

SUBSTITUTE FOR

SENATE BILL NO. 124

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2016; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. There is appropriated for the department of human
4 services for the fiscal year ending September 30, 2016, from the
5 following funds:

6 DEPARTMENT OF HUMAN SERVICES

7 APPROPRIATION SUMMARY

```
8      Full-time equated classified positions..... 11,968.9
```

9	Full-time equated unclassified positions.....	6.0
---	---	-----

1	Total full-time equated positions.....	11,974.9	
2	GROSS APPROPRIATION.....		\$ 5,720,733,500
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers	24,260,300	
6	ADJUSTED GROSS APPROPRIATION.....		\$ 5,696,473,200
7	Federal revenues:		
8	Social security act, temporary assistance for needy		
9	families	514,417,800	
10	Capped federal revenues.....	584,079,400	
11	Total other federal revenues.....	3,440,040,400	
12	Special revenue funds:		
13	Total private revenues.....	26,356,900	
14	Total local revenues.....	40,409,400	
15	Total other state restricted revenues.....	117,333,400	
16	State general fund/general purpose.....		\$ 973,835,900
17	Sec. 102. DEPARTMENTWIDE ADMINISTRATION		
18	Total full-time equated positions.....	690.5	
19	Full-time equated unclassified positions.....	6.0	
20	Full-time equated classified positions.....	684.5	
21	Unclassified salaries--6.0 FTE positions.....		\$ 735,500
22	Central administration--271.5 FTE positions.....	30,052,500	
23	Contractual services, supplies, and materials.....	12,671,800	
24	Demonstration projects--7.0 FTE positions.....	6,805,200	
25	Office of inspector general--130.0 FTE positions.....	13,236,300	
26	AFC, children's welfare and day care		
27	licensure--276.0 FTE positions.....	33,902,900	

1	State office of administrative hearings and rules	8,353,900
2	Travel.....	9,208,900
3	Rent and state office facilities.....	46,003,600
4	Worker's compensation.....	2,461,300
5	Terminal pay and other employee costs.....	10,320,200
6	Information technology projects and services.....	<u>114,969,100</u>
7	GROSS APPROPRIATION.....	\$ 288,721,200
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from department of education.....	15,803,700
11	ADJUSTED GROSS APPROPRIATION.....	\$ 272,917,500
12	Appropriated from:	
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families	38,065,500
16	Capped federal revenues.....	32,992,800
17	Total other federal revenues.....	95,832,600
18	Special revenue funds:	
19	Total private revenues.....	3,806,800
20	Total local revenues.....	16,400
21	Total state restricted revenue.....	5,400
22	State general fund/general purpose.....	\$ 102,198,000
23	Sec. 103. CHILD SUPPORT ENFORCEMENT	
24	Full-time equated classified positions.....	185.7
25	Child support enforcement operations--179.7 FTE	
26	positions	\$ 21,910,600
27	Legal support contracts.....	113,359,100

1	Child support incentive payments	24,409,600
2	State disbursement unit--6.0 FTE positions	8,080,700
3	Child support automation	<u>41,877,600</u>
4	GROSS APPROPRIATION	\$ 209,637,600
5	Appropriated from:	
6	Federal revenues:	
7	Capped federal revenues	11,395,000
8	Total other federal revenues	165,094,500
9	Special revenue funds:	
10	State general fund/general purpose	\$ 33,148,100
11	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
12	Full-time equated classified positions	46.6
13	Bureau of community services and outreach--16.0 FTE	
14	positions	\$ 2,065,600
15	Community services block grant	25,840,000
16	Weatherization assistance	16,340,000
17	School success partnership program	300,000
18	Homeless programs	15,421,900
19	Domestic violence prevention and treatment--14.6 FTE	
20	positions	15,727,100
21	Rape prevention and services--0.5 FTE position	5,072,300
22	Child advocacy centers--0.5 FTE position	2,000,000
23	Michigan community service commission--15.0 FTE	
24	positions	<u>11,593,900</u>
25	GROSS APPROPRIATION	\$ 94,360,800
26	Appropriated from:	
27	Federal revenues:	

1	Social security act, temporary assistance for needy		
2	families		11,223,100
3	Capped federal revenues.....		66,215,400
4	Special revenue funds:		
5	Private - collections.....		44,100
6	Compulsive gambling prevention fund.....		1,040,500
7	Sexual assault victims' prevention and treatment fund		3,000,000
8	Child advocacy centers fund.....		2,000,000
9	State general fund/general purpose.....	\$	10,837,700
10	Sec. 105. ADULT PROTECTIVE AND SUPPORT SERVICES		
11	Full-time equated classified positions.....	443.0	
12	Guardian contract.....	\$	540,200
13	Adult services policy and administration--18.0 FTE		
14	positions		2,279,400
15	Elder law of Michigan MiCAFE contract		350,000
16	Elder abuse prosecuting attorney.....		300,000
17	Adult services field staff--425.0 FTE positions		<u>43,807,400</u>
18	GROSS APPROPRIATION.....	\$	47,277,000
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	ADJUSTED GROSS APPROPRIATION.....	\$	47,277,000
22	Appropriated from:		
23	Federal revenues:		
24	Capped federal revenues.....		17,558,800
25	Total other federal revenues.....		14,561,300
26	Special revenue funds:		
27	State general fund/general purpose.....	\$	15,156,900

1	Sec. 106. CHILD WELFARE SERVICES	
2	Full-time equated classified positions.....	4,056.2
3	Children's services administration--166.0 FTE	
4	positions	\$ 18,637,200
5	Title IV-E compliance and accountability office--4.0	
6	FTE positions	412,000
7	Child welfare institute--45.0 FTE positions	7,523,200
8	Child welfare field staff - caseload	
9	compliance--2,511.0 FTE positions.....	225,483,300
10	Child welfare field staff - noncaseload	
11	compliance--320.0 FTE positions.....	32,881,200
12	Education planners--15.0 FTE positions	1,485,300
13	Peer coaches--45.5 FTE positions	5,567,700
14	Child welfare first line supervisors--578.0 FTE	
15	positions	70,618,000
16	Administrative support workers--221.0 FTE positions ..	12,453,700
17	Second line supervisors and technical staff--54.0	
18	FTE positions	8,650,900
19	Permanency resource managers--28.0 FTE positions	3,095,400
20	Contractual services, supplies, and materials	9,274,000
21	Settlement monitor.....	1,885,800
22	Foster care payments.....	190,072,600
23	Serious emotional disturbance - waiver program	3,345,800
24	Serious emotional disturbance - nonwaiver program	2,994,700
25	Guardianship assistance program.....	8,807,000
26	Child care fund.....	180,556,600
27	Child care fund administration--6.2 FTE positions	736,000

1	Adoption subsidies.....	238,884,600
2	Adoption support services--10.0 FTE positions	27,243,600
3	Youth in transition--4.5 FTE positions	14,876,000
4	Child welfare medical/psychiatric evaluations	8,735,500
5	Psychotropic oversight.....	618,200
6	Performance based funding implementation--3.0 FTE	
7	positions	1,272,200
8	Interstate compact.....	179,600
9	Strong families/safe children.....	12,350,100
10	Family preservation programs.....	38,857,500
11	Family preservation and prevention services	
12	administration--9.0 FTE positions.....	1,263,100
13	Child abuse and neglect - children's justice	
14	act--1.0 FTE position	619,100
15	Children's trust fund--12.0 FTE positions	3,301,800
16	Attorney general contract.....	4,224,900
17	Prosecuting attorney general contracts	2,561,700
18	Child protection.....	873,900
19	Redetermined adoption assistance.....	<u>600,000</u>
20	GROSS APPROPRIATION.....	\$ 1,140,942,200
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from department of education.....	207,300
24	ADJUSTED GROSS APPROPRIATION.....	\$ 1,140,734,900
25	Appropriated from:	
26	Federal revenues:	
27	Social security act, temporary assistance for needy	

1	families	280,639,600
2	Capped federal revenues.....	113,250,300
3	Total other federal revenues.....	261,762,400
4	Special revenue funds:	
5	Private - collections.....	2,452,400
6	Local funds - county chargeback.....	17,215,400
7	Children's trust fund.....	2,076,900
8	State general fund/general purpose.....	\$ 463,337,900
9	Sec. 107. JUVENILE JUSTICE SERVICES	
10	Full-time equated classified positions..... 112.0	
11	W.J. Maxey Training School.....	\$ 1,000,000
12	Bay Pines Center--42.0 FTE positions.....	4,823,100
13	Shawono Center--42.0 FTE positions.....	4,908,200
14	County juvenile officers.....	3,904,300
15	Community support services--3.0 FTE positions.....	2,097,900
16	Juvenile justice administration and	
17	maintenance--22.0 FTE positions.....	3,491,800
18	Juvenile accountability block grant--0.5 FTE position	1,281,300
19	Committee on juvenile justice administration--2.5	
20	FTE positions	343,500
21	Committee on juvenile justice grants.....	3,000,000
22	In-home community care.....	400,000
23	Juvenile justice vision 20/20.....	<u>100</u>
24	GROSS APPROPRIATION.....	\$ 25,250,200
25	Appropriated from:	
26	Federal revenues:	
27	Capped federal revenues.....	5,721,200

1	Special revenue funds:		
2	Local funds - state share education funds	1,300,900	
3	Local funds - county chargeback	4,407,800	
4	State general fund/general purpose	\$ 13,820,300	
5	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
6	Full-time equated classified positions.....	5,845.5	
7	Public assistance field staff--4,693.5 FTE positions .	\$ 463,295,300	
8	Contractual services, supplies, and materials	17,224,900	
9	Healthy Michigan plan administration	19,536,300	
10	Medical/psychiatric evaluations	1,420,100	
11	Donated funds positions--538.0 FTE positions	60,147,600	
12	Training and program support--20.0 FTE positions	2,414,200	
13	Volunteer services and reimbursement	760,400	
14	Field policy and administration--66.0 FTE positions ..	8,394,000	
15	Nutrition education--2.0 FTE positions	23,036,600	
16	Employment and training support services	4,219,100	
17	Michigan rehabilitation services--526.0 FTE positions	136,470,900	
18	Independent living	6,488,600	
19	Wage employment verification reporting	847,300	
20	Electronic benefit transfer (EBT)	<u>8,132,700</u>	
21	GROSS APPROPRIATION	\$ 752,388,000	
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from department of corrections	100,000	
25	IDG from department of education	7,385,500	
26	ADJUSTED GROSS APPROPRIATION	\$ 744,902,500	
27	Appropriated from:		

1	Federal revenues:	
2	Social security act, temporary assistance for needy	
3	families	130,655,100
4	Capped federal revenues.....	133,843,200
5	Federal supplemental security income.....	8,588,600
6	Total other federal revenues.....	232,678,200
7	Special revenue funds:	
8	Local funds - donated funds.....	10,934,300
9	Local vocational rehabilitation match.....	6,534,600
10	Private funds - donated funds.....	18,199,000
11	Private funds - gifts, bequests, and donations	1,854,600
12	Rehabilitation service fees.....	1,442,000
13	Second injury fund.....	149,400
14	State general fund/general purpose.....	\$ 200,023,500
15	Sec. 109. DISABILITY DETERMINATION SERVICES	
16	Full-time equated classified positions.....	587.4
17	Disability determination operations--583.3 FTE	
18	positions	\$ 109,419,900
19	Retirement disability determination--4.1 FTE positions	<u>591,200</u>
20	GROSS APPROPRIATION.....	\$ 110,011,100
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from DTMB - office of retirement services	763,800
24	ADJUSTED GROSS APPROPRIATION.....	\$ 109,247,300
25	Appropriated from:	
26	Federal revenues:	
27	Total other federal revenues.....	106,009,400

1	Special revenue funds:	
2	State general fund/general purpose	\$ 3,237,900
3	Sec. 110. PUBLIC ASSISTANCE	
4	Full-time equated classified positions.....	8.0
5	Family independence program.....	\$ 138,070,300
6	Family independence program substance abuse testing ..	275,000
7	State disability assistance payments	14,894,400
8	Food assistance program benefits	2,561,003,400
9	State supplementation	63,135,000
10	State supplementation administration	2,381,100
11	Low-income home energy assistance program	174,951,600
12	Food bank funding	1,795,000
13	Multicultural integration funding	3,015,500
14	Indigent burial	4,300,000
15	Emergency services local office allocations	10,357,500
16	Michigan energy assistance program--1.0 FTE position .	50,000,000
17	Refugee assistance program--7.0 FTE positions	<u>27,966,600</u>
18	GROSS APPROPRIATION	\$ 3,052,145,400
19	Appropriated from:	
20	Federal revenues:	
21	Social security act, temporary assistance for needy	
22	families	53,834,500
23	Capped federal revenues	203,102,700
24	Total other federal revenues	2,555,513,400
25	Special revenue funds:	
26	Child support collections	14,745,600
27	Supplemental security income recoveries	5,763,600

1	Public assistance recoupment revenue.....	7,010,000
2	Low-income energy assistance fund.....	50,000,000
3	Michigan merit award trust fund.....	30,100,000
4	State general fund/general purpose.....	\$ 132,075,600

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

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 2015-2016 is \$1,091,169,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$96,252,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

17	Child care fund.....	\$ 92,101,900
18	County juvenile officers.....	3,100,000
19	State disability assistance payments.....	1,039,300
20	Family independence program.....	<u>11,700</u>
21	TOTAL.....	\$ 96,252,900

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

Sec. 203. As used in this part and part 1:

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

2 (b) "Current fiscal year" means the fiscal year ending
3 September 30, 2016.

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

5 (d) "FTE" means full-time equated.

6 (e) "IDG" means interdepartmental grant.

7 (f) "MiCAFE" means Michigan's coordinated access to food for
8 the elderly.

9 (g) "Previous fiscal year" means the fiscal year ending
10 September 30, 2015.

11 (h) "Settlement" means the settlement agreement entered in the
12 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
13 States District Court for the Eastern District of Michigan.

14 (i) "SSI" means supplemental security income.

15 (j) "Temporary assistance for needy families" or "TANF" or
16 "title IV-A" means part A of title IV of the social security act,
17 42 USC 601 to 619.

18 (k) "Title IV-D" means part D of title IV of the social
19 security act, 42 USC 651 to 669b.

20 (l) "Title IV-E" means part E of title IV of the social
21 security act, 42 USC 670 to 679c.

22 Sec. 205. Pursuant to section 1b of the social welfare act,
23 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
24 part as a time-limited addendum to the social welfare act, 1939 PA
25 280, MCL 400.1 to 400.119b.

26 Sec. 206. In addition to the metrics required under section
27 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for

1 each new program or program enhancement for which funds in excess
2 of \$500,000.00 are appropriated in part 1, the department shall
3 provide not later than November 1, 2015 a list of program-specific
4 metrics intended to measure its performance based on a return on
5 taxpayer investment. The department shall deliver the program-
6 specific metrics to members of the senate and house subcommittees
7 that have subject matter jurisdiction for this budget, fiscal
8 agencies, and the state budget director. The department shall
9 provide an update on its progress in tracking program-specific
10 metrics and the status of program success at an appropriations
11 subcommittee meeting called for by the subcommittee chair.

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

16 (2) Neither the department nor private service providers or
17 licensees shall be granted preferential treatment or considered
18 automatically to be in compliance with administrative rules based
19 on whether they have collective bargaining agreements with direct
20 care workers. Private service providers or licensees without
21 collective bargaining agreements shall not be subjected to
22 additional requirements or conditions of licensure based on their
23 lack of collective bargaining agreements.

24 Sec. 208. Unless otherwise specified, the department shall use
25 the Internet to fulfill the reporting requirements of this part.
26 This requirement shall include transmission of reports via
27 electronic mail to the recipients identified for each reporting

1 requirement, and it shall include placement of reports on the
2 Internet.

3 Sec. 209. Funds appropriated in part 1 shall not be used for
4 the purchase of foreign goods or services, or both, if
5 competitively priced and of comparable quality American goods or
6 services, or both, are available. Preference should be given to
7 goods or services, or both, manufactured or provided by Michigan
8 businesses, if they are competitively priced and of comparable
9 quality. In addition, preference should be given to goods or
10 services, or both, that are manufactured or provided by Michigan
11 businesses owned and operated by veterans, if they are
12 competitively priced and of comparable quality.

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

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

26 (2) The department's ability to satisfy appropriation fund
27 sources in part 1 shall not be limited to collections and accruals

1 pertaining to services provided in the current fiscal year, but
2 shall also include reimbursements, refunds, adjustments, and
3 settlements from prior years.

4 Sec. 213. The department may retain all of the state's share
5 of food assistance overissuance collections as an offset to general
6 fund/general purpose costs. Retained collections shall be applied
7 against federal funds deductions in all appropriation units where
8 department costs related to the investigation and recoupment of
9 food assistance overissuances are incurred. Retained collections in
10 excess of such costs shall be applied against the federal funds
11 deducted in the executive operations appropriation unit.

12 Sec. 215. If a legislative objective of this part or of a bill
13 or amendment to a bill to amend the social welfare act, 1939 PA
14 280, MCL 400.1 to 400.119b, cannot be implemented because
15 implementation would conflict with or violate federal regulations,
16 the department shall notify the state budget director, the chairs
17 of the house and senate subcommittees on the department budget, and
18 the house and senate fiscal agencies and policy offices of that
19 fact.

20 Sec. 217. The departments and agencies receiving
21 appropriations in part 1 shall prepare a report on out-of-state
22 travel expenses not later than January 1 of each year. The travel
23 report shall be a listing of all travel by classified and
24 unclassified employees outside this state in the immediately
25 preceding fiscal year that was funded in whole or in part with
26 funds appropriated in the department's budget. The report shall be
27 submitted to the house and senate appropriations committees, the

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

2 The report shall include the following information:

3 (a) The dates of each travel occurrence.

4 (b) The transportation and related costs of each travel
5 occurrence, including the proportion funded with state general
6 fund/general purpose revenues, the proportion funded with state
7 restricted revenues, the proportion funded with federal revenues,
8 and the proportion funded with other revenues.

9 Sec. 219. The department shall cooperate with the department
10 of technology, management, and budget to maintain a searchable
11 website accessible by the public at no cost that includes, but is
12 not limited to, all of the following for each department or agency:

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

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

15 (c) Fiscal year-to-date payments to a selected vendor,
16 including the vendor name, payment date, payment amount, and
17 payment description.

18 (d) The number of active department employees by job
19 classification.

20 (e) Job specifications and wage rates.

21 Sec. 220. The department shall ensure that faith-based
22 organizations are able to apply and compete for services, programs,
23 or contracts that they are qualified and suitable to fulfill. The
24 department shall not disqualify faith-based organizations solely on
25 the basis of the religious nature of their organization or their
26 guiding principles or statements of faith.

27 Sec. 221. If the revenue collected by the department from

1 private and local sources exceeds the amount spent from amounts
2 appropriated in part 1, the revenue may be carried forward, with
3 approval from the state budget director, into the subsequent fiscal
4 year.

5 Sec. 222. (1) The department shall provide written
6 notification to the chairpersons of the senate and house
7 appropriations subcommittees on the budget for the department of
8 any policy changes at least 30 days before the implementation date.

9 (2) The department shall make the entire policy and procedures
10 manual available and accessible to the public via the department
11 website.

12 (3) The department shall report no later than April 1 of the
13 current fiscal year on each specific policy change made to
14 implement a public act affecting the department that took effect
15 during the prior calendar year to the house and senate
16 appropriations subcommittees on the budget for the department, the
17 joint committee on administrative rules, and the senate and house
18 fiscal agencies. The department shall attach each policy bulletin
19 issued during the prior calendar year to this report.

20 Sec. 232. The department shall provide periodic status reports
21 by October 31, January 31, April 30, July 31, and September 30 to
22 the house and senate appropriations subcommittees on the department
23 budget, the house and senate fiscal agencies, and house and senate
24 policy offices on the payroll taxes and fringe benefits costs that
25 were consolidated with salary and wages line items in the current
26 year budget.

27 Sec. 233. The department shall report to the senate and house

1 of representatives appropriations subcommittees on the department
2 budget, the senate and house fiscal agencies, and the senate and
3 house policy offices by November 1 of the current fiscal year a
4 report that includes all of the following information pertaining to
5 the merger of the department and department of community health:

6 (a) The impact on client service delivery or access to
7 services.

8 (b) Any cost increases or reductions that resulted from rent
9 or building occupancy changes.

10 (c) The number of FTE positions that were eliminated or added
11 due to duplication of efforts.

12 Sec. 234. The department shall include specific outcome and
13 performance reporting requirements in the interagency agreement
14 with the Michigan strategic fund for TANF funding to provide job
15 readiness and welfare-to-work programming. TANF funding provided to
16 the Michigan strategic fund in the current fiscal year is
17 contingent on compliance with the data and reporting requirements
18 described in this section. The interagency agreement must require
19 the Michigan strategic fund to provide all of the following items
20 by January 1 of the current fiscal year for the previous year to
21 the senate and house appropriations committees:

22 (a) An itemized spending report on TANF funding, including all
23 of the following:

24 (i) Direct services to clients.

25 (ii) Administrative expenditures.

26 (b) The number of family independence program (FIP) clients
27 served through the TANF funding, including all of the following:

1 (i) The number and percentage who obtained employment through
2 Michigan Works!

3 (ii) The number and percentage who fulfilled their TANF work
4 requirement through other job readiness programming.

5 (iii) Average TANF spending per client.

6 (iv) The number and percentage of clients who were referred to
7 Michigan Works! but did not receive a job or job readiness
8 placement and the reasons why.

9 Sec. 240. The department shall notify the house and senate
10 appropriations committees and the house and senate fiscal agencies
11 of any changes to a child welfare master contract template,
12 including the adoption master contract template, the independent
13 living plus master contract template, the placing agency foster
14 care master contract template, and the residential foster care
15 juvenile justice master contract template, not less than 30 days
16 before the change takes effect.

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

20 Sec. 265. Within 14 days after the release of the executive
21 budget recommendation, the department shall cooperate with the
22 state budget office to provide the senate and house appropriations
23 chairs, the senate and house appropriations subcommittees chairs,
24 and the senate and house fiscal agencies with an annual report on
25 estimated state restricted fund balances, state restricted fund
26 projected revenues, and state restricted fund expenditures for the
27 fiscal years ending September 30, 2015 and September 30, 2016.

1 Sec. 274. (1) The department, in collaboration with the state
2 budget office, shall submit to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, and the house and senate policy offices 1 week after the
5 day the governor submits to the legislature the budget for the
6 ensuing fiscal year a report on spending and revenue projections
7 for each of the capped federal funds listed below. The report shall
8 contain actual spending and revenue in the previous fiscal year,
9 spending and revenue projections for the current fiscal year as
10 enacted, and spending and revenue projections within the executive
11 budget proposal for the fiscal year beginning October 1, 2015 for
12 each individual line item for the department budget. The report
13 shall also include federal funds transferred to other departments.
14 The capped federal funds shall include, but not be limited to, all
15 of the following:

16 (a) TANF.

17 (b) Title XX social services block grant.

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

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

21 (e) Low-income home energy assistance program.

22 (2) By February 15 of the current fiscal year, the department
23 shall prepare an annual report of its efforts to identify
24 additional TANF maintenance of effort sources and rationale for any
25 increases or decreases from all of the following, but not limited
26 to:

27 (a) Other departments.

1 (b) Local units of government.

2 (c) Private sources.

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

8 (2) By February 1 of the current fiscal year, the department
9 shall provide the senate and house appropriations subcommittees on
10 the department budget, the senate and house fiscal agencies and
11 policy offices, and the state budget office a report detailing
12 measurable performance indicators, desired outcomes, and an
13 assessment of the quality of services provided by the department
14 during the previous fiscal year.

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

22 (2) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$5,000,000.00 for state
24 restricted contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

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

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

13 Sec. 290. Any public advertisement for state assistance shall
14 also inform the public of the welfare fraud hotline operated by the
15 department.

16 Sec. 291. (1) The department shall verify, using the e-verify
17 system, that all new department employees, and new hire employees
18 of contractors and subcontractors paid from funds appropriated in
19 part 1, are legally present in the United States. The department
20 may verify this information directly or may require contractors and
21 subcontractors to verify the information and submit a certification
22 to the department.

23 (2) By February 15 of the current fiscal year, the department
24 shall submit to the house and senate appropriations subcommittees
25 on the department budget, the house and senate fiscal agencies, and
26 the house and senate policy offices a report on the number of new
27 department employees and new hire employees of contractors and

1 subcontractors that were found to not be legally present in the
2 United States.

3 Sec. 293. The department may use funds from the funds
4 appropriated in part 1 to strengthen marriage and family relations
5 through the practice of marriage and family therapy for
6 individuals, families, couples, or groups. The goal of the therapy
7 shall be strengthening families by helping them avoid, eliminate,
8 relieve, manage, or resolve marital or family conflict or discord.

9 Sec. 294. The director of the department shall provide formal,
10 written notification and notification via electronic mail to the
11 county court administrator and the chairperson of the county board
12 of commissioners if the county's payments under the county child
13 care fund or state ward board and care chargeback obligations
14 according to section 5 of the youth rehabilitation services act,
15 1974 PA 150, MCL 803.305, or section 117a or 117c of the social
16 welfare act, 1939 PA 280, MCL 400.117a or 400.117c, are 3 months'
17 delinquent and that withholding of payments under this section may
18 be implemented if the delinquency continues more than 6 months. The
19 director shall provide formal, written direction to the department
20 of treasury if a county is at least 6 months' delinquent, the
21 amount of the delinquent payments, and that revenue sharing
22 payments should be withheld.

23 Sec. 296. Not later than November 30, the state budget office
24 shall prepare and transmit a report that provides for estimates of
25 the total general fund/general purpose appropriation lapses at the
26 close of the prior fiscal year. This report shall summarize the
27 projected year-end general fund/general purpose appropriation

1 lapses by major departmental program or program areas. The report
2 shall be transmitted to the chairpersons of the senate and house
3 appropriations committees and the senate and house fiscal agencies.

4 Sec. 297. Total authorized appropriations from all sources
5 under part 1 for legacy costs for the fiscal year ending September
6 30, 2016 is \$271,619,000.00. From this amount, total agency
7 appropriations for pension-related legacy costs are estimated at
8 \$154,170,400.00. Total agency appropriations for retiree health
9 care legacy costs are estimated at \$117,448,600.00.

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

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

20 **EXECUTIVE OPERATIONS**

21 Sec. 307. (1) From the funds appropriated in part 1 for
22 demonstration projects, \$400,000.00 shall be distributed as
23 provided in subsection (2). The amount distributed under this
24 subsection shall not exceed 50% of the total operating expenses of
25 the program described in subsection (2), with the remaining 50%
26 paid by local United Way organizations and other nonprofit

1 organizations and foundations.

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

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

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

19 Sec. 310. It is the intent of the legislature that the
20 department shall work with youth-oriented nonprofit organizations
21 to provide mentoring programming for children of incarcerated
22 parents and other at-risk children.

23 Sec. 315. (1) The department, in conjunction with the
24 department of community health, organizations representing disabled
25 and elderly adults, representatives of assisted living facilities,
26 and the legislature, shall conduct a workgroup that explores
27 licensing standards and practices and performance measures for

1 facilities providing adult assisted living services in order to
2 ensure safe, adequately supervised, and protective environments for
3 those individuals and families seeking assisted living services.

4 (2) By November 1, 2015, the department shall provide to the
5 senate and house appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies, the senate and house
7 policy offices, and the state budget office a report on the
8 findings of the workgroup that is described in subsection (1).

9 Sec. 316. From the funds appropriated in part 1 for terminal
10 leave payouts and other employee costs, the department shall not
11 spend in excess of its annual gross appropriation unless it
12 identifies and requests a legislative transfer from another
13 budgetary line item supporting administrative costs, as provided by
14 section 393(2) of the management and budget act, 1984 PA 431, MCL
15 18.1393.

16 Sec. 317. From the additional funds appropriated in part 1 for
17 child care licensure from the interdepartmental grant from the
18 department of education, the department shall increase the number
19 of child care licensing consultants and staff. The purpose of the
20 additional staff is to increase the number of monitoring visits to
21 applicants for a child care license and those who are licensed to
22 ensure the health and safety of children in early learning settings
23 across the state.

24 ADULT AND FAMILY SERVICES

25 Sec. 401. (1) Funds appropriated in part 1 for independent
26 living shall be used to support centers for independent living in

1 delivering mandated independent living core services in compliance
2 with federal rules and regulations for the centers, by existing
3 centers for independent living to serve underserved areas, and for
4 projects to build the capacity of centers for independent living to
5 deliver independent living services. Applications for the funds
6 shall be reviewed in accordance with criteria and procedures
7 established by the department. Funds shall be used in a manner
8 consistent with the state plan for independent living. Services
9 provided should assist people with disabilities to move toward
10 self-sufficiency, including support for accessing transportation
11 and health care, obtaining employment, community living, nursing
12 home transition, information and referral services, education,
13 youth transition services, veterans, and stigma reduction
14 activities. This includes the independent living guide project that
15 specifically focuses on economic self-sufficiency.

16 (2) The Michigan centers for independent living shall provide
17 a report by March 1 of the current fiscal year to the house and
18 senate appropriations subcommittees on the department budget, the
19 house and senate fiscal agencies, the house and senate policy
20 offices, and the state budget office on direct customer and system
21 outcomes and performance measures.

22 Sec. 402. The Michigan rehabilitation services shall work
23 collaboratively with the bureau of services for blind persons,
24 service organizations, and government entities to identify
25 qualified match dollars to maximize use of available federal
26 vocational rehabilitation funds.

27 Sec. 403. (1) It is the intent of the legislature that the

1 funds appropriated in part 1 for Michigan rehabilitation services,
2 and any future funds appropriated for that purpose, shall not be
3 spent unless Michigan rehabilitation services addresses, works to
4 remedy, and accounts for the deficiencies found in Michigan
5 rehabilitation services as detailed in the most recent auditor
6 general report of Michigan rehabilitation services.

7 (2) The department shall provide an annual report by February
8 1 to the house and senate appropriations subcommittees on the
9 department budget, the house and senate fiscal agencies, and house
10 and senate policy offices on Michigan rehabilitation services that
11 include all of the following items:

12 (a) Reductions and changes in administration costs and
13 staffing.

14 (b) Service delivery plans and implementation steps achieved.

15 (c) Reorganization plans and implementation steps achieved.

16 (d) Plans to integrate Michigan rehabilitative services
17 programs into other services provided by the department.

18 (e) Quarterly expenditures by major spending category.

19 (f) Employment and job retention rates from both Michigan
20 rehabilitation services and its nonprofit partners.

21 (g) Success rate of each district in achieving the program
22 goals.

23 Sec. 405. It is the intent of the legislature that Michigan
24 rehabilitation services shall not implement an order of selection
25 for vocational and rehabilitative services. If the department is at
26 risk of entering into an order of selection for services, the
27 department shall notify the chairs of the senate and house

1 subcommittees on the department budget and the senate and house
2 fiscal agencies and policy offices within 2 weeks of receiving
3 notification.

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

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

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

1 family business affairs by means such as education, counseling, and
2 mentoring in household matters; infant care; effective
3 communication and respect; anger management; children's financial
4 support; and drug-free lifestyle.

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

9 (5) Upon receipt of the promotion of responsible fatherhood
10 funds from the United States Department of Health and Human
11 Services, the department shall use the program criteria set forth
12 in subsection (3) to implement the program with the federal funds.

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

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

1 structure.

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

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

16 (5) Upon receipt of the healthy marriage promotion grant from
17 the United States Department of Health and Human Services, the
18 department shall use the program criteria set forth in subsection
19 (3) to implement the program with the federal funds.

20 Sec. 420. (1) From the funds appropriated in part 1, the
21 department shall contract with the Prosecuting Attorneys
22 Association of Michigan to provide the support and services
23 necessary to increase the capability of the state's prosecutors,
24 adult protective service system, and criminal justice system to
25 effectively identify, investigate, and prosecute elder abuse and
26 financial exploitation.

27 (2) By March 1 of the current fiscal year, the prosecuting

1 attorneys association shall provide a report on the efficacy of the
2 contract to the state budget office, the house and senate
3 appropriations subcommittees on the department budget, the house
4 and senate fiscal agencies, and the house and senate policy
5 offices.

6 Sec. 423. From the funds appropriated in part 1 for Elder Law
7 of Michigan MiCAFE contract, the department shall allocate not less
8 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
9 state's elderly population to participate in the food assistance
10 program. Of the \$350,000.00 allocated under this section, the
11 department shall use \$175,000.00, which are general fund/general
12 purpose funds, as state matching funds for not less than
13 \$175,000.00 in United States Department of Agriculture funding to
14 provide outreach program activities, such as eligibility screen and
15 information services, as part of a statewide food assistance
16 hotline.

17 Sec. 425. (1) From the funds appropriated in part 1, the
18 department shall provide individuals not more than \$500.00 for
19 vehicle repairs, including any repairs done in the previous 12
20 months. However, the department may in its discretion pay for
21 repairs up to \$900.00. Payments under this section shall include
22 the combined total of payments made by the department and work
23 participation program.

24 (2) By November 30 of the current fiscal year, the department
25 shall provide to the senate and house appropriations subcommittees
26 on the department budget, the senate and house fiscal agencies, and
27 the senate and house policy offices a report detailing the total

number of payments for repairs, the number of payments for repairs that exceeded \$500.00, the number of payments for repairs that cost exactly \$500.00, and the number of payments for repairs that cost exactly \$900.00 in the previous fiscal year.

CHILDREN'S SERVICES

Sec. 501. (1) A goal is established that not more than 27% of all children in foster care at any given time during the current fiscal year will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide 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 a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

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

Sec. 503. (1) The department shall continue to develop a prospective rate payment system for private agencies that includes funding for adoption incentive payments. The full cost prospective rate payment system will identify and cover contractual costs paid through the case rate developed by an independent actuary.

1 (2) By September 30, 2016, the department shall complete a
2 full cost analysis of the performance-based funding model with
3 respect to the current fiscal year, including relevant information
4 on the actuarial rate-setting process, and provide a report on the
5 analysis to the senate and house appropriations subcommittees on
6 the department budget.

7 (3) In accordance with the final report of the Michigan child
8 welfare performance-based funding task force issued in response to
9 section 503 of article X of 2013 PA 59, the department shall
10 implement a 5-year independent, third-party evaluation of the
11 performance-based funding model. The evaluator shall be selected
12 through a competitive process by a rating committee that includes,
13 but is not limited to, representatives from the department and
14 private child placing agencies.

15 (4) The department shall only phase the implementation of the
16 performance-based funding model into additional counties where the
17 department, private child welfare agencies, the county, and the
18 court operating within that county have agreed to implement the
19 performance-based funding model.

20 (5) The department shall provide a quarterly report on the
21 status of the performance-based contracting model to the senate and
22 house appropriations subcommittees on the department budget, the
23 senate and house standing committees on families and human
24 services, and the senate and house fiscal agencies and policy
25 offices.

26 Sec. 505. By March 1 of the current fiscal year, the
27 department and Wayne County shall provide to the senate and house

1 appropriations committees on the department budget and the senate
2 and house fiscal agencies and policy offices a report for youth
3 served in the previous fiscal year and in the first quarter of the
4 current fiscal year outlining the number of youth served within
5 each juvenile justice system, the type of setting for each youth,
6 performance outcomes, and financial costs or savings.

7 Sec. 507. The department's ability to satisfy appropriation
8 deducts in part 1 for foster care private collections shall not be
9 limited to collections and accruals pertaining to services provided
10 only in the current fiscal year but may include revenues collected
11 during the current fiscal year for services provided in prior
12 fiscal years.

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

17 (2) The department and the child abuse neglect and prevention
18 board shall collaborate to ensure that administrative delays are
19 avoided and the local grant recipients and direct service providers
20 receive money in an expeditious manner. The department and board
21 shall make available the children's trust fund contract funds to
22 grantees within 31 days of the start date of the funded project.

23 Sec. 511. The department shall provide quarterly reports to
24 the senate and house appropriations subcommittees on the department
25 budget, the senate and house standing committees on families and
26 human services, and the senate and house fiscal agencies and policy
27 offices on the number and percentage of children who received

1 timely health examinations after entry into foster care and the
2 number and percentage of children entering foster care who received
3 a required mental health examination after entry into foster care.

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

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

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

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

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

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

21 (2) The department shall not expend money for a child placed
22 in an out-of-state facility without approval of the deputy director
23 for children's services. The department shall notify the
24 appropriate state agency in that state including the name of the
25 out-of-state provider who accepted the placement.

26 (3) The department shall submit quarterly reports to the state
27 court administrative office, the house and senate appropriations

1 subcommittees on the department budget, the house and senate fiscal
2 agencies, and the house and senate policy offices on the number of
3 Michigan children residing in out-of-state facilities at the time
4 of the report, the total cost and average per diem cost of these
5 out-of-state placements to this state, and a list of each such
6 placement arranged by the Michigan county of residence for each
7 child.

8 (4) The department shall submit an annual report by February
9 15 of the current fiscal year on per diem costs of each residential
10 care provider that has an established state rate and is located or
11 doing business in this state.

12 (5) It is the intent of the legislature that the department
13 shall work in conjunction with the courts and the state court
14 administrative office to identify data needed to calculate
15 statewide recidivism rates for adjudicated youth placed in either
16 residential secure or nonsecure facilities, defined at 6 months
17 after a youth is released from placement.

18 (6) By March 1 of the current fiscal year, the department
19 shall notify the legislature on the status of efforts to accomplish
20 the intent of subsection (5).

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

26 (a) Statistical information including, at a minimum, all of
27 the following:

1 (i) The total number of reports of child abuse or neglect
2 investigated under the child protection law, 1975 PA 238, MCL
3 722.621 to 722.638, and the number of cases classified under
4 category I or category II and the number of cases classified under
5 category III, category IV, or category V.

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

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

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

20 (v) For the reported complaints of child abuse or neglect by
21 teachers, school administrators, and school counselors, the number
22 of cases classified under category I or category II and the number
23 of cases classified under category III, category IV, or category V.

24 (vi) For the reported complaints of child abuse or neglect by
25 teachers, school administrators, and school counselors, the number
26 of cases that resulted in separation of the child from the parent
27 or guardian and the period of time of that separation, up to and

1 including termination of parental rights.

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

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

9 (d) The department policy, or changes to the department
10 policy, regarding children who have been exposed to the production
11 or manufacture of methamphetamines.

12 Sec. 515. By March 1, the department shall submit a report to
13 the senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, the senate and house
15 policy offices, and the state budget office that provides an update
16 on the privatization of child welfare services in Kent County as
17 described in section 515 of article X of 2013 PA 59 and includes
18 all of the following:

19 (a) Costs or savings that resulted from the program.

20 (b) Gaps in funding.

21 (c) Program successes.

22 (d) Challenges and barriers to a successful implementation.

23 Sec. 519. The department shall permit any private agency that
24 has an existing contract with this state to provide foster care
25 services to be also eligible to provide treatment foster care
26 services.

27 Sec. 522. (1) From the funds appropriated in part 1 for youth

1 in transition, the department shall allocate \$750,000.00 for
2 college scholarships through the fostering futures scholarship
3 program in the Michigan education trust to youths who were in
4 foster care because of child abuse or neglect and are attending a
5 college located in this state. Of the funds appropriated, 100%
6 shall be used to fund scholarships for the youths described in this
7 section.

8 (2) Not later than March 1 of the current fiscal year, the
9 department shall provide a report to the house and senate
10 appropriations subcommittees on the department budget, the house
11 and senate fiscal agencies, and the house and senate policy offices
12 that includes the number of youths who received scholarships and
13 the amount of each scholarship, and the total amount of funds spent
14 or encumbered in the current fiscal year.

15 Sec. 523. (1) By February 15 of the current fiscal year, the
16 department shall report on the families first, family
17 reunification, and families together building solutions family
18 preservation programs to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office. The report shall contain all of the following for each
22 program:

23 (a) The average cost per recipient served.

24 (b) Measurable performance indicators.

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

1 (d) Monitored results.

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

4 (2) From the funds appropriated in part 1 for youth in
5 transition and domestic violence prevention and treatment, the
6 department is authorized to make allocations of TANF funds only to
7 agencies that report necessary data to the department for the
8 purpose of meeting TANF eligibility reporting requirements.

9 Sec. 524. As a condition of receiving funds appropriated in
10 part 1 for strong families/safe children, counties must submit the
11 service spending plan to the department by October 1 of the current
12 fiscal year for approval. The department shall approve the service
13 spending plan within 30 calendar days after receipt of a properly
14 completed service spending plan.

15 Sec. 525. The department shall implement the same on-site
16 evaluation processes for privately operated child welfare and
17 juvenile justice residential facilities as is used to evaluate
18 state-operated facilities. Penalties for noncompliance shall be the
19 same for privately operated child welfare and juvenile justice
20 residential facilities and state-operated facilities.

21 Sec. 526. From the funds appropriated in part 1 for foster
22 care payments and related administrative costs, the department may
23 implement the federally approved title IV-E child welfare waiver
24 demonstration project. As required under the waiver, any savings
25 resulting from the demonstration project must be quantified and
26 reinvested into child welfare programming.

27 Sec. 532. (1) The department, in collaboration with

1 representatives of private child and family agencies, shall revise
2 and improve the annual licensing review process and the annual
3 contract compliance review process for child placing agencies and
4 child caring institutions. The improvement goals shall be safety
5 and care for children. Improvements to the review process shall be
6 directed toward alleviating administrative burdens so that agency
7 resources may be focused on children. The revision shall include
8 identification of duplicative staff activities and information
9 sought from child placing agencies and child caring institutions in
10 the annual review process. 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 or before January 15 of the
14 current fiscal year on the findings of the annual licensing review.

15 (2) The department shall conduct licensing reviews no more
16 than once every 2 years for child placing agencies and child caring
17 institutions that are nationally accredited and have no outstanding
18 violations.

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

23 (2) The department shall provide a report on the status of the
24 implementation and operation of this section by February 15 of the
25 current fiscal year.

26 Sec. 534. The department shall report to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office by November 1 of the current fiscal year a
3 report on the planning, implementation, and operation, regardless
4 of the current operational status, of the statewide automated child
5 welfare information system. The report shall include, but not be
6 limited to, all of the following:

7 (a) Areas where implementation went as planned.

8 (b) The number of known issues.

9 (c) The average number of help tickets submitted per day.

10 (d) Any additional overtime or other staffing costs to address
11 known issues and volume of help tickets.

12 (e) Any contract revisions to address known issues and volume
13 of help tickets.

14 (f) Other strategies undertaken to improve implementation.

15 Sec. 537. (1) The department, in collaboration with child
16 placing agencies, shall develop a strategy to implement section
17 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The
18 strategy shall include a requirement that a department caseworker
19 responsible for preparing a recommendation to a court concerning a
20 juvenile placement shall provide, as part of the recommendation,
21 information regarding the requirements of section 115o of the
22 social welfare act, 1939 PA 280, MCL 400.115o.

23 (2) Between February 1 and February 29, 2016, the department
24 shall provide to the senate and house appropriations subcommittees
25 on the department budget, the senate and house fiscal agencies, the
26 senate and house policy offices, and the state budget office a
27 report on the strategy described in subsection (1).

1 Sec. 540. If a physician or psychiatrist who is providing
2 services to state or court wards placed in a residential facility
3 submits a formal request to the department to change the
4 psychotropic medication of a ward, the department shall, if the
5 ward is a state ward, make a determination on the proposed change
6 within 7 business days after the request or, if the ward is a
7 temporary court ward, seek parental consent within 7 business days
8 after the request. If parental consent is not provided within 7
9 business days, the department shall petition the court on the
10 eighth business day.

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

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

19 (3) From the funds appropriated in part 1, the department
20 shall pay providers of independent living plus services statewide
21 per diem rates for staff-supported housing and host-home housing
22 based on proposals submitted in response to a solicitation for
23 pricing. The independent living plus program provides staff-
24 supported housing and services for foster youth ages 16 through 19
25 who, because of their individual needs and assessments, are not
26 initially appropriate for general independent living foster care.

27 (4) From the funds appropriated in part 1, the department

1 shall pay providers of foster care services an additional \$3.00
2 administrative rate, provided that section 117a of the social
3 welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the
4 county match rate for the additional administrative rate provided
5 in this subsection. Payments under this subsection shall be made,
6 not less than, on a monthly basis.

7 (5) If required by the federal government to meet title IV-E
8 requirements, providers of foster care services shall submit
9 quarterly expenditure reports to the department to identify actual
10 costs of providing foster care services.

11 (6) From the funds appropriated in part 1, the department
12 shall provide an increase to each private provider of residential
13 services, if section 117a of the social welfare act, 1939 PA 280,
14 MCL 400.117a, is amended to eliminate the county match rate for the
15 additional rate provided in this section.

16 Sec. 547. From the funds appropriated in part 1 for the
17 guardianship assistance program, the department shall pay a minimum
18 rate that is not less than the approved age-appropriate payment
19 rates for youth placed in family foster care.

20 Sec. 556. (1) No later than December 1 for the current fiscal
21 year, the department shall provide an annual report to the
22 subcommittees of the senate and house appropriations committees on
23 the department budget, the house and senate fiscal agencies, and
24 the state budget director that includes the following:

25 (a) The number of complaints filed by adoptive parents who
26 were not notified that their adopted child had special needs.

27 (b) The number of cases that received redetermined adoption

1 assistance as defined in section 115f of the social welfare act,
2 1939 PA 280, MCL 400.115f, the total expenditures on the program,
3 and the number of cases in each determination of care level of
4 payment.

5 (2) From the funds appropriated in part 1 for the redetermined
6 adoption assistance program and not later than October 1, 2015, the
7 department shall implement a state-funded program to allow adoptive
8 parents to request a redetermination of their adoption assistance.

9 Sec. 558. The department shall submit to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office by March 1 of the current fiscal year a
13 report on the training programs or courses provided through the
14 child welfare training institute and the annual cost for each
15 program or course. The report shall include the following data:

16 (a) The number of training programs or courses that were
17 provided for private agencies.

18 (b) The number of employees from private agencies who attended
19 any training.

20 Sec. 559. (1) From the funds appropriated in part 1 for
21 adoption support services, the department shall allocate
22 \$350,000.00 to the Adoptive Family Support Network by December 1 of
23 the current fiscal year to operate and expand its adoptive parent
24 mentor program to provide a listening ear, knowledgeable guidance,
25 and community connections to adoptive parents and children who were
26 adopted in this state or another state.

27 (2) The Adoptive Family Support Network shall submit to the

1 senate and house appropriations subcommittees on the department
2 budget, the senate and house fiscal agencies, the senate and house
3 policy offices, and the state budget office by March 1 of the
4 current fiscal year a report on the program described in subsection
5 (1), including, but not limited to, the number of cases served and
6 the number of cases in which the program prevented an out-of-home
7 placement.

8 Sec. 562. The department shall provide time and travel
9 reimbursements for foster parents who transport a foster child to
10 parent-child visitations. As part of the foster care parent
11 contract, the department shall provide written confirmation to
12 foster parents that states that the foster parents have the right
13 to request these reimbursements for all parent-child visitations.
14 The department shall provide these reimbursements within 60 days of
15 receiving a request for eligible reimbursements from a foster
16 parent.

17 Sec. 564. (1) The department shall develop a clear policy for
18 parent-child visitations. The local county offices, caseworkers,
19 and supervisors shall meet a 50% success rate, after accounting for
20 factors outside of the caseworker's control.

21 (2) Per the court-ordered number of required meetings between
22 caseworkers and parent, the caseworkers shall achieve a success
23 rate of 65%, after accounting for factors outside of the
24 caseworker's control.

25 (3) Between February 1 and February 29, 2016, the department
26 shall provide to the senate and house appropriations subcommittees
27 on the department budget, the senate and house fiscal agencies, the

1 senate and house policy offices, and the state budget office a
2 report on the barriers to achieve the success rates in subsections
3 (1) and (2), and how this information is tracked.

4 Sec. 567. (1) The caseworker or supervisor who is assigned to
5 a foster care case is responsible for completing a medical passport
6 for the cases assigned to him or her. If a child in foster care is
7 transferred to a new placement or returned to his or her parent's
8 or guardian's home, the medical passport must be transferred within
9 2 weeks from the date of placement or return to the home.

10 (2) The department shall submit to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, the senate and house policy offices, and
13 the state budget office by March 1 of the current fiscal year a
14 report on the items described in subsection (1), including the
15 following:

16 (a) The percentage of medical passports that were properly
17 filled out.

18 (b) From the total medical passports transferred, the
19 percentage that transferred within 2 weeks from the date of
20 placement or return to the home.

21 (c) The implementation steps that have been taken to improve
22 the outcome for the measures in subdivisions (a) and (b).

23 Sec. 568. (1) From the funds appropriated in part 1 for
24 adoption subsidies, the department shall pay a minimum adoption
25 subsidy rate that is not less than 95% of the rate that was or
26 would have been provided for the adoptee in family foster care at
27 the time of the adoption. This rate includes the determination of

1 care rate that was paid or would have been paid to the adoptive
2 parent for the adoptee in a family foster care placement, and this
3 amount shall be increased to reflect any increase in the standard
4 age appropriate foster care rate.

5 (2) "Determination of care rate" as described in this section
6 means a supplemental payment to the standard age appropriate foster
7 care rate that may be justified when extraordinary care or expense
8 is required. The supplemental payment is based on 1 or more of the
9 following case situations where additional care is required of the
10 foster care provider or adoptive parent or an additional expense
11 exists:

12 (a) Physically disabled children for whom the adoptive parent
13 must provide measurably greater supervision and care.

14 (b) Children with special psychological or psychiatric needs
15 that require extra time and measurably greater amounts of care and
16 attention by the adoptive parent.

17 (c) Children requiring special diets that are more expensive
18 than a normal diet and that require extra time and effort by the
19 adoptive parent to obtain or prepare.

20 (d) Children whose severe acting-out or antisocial behavior
21 requires a measurably greater amount of care and attention of the
22 adoptive parent.

23 (3) The department shall, on a separate form, allow an
24 adoptive parent to sign a certification that he or she rejects a
25 support subsidy.

26 (4) If this section conflicts with state statute enacted
27 subsequent to this act, the state statute controls.

1 Sec. 569. The department shall reimburse private child placing
2 agencies that complete adoptions at the rate according to the date
3 on which the petition for adoption and required support
4 documentation was accepted by the court and not according to the
5 date the court's order placing for adoption was entered.

6 Sec. 574. (1) From the funds appropriated in part 1 for foster
7 care payments, \$2,500,000.00 is allocated to support performance-
8 based contracts with child placing agencies to facilitate the
9 licensure of relative caregivers as foster parents. Agencies shall
10 receive \$2,300.00 for each facilitated licensure if completed
11 within 180 days after a child's placement or, if a waiver was
12 previously approved, 180 days from the application date. If the
13 facilitated licensure, or approved waiver, is completed after 180
14 days, the agency shall receive up to \$2,300.00. The agency
15 facilitating the licensure would retain the placement and continue
16 to provide case management services for at least 50% of the newly
17 licensed cases for which the placement was appropriate to the
18 agency. Up to 50% of the newly licensed cases would have direct
19 foster care services provided by the department.

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

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

1 standing committees on families and human services, the senate and
2 house fiscal agencies and policy offices, and the state budget
3 office a report that includes:

4 (a) The number and percentage of foster parents that dropped
5 out of the program in the previous fiscal year and the reasons the
6 foster parents left the program and how those figures compare to
7 prior fiscal years.

8 (b) The number and percentage of foster parents successfully
9 retained in the previous fiscal year and how those figures compare
10 to prior fiscal years.

11 Sec. 585. The department shall make available at least 1 pre-
12 service training class each month in which new caseworkers for
13 private foster care and adoption agencies can enroll.

14 Sec. 587. (1) From the funds appropriated in part 1 to in-home
15 community care programs, \$400,000.00 shall be used to expand or
16 create new in-home care and community-based juvenile justice
17 services to rural counties through a grant-making process. Counties
18 that received funds for the purpose described in section 587 of
19 article X of 2013 PA 59 are not eligible to receive the funds in
20 this section. The department shall expend the full amount of funds
21 for the purpose described in this section by December 1 of the
22 current fiscal year.

23 (2) By March 1 of the current fiscal year, the department
24 shall submit a report that describes the program expansion and
25 expenditures in detail to the senate and house appropriations
26 subcommittees on the department budget, the senate and house fiscal
27 agencies, and the senate and house policy offices.

1 Sec. 588. (1) Concurrently with public release, the department
2 shall transmit all reports from the court-appointed settlement
3 monitor, including, but not limited to, the needs assessment and
4 period outcome reporting, to the state budget office, the senate
5 and house appropriations subcommittees on the department budget,
6 and the senate and house fiscal agencies, without revision.

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

13 Sec. 589. (1) From the funds appropriated in part 1 for child
14 care fund, the department shall pay 100% of the administrative rate
15 for all new cases referred to providers of foster care services
16 beginning on October 1, 2013.

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

20 Sec. 593. The department may allow residential service
21 providers for abuse and neglect cases to implement a staff ratio
22 during working hours of 1 staff to 5 children.

23 PUBLIC ASSISTANCE

24 Sec. 601. Whenever a client agrees to the release of his or
25 her name and address to the local housing authority, the department
26 shall request from the local housing authority information

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

7 Sec. 602. The department shall establish a policy to conduct a
8 full evaluation of an individual's assistance needs if the
9 individual has applied for disability more than 1 time.

10 Sec. 603. Between February 1 and February 29, 2016, the
11 department shall provide to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, the senate and house policy offices, and the state budget
14 office a report on the department's efforts to maximize Medicaid
15 claims for foster children and adjudicated youths.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 Sec. 606. County department offices shall require each
12 recipient of family independence program and state disability
13 assistance who has applied with the social security administration
14 for supplemental security income to sign a contract to repay any
15 assistance rendered through the family independence program or
16 state disability assistance program upon receipt of retroactive
17 supplemental security income benefits.

18 Sec. 607. (1) The department's ability to satisfy
19 appropriation deductions in part 1 for state disability
20 assistance/supplemental security income recoveries and public
21 assistance recoupment revenues shall not be limited to recoveries
22 and accruals pertaining to state disability assistance, or family
23 independence assistance grant payments provided only in the current
24 fiscal year, but may include revenues collected during the current
25 year that are prior year related and not a part of the department's
26 accrued entries.

27 (2) The department may use supplemental security income

1 recoveries to satisfy the deduct in any line in which the revenues
2 are appropriated, regardless of the source from which the revenue
3 is recovered.

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

16 Sec. 609. The state supplementation level under the
17 supplemental security income program for the personal care/adult
18 foster care and home for the aged categories shall not be reduced
19 during the current fiscal year. The legislature shall be notified
20 not less than 30 days before any proposed reduction in the state
21 supplementation level.

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

26 (2) For purposes of determining housing affordability
27 eligibility for state emergency relief, a group is considered to

1 have sufficient income to meet ongoing housing expenses if their
2 total housing obligation does not exceed 75% of their total net
3 income.

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

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

10 (5) State emergency relief payments for rent assistance shall
11 be distributed directly to landlords and shall not be added to
12 Michigan bridge cards.

13 Sec. 611. The state supplementation level under the
14 supplemental security income program for the living independently
15 or living in the household of another categories shall not exceed
16 the minimum state supplementation level as required under federal
17 law or regulations.

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

21 Sec. 613. The department shall provide reimbursements for the
22 final disposition of indigent persons. The maximum allowable
23 reimbursement for the final disposition shall be \$800.00. In
24 addition, reimbursement for a cremation permit fee of up to \$75.00
25 and for mileage at the standard rate will also be made available
26 for an eligible cremation. The reimbursements under this section
27 shall account for religious preferences that prohibit cremation.

1 Sec. 614. The department shall report to the senate and house
2 of representatives appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies, and the senate and
4 house policy offices by January 15 of the current fiscal year on
5 the number and percentage of state disability assistance recipients
6 who were determined to be eligible for federal supplemental
7 security income benefits in the previous fiscal year.

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

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

19 Sec. 617. The department shall prepare a report on the number
20 and percentage of public assistance recipients, categorized by type
21 of assistance received, who were no longer eligible for assistance
22 because of their status in the law enforcement information network
23 and provide the report by January 15 of the current fiscal year to
24 the senate and house appropriations subcommittees on the department
25 budget, the senate and house standing committees on families and
26 human services, and the senate and house fiscal agencies and policy
27 offices.

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

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

11 (b) An authorized representative shall be required for food
12 assistance receipt.

13 (2) Subject to federal approval, an individual is not entitled
14 to the exemption in this section if the individual was convicted in
15 2 or more separate cases of a felony that included the possession,
16 use, or distribution of a controlled substance after August 22,
17 1996.

18 Sec. 620. (1) The department shall make a determination of
19 Medicaid eligibility not later than 60 days after all information
20 to make the determination is received from the applicant if
21 disability is an eligibility factor. For all other Medicaid
22 applicants, including patients of a nursing home, the department
23 shall make a determination of Medicaid eligibility within 45 days
24 of application.

25 (2) The department shall report on a quarterly basis by
26 February 1, May 1, August 1, and November 1 to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house standing committees on families and human services, and
2 the senate and house fiscal agencies and policy offices on the
3 average Medicaid eligibility standard of promptness for each of the
4 required standards of promptness under subsection (1) and for
5 medical review team reviews achieved statewide and at each local
6 office.

7 Sec. 625. The department may contract with the Legal Services
8 Association of Michigan to provide assistance to individuals who
9 have applied for or wish to apply for SSI or other federal
10 disability benefits. The Legal Services Association of Michigan
11 shall provide a list of new clients accepted to the department to
12 verify that services have been provided to department clients. The
13 Legal Services Association of Michigan and the department shall
14 work together to develop release forms to share information in
15 appropriate cases. The Legal Services Association of Michigan shall
16 provide quarterly reports indicating cases opened, cases closed,
17 level of services provided on closed cases, and case outcomes on
18 closed cases.

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

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

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

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

19 Sec. 655. Within 14 days after the spending plan for low-
20 income home energy assistance program is approved by the state
21 budget office, the department shall provide the spending plan,
22 including itemized projected expenditures, to the chairpersons of
23 the senate and house appropriations subcommittees on the department
24 budget, the senate and house fiscal agencies, and the senate and
25 house policy offices.

26 Sec. 660. From the funds appropriated in part 1 for food bank
27 funding, the department is authorized to make allocations of TANF

1 funds only to the agencies that report necessary data to the
2 department for the purpose of meeting TANF eligibility reporting
3 requirements. The agencies that do not report necessary data to the
4 department for the purpose of meeting TANF eligibility reporting
5 requirements will not receive allocations in excess of those
6 received in fiscal year 2000. The use of TANF funds under this
7 section should not be considered an ongoing commitment of funding.

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

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

25 (2) As used in this section, "inappropriate use" means not
26 used to meet a family's ongoing basic needs, including food,
27 clothing, shelter, utilities, household goods, personal care items,

1 and general incidentals.

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

7 (2) On a monthly basis, the department shall report to the
8 senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies and policy offices,
10 and the state budget director on the number of cases referred to
11 Partnership. Accountability. Training. Hope. (PATH), the current
12 percentage of family independence program cases involved in PATH
13 employment activities, an estimate of the current percentage of
14 family independence program cases that meet federal work
15 participation requirements on the whole, and an estimate of the
16 current percentage of the family independence program cases that
17 meet federal work participation requirements for those cases
18 referred to PATH.

19 (3) The department shall submit to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, the senate and house policy offices, and
22 the state budget office a quarterly report that includes all of the
23 following:

24 (a) The number and percentage of nonexempt family independence
25 program recipients who are employed.

26 (b) The average and range of wages of employed family
27 independence program recipients.

1 (c) When data become available, the number and percentage of
2 employed family independence program recipients who remain employed
3 for 6 months or more.

4 Sec. 686. (1) The department shall ensure that program policy
5 requires caseworkers to confirm that individuals presenting
6 personal identification issued by another state seeking assistance
7 through the family independence program, food assistance program,
8 state disability assistance program, or medical assistance program
9 are not receiving benefits from any other state.

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

13 (3) The department shall prohibit individuals with property
14 assets assessed at a value higher than \$200,000.00 from accessing
15 assistance through department-administered programs, unless such a
16 prohibition would violate federal rules and guidelines.

17 (4) The department shall require caseworkers to obtain an up-
18 to-date telephone number during the eligibility determination or
19 redetermination process for individuals seeking medical assistance
20 benefits. On a monthly basis, the department shall provide the
21 department of community health with an updated list of telephone
22 numbers for medical assistance recipients.

23 Sec. 687. (1) The department shall, on a quarterly basis by
24 February 1, May 1, August 1, and November 1, compile and make
25 available on its website all of the following information about the
26 family independence program, state disability assistance, the food
27 assistance program, Medicaid, and state emergency relief:

1 (a) The number of applications received.

2 (b) The number of applications approved.

3 (c) The number of applications denied.

4 (d) The number of applications pending and neither approved
5 nor denied.

6 (e) The number of cases closed.

7 (2) The information provided under subsection (1) shall be
8 compiled and made available for the state as a whole and for each
9 county and reported separately for each program listed in
10 subsection (1).

11 (3) The department shall, on a quarterly basis by February 1,
12 May 1, August 1, and November 1, compile and make available on its
13 website the family independence program information listed as
14 follows:

15 (a) The number of new applicants who successfully met the
16 requirements of the 21-day assessment period for PATH.

17 (b) The number of new applicants who did not meet the
18 requirements of the 21-day assessment period for PATH.

19 (c) The number of cases sanctioned because of the school
20 truancy policy.

21 (d) The number of cases closed because of the 48-month and 60-
22 month lifetime limits.

23 (e) The number of first-, second-, and third-time sanctions.

24 (f) The number of children ages 0-5 living in FIP-sanctioned
25 households.

26 (4) The department shall notify the state budget office, the
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, and the senate and
2 house policy offices when the reports required in this section are
3 made available on the department's website.

4 Sec. 695. (1) From the funds appropriated in part 1 for
5 multicultural integration funding, the department may require each
6 contractor to provide data and information on performance-related
7 metrics. These metrics may include, but are not limited to, all of
8 the following:

9 (a) Each contractor or subcontractor shall have a mission that
10 is consistent with the purpose of multicultural integration
11 funding.

12 (b) Each contractor shall validate that any subcontractors
13 utilized within these appropriations share the same mission as the
14 lead agency receiving funding.

15 (c) Each contractor or subcontractor shall demonstrate cost-
16 effectiveness.

17 (d) Each contractor or subcontractor shall ensure their
18 ability to leverage private dollars to strengthen and maximize
19 service provision.

20 (e) Each contractor or subcontractor shall provide timely and
21 accurate reports regarding the number of clients served, units of
22 service provision, and ability to meet their stated goals.

23 (2) The department shall require an annual report from the
24 contractors that receive multicultural integration funding. The
25 annual report, due 60 days following the end of the contract
26 period, shall include specific information on services and programs
27 provided, the client base to which the services and programs were

1 provided, information on any wraparound services provided, and the
2 expenditures for those services. The department shall provide the
3 annual reports to the senate and house appropriations subcommittees
4 on the department budget, the senate and house fiscal agencies, and
5 the state budget office.

6 (3) The department of community health and the department
7 shall convene a workgroup to discuss and make recommendations on
8 including accreditation in the contractor specifications and
9 potentially moving toward competitive bidding. Each contractor
10 required to provide data per this section shall be invited to
11 participate in the workgroup if so convened.

12 **JUVENILE JUSTICE SERVICES**

13 Sec. 701. Unless required from changes to federal or state law
14 or at the request of a provider, the department shall not alter the
15 terms of any signed contract with a private residential facility
16 serving children under state or court supervision without written
17 consent from a representative of the private residential facility.

18 Sec. 703. (1) From the funds appropriated in part 1 for
19 Juvenile Justice Vision 20/20, the department shall provide funding
20 for the information technology services and projects described in
21 subsection (2). Any unexpended or unencumbered funds appropriated
22 for the services and projects described in subsection (2) are
23 considered work project appropriations and are available for
24 expenditure in the succeeding fiscal year.

25 (2) The department shall use the funds described in subsection
26 (1) to implement a data exchange for use by the department, circuit

1 and probate courts, private juvenile justice agencies, and the
2 state court administrative office under the guidance of appropriate
3 data sharing agreements that tracks statistical and demographic
4 data on juveniles referred to the family division of the circuit
5 court, otherwise known as the juvenile courts after successful
6 implementation and evaluation of the existing pilot database in
7 Ottawa, Kalamazoo, Kent, Ionia, and Berrien Counties. The following
8 is in compliance with section 451a(1) of the management and budget
9 act, 1984 PA 431, MCL 18.1451a:

10 (a) The purpose of the project is to implement a new juvenile
11 justice data sharing model that will track data on juveniles
12 referred to the courts.

13 (b) The project will be accomplished by local court staff,
14 state employees, contracts with private vendors, and juvenile
15 justice stakeholders.

16 (c) The total estimated cost of the project is \$5,550,000.00.

17 (d) The tentative completion date is September 30, 2019.

18 (e) The data exchange shall be compatible with MiSACWIS.

19 (3) The department's director of children's services
20 administration or his or her designee shall serve as a Juvenile
21 Justice Vision 20/20 executive team member.

22 (4) The department, in collaboration with the state court
23 administrative office and the department of technology, management,
24 and budget, shall submit to the senate and house appropriations
25 subcommittees on the department budget, the senate and house fiscal
26 agencies, the senate and house policy offices, and the state budget
27 office by March 1 of the current fiscal year a report on the status

1 of the implementation items described in subsections (1) and (2).

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

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

14 Sec. 708. (1) As a condition of receiving funds appropriated
15 in part 1 for the child care fund line item, by December 15 of the
16 current fiscal year, counties shall have an approved service
17 spending plan for the current fiscal year. Counties must submit the
18 service spending plan to the department by October 1 of the current
19 fiscal year for approval. The department shall approve within 30
20 calendar days after receipt a properly completed service plan that
21 complies with the requirements of the social welfare act, 1939 PA
22 280, MCL 400.1 to 400.119b, and shall notify a county within 30
23 days after approval that its service plan was approved.

24 (2) The department shall submit a report to the house and
25 senate appropriations subcommittees on the department budget, the
26 house and senate fiscal agencies, and the house and senate policy
27 offices by February 15 of the current fiscal year on the number of

1 counties that fail to submit a service spending plan by October 1
2 and the number of service spending plans not approved by December
3 15.

4 Sec. 709. (1) The department shall close the W.J. Maxey
5 Training School no later than October 15, 2015. The department
6 shall ensure that staff employed at the W.J. Maxey Training School
7 be given priority for new staff positions that they are qualified
8 to fulfill that are funded in the current fiscal year appropriation
9 to meet the requirements of the children's rights settlement
10 agreement.

11 (2) The department shall transfer all of the youth who are
12 placed at the W.J. Maxey Training School to another comparable
13 juvenile residential facility no later than October 1, 2015 to
14 complete the duration of their placement. The youth shall not be
15 transferred to an adult prison or a county jail.

16 (3) The department shall submit a quarterly report by November
17 1, February 1, May 1, and August 1 to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, and the senate and house policy offices
20 on the current placement and status of the youth transferred from
21 W.J. Maxey Training School during the previous and current fiscal
22 year as a result of the closure.

23 Sec. 711. The department shall submit an implementation plan
24 based on the report recommendations provided in the behavioral
25 health study of juvenile justice facilities operated or contracted
26 for by the state that was conducted in the previous fiscal year to
27 the senate and house appropriations subcommittees on human

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

3 Sec. 719. The department shall notify the legislature at least
4 30 days before closing or making any change in the status,
5 including the licensed bed capacity and operating bed capacity, of
6 a state juvenile justice facility.

7 Sec. 721. If the demand for placements at state-operated
8 juvenile justice residential facilities exceeds capacity, the
9 department shall not increase the available occupancy or services
10 at the facilities, and shall post a request for proposals for a
11 contract with not less than 1 private provider of residential
12 services for juvenile justice youth to be a residential facility of
13 last resort.

14 LOCAL OFFICE SERVICES

15 Sec. 750. (1) The department shall maintain out-stationed
16 eligibility specialists in community-based organizations, community
17 mental health agencies, nursing homes, and hospitals unless a
18 community-based organization, community mental health agency,
19 nursing home, or hospital requests that the program be discontinued
20 at its facility.

21 (2) From the funds appropriated in part 1 for donated funds
22 positions, the department shall enter into a contract with any
23 agency that requests a donated funds position and is able and
24 eligible under federal law to provide the required matching funds
25 for federal funding, as determined by federal statute and
26 regulations. If the department denies a request for donated funds

1 positions, the department shall provide to the agency that made the
2 request the federal statute or regulation that supports the denial.
3 If there is no federal statute or regulation that supports the
4 denial, the department shall grant the request for the donated
5 funds position.

6 (3) A contract for a donated funds position must include, but
7 not be limited to, the following performance metrics:

8 (a) Meeting a standard of promptness for processing
9 applications for Medicaid and other public assistance programs
10 under state law.

11 (b) Meeting required standards for error rates in determining
12 programmatic eligibility as determined by the department.

13 (4) The department shall only fill additional donated funds
14 positions after a new contract has been signed. That position shall
15 also be abolished when the contract expires or is terminated.

16 (5) The department shall classify as limited-term FTEs any new
17 employees who are hired to fulfill the donated funds position
18 contracts or are hired to fill any vacancies from employees who
19 transferred to a donated funds position.

20 (6) Beginning in fiscal year 2016, the department may increase
21 the total number of donated funds positions by 200.0 FTEs. The
22 purpose of these positions will be to address client service needs
23 in adult placement and independent living settings, federal
24 qualified health clinics, hospitals with a high degree of
25 uncompensated care, and employer-based sites.

26 Sec. 751. (1) From the funds appropriated in part 1 for
27 Healthy Michigan plan administration, the department, in

1 conjunction with the department of community health, shall
2 establish an accounting structure within the Michigan
3 administrative information network that will allow expenditures
4 associated with the administration of the Healthy Michigan plan to
5 be identified. By October 1, 2015, the department shall provide the
6 state budget office and the house and senate fiscal agencies with
7 the relevant accounting structure and associated business objects
8 script and report that groups administrative costs.

9 (2) The department shall submit to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office a quarterly report on the implementation
13 status of the Healthy Michigan call center that includes all of the
14 following information:

15 (a) Call volume during the prior quarter.

16 (b) Percentage of calls resolved through the Healthy Michigan
17 plan call center.

18 (c) Percentage of calls transferred to a local department
19 office or other office for resolution.

20 (d) Number of Medicaid applications completed by the Healthy
21 Michigan call center staff and submitted on behalf of clients.

22 **CHILD SUPPORT ENFORCEMENT**

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

25 (2) From the federal money received for child support
26 incentive payments, \$12,000,000.00 shall be retained by the state

1 and expended for child support program expenses.

2 (3) From the federal money received for child support
3 incentive payments, \$14,500,000.00 shall be paid to the counties
4 based on each county's performance level for each of the federal
5 performance measures as established in 45 CFR 305.2.

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

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

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

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

23 (2) Each county whose retained child support collections in
24 the current fiscal year exceed its fiscal year 2004-2005 retained
25 child support collections, excluding tax offset and financial
26 institution data match collections in both the current year and
27 fiscal year 2004-2005, shall receive its proportional share of the

1 75% excess.

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

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

15 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

16 Sec. 1108. (1) From the funds appropriated in part 1 for
17 school success partnership program, the department shall allocate
18 \$300,000.00 to support the Northeast Michigan Community Service
19 Agency and expand programming to 4 new counties by December 1 of
20 the current fiscal year. The department shall require the following
21 performance objectives be measured and reported for the duration of
22 the state funding for the school success partnership program:

23 (a) Increasing school attendance and decreasing chronic
24 absenteeism.

25 (b) Increasing academic performance based on grades with
26 emphasis on math and reading.

1 (c) Identifying barriers to attendance and success and
2 connecting families with resources to reduce these barriers.

3 (d) Increasing parent involvement with the parent's child's
4 school and community.

5 (2) The Northeast Michigan Community Service Agency shall
6 provide reports to the department on January 31 and June 30 of the
7 current fiscal year on the number of children and families served
8 and the services that were provided to families to meet the
9 performance objectives identified in this section. The department
10 shall distribute the reports within 1 week after receipt to the
11 house and senate appropriations subcommittees on the department
12 budget, house and senate fiscal agencies, and house and senate
13 policy offices.