

SENATE BILL NO. 914

EXECUTIVE BUDGET BILL

February 24, 1998, Introduced by Senators GEAKE, STEIL, GOUGEON,
and MC MANUS and referred to the Committee on Appropriations.

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 1999; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the family independence agency
2 and certain state purposes related to public welfare services for the
3 fiscal year ending September 30, 1999, from the following funds:

4 **FAMILY INDEPENDENCE AGENCY**

5 **APPROPRIATIONS SUMMARY:**

6 Full-time equated classified positions . . 13,228.0

1	Full-time equated unclassified positions . . .	6.0	
2	GROSS APPROPRIATION		\$ 2,899,116,400
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartment transfers		150,000
6	ADJUSTED GROSS APPROPRIATION		\$ 2,898,966,400
7	Federal revenues:		
8	Total federal revenues		1,722,443,100
9	Special revenue funds:		
10	Total local revenues		61,163,600
11	Total private revenues		7,731,100
12	Total other state restricted revenues		88,508,300
13	State general fund/general purpose		\$ 1,019,120,300
14	EXECUTIVE OPERATIONS		
15	Full-time equated unclassified positions . . .	6.0	
16	Full-time equated classified positions . . .	929.3	
17	Unclassified salaries--6.0 FTE positions		\$ 478,000
18	Executive operations--727.3 FTE positions		32,965,300
19	Contractual services, supplies, and materials . . .		10,330,300
20	Demonstration projects--11.0 FTE positions		10,605,700
21	End user support		4,916,000
22	Computer service fees		12,931,700
23	ASSIST project--25.0 FTE positions		33,846,500
24	Data system enhancement--26.0 FTE positions		12,620,300
25	Child support automation--25.0 FTE positions		26,461,100
26	Child support distribution computer system		625,000
27	Commission on disability concerns--7.0 FTE		
28	positions		709,600
29	Commission for the blind--108.0 FTE positions		<u>17,060,200</u>
30	GROSS APPROPRIATION		\$ 163,549,700
31	Appropriated from:		
32	Interdepartmental grant revenues:		
33	IDG-ADP user fees		150,000
34	Appropriated from:		
35	Federal revenues:		

1	Total federal revenues	92,521,800
2	Special revenue funds:	
3	Total local revenues	475,000
4	Total private revenues	1,840,000
5	Total other state restricted revenues	477,300
6	State general fund/general purpose	\$ 68,085,600
7	FAMILY SERVICES ADMINISTRATION	
8	Full-time equated classified positions . . .	396.0
9	Family services administration operations--	
10	320.0 FTE positions	\$ 14,810,500
11	Contractual services, supplies, and materials . .	6,896,500
12	Child support incentive payments	32,409,600
13	Legal support contracts	87,853,700
14	Supplemental security income advocates, salaries	
15	and wages--17.0 FTE positions	1,044,100
16	State incentive payments	4,449,000
17	Employment and training support services	24,826,700
18	Food stamp issuance	5,374,400
19	High school completion project--4.0 FTE positions	308,400
20	Wage employment verification reporting--2.0	
21	FTE positions	5,030,000
22	Urban and rural empowerment/enterprise zones . . .	100
23	Community services block grant	18,100,000
24	Training and staff development--53.0 FTE positions	<u>9,513,100</u>
25	GROSS APPROPRIATION	\$ 210,616,100
26	Appropriated from:	
27	Federal revenues:	
28	Total federal revenues	184,041,000
29	Special revenue funds:	
30	Local funds - donated funds	340,000
31	State general fund/general purpose	\$ 26,235,100
32	CHILD AND FAMILY SERVICES	
33	Full-time equated classified positions . . .	103.3
34	Children and family services operations--53.3	
35	FTE positions	\$ 2,667,200

1	Contractual services, supplies, and materials . .	1,782,000
2	Refugee assistance program--9.0 FTE positions . .	7,377,100
3	County juvenile officers	3,470,300
4	Foster care payments	218,941,200
5	Youth in transition--19.0 FTE positions	10,196,900
6	Interstate compact	300,000
7	Adoption subsidies	121,056,200
8	Child care fund	61,958,100
9	Children's benefit fund donations	21,000
10	Domestic violence prevention and treatment--1.0	
11	FTE position	5,662,200
12	Teenage parent counseling--3.0 FTE positions . . .	3,405,200
13	Family preservation and prevention	
14	services--13.0 FTE positions	63,016,500
15	Black child and family institute	100,000
16	Rape prevention and services	1,100,000
17	Attorney general contract	1,708,700
18	Guardian contract	600,000
19	County shelters	200,000
20	Prosecuting attorney contract--1.0 FTE position .	1,061,700
21	Children's trust fund administration--4.0 FTE	
22	positions	330,300
23	Children's trust fund grants	<u>3,615,000</u>
24	GROSS APPROPRIATION	\$ 508,569,600
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	265,582,600
28	Special revenue funds:	
29	Local funds - county payback	7,221,200
30	Private - children's benefit fund donations . . .	21,000
31	Private - collections	4,101,300
32	Children's trust fund	2,070,300
33	State general fund/general purpose	\$ 229,573,200
34	DELINQUENCY SERVICES	
35	Full-time equated classified positions . . 1,211.1	

1	Delinquency services operations	\$ 14,526,900
2	Genesee valley and Detroit detention centers--210.2	
3	FTE positions	8,297,500
4	Residential care centers--45.0 FTE positions . . .	2,518,100
5	Federally funded activities--26.1 FTE positions .	1,790,800
6	W.J. Maxey memorial fund	45,000
7	Regional detention services--10.6 FTE positions .	1,207,300
8	Juvenile boot camp program	2,300,000
9	Committee on juvenile justice	
10	administration--3.0 FTE positions	269,300
11	Committee on juvenile justice grants	7,000,000
12	Juvenile accountability incentive block grant . .	6,128,200
13	Personnel payroll costs--916.2 FTE positions . . .	45,000,000
14	Delinquency block grant	<u>48,553,900</u>
15	GROSS APPROPRIATION	\$ 137,637,000
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	35,315,600
19	Special revenue funds:	
20	Local funds - county payback	52,629,900
21	Total private revenues	45,000
22	State general fund/general purpose	\$ 49,646,500
23	ASSISTANCE PAYMENTS, SERVICES, AND CLERICAL FIELD STAFF	
24	Full-time equated classified positions . . 9,962.6	
25	Field staff, salaries and wages--7,206.6 FTE	
26	positions	\$ 276,615,200
27	Children and adult services, salaries and wages--	
28	2,635.5 FTE positions	105,632,800
29	Contractual services, supplies, and materials . .	23,500,800
30	Outstationed eligibility workers--30.0 FTE	
31	positions	3,497,800
32	Volunteer services and reimbursement--90.5 FTE	
33	positions	<u>6,925,200</u>
34	GROSS APPROPRIATION	\$ 416,171,800
35	Appropriated from:	

1	Federal revenues:	
2	Total federal revenues	258,515,200
3	Special revenue funds:	
4	Local funds - donated funds	193,100
5	Private funds - hospital contributions	1,723,800
6	State general fund/general purpose	\$ 155,739,700
7	CENTRAL SUPPORT ACCOUNTS	
8	Rent	\$ 49,476,000
9	Occupancy charge	5,308,500
10	Travel	7,726,800
11	Equipment	2,740,000
12	Workers' compensation	5,166,900
13	Advisory commissions	17,900
14	Payroll taxes and fringe benefits	<u>147,323,000</u>
15	GROSS APPROPRIATION	\$ 217,759,100
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	123,057,300
19	Special revenue funds:	
20	Local funds - county payback	304,400
21	Departmentwide lapse revenue	4,000,000
22	State general fund/general purpose	\$ 90,397,400
23	DISABILITY DETERMINATION SERVICES	
24	Full-time equated classified positions	602.0
25	Disability determination operations--602.0	
26	FTE positions	\$ <u>66,616,000</u>
27	GROSS APPROPRIATION	\$ 66,616,000
28	Appropriated from:	
29	Federal revenues:	
30	Total federal revenues	66,616,000
31	State general fund/general purpose	\$ 0
32	PUBLIC ASSISTANCE	
33	Full-time equated classified positions	23.7
34	Family independence program	\$ 563,141,800
35	State disability assistance payments	23,738,100

1	Food stamp program benefits	132,000,000
2	State supplementation	57,653,600
3	State supplementation administration	2,502,000
4	Low income energy assistance program--21.7 FTE	
5	positions	72,000,000
6	State emergency relief--2.0 FTE positions	37,400,000
7	Weatherization assistance	10,900,000
8	Day care services	<u>278,861,600</u>
9	GROSS APPROPRIATION	\$ 1,178,197,100

10 Appropriated from:

11 Federal revenues:

12	Total federal revenues	696,793,600
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13 Special revenue funds:

14	Child support collections	70,160,600
15	Supplemental security income recoveries	5,800,000
16	Public assistance recoupment revenue	6,000,100
17	State general fund/general purpose	\$ 399,442,800

18 **GENERAL SECTIONS**

19 Sec. 201. (1) Pursuant to section 30 of article IX of the state
 20 constitution of 1963, total state spending from state sources for
 21 fiscal year 1998-99 is estimated at \$1,107,628,600.00 in this bill and
 22 state spending from state sources to local units of government for
 23 fiscal year 1998-99 is estimated at \$155,111,500.00. The itemized
 24 statement below identifies appropriations from which spending to units
 25 of local government will occur:

26 FAMILY INDEPENDENCE AGENCY

27 CHILD AND FAMILY SERVICES

28	Child care fund	\$ 61,958,100
29	County juvenile officers	2,741,600
30	Adoption subsidies	51,396,500

31 DELINQUENCY SERVICES

32	Delinquency block grant	37,560,100
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33 PUBLIC ASSISTANCE

34	State disability program	<u>1,455,200</u>
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35	TOTAL	\$ 155,111,500
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36 (2) If it appears to the principal executive officer of a department

1 or branch that state spending to local units of government will be less
2 than the amount that was projected to be expended under subsection (1),
3 the principal executive officer shall immediately give notice of the
4 approximate shortfall to the state budget director.

5 Sec. 202. The department may receive and expend advances or
6 reimbursements from the department of state police for the
7 administration of the individual and family grant disaster assistance
8 program. An account shall be established in the family independence
9 agency for this purpose when a disaster is declared. The authorization
10 and allotment for the account shall be in the amount advanced or
11 reimbursed from the department of state police.

12 Sec. 203. The state budget director may make administrative
13 transfers of appropriations for the family independence agency to
14 adjust amounts between the local funds - county payback line items in
15 section 101. Such transfers shall be made in compliance with section
16 393(1) of the management and budget act, 1984 PA 431, MCL 18.1393.

17 Sec. 204. In addition to funds appropriated in section 101 for all
18 programs and services, there is appropriated for write-offs of accounts
19 receivable, deferrals, and for prior year obligations in excess of
20 applicable prior year appropriations, an amount equal to total write-
21 offs and prior year obligations, but not to exceed amounts available in
22 prior year revenues or current year revenues that are in excess of the
23 amount authorized.

24 Sec. 205. The expenditures and funding sources authorized under
25 this bill are subject to the management and budget act, 1984 PA 431,
26 MCL 18.1101 to 18.1594.

27 Sec. 206. The department may retain all of the state's share of
28 food stamp over issuance collections as an offset to general
29 fund/general purpose costs. Retained collections shall be applied
30 against federal funds deductions in all appropriation units where
31 department costs related to the investigation and recoupment of food
32 stamp over issuances are incurred. Retained collections in excess of
33 such costs shall be applied against the federal funds deducted in the
34 executive operations appropriation unit.

35 Sec. 207. The department shall submit a report to the chairpersons
36 of the senate and house appropriations subcommittees on the family

1 independence agency budget and to the senate and house fiscal agencies
2 on the details of allocations within program budgeting line items and
3 within the salaries and wages line items in the field services
4 appropriation unit. The report shall include a listing, by account,
5 dollar amount, and fund source, of salaries and wages; longevity and
6 insurance; retirement; contractual services, supplies, and materials;
7 equipment; travel; and grants within each program line item
8 appropriated for the fiscal year ending September 30, 1999.

9 Sec. 208. As used in this bill:

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

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

12 (c) "Department" means the family independence agency.

13 (d) "FTE" means full-time equated position.

14 (e) "IDG" means interdepartmental grant.

15 (f) "Temporary assistance for needy families (TANF)" or "title IV"
16 means title IV of the social security act, chapter 531, 49 Stat. 620,
17 42 U.S.C. 601 to 603, 604 to 610, 612 to 613, 615 to 617, 620 to 629e,
18 651 to 669, 670 to 677, 679, and 681 to 687.

19 (g) "Title XX" means title XX of the social security act, chapter
20 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397f.

21 Sec. 209. (1) In addition to the funds appropriated in section 101,
22 there is appropriated an amount not to exceed \$200,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item in
25 this bill pursuant to section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in section 101, there is
28 appropriated an amount not to exceed \$5,000,000.00 for state restricted
29 contingency funds. These funds are not available for expenditure until
30 they have been transferred to another line item in this bill pursuant
31 to section 393(2) of the management and budget act, 1984 PA 431, MCL
32 18.1393.

33 (3) In addition to the funds appropriated in section 101, there is
34 appropriated an amount not to exceed \$20,000,000.00 for local
35 contingency funds. These funds are not available for expenditure until
36 they have been transferred to another line item in this bill pursuant

1 to section 393(2) of the management and budget act, 1984 PA 431, MCL
2 18.1393.

3 (4) In addition to the funds appropriated in section 101, there is
4 appropriated an amount not to exceed \$20,000,000.00 for private
5 contingency funds. These funds are not available for expenditure until
6 they have been transferred to another line item in this bill pursuant
7 to section 393(2) of the management and budget act, 1984 PA 431, MCL
8 18.1393.

9 Sec. 210. If a legislative objective of this bill or the social
10 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented
11 without loss of federal financial participation because implementation
12 would conflict with or violate federal regulations, the department
13 shall notify the house and senate appropriations committees and the
14 house and senate fiscal agencies of that fact. Upon receipt of the
15 notification, a joint house and senate committee made up of the members
16 of the house and senate appropriations subcommittees dealing with
17 appropriations for the department may be appointed to meet with the
18 director of the department to review the substantive, procedural, and
19 legal ramifications of the legislative objective and to develop a plan
20 to attain that legislative objective.

21 Sec. 211. The department of civil service shall bill departments
22 and/or agencies at the end of the first fiscal quarter for the 1%
23 charges authorized by section 5 of article XI of the state constitution
24 of 1963. Payments shall be made for the total amount of the billing by
25 the end of the second fiscal quarter.

26 Sec. 212. In compliance with governmental accounting standards
27 board (GASB) statement no. 24, accounting and financial reporting for
28 certain grants and other financial assistance, federal food stamp
29 distributions, via coupons or electronic benefits transfer system, are
30 hereby appropriated and shall be recognized as general fund - special
31 purpose expenditures in the state's accounting records and financial
32 reports. The level of appropriation should coincide with anticipated
33 federal revenues for the fiscal year ending September 30, 1999.

34 Sec. 213. (1) Beginning October 1, 1998, there is a hiring freeze
35 imposed on the state classified civil service. State departments and
36 agencies are prohibited from hiring any new full-time state classified

1 civil service employees or prohibited from filling any vacant state
2 classified civil service positions. This hiring freeze does not apply
3 to internal transfers of classified employees from 1 position to
4 another within a department or to positions that are 80% or more
5 federal or restricted funds.

6 (2) The state budget director shall grant exceptions to this hiring
7 freeze when the state budget director believes that the hiring freeze
8 will result in the state department or agency being unable to deliver
9 basic services. The state budget director shall report by the
10 fifteenth of each month to the chairpersons of the senate and house
11 appropriations committees the number of exclusions to the hiring freeze
12 approved during the previous month and the justification for the
13 exclusion.

14 Sec. 214. (1) The department shall submit to the department of
15 management and budget, the house and senate appropriations committees,
16 the house and senate fiscal agencies and the house and senate standing
17 committees having jurisdiction over technology issues, periodic reports
18 on the department's efforts to change the department's computer
19 software and hardware as necessary to perform properly in the year 2000
20 and beyond. These reports shall identify actual progress in comparison
21 to the department's approved work plan for these efforts.

22 (2) The department may present progress billings to the department
23 of management and budget for the costs incurred in changing computer
24 software and hardware as necessary to perform properly in the year 2000
25 and beyond. At the time progress billings are presented for
26 reimbursement, the department shall identify and forward as appropriate
27 the funding sources that should support the work performed.

28 Sec. 215. The department shall prepare a semiannual report on the
29 temporary assistance for needy families (TANF) federal block grant.
30 The report shall include projected expenditures for the current fiscal
31 year, an accounting of any previous year funds carried forward, and a
32 summary of all interdepartmental or interagency agreements relating to
33 the use of TANF funds. The report shall be forwarded to the house and
34 senate appropriations subcommittees on the family independence agency
35 budget on or before October 15, 1998 and April 15, 1999.

36 Sec. 216. If the revenue collected by the department from private

1 and local sources exceeds the amount appropriated in section 101, the
2 revenue may be carried forward, with approval from the state budget
3 director, into the subsequent fiscal year.

4 Sec 217. In order to be reimbursed for child care fund
5 expenditures, counties are required to submit department developed
6 reports to enable the department to document potential federal
7 claimable expenditures. This requirement is in accord with the
8 reporting requirements specified in section 400.117a,(7), of the social
9 welfare act.

10 **EXECUTIVE OPERATIONS**

11 Sec. 301. The department may receive local funds to be applied
12 toward the purchase of local office automation equipment. Local office
13 automation equipment shall only be purchased through appropriate
14 department wide automated data processing equipment contracts and shall
15 be the property of the department.

16 Sec. 302. Any unencumbered balances of the automated social
17 services information system line, the child support automation line,
18 wage employment verification reporting line and the data systems
19 enhancement line may not lapse and shall be carried forward to fiscal
20 year 2000.

21 Sec. 303. The department may distribute cash assistance to
22 recipients electronically by using debit cards.

23 Sec. 304. The appropriation in section 101 for the Michigan
24 commission for the blind includes funds for case services. These funds
25 may be used for tuition payments for blind clients for the school year
26 beginning September 1998.

27 Sec. 305. The appropriation in section 101 for commissions and
28 boards may be used for per diem payments to members of commissions or
29 boards for a full day of committee work at which a quorum is present
30 for performing official business as authorized by each respective
31 commission or board. The per diem payment for the Michigan commission
32 for the blind shall be at a rate of \$50.00 per day.

33 Sec. 306. The data system enhancement line-item supports automation
34 initiatives such as the services worker support and electronic benefits
35 transfer systems intended to enhance agency programs, functions, and
36 services. The department shall submit by December 1, 1998 a report to

1 the chairpersons and members of the house and senate appropriations
2 subcommittees on the family independence agency specifying the
3 allocation of data system enhancement line-item appropriations by
4 project and support service for the fiscal year ending September 30,
5 1999. The department shall submit by December 1, 1998 and each quarter
6 thereafter, a report to the members of the house and senate
7 appropriations subcommittees on the family independence agency and the
8 standing committees having jurisdiction over technology issues, a
9 report detailing the use of funding and progress toward the completion
10 of the ASSIST project.

11 **FAMILY SERVICES ADMINISTRATION**

12 Sec. 401. (1) From the federal money received for child support
13 incentive payments, up to \$6,265,200.00 shall be retained by the state
14 and expended for legal support contracts, state incentive payments, and
15 salaries and wages for office of child support staff.

16 (2) At the end of the current fiscal year, the department may, when
17 it is cost beneficial to the state and counties, withhold from
18 submitting to the federal office of child support administrative
19 expenses eligible for federal financial participation. The department
20 may recoup earned but unclaimed federal funds from the resulting
21 increased federal child support incentive. The recoupment by the
22 department shall be made prior to distribution of the increased
23 incentive to the counties. Any incentive funds retained by the state
24 under this section shall be separate and apart from incentive funds
25 retained in any other section of this bill.

26 Sec. 402. From the funds appropriated in section 101 for legal
27 support contracts and child support incentive payments, the department
28 may fund demonstration projects to enhance friend of the court child
29 support collections efforts for public assistance recipients. Funding
30 shall be from federal title IV-D and federal child support incentives
31 earned. The projects shall be implemented in no more than 3 counties.
32 Priority shall be given to counties with federal title IV-D aid to
33 families with dependent children collections exceeding \$7,000,000.00 in
34 fiscal year 1992.

35 Sec. 403. Unexpended funds in the urban and rural empowerment and
36 enterprise zones line item shall not lapse but shall carry forward for

1 use in fiscal year 2000.

2 Sec. 404. Not later than September 30 of each year, the department
3 shall submit for public hearing to the chairpersons of the house and
4 senate appropriations subcommittees dealing with appropriations for the
5 department the proposed use and distribution plan for community
6 services block grant funds appropriated in section 101 for the
7 succeeding fiscal year.

8 Sec. 405. The department shall develop plans jointly with the
9 Indian affairs commission for the implementation of programs and the
10 distribution of funds for recognized tribal groups and organizations
11 under the block grant programs that are established by the federal
12 community services block grant act, subtitle B of title VI of Public
13 Law 97-35, 95 Stat. 511, 42 U.S.C. 9901 to 9910a and 9911 to 9912, and
14 that are administered by that bureau. The plans shall comply with the
15 regulations issued by the United States department of health and human
16 services.

17 Sec. 406. The state general fund/general purpose contribution
18 related to the Wayne County Third Circuit Court cooperative
19 reimbursement contract resides in the judiciary budget. There are no
20 general fund/general purpose funds appropriated for this purpose in the
21 family independence agency budget.

22 Sec. 407. From the funds appropriated in section 101, county
23 volunteer coordinators shall develop partnership agreements with their
24 local volunteer agencies.

25 Sec. 408. Any unencumbered balances included in the training and
26 staff development line for child welfare education may not lapse and
27 shall be carried forward to fiscal year 2000.

28 **CHILD AND FAMILY SERVICES**

29 Sec. 501. The following goal is established by state law. During
30 the fiscal year ending September 30, 1999, not more than 3,150 children
31 supervised by the department shall remain in foster care longer than 24
32 months. The department shall give priority to reducing the number of
33 children under 1 year of age in foster care.

34 Sec. 502. From the funds appropriated in section 101 for foster
35 care, the department shall provide 50% reimbursement to Indian tribal
36 governments for foster care expenditures for children who are under the

1 jurisdiction of Indian tribal courts and who are not otherwise eligible
2 for federal foster care cost sharing.

3 Sec. 503. The department shall not expend funds appropriated in
4 section 101 to provide intercountry adoption services.

5 Sec. 504. The department shall continue adoption subsidy payments
6 to families after the 18th birthday of an adoptee who meets the
7 following criteria:

8 (a) Has not yet graduated from high school or passed a high school
9 equivalency examination.

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

11 (c) Has not yet reached his or her 21st birthday.

12 Sec. 505. The department's ability to satisfy appropriation deducts
13 in section 101 for foster care private collections shall not be limited
14 to collections and accruals pertaining to services provided in the
15 current fiscal year but shall include revenues collected in excess of
16 the amount specified in section 101.

17 Sec. 506. Counties shall be subject to 50% charge back for the use
18 of alternative regional detention services, except for those counties
19 receiving a delinquency block grant, if those detention services do not
20 fall under the basic provision of section 117e of the social welfare
21 act, 1939 PA 280, MCL 400.117e, or if a county operates those detention
22 services programs primarily with professional rather than volunteer
23 staff.

24 Sec. 507. (1) In order to promote continuity of service for
25 children and families, the department shall, to the maximum extent
26 possible, enter into multi-year contracts for child welfare and
27 juvenile justice services.

28 (2) The bid specifications and contract award determinations for
29 child welfare and juvenile justice services shall include criteria
30 relative to provider experience, placing emphasis on total years of
31 experience in providing child welfare and juvenile justice services,
32 provision of services to persons of similar characteristics as the
33 target clientele, quality of prior child welfare and juvenile justice
34 services, length of service in the targeted geographic area, and the
35 adequacy of the provider's plan for coordinating the provision of
36 services in the targeted geographic area.

1 Sec. 508. Funds appropriated in section 101 for the child care fund
2 may be used as local match, if the department approves, for the
3 purchase of families first services for clients referred by juvenile
4 courts, except for delinquent children in counties receiving a
5 delinquency block grant. For local offices and courts choosing this
6 option, the in-home portion of the county child care fund plan must
7 authorize the transfer of funds from the state child care fund account
8 designated for that county to a local funds - county payback deduct
9 account associated with the family preservation services appropriation.

10 Sec. 509. (1) In addition to the amount appropriated in section
11 101, money granted or money received as gifts or donations to the
12 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is
13 appropriated for expenditure in an amount not to exceed \$800,000.00.

14 (2) The state child abuse and neglect prevention board may initiate
15 a joint project with another state agency to the extent that the
16 project supports the programmatic goals of both the state child abuse
17 and neglect prevention board and the state agency. The department may
18 invoice the state agency for shared costs of a joint project in an
19 amount authorized by the state agency, and the state child abuse and
20 neglect prevention board may receive and expend funds for shared costs
21 of a joint project in addition to those authorized by section 101.

22 Sec. 510. (1) From the funds appropriated in section 101, the
23 department shall not expend funds to preserve or reunite a family,
24 unless there is a court order requiring the preservation or reuniting
25 of the family, if either of the following would result:

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

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

32 (2) Notwithstanding subsection (1), this section shall not prohibit
33 counseling or other services provided by the department, if such
34 service is not directed toward influencing the child to remain in an
35 abusive environment, justifying the actions of the abuser, or reuniting
36 the family.

1 Sec. 511. The department shall not be required to put up for bids
2 contracts with service providers if currently only 1 provider in the
3 service area exists. Existing runaway service contracts and
4 contractors serving homeless youth shall be exempt from the bid
5 process.

6 **PUBLIC ASSISTANCE**

7 Sec. 601. (1) The department may terminate a vendor payment for
8 shelter when a recipient's rental unit is not in compliance with
9 applicable local housing codes or when the landlord is delinquent on
10 property tax payments. A landlord shall be considered to be in
11 compliance with local housing codes when the department receives from
12 the landlord a signed statement stating that the rental unit is in
13 compliance with local housing codes and that statement is not
14 contradicted by the recipient and the local housing authority. The
15 landlord also shall provide to the department a signed statement
16 indicating who currently owns the property and whether any delinquent
17 taxes are owed. The department shall terminate vendor payments if the
18 taxing authority or any other party notifies the department that taxes
19 are delinquent.

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

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

33 Sec. 602. The department, together with other agencies, may
34 establish special projects to provide special needs shelter payment
35 levels for the family independence program that will support the
36 development of transitional shelter facilities for homeless families.

1 These facilities are to provide supportive services to families and to
2 support the development of permanent, low-income housing.

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

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

13 (3) The department shall negotiate with positive billing utility
14 companies to develop extended payment plans. Such plans shall allow
15 clients who terminate from positive billing due to increased income to
16 make monthly payments in order to gradually liquidate utility arrears.

17 Sec. 604. A provider utility shall be entitled to recover in its
18 rates all qualifying costs incurred pursuant to an agreement between
19 the provider utility and the department for the payment of all or part
20 of assisted households' heating and electric service bills. Qualifying
21 costs shall include prudently incurred costs for incentives,
22 forgiveness, and energy conservation program development and operation
23 costs and the cost of capital incurred for assisted household
24 arrearages held by the provider utility. All qualifying costs incurred
25 from program years beginning after October 1, 1997, shall be subject to
26 deferred accounting and recovery through a general rate case
27 application or shall be subject to timely recovery through separate
28 limited purpose rate proceedings.

29 Sec. 605. (1) The department shall operate a state disability
30 assistance program. Except as provided in subsection (3), persons
31 eligible for this program shall include needy citizens of the United
32 States or aliens exempted from the supplemental security income
33 citizenship requirement who are at least 18 years of age or emancipated
34 minors meeting 1 or more of the following requirements:

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

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

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

7 (d) A person receiving 30-day postresidential substance abuse
8 treatment.

9 (e) A person diagnosed as having acquired immunodeficiency
10 syndrome.

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

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

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

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

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

21 (3) Except for a person described in subsection (1)(c) or (d), a
22 person is not disabled for purposes of this section if his or her drug
23 addiction or alcoholism is a contributing factor material to the
24 determination of disability. "Material to the determination of
25 disability" means that, if the person stopped using drugs or alcohol,
26 his or her remaining physical or mental limitations would not be
27 disabling. If his or her remaining physical or mental limitations
28 would be disabling, then the drug addiction or alcoholism is not
29 material to the determination of disability and the person may receive
30 state disability assistance. Such a person must actively participate
31 in a substance abuse treatment program, and the assistance must be paid
32 to a third party or through vendor payments. For purposes of this
33 section, substance abuse treatment includes receipt of inpatient or
34 outpatient services or participation in alcoholics anonymous or a
35 similar program.

36 Sec. 606. The level of reimbursement provided to state disability

1 assistance recipients in licensed adult foster care facilities shall be
2 the same as the prevailing supplemental security income rate under the
3 personal care category.

4 Sec. 607. County family independence agencies shall require each
5 recipient of state disability assistance who has applied with the
6 social security administration for supplemental security income to sign
7 a contract to repay any assistance rendered through the state
8 disability assistance program upon receipt of retroactive supplemental
9 security income benefits.

10 Sec. 608. The department's ability to satisfy appropriation
11 deductions in section 101 for state disability assistance/supplemental
12 security income recoveries and public assistance recoupment revenues
13 shall not be limited to recoveries and accruals pertaining to state
14 disability assistance, or family independence assistance grant payments
15 provided only in the current fiscal year, but shall include all related
16 net recoveries received during the current fiscal year.

17 Sec. 609. Adult foster care facilities providing domiciliary care
18 or personal care to residents receiving supplemental security income or
19 homes for the aged serving residents receiving supplemental security
20 income shall not require those residents to reimburse the home or
21 facility for care at rates in excess of those legislatively authorized.
22 To the extent permitted by federal law, adult foster care facilities
23 and homes for the aged serving residents receiving supplemental
24 security income shall not be prohibited from accepting third party
25 payments in addition to supplemental security income provided that the
26 payments are not for food, clothing, shelter, or result in a reduction
27 in the recipient's supplemental security income payment.

28 Sec. 610. The state supplementation level under the supplemental
29 security income program for the personal care/adult foster care and
30 home for the aged categories shall not be reduced during the fiscal
31 year beginning October 1, 1998 and ending September 30, 1999.

32 Sec. 611. In developing good cause criteria for the state emergency
33 relief program, the department shall grant exemptions if the emergency
34 resulted from unexpected expenses related to maintaining or securing
35 employment.

36 Sec. 612. (1) The department shall not require providers of burial

1 services to accept state payment for indigent burials as payments in
2 full. Providers shall be permitted to collect additional payment, not
3 to exceed \$2,300.00, from relatives or other persons on behalf of the
4 deceased.

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

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

11 Sec. 613. For purposes of determining housing affordability
12 eligibility for state emergency relief, a group is considered to have
13 sufficient income to meet ongoing housing expenses if their total
14 housing obligation does not exceed 75% of their total net income.

15 Sec. 614. From the funds appropriated in section 101 for state
16 emergency relief, the maximum allowable charge limit for indigent
17 burials shall be \$1,360.00. It is the intent of the legislature that
18 this charge limit reflect a maximum payment to funeral directors of
19 \$860.00 for funeral goods and services and a maximum payment to
20 cemeteries or crematoriums of \$300.00 for cemetery goods and services.
21 In addition, a maximum payment of \$200.00 shall be distributed to
22 either the funeral director or cemetery, whoever provides the burial
23 vault. Each provider of burial services shall be paid directly by the
24 department.

25 Sec. 615. Except as required by federal law or regulations, funds
26 appropriated in section 101 shall not be used to provide public
27 assistance to a person who is an illegal alien. This section shall not
28 prohibit the department from entering into contracts with food banks or
29 emergency shelter providers who may, as a normal part of doing
30 business, provide food or emergency shelter to individuals without
31 regard to citizenship status.

32 Sec. 616. (1) The appropriation in section 101 for the
33 weatherization program shall be expended in such a manner that at least
34 25% of the households weatherized under the program shall be households
35 of families receiving family independence assistance, state disability
36 assistance, or supplemental security income.

1 (2) Any unencumbered balances of the weatherization program shall
2 not lapse and may be carried forward to fiscal year 2000.

3 Sec. 617. Section 605(1) notwithstanding, a refugee or asylee who
4 loses their eligibility for the federal supplemental security income
5 program by virtue of exceeding the maximum time limit for eligibility
6 as delineated in Public Law 104-193 and who otherwise meets the
7 eligibility criteria of section 605, shall be eligible to receive
8 benefits under the state disability assistance program.

9 Sec. 618. The department shall exempt from the denial of title IV-A
10 assistance and food stamp benefits, contained in section 115 of title I
11 of the personal responsibility and work opportunity reconciliation act
12 of 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has
13 been convicted of a felony which included the possession, use, or
14 distribution of a controlled substance, after August 22, 1996, provided
15 that the individual is not in violation of his or her probation or
16 parole requirements. Benefits shall be provided to such individuals as
17 follows:

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

20 (b) An authorized representative shall be required for food stamp
21 receipt.

final page