenting skills to
22 improve the family structure.

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

27 (5) Upon receipt of the healthy marriage promotion grant from

1 the United States department of health and human services, the
2 department shall use the program criteria set forth in subsection
3 (3) to implement the program with the federal funds.

4 Sec. 420. (1) From the funds appropriated in part 1, the
5 department shall contract with the prosecuting attorneys
6 association of Michigan for 2 elder abuse resource prosecuting
7 attorneys positions to provide the support and services necessary
8 to increase the capability of the state's prosecutors, adult
9 protective service system, and criminal justice system to
10 effectively identify, investigate, and prosecute elder abuse and
11 financial exploitation.

12 (2) By March 1 of the current fiscal year, the prosecuting
13 attorneys association shall provide a report on the efficacy of the
14 contract to the state budget office, the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, and the house and senate policy
17 offices.

18 Sec. 423. From the funds appropriated in part 1 for elder law
19 of Michigan MiCAFE contract, the department shall allocate not less
20 than \$175,000.00 to the elder law of Michigan MiCAFE to assist this
21 state's elderly population to participate in the food assistance
22 program. The funds may be used as state matching funds to acquire
23 available United States department of agriculture funding to
24 provide outreach program activities, such as eligibility screen and
25 information services, as part of a statewide food stamp hotline.

26 Sec. 424. Not later than April 1, 2014, the department may
27 enter into a contract with a nonprofit entity that operates

1 throughout this state to provide vehicle purchases and vehicle
2 repairs for all low-income individuals who the department
3 determines are eligible. The department shall work in conjunction
4 with the nonprofit entity to ensure that the barriers to self-
5 sufficiency are removed for each individual.

6 Sec. 425. From the funds appropriated in part 1, the
7 department shall provide individuals not more than \$500.00 for
8 vehicle repairs, including any repairs done in the previous 12
9 months. However, the department may in its discretion pay for
10 repairs up to \$900.00. Payments under this section shall include
11 the combined total of payments made by the department and work
12 participation program. By December 31, the department shall provide
13 to the senate and house appropriations subcommittees on the
14 department budget, the senate and house fiscal agencies, and the
15 senate and house policy offices a report detailing the number of
16 payments for repairs that exceeded \$500.00 in the prior fiscal
17 year.

18 **CHILDREN'S SERVICES**

19 Sec. 501. A goal is established that not more than 31% of all
20 children in foster care at any given time during the current fiscal
21 year will have been in foster care for 24 months or more. During
22 the annual budget presentation, the department shall provide a
23 report describing the steps that will be taken to achieve the
24 specific goal established in this section.

25 Sec. 502. (1) From the funds appropriated in part 1 for foster
26 care, the department shall provide 50% reimbursement to Indian

1 tribal governments for foster care expenditures for children who
2 are under the jurisdiction of Indian tribal courts and who are not
3 otherwise eligible for federal foster care cost sharing.

4 (2) The department shall audit all of the claims in subsection
5 (1) to ensure that the expenditures are eligible. The requirement
6 in this subsection does not apply if an audit of tribal governments
7 does not comply with federal statute and regulations.

8 Sec. 503. The department shall oversee a contract with an
9 outside vendor to establish per diem rates for private agencies
10 providing foster care, residential care, and juvenile justice, and
11 to establish per diem rates for the department providing same
12 services, using an economic rate-setting methodology that results
13 in a rate that is adequate, reasonable, cost-based, compliant with
14 federal regulations, and supportive of state contractual
15 requirements. The outside vendor shall consult with private
16 providers that have contracts with the department on establishing
17 the costs of providing services. The outside vendor shall establish
18 an agreement among the private providers and the department on the
19 parameters for setting the costs before recommending the per diem
20 rates. The rates shall be established by an outside vendor before
21 the implementation of contracts. The department shall provide to
22 the senate and house appropriations subcommittees on the department
23 budget, the senate and house standing committees on families and
24 human services, and the senate and house fiscal agencies and policy
25 offices a report detailing the rates by March 1 of the current
26 fiscal year.

27 Sec. 504. From the funds appropriated in part 1 for data

1 center operations, the department shall use \$5,000,000.00 to
2 integrate data on adjudicated youths who are under court
3 supervision into the statewide automated child welfare information
4 system by September 30, 2014.

5 Sec. 505. By March 1 of the current fiscal year, the
6 department and Wayne County shall provide to the senate and house
7 appropriations committees on the department budget and the senate
8 and house fiscal agencies and policy offices a report for youth
9 served in the previous fiscal year and in the first quarter of the
10 current fiscal year outlining the number of youth served within
11 each juvenile justice system, the type of setting for each youth,
12 performance outcomes, and financial costs or savings.

13 Sec. 506. The department shall guarantee that a child under
14 state or court supervision who receives Medicaid will continue to
15 receive Medicaid with no break in coverage if the child moves to
16 another county and remains under the supervision of the state or
17 court. The state or court supervision in this section may be
18 provided through public or private service providers.

19 Sec. 507. The department's ability to satisfy appropriation
20 deducts in part 1 for foster care private collections shall not be
21 limited to collections and accruals pertaining to services provided
22 only in the current fiscal year but may include revenues collected
23 during the current fiscal year for services provided in prior
24 fiscal years.

25 Sec. 508. (1) In addition to the amount appropriated in part 1
26 for children's trust fund grants, money granted or money received
27 as gifts or donations to the children's trust fund created by 1982

1 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

2 (2) 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 of the current fiscal year.

8 Sec. 509. (1) From the funds appropriated in part 1 for the
9 child welfare training institute, the department shall use up to
10 \$100,000.00 to enter into a contract for a pilot program for gentle
11 teaching methods to be taught to child protective services trainees
12 who will be assigned to eligible service sites. The department
13 shall select 4 eligible sites as follows: 1 rural, 1 suburban, and
14 2 urban. The contract shall be fulfilled by a private organization
15 that provides regional services and has experience using gentle
16 teaching methods with diverse client populations, including foster
17 care children.

18 (2) The department shall report to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, the senate and house policy offices, and
21 the state budget office by March 1, 2014 on the results of the
22 pilot program, including the number of participants, actual costs
23 of the pilot program, and a cost estimate to make the gentle
24 teaching method a required training component for all new and
25 existing child protective services workers by March 1, 2015.

26 Sec. 511. From the funds appropriated in part 1 for juvenile
27 justice administration and maintenance and foster care, the

1 department shall provide \$40,000.00 for the implementation of the
2 standardized assessment tools for juvenile justice and foster care
3 recommended in the legislative report described in section 511(1)
4 of 2012 PA 200, the child and adolescent needs and strengths (CANS)
5 assessment, and the Michigan juvenile justice assessment system
6 (MJJAS). The assessment tools shall be implemented statewide no
7 later than October 1, 2013.

8 Sec. 513. (1) The department shall not expend funds
9 appropriated in part 1 to pay for the direct placement by the
10 department of a child in an out-of-state facility unless all of the
11 following conditions are met:

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

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

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

19 (d) The out-of-state facility meets all of the applicable
20 licensing standards of the state in which it is located.

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

25 (2) The department shall not expend money for a child placed
26 in an out-of-state facility without approval of the deputy director
27 for children's services. The department shall notify the

1 appropriate state agency in that state including the name of the
2 out-of-state provider who accepted the placement.

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

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

15 (a) Statistical information including, at a minimum, all of
16 the following:

17 (i) The total number of reports of abuse or neglect
18 investigated under the child protection law, 1975 PA 238, MCL
19 722.621 to 722.638, and the number of cases classified under
20 category I or category II and the number of cases classified under
21 category III, category IV, or category V.

22 (ii) Characteristics of perpetrators of abuse or neglect and
23 the child victims, such as age, relationship, race, and ethnicity
24 and whether the perpetrator exposed the child victim to drug
25 activity, including the manufacture of illicit drugs, that exposed
26 the child victim to substance abuse, a drug house, or
27 methamphetamine.

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

5 (iv) The number of cases that resulted in the separation of the
6 child from the parent or guardian and the period of time of that
7 separation, up to and including termination of parental rights.

8 (v) For the reported complaints of abuse or neglect by
9 teachers, school administrators, and school counselors, the number
10 of cases classified under category I or category II and the number
11 of cases classified under category III, category IV, or category V.

12 (vi) For the reported complaints of abuse or neglect by
13 teachers, school administrators, and school counselors, the number
14 of cases that resulted in separation of the child from the parent
15 or guardian and the period of time of that separation, up to and
16 including termination of parental rights.

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

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

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

27 Sec. 515. (1) The department, in conjunction with court and

1 county personnel and representatives of the private child welfare
2 agencies operating in Kent County, shall privatize all foster care
3 and adoption services, except for child protective services, in
4 Kent County based on workgroup findings.

5 (2) The department shall report to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, the senate and house policy offices, and
8 the state budget office by March 1, 2014 on the results of the
9 program implemented under subsection (1).

10 Sec. 516. The department shall prepare a report by county that
11 includes the number and percentage of foster care parents who were
12 successfully retained in the foster care program and compares
13 figures at the beginning of the fiscal year to the end-of-year
14 totals and provide the report by October 30 of the current fiscal
15 year to the senate and house appropriations subcommittees on the
16 department budget, the senate and house standing committees on
17 families and human services, and the senate and house fiscal
18 agencies and policy offices.

19 Sec. 519. The department shall permit any private agency that
20 has an existing contract with this state to provide foster care
21 services to be also eligible to provide treatment foster care
22 services.

23 Sec. 520. (1) From the funds appropriated in part 1 for youth
24 in transition, the department shall allocate \$250,000.00 to enter
25 into a 3-year contract to establish a pilot program to serve 25
26 youths who are aging out of the foster care system and who did not
27 succeed in achieving viable educational goals while in foster care

1 with a Detroit-based nonprofit agency that has experience working
2 with at-risk, homeless, and foster care youths. The first year of
3 the pilot shall include needs assessment, physical and mental
4 health services, and life skills training.

5 (2) No later than March 1, 2014, the department shall provide
6 a report on the progress of the pilot program to the senate and
7 house appropriations subcommittees on human services, the senate
8 and house fiscal agencies and policy offices, and the state budget
9 director.

10 Sec. 523. (1) By March 15 of the current fiscal year, the
11 department shall report on family preservation programs for which
12 money is appropriated in part 1 to the senate and house
13 appropriations subcommittees on the department budget. The report
14 shall contain all of the following for each program:

15 (a) The average cost per recipient served.

16 (b) Measurable performance indicators.

17 (c) Desired outcomes or results and goals that can be measured
18 on an annual basis, or desired results for a defined number of
19 years.

20 (d) Monitored results.

21 (e) Innovations that may include savings or reductions in
22 administrative costs.

23 (2) If money becomes available in part 1 for youth in
24 transition and domestic violence prevention and treatment, the
25 department is authorized to make allocations of TANF funds only to
26 agencies that report necessary data to the department for the
27 purpose of meeting TANF eligibility reporting requirements.

1 Sec. 525. The department shall implement the same on-site
2 evaluation processes for privately operated child welfare and
3 juvenile justice residential facilities as is used to evaluate
4 state-operated facilities. Penalties for noncompliance shall be the
5 same for privately operated child welfare and juvenile justice
6 residential facilities and state-operated facilities.

7 Sec. 526. From the funds appropriated in part 1 for foster
8 care payments and related administrative costs, the department may
9 implement the federally approved title IV-E child welfare waiver
10 demonstration project. As required under the waiver, any savings
11 resulting from the demonstration project must be quantified and
12 reinvested into child welfare programming.

13 Sec. 528. The department shall report to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, the
16 state budget office, and the state court administrative office by
17 February 1 of the current fiscal year on the per diem costs of the
18 public and private residential care providers located or doing
19 business in this state caring for children in foster care or
20 adjudicated juveniles and, when available, the recidivism rate for
21 each facility.

22 Sec. 532. (1) The department, in collaboration with
23 representatives of private child and family agencies, shall revise
24 and improve the annual licensing review process and the annual
25 contract compliance review process for child placing agencies and
26 child caring institutions. The improvement goals shall be safety
27 and care for children. Improvements to the review process shall be

1 directed toward alleviating administrative burdens so that agency
2 resources may be focused on children. The revision shall include
3 identification of duplicative staff activities and information
4 sought from child placing agencies and child caring institutions in
5 the annual review process. The department shall report to the
6 senate and house appropriations subcommittees on the department
7 budget, the senate and house fiscal agencies and policy offices,
8 and the state budget director on or before January 15 of the
9 current fiscal year on the findings of the annual licensing review.

10 (2) The department shall conduct licensing reviews no more
11 than once every 2 years for child placing agencies and child caring
12 institutions that are nationally accredited and have no outstanding
13 violations.

14 Sec. 533. (1) The department shall make payments to child
15 placing facilities for in-home and out-of-home care services and
16 adoption services within 30 days of receiving all necessary
17 documentation from those agencies.

18 (2) The department shall establish a work group in conjunction
19 with the legislature and private service providers to develop a
20 plan to implement electronic invoices and payments for all
21 contracts with child placing agencies.

22 (3) The department shall provide a report on the activities
23 under this section by March 1, 2014 for implementation in the
24 fiscal year ending September 30, 2015.

25 Sec. 537. The department, in collaboration with child placing
26 agencies, shall develop a strategy to implement section 115o of the
27 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall

1 include a requirement that a department caseworker responsible for
2 preparing a recommendation to a court concerning a juvenile
3 placement shall provide, as part of the recommendation, information
4 regarding the requirements of section 1150 of the social welfare
5 act, 1939 PA 280, MCL 400.1150.

6 Sec. 540. If a physician or psychiatrist who is providing
7 services to state or court wards placed in a residential facility
8 submits a formal request to the department to change the
9 psychotropic medication of a ward, the department shall, if the
10 ward is a state ward, make a determination on the proposed change
11 within 30 days after the request or, if the ward is a temporary
12 court ward, seek parental consent within 7 business days after the
13 request.

14 Sec. 546. (1) From the funds appropriated in part 1 for foster
15 care payments and from child care fund, the department shall pay
16 providers of foster care services not less than a \$37.00
17 administrative rate.

18 (2) From the funds appropriated in part 1 for foster care
19 payments and from child care fund, the department shall pay
20 providers of general independent living services not less than a
21 \$28.00 administrative rate.

22 (3) From the funds appropriated in part 1, the department
23 shall reinstate the specialized independent living services
24 administrative rate to levels that were in place for the fiscal
25 year ending September 30, 2011.

26 Sec. 556. (1) From the funds appropriated in part 1 for
27 adoption subsidies, the department shall utilize up to

1 \$2,000,000.00 to establish a program that allows adoptive parents
2 up to 1 year after an adoption is finalized to claim additional
3 subsidies for special needs children.

4 (2) No later than February 1 for the previous fiscal year, the
5 department shall provide an annual report to the subcommittees of
6 the senate and house appropriations committees on the department
7 budget with the number of complaints filed by adoptive parents who
8 were not notified that their adopted child had special needs.

9 Sec. 574. (1) From the funds appropriated in part 1 for foster
10 care payments, \$2,500,000.00 is allocated to support contracts with
11 child placing agencies to facilitate the licensure of relative
12 caregivers as foster parents. Agencies shall receive \$2,300.00 for
13 each facilitated licensure. The agency facilitating the licensure
14 would retain the placement and continue to provide case management
15 services for at least 50% of the newly licensed cases for which the
16 placement was appropriate to the agency. Up to 50% of the newly
17 licensed cases would have direct foster care services provided by
18 the department.

19 (2) From the funds appropriated for foster care payments,
20 \$375,000.00 is allocated to support family incentive grants to
21 private and community-based foster care service providers to assist
22 with home improvements or payment for physical exams for applicants
23 needed by foster families to accommodate foster children.

24 Sec. 583. By February 1 of the current fiscal year, the
25 department shall provide to the senate and house appropriations
26 subcommittees on the department budget, the senate and house
27 standing committees on families and human services, and the senate

1 and house fiscal agencies and policy offices a report that includes
2 the number of foster parents that dropped out of the program in the
3 previous fiscal year and the reasons for leaving the program.

4 Sec. 585. (1) The department shall allow private nationally
5 accredited foster care and adoption agencies to conduct their own
6 staff training, based on current department policies and
7 procedures, provided that the agency trainer and training materials
8 are accredited by the department and that the agency documents to
9 the department that the training was provided. The department shall
10 provide access to any training materials requested by the private
11 agencies to facilitate this training.

12 (2) The department shall post on the department's website a
13 list of all relevant departmental training materials available to
14 private child placing agencies that are allowed to conduct their
15 own training in accordance with this section. The department shall
16 also provide to private child placing agencies that are allowed to
17 conduct their own training any updated training materials as they
18 become available.

19 Sec. 587. From the money appropriated in part 1 to in-home
20 community care programs, \$1,500,000.00 shall be used to expand in-
21 home care and community-based juvenile justice services. By March 1
22 of the current fiscal year, the department shall submit a report
23 that describes the program expansion and expenditures in detail to
24 the senate and house appropriations subcommittees on the department
25 budget, the senate and house fiscal agencies, and the senate and
26 house policy offices.

27 Sec. 588. (1) Concurrently with public release, the department

1 shall transmit all reports from the court-appointed settlement
2 monitor, including, but not limited to, the needs assessment and
3 period outcome reporting, to the state budget office, the senate
4 and house appropriations subcommittees on the department budget,
5 and the senate and house fiscal agencies, without revision.

6 (2) The department shall report quarterly to the state budget
7 office, the senate and house appropriations subcommittees on the
8 department budget, and the senate and house fiscal agencies, on the
9 number of children enrolled in the guardianship assistance and
10 foster care - children with serious emotional disturbance waiver
11 programs.

12 Sec. 589. (1) From the funds appropriated in part 1 to
13 facilitate the transfer of foster care cases currently under
14 department supervision from department supervision to private child
15 placing agency supervision, the department shall not transfer any
16 foster care cases that require a county contribution to the private
17 agency administrative rate.

18 (2) On a monthly basis, the department shall report on the
19 number of all foster care cases administered by the department and
20 all foster care cases administered by private providers.

21 Sec. 590. From the funds appropriated in part 1 for children's
22 services administration, the department shall provide \$20,000.00
23 for the task force on the prevention of sexual abuse of children
24 defined under section 12b of the child protection law, 1975 PA 238,
25 MCL 722.632b. Use of funds shall be limited to providing (a)
26 reimbursements to task force members for travel costs related to
27 task force operations and (b) salary costs of department staff for

1 the time spent on coordinating task force meetings and compiling
2 the task force report. Members of the task force shall not receive
3 compensation for their work on the task force, but shall not be
4 prohibited from receiving compensation through their current
5 employment.

6 **PUBLIC ASSISTANCE**

7 Sec. 601. Whenever a client agrees to the release of his or
8 her name and address to the local housing authority, the department
9 shall request from the local housing authority information
10 regarding whether the housing unit for which vendoring has been
11 requested meets applicable local housing codes. Vendoring shall be
12 terminated for those units that the local authority indicates in
13 writing do not meet local housing codes until such time as the
14 local authority indicates in writing that local housing codes have
15 been met.

16 Sec. 602. It is the intent of the legislature that all
17 Medicaid applications and enrollments shall be conducted online
18 through the health benefit exchange.

19 Sec. 603. The department shall conduct a work group in
20 conjunction with the department of community health to determine
21 how the state can maximize Medicaid claims for community-based and
22 outpatient treatment services to foster care children and
23 adjudicated youths who are placed in community-based treatment
24 programs. The department shall report to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and

1 the state budget office by March 1, 2014 on the findings of the
2 work group.

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

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

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

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

19 (d) A person receiving 30-day postresidential substance abuse
20 treatment.

21 (e) A person diagnosed as having acquired immunodeficiency
22 syndrome.

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

25 (g) A caretaker of a disabled person who meets the
26 requirements specified in subdivision (a), (b), (e), or (f).

27 (2) Applicants for and recipients of the state disability

1 assistance program shall be considered needy if they:

2 (a) Meet the same asset test as is applied for the family
3 independence program.

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

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

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

25 Sec. 606. County department offices shall require each
26 recipient of family independence program and state disability
27 assistance who has applied with the social security administration

1 for supplemental security income to sign a contract to repay any
2 assistance rendered through the family independence program or
3 state disability assistance program upon receipt of retroactive
4 supplemental security income benefits.

5 Sec. 607. (1) The department's ability to satisfy
6 appropriation deductions in part 1 for state disability
7 assistance/supplemental security income recoveries and public
8 assistance recoupment revenues shall not be limited to recoveries
9 and accruals pertaining to state disability assistance, or family
10 independence assistance grant payments provided only in the current
11 fiscal year, but may include revenues collected during the current
12 year that are prior year related and not a part of the department's
13 accrued entries.

14 (2) The department may use supplemental security income
15 recoveries to satisfy the deduct in any line in which the revenues
16 are appropriated, regardless of the source from which the revenue
17 is recovered.

18 Sec. 608. Adult foster care facilities providing domiciliary
19 care or personal care to residents receiving supplemental security
20 income or homes for the aged serving residents receiving
21 supplemental security income shall not require those residents to
22 reimburse the home or facility for care at rates in excess of those
23 legislatively authorized. To the extent permitted by federal law,
24 adult foster care facilities and homes for the aged serving
25 residents receiving supplemental security income shall not be
26 prohibited from accepting third-party payments in addition to
27 supplemental security income provided that the payments are not for

1 food, clothing, shelter, or result in a reduction in the
2 recipient's supplemental security income payment.

3 Sec. 609. (1) The state supplementation level under the
4 supplemental security income program for the personal care/adult
5 foster care and home for the aged categories shall not be reduced
6 during the current fiscal year. The legislature shall be notified
7 not less than 30 days before any proposed reduction in the state
8 supplementation level.

9 (2) If the federal minimum wage rate increases in the current
10 fiscal year, the state shall pay the increased staffing costs for
11 personal care/adult foster care that result from the increase.

12 Sec. 610. (1) In developing good cause criteria for the state
13 emergency relief program, the department shall grant exemptions if
14 the emergency resulted from unexpected expenses related to
15 maintaining or securing employment.

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

21 (3) State emergency relief payments shall not be made to
22 individuals who have been found guilty of fraud in regard to
23 obtaining public assistance.

24 (4) State emergency relief payments shall not be made
25 available to persons who are out-of-state residents or illegal
26 immigrants.

27 (5) State emergency relief payments for rent assistance shall

1 be distributed directly to landlords and shall not be added to
2 Michigan bridge cards.

3 Sec. 611. The state supplementation level under the
4 supplemental security income program for the living independently
5 or living in the household of another categories shall not exceed
6 the minimum state supplementation level as required under federal
7 law or regulations.

8 Sec. 612. The department shall implement an asset test as part
9 of the eligibility determination for applicants and existing
10 recipients of the refugee assistance program medical benefits.

11 Sec. 613. The department shall provide reimbursements for the
12 final disposition of indigent persons if the deceased's remains
13 have not been claimed by a person having the right to control the
14 disposition of the body regardless of whether there is no person
15 with that right, the person cannot be located, or the person fails
16 or refuses to exercise that right. The maximum allowable
17 reimbursement for the final disposition shall be \$800.00. In
18 addition, reimbursement for a cremation permit fee of up to \$75.00
19 and for mileage at the standard rate will also be made available
20 for an eligible cremation. The reimbursements under this section
21 shall be used for disposal by cremation unless the deceased's
22 expressed religious preference prohibits cremation.

23 Sec. 615. Except as required by federal law or regulations,
24 funds appropriated in part 1 shall not be used to provide public
25 assistance to a person who is an illegal alien. This section shall
26 not prohibit the department from entering into contracts with food
27 banks, emergency shelter providers, or other human services

1 agencies who may, as a normal part of doing business, provide food
2 or emergency shelter.

3 Sec. 616. The department shall require retailers that
4 participate in the electronic benefits transfer program to charge
5 no more than \$2.50 in fees for cash back as a condition of
6 participation.

7 Sec. 617. The department shall prepare a report on the number
8 and percentage of public assistance recipients, categorized by type
9 of assistance received, who were no longer eligible for assistance
10 because of their status in the law enforcement information network
11 and provide the report by October 1 of the current fiscal year to
12 the senate and house appropriations subcommittees on the department
13 budget, the senate and house standing committees on families and
14 human services, and the senate and house fiscal agencies and policy
15 offices.

16 Sec. 619. (1) Subject to subsection (2), the department shall
17 exempt from the denial of title IV-A assistance and food assistance
18 benefits under 21 USC 862a any individual who has been convicted of
19 a felony that included the possession, use, or distribution of a
20 controlled substance, after August 22, 1996, provided that the
21 individual is not in violation of his or her probation or parole
22 requirements. Benefits shall be provided to such individuals as
23 follows:

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

26 (b) An authorized representative shall be required for food
27 assistance receipt.

1 (2) Subject to federal approval, an individual is not entitled
2 to the exemption in this section if the individual was convicted in
3 2 or more separate cases of a felony that included the possession,
4 use, or distribution of a controlled substance after August 22,
5 1996.

6 Sec. 620. (1) From the funds appropriated in part 1 from the
7 federal low-income home energy assistance program for the energy
8 self-sufficiency program, the department shall fund energy
9 assistance services that comply with all of the following
10 guidelines:

11 (a) The department shall distribute the funds described in
12 this subsection for energy assistance and may use a portion of the
13 funds for necessary administrative expenses. Necessary
14 administrative expenses shall be calculated using an established
15 cost allocation methodology.

16 (b) Energy assistance must include services that will enable
17 participants to become self-sufficient or move toward becoming
18 self-sufficient, including assisting participants in paying their
19 energy bills on time, assisting participants in budgeting for and
20 contributing to their ability to provide for energy expenses, and
21 assisting participants in utilizing energy services to optimize on
22 energy efficiency. By October 1, 2014, each entity that carries out
23 a contract with the department under this section shall provide or
24 coordinate these services. The department shall attempt to
25 coordinate its efforts with the efforts of other state departments
26 or agencies to assist low-income households in becoming self-
27 sufficient or moving toward becoming self-sufficient.

1 (c) The department shall develop a simplified, single
2 application for all applicants to use to apply for energy
3 assistance under the program. The single application shall be made
4 available to all entities that contract with the department to
5 provide services under the program.

6 (d) The department, in consultation with the Michigan public
7 service commission, may contract with different public or private
8 entities or local units of government to provide energy assistance.

9 (e) The department shall include clear performance metrics in
10 any contract with an entity under this section.

11 (f) An entity with which the department contracts under
12 subdivision (d) shall use not less than 92% of the funds received
13 from the department for energy assistance. An entity with which the
14 department contracts under subdivision (d) may, upon approval from
15 the department, use less than 92% but not less than 90% of the
16 funds received for the program for energy assistance.

17 (2) Not later than December 1, 2014, and annually after that,
18 the department shall provide a report to the legislature, the
19 senate and house appropriations subcommittees on the department
20 budget, the senate and house committees on issues relating to
21 energy, and the senate and house fiscal agencies on how funds from
22 the energy self-sufficiency program were distributed.

23 (3) The department shall include the energy self-sufficiency
24 program in the state plan for the federal low-income home energy
25 assistance program.

26 (4) Any federal low-income home energy assistance program
27 funds that are provided to the state in excess of the amount

1 appropriated in the current year enacted budget shall be allocated
2 to the energy self-sufficiency program line item and subject to the
3 provisions in this section.

4 (5) This section does not apply if the allocation of funds
5 described in this section does not comply with federal statute and
6 regulations on the low-income home energy assistance program. If
7 this section does not comply with federal statute or regulations,
8 the department shall present a report with an alternative proposal
9 to the chairpersons of the senate and house appropriations
10 subcommittees on appropriations for the department within 30 days
11 after the department becomes aware that the section does not comply
12 with federal statute or regulations.

13 (6) If this section conflicts with a current state statute or
14 a state statute enacted subsequent to this act, the state statute
15 controls.

16 Sec. 621. If legislation to collect restricted revenues in the
17 low-income energy assistance fund is not enacted, the department is
18 not responsible for replacing the restricted funds allocated in
19 part 1 to the Michigan energy assistance program with another fund
20 source.

21 Sec. 622. The department shall implement a 1-page application
22 for disability redetermination for all disability redetermination
23 applications and cases no later than November 1, 2013.

24 Sec. 643. As a condition of receipt of federal TANF funds,
25 homeless shelters and human services agencies shall collaborate
26 with the department to obtain necessary TANF eligibility
27 information on families as soon as possible after admitting a

1 family to the homeless shelter. From the funds appropriated in part
2 1 for homeless programs, the department is authorized to make
3 allocations of TANF funds only to the agencies that report
4 necessary data to the department for the purpose of meeting TANF
5 eligibility reporting requirements. Homeless shelters or human
6 services agencies that do not report necessary data to the
7 department for the purpose of meeting TANF eligibility reporting
8 requirements will not receive reimbursements which exceed the per
9 diem amount they received in fiscal year 2000. The use of TANF
10 funds under this section should not be considered an ongoing
11 commitment of funding.

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

18 Sec. 653. From the funds appropriated in part 1 for food
19 assistance, an individual who is the victim of domestic violence
20 and does not qualify for any other exemption may be exempt from the
21 3-month in 36-month limit on receiving food assistance under 7 USC
22 2015. This exemption can be extended an additional 3 months upon
23 demonstration of continuing need.

24 Sec. 657. The department shall notify persons eligible for
25 extended family independence program benefits under section 57s of
26 the social welfare act, 1939 PA 280, MCL 400.57s, that receiving
27 extended family independence program benefits will count toward the

1 federal and state lifetime limits.

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

11 Sec. 669. The department shall allocate up to \$2,880,000.00
12 for the annual clothing allowance. The allowance shall be granted
13 to all eligible children in a family independence program group
14 that does not include an adult.

15 Sec. 672. (1) The department's office of inspector general
16 shall report to the senate and house of representatives
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies, and the senate and house policy offices
19 by March 1 of the current fiscal year on department efforts to
20 reduce inappropriate use of Michigan bridge cards. The department
21 shall provide information on the number of recipients of services
22 who used their electronic benefit transfer card inappropriately and
23 the current status of each case, the number of recipients whose
24 benefits were revoked, whether permanently or temporarily, as a
25 result of inappropriate use, and the number of retailers that were
26 fined or removed from the electronic benefit transfer program for
27 permitting inappropriate use of the cards.

1 (2) As used in this section, "inappropriate use" means not
2 used to meet a family's ongoing basic needs, including food,
3 clothing, shelter, utilities, household goods, personal care items,
4 and general incidentals.

5 Sec. 677. (1) The department shall establish a state goal for
6 the percentage of family independence program cases involved in
7 employment activities. The percentage established shall not be less
8 than 50%. The goal for long-term employment shall be 15% of cases
9 for 6 months or more.

10 (2) On a monthly basis, the department shall report to the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies and policy offices,
13 and the state budget director on the current percentage of family
14 independence program cases involved in partnership accountability
15 training hope (PATH) employment activities and an estimate of the
16 current percentage of family independence program cases that meet
17 federal work participation requirements.

18 (3) The department shall conduct a work group to determine how
19 to run a job readiness and employment program for recipients of
20 family independence program assistance that is based on
21 performance-based objectives, and to examine contracting with
22 nonprofit or private agencies to operate the program. The work
23 group shall also determine any statutory changes needed to
24 implement a performance-based job readiness program. Performance
25 objectives in this subsection shall include, but not be limited to,
26 all of the following:

27 (a) The number and percentage of nonexempt family independence

1 program recipients who are employed.

2 (b) The average and range of wages of employed family
3 independence program recipients.

4 (c) The number and percentage of employed family independence
5 program recipients who remain employed for 6 months or more.

6 (4) Contracts with a provider of the job readiness and
7 employment program described in subsection (3) shall be for a
8 minimum of 3 years unless the provider is not meeting the
9 performance objectives described under subsection (3), in which
10 case the department may terminate the contract at any time. If the
11 provider is meeting the performance objectives described in
12 subsection (3), the contract shall be maintained for a minimum of 3
13 years, and shall have a 1-year renewal option every year in which
14 it maintains the performance objectives described in subsection (3)
15 after that.

16 Sec. 686. (1) The department shall ensure that program policy
17 requires caseworkers to confirm that individuals presenting
18 personal identification issued by another state seeking assistance
19 through the family independence program, food assistance program,
20 state disability assistance program, or medical assistance program
21 are not receiving benefits from any other state.

22 (2) The department shall require caseworkers to confirm the
23 address provided by any individual seeking family independence
24 program benefits or state disability assistance benefits.

25 (3) The department shall prohibit individuals with property
26 assets assessed at a value higher than \$500,000.00 from accessing
27 assistance through department-administered programs, unless such a

1 prohibition would violate federal rules and guidelines.

2 (4) The department shall require caseworkers to obtain an up-
3 to-date telephone number during the eligibility determination or
4 redetermination process for individuals seeking medical assistance
5 benefits. On a monthly basis, the department shall provide the
6 department of community health an updated list of telephone numbers
7 for medical assistance recipients.

<<Sec. 687. The department shall report to the senate and
house appropriations subcommittees on the department budget,
the senate and house fiscal agencies, the senate and house policy
offices, and the state budget office the following statistics on a
quarterly basis, providing a breakdown by county and including a
state total:

(a) Number of applications for family independence program (FIP),
food assistance program, and state emergency relief that were
received, denied, approved, and pending by reason for disposition.

(b) Number of food assistance program case closures, including
the reason for closure.

(c) Family independence program (FIP) statistics on the
following:

(i) Number of new applicants that successfully met the
requirements of the 21-day assessment period for partnership
accountability training hope (PATH).

(ii) Number of new applicants who did not meet the requirements
in subparagraph (i) and would have to reapply for assistance.

(iii) Number of FIP cases that were removed from assistance due
to the school truancy policy.

(iv) Number of cases that were removed from assistance due to
the 48-month and 60-month time limits.

(v) Number of cases receiving sanctions and whether the
sanction is due to a first-, second-, or third-time offense.

(vi) Number of children ages 0-5 living in FIP-sanctioned
households.>>

8 JUVENILE JUSTICE SERVICES

9 Sec. 706. Counties shall be subject to 50% chargeback for the
10 use of alternative regional detention services, if those detention
11 services do not fall under the basic provision of section 117e of
12 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
13 operates those detention services programs primarily with

Senate Bill No. 192 as amended April 30, 2013

14 professional rather than volunteer staff.

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

21 Sec. 708. As a condition of receiving funds appropriated in
22 part 1 for the child care fund line item, by December 15 of the
23 current fiscal year, counties shall have an approved service
24 spending plan for the current fiscal year. Counties must submit the
25 service spending plan to the department by October 1 of the current
26 fiscal year for approval. The department shall approve within 30

1 calendar days after receipt a properly completed service plan that
2 complies with the requirements of the social welfare act, 1939 PA
3 280, MCL 400.1 to 400.119b, and shall notify a county within 30
4 days after approval that its service plan was approved.

5 Sec. 709. (1) The department shall conduct annual audits of
6 the expenditures claimed by the counties in the child care fund and
7 shall not reimburse counties for ineligible claims.

8 (2) The department shall report to the senate and house and
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, the senate and house policy offices, and
11 the state budget office by March 1 of the current fiscal year on
12 the total improper claims to the child care fund and the counties
13 that made the claims.

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

18 Sec. 721. If the demand for placements at state-operated
19 juvenile justice residential facilities exceeds capacity, the
20 department shall not increase the available occupancy or services
21 at the facilities, and shall post a request for proposals for a
22 contract with not less than 1 private provider of residential
23 services for juvenile justice youth to be a residential facility of
24 last resort. A request for information or a request for quotation
25 must be issued before the request for proposal.

LOCAL OFFICE SERVICES

Sec. 750. The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, and hospitals unless a community-based organization, community mental health agency, nursing home, or hospital requests that the program be discontinued at its facility.

Sec. 753. By January 1, 2012, the department shall implement the recommendations of the 2004 public private partnership initiative's training committee to define, design, and implement a train-the-trainer program to certify private agency staff to deliver child welfare staff training, explore the use of e-learning technologies, and include consumers in the design and implementation of training. The intent of the legislature is to reduce training and travel costs for both the department and the private agencies. The department shall report no later than December 1 of the current fiscal year on each specific policy change made to implement enacted legislation and the plans to implement the recommendations, including timelines, to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on human services matters, the senate and house fiscal agencies and policy offices, and the state budget director.

CHILD SUPPORT ENFORCEMENT

Sec. 901. (1) The appropriations in part 1 assume a total 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 45 CFR 305.2.

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

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

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

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

25 (2) Each county whose retained child support collections in
26 the current fiscal year exceed its fiscal year 2004-2005 retained
27 child support collections, excluding tax offset and financial

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

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

13 (2) The department shall notify the chairs of the house and
14 senate appropriations subcommittees on the department budget and
15 the house and senate fiscal agencies within 15 days of the
16 authorization adjustment in subsection (1).

17 **INFORMATION TECHNOLOGY**

18 Sec. 1001. The department shall reduce the number of computers
19 used by staff and receiving technical support from the department
20 of management, technology, and budget by 3,000 no later than
21 November 1, 2013.

22 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

23 Sec. 1105. The department shall report to the house and senate
24 appropriations subcommittees on the department budget, the house
25 and senate fiscal agencies, the house and senate policy offices,

1 and the state budget office by February 1 of the current fiscal
2 year on the number of homes, the approximate value of each home,
3 and the square footage of each home weatherized through the
4 appropriations in section 104 during the preceding quarter of the
5 calendar year.

6 **ONE-TIME BASIS ONLY**

7 Sec. 1201. From the funds appropriated in part 1, the
8 department shall allocate \$1,500,000.00 for biometric fraud
9 detection technology that will improve the office of inspector
10 general's efforts to reduce waste, fraud, and abuse.

11 Sec. 1202. The funds appropriated in part 1 for an additional
12 4.0 FTEs for medical review team staff shall be allocated as 1-time
13 funding and the staff shall be hired as limited-term staff.

14 Sec. 1203. The funding appropriated in part 1 for an
15 additional 11.0 FTEs for child support specialists shall be
16 allocated as 1-time funding and the staff shall be hired as
17 limited-term staff.

18 Sec. 1205. (1) From the funds appropriated in part 1, the
19 department shall allocate \$250,000.00 to continue an existing
20 contract with a state university or outside research entity to
21 conduct a behavioral health study of juvenile justice facilities
22 operated or contracted for by the state. The study shall utilize
23 diagnostic clinical interviews with and records reviews for a
24 representative random sample of juvenile justice system detainees
25 to develop a report on each of the following:

26 (a) The proportion of juvenile justice detainees with a

1 primary diagnosis of emotional disorder, the percentage of those
2 detainees considered to currently require mental health treatment,
3 and the proportion of those detainees currently receiving mental
4 health services, including a description and breakdown,
5 encompassing, at a minimum, the categories of inpatient,
6 residential, and outpatient care, of the type of mental health
7 services provided to those detainees.

8 (b) The proportion of juvenile justice detainees with a
9 primary diagnosis of addiction disorder, the percentage of those
10 detainees considered to currently require substance abuse
11 treatment, and the proportion of those detainees currently
12 receiving substance abuse services, including a description and
13 breakdown, encompassing, at a minimum, the categories of
14 residential and outpatient care, of the type of substance abuse
15 services provided to those detainees.

16 (c) The proportion of juvenile justice detainees with a dual
17 diagnosis of emotional disorder and addiction disorder, the
18 percentage of those detainees considered to currently require
19 treatment for their condition, and the proportion of those
20 detainees currently receiving that treatment, including a
21 description and breakdown, encompassing, at a minimum, the
22 categories of mental health inpatient, mental health residential,
23 mental health outpatient, substance abuse residential, and
24 substance abuse outpatient, of the type of treatment provided to
25 those detainees.

26 (d) Data indicating whether juvenile justice detainees with a
27 primary diagnosis of emotional disorder, a primary diagnosis of

1 addiction disorder, and a dual diagnosis of emotional disorder and
2 addiction disorder were previously hospitalized in a state
3 psychiatric hospital for persons with mental illness. These data
4 shall be broken down according to each of these 3 respective
5 categories.

6 (e) Data indicating whether and with what frequency juvenile
7 justice detainees with a primary diagnosis of emotional disorder, a
8 primary diagnosis of addiction disorder, and a dual diagnosis of
9 emotional disorder and addiction disorder have been detained
10 previously. These data shall be broken down according to each of
11 these 3 respective categories.

12 (f) Data classifying the types of offenses historically
13 committed by juvenile justice detainees with a primary diagnosis of
14 emotional disorder, a primary diagnosis of addiction disorder, and
15 a dual diagnosis of emotional disorder and addiction disorder.
16 These data shall be broken down according to each of these 3
17 respective categories.

18 (g) Data indicating whether juvenile justice detainees have
19 previously received services managed by a community mental health
20 program or substance abuse coordinating agency. These data shall be
21 broken down according to the respective categories of detainees
22 with a primary diagnosis of emotional disorder, a primary diagnosis
23 of addiction disorder, and a dual diagnosis of emotional disorder
24 and addiction disorder.

25 (2) The report referenced under subsection (1) would be
26 provided not later than June 30 of the current fiscal year to the
27 senate and house appropriations subcommittees on human services,

1 the senate and house fiscal agencies and policy offices, and the
2 state budget director.

3 (3) The department may carry forward any unused portion of the
4 funding allocated in part 1 for the project defined in this section
5 into fiscal year 2014-2015.

6 PART 2A

7 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

8 FOR FISCAL YEAR 2014-2015

9 **GENERAL SECTIONS**

10 Sec. 1301. (1) It is the intent of the legislature to provide
11 appropriations for the fiscal year ending on September 30, 2015 for
12 the line items listed in part 1. The fiscal year 2014-2015
13 appropriations are anticipated to be the same as those for fiscal
14 year 2013-2014, except that the line items will be adjusted for
15 changes in caseload and related costs, federal fund match rates,
16 economic factors, and available revenue. These adjustments will be
17 determined after the January 2014 consensus revenue estimating
18 conference.

19 (2) It is the intent of the legislature that the department
20 identify the amounts for normal retirement costs and legacy
21 retirement costs for the fiscal year ending on September 30, 2015
22 for the line items listed in part 1.