

SUBSTITUTE FOR
HOUSE BILL NO. 5274

A bill to make appropriations for the department of career development and certain other state purposes for the fiscal year ending September 30, 2001; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agencies.

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 career devel-
4 opment for the fiscal year ending September 30, 2001, from the funds
5 indicated in this part, the following:

6 DEPARTMENT OF CAREER DEVELOPMENT

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

8 Full-time equated classified positions.....1,139.0

HB5274, As Passed House, March 21, 2000Sub. H.B. 5274 (H-1) as amended March 21, 2000
2For Fiscal Year Ending
September 30, 2001

| | | | |
|----|--|----|----------------|
| 1 | GROSS APPROPRIATION..... | \$ | [544,154,400] |
| 2 | Interdepartmental grant revenues: | | |
| 3 | Total interdepartmental grants and intradepartmental | | |
| 4 | transfers..... | \$ | 1,048,000 |
| 5 | ADJUSTED GROSS APPROPRIATION..... | \$ | [543,106,400] |
| 6 | Federal revenues: | | |
| 7 | Total federal revenues..... | | 468,818,800 |
| 8 | Special revenue funds: | | |
| 9 | Total local revenues..... | | 14,962,800 |
| 10 | Total private revenues..... | | 2,670,400 |
| 11 | Total other state restricted revenues..... | | [24,495,800] |
| 12 | State general fund/general purpose..... | \$ | [32,158,600] |
| 13 | Sec. 102. DEPARTMENTAL ADMINISTRATION | | |
| 14 | Full-time equated unclassified positions.....6.0 | | |
| 15 | Unclassified salaries..... | \$ | <u>546,900</u> |
| 16 | GROSS APPROPRIATION..... | \$ | 546,900 |
| 17 | Appropriated from: | | |
| 18 | State general fund/general purpose..... | \$ | 546,900 |
| 19 | Sec. 103. DEPARTMENT OPERATIONS | | |
| 20 | Full-time equated classified positions.....103.0 | | |
| 21 | Administration--103.0 FTE positions..... | \$ | 11,287,800 |
| 22 | Building occupancy charges - property development | | |
| 23 | services..... | | 754,000 |
| 24 | Special project advances..... | | 200,000 |
| 25 | Worker's compensation..... | | <u>213,900</u> |
| 26 | GROSS APPROPRIATION..... | \$ | 12,455,700 |

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

3

For Fiscal Year Ending
September 30, 2001

| | | |
|----|--|-------------------|
| 1 | Appropriated from: | |
| 2 | Federal revenues: | |
| 3 | CNS..... | 102,000 |
| 4 | DED-OSERS, rehabilitation services, vocational reha- | |
| 5 | bilitation of state grants..... | 4,180,700 |
| 6 | DOL-ETA, workforce investment act..... | 645,900 |
| 7 | DOL, federal funds..... | 3,279,000 |
| 8 | HHS, temporary assistance for needy families..... | 1,514,200 |
| 9 | Special revenue funds: | |
| 10 | Private-special project advances..... | 200,000 |
| 11 | Contingent fund, penalty and interest account..... | 397,900 |
| 12 | State general fund/general purpose..... \$ | 2,136,000 |
| 13 | Sec. 104. WORKFORCE DEVELOPMENT | |
| 14 | Full-time equated classified positions.....669.0 | |
| 15 | Employment training services--574.0 FTE positions.... \$ | 60,743,100 |
| 16 | Michigan career and technical institute--95.0 FTE | |
| 17 | positions..... | <u>10,163,200</u> |
| 18 | GROSS APPROPRIATION..... \$ | 70,906,300 |
| 19 | Appropriated from: | |
| 20 | Interdepartmental grant revenues: | |
| 21 | IDG-MDOC..... | 32,400 |
| 22 | Federal revenues: | |
| 23 | CNS..... | 532,400 |
| 24 | DAG, employment and training..... | 258,300 |
| 25 | DED-OPSE, multiple grants..... | 615,500 |
| 26 | DED-OSERS, centers for independent living..... | 58,200 |

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

4

For Fiscal Year Ending
September 30, 2001

| | | |
|----|--|------------------|
| 1 | DED-OSERS, rehabilitation long-term training..... | 566,900 |
| 2 | DED-OSERS, rehabilitation services, vocational | |
| 3 | rehabilitation of state grants..... | 41,327,200 |
| 4 | DED-OSERS, state grants for technology-related | |
| 5 | assistance to individuals with disabilities..... | 55,700 |
| 6 | DED, cooperative demonstration, school-to-work..... | 700,000 |
| 7 | DOL-ETA, multiple grants..... | 596,300 |
| 8 | DOL-ETA, workforce investment act..... | 3,172,400 |
| 9 | DOL-NOICC..... | 171,900 |
| 10 | HHS-SSA, supplemental security income..... | 4,185,500 |
| 11 | HHS, temporary assistance for needy families..... | 3,725,100 |
| 12 | Special revenue funds: | |
| 13 | Local vocational rehabilitation match..... | 3,247,100 |
| 14 | Private-gifts, bequests, and donations..... | 1,396,300 |
| 15 | Rehabilitation services fees..... | 1,236,900 |
| 16 | Second injury fund..... | 51,500 |
| 17 | Student fees..... | 308,000 |
| 18 | Training material fees..... | 256,300 |
| 19 | State general fund/general purpose..... \$ | 8,412,400 |
| 20 | Sec. 105. CAREER EDUCATION PROGRAMS | |
| 21 | Full-time equated classified positions.....64.0 | |
| 22 | Career and technical education--30.0 FTE positions... \$ | 2,969,700 |
| 23 | Postsecondary education--22.0 FTE positions..... | 2,359,900 |
| 24 | Adult education--12.0 FTE positions..... | <u>1,753,100</u> |
| 25 | GROSS APPROPRIATION..... \$ | 7,082,700 |
| 26 | Appropriated from: | |

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

Sub. H.B. 5274 (H-1) as amended March 21, 2000
5

For Fiscal Year Ending
September 30, 2001

| | | |
|----|---|--------------------|
| 1 | Federal revenues: | |
| 2 | Federal revenues..... | 5,192,300 |
| 3 | Special revenue funds: | |
| 4 | Defaulted loan collection fees..... | 102,200 |
| 5 | Private occupational school license fees..... | 274,100 |
| 6 | State general fund/general purpose..... \$ | 1,514,100 |
| 7 | Sec. 106. DEPARTMENT GRANTS | |
| 8 | Adult basic education..... \$ | 16,004,700 |
| 9 | Council of Michigan foundations..... | [20,000,000] |
| 10 | Focus:HOPE..... | 5,994,300 |
| 11 | Gear up program grants..... | 2,000,000 |
| 12 | Job training programs subgrantees..... | 111,548,300 |
| 13 | Michigan community service commission subgrantees.... | 5,900,000 |
| 14 | Personal assistance services..... | 412,000 |
| 15 | Precollege programs in engineering and the sciences.. | 1,044,700 |
| 16 | Supported employment grants..... | 1,308,600 |
| 17 | Technology assistance grants..... | 1,150,000 |
| 18 | Vocational education act of 1963..... | 39,500,000 |
| 19 | Vocational rehabilitation client services/facilities. | 50,143,400 |
| 20 | Vocational rehabilitation independent living..... | [4,065,700] |
| 21 | Welfare-to-work programs..... | <u>140,499,000</u> |
| 22 | GROSS APPROPRIATION..... \$ | [399,570,700] |
| 23 | Appropriated from: | |
| 24 | Interdepartmental grant revenues: | |
| 25 | IDG-MDOC..... | 1,015,600 |
| 26 | Federal revenues: | |

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

Sub. H.B. 5274 (H-1) as amended March 21, 2000
6

For Fiscal Year Ending
September 30, 2001

| | | |
|----|---|--------------|
| 1 | CNS..... | 4,500,000 |
| 2 | DAG, employment and training..... | 13,000,000 |
| 3 | DED-OESE, gear-up..... | 2,000,000 |
| 4 | DED-OSERS, centers for independent living..... | 525,000 |
| 5 | DED-OSERS, client assistance for individuals with | |
| 6 | disabilities..... | 400,000 |
| 7 | DED-OSERS, rehabilitation services, vocational reha- | |
| 8 | bilitation of state grants..... | 34,935,200 |
| 9 | DED-OSERS, rehabilitation services facilities..... | 2,272,500 |
| 10 | DED-OSERS, supported employment..... | 1,372,000 |
| 11 | DED-OSERS, state grants for technology-related | |
| 12 | assistance to individuals with disabilities..... | 1,086,600 |
| 13 | DED-OVAE, adult education..... | 11,004,700 |
| 14 | DED-OVAE, basic grants to states..... | 39,500,000 |
| 15 | DOL-ETA, workforce investment act..... | 104,602,700 |
| 16 | HHS-SSA, supplemental security income..... | 2,362,500 |
| 17 | HHS, temporary assistance for needy families..... | 127,499,000 |
| 18 | Special revenue funds: | |
| 19 | Local vocational rehabilitation facilities match..... | 1,278,300 |
| 20 | Local vocational rehabilitation match..... | 6,437,400 |
| 21 | Private-gifts, bequests, and donations..... | 800,000 |
| 22 | Contingent fund, penalty and interest account..... | 1,000,000 |
| 23 | Tobacco settlement revenue..... | [20,000,000] |
| 24 | State general fund/general purpose..... \$ | [19,549,200] |
| 25 | Sec. 107. EMPLOYMENT SERVICE AGENCY | |
| 26 | Full-time equated classified positions.....303.0 | |

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

Sub. H.B. 5274 (H-1) as amended March 21, 2000
7

For Fiscal Year Ending
September 30, 2001

| | | |
|----|--|------------------|
| 1 | Building occupancy charges - property development | |
| 2 | service..... | \$ 422,000 |
| 3 | Rent..... | 327,900 |
| 4 | Worker's compensation..... | 141,300 |
| 5 | Employment service--251.0 FTE positions..... | 48,326,600 |
| 6 | Labor market information--52.0 FTE positions..... | <u>4,374,300</u> |
| 7 | GROSS APPROPRIATION..... | \$ 53,592,100 |
| 8 | Appropriated from: | |
| 9 | Federal revenues: | |
| 10 | DED-OSERS, rehabilitation services, vocational reha- | |
| 11 | bilitation of state grants..... | 1,300,000 |
| 12 | DOL, federal funds..... | 47,149,100 |
| 13 | Special revenue funds: | |
| 14 | Local revenues..... | 4,000,000 |
| 15 | Contingent fund, penalty and interest account..... | 1,143,000 |
| 16 | State general fund/general purpose..... | \$ 0 |

17

18

19 PART 2

20 PROVISIONS CONCERNING APPROPRIATIONS

21 GENERAL SECTIONS

22 Sec. 201. (1) Pursuant to section 30 of article IX of the state
23 constitution of 1963, total state spending from state resources under
24 part 1 for fiscal year 2000-2001 is [\$56,654,400.00] and state spending
25 from state resources to be paid to local units of government for fiscal
26 year 2000-2001 is \$5,000,000.00. The itemized statement below identifies

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

8

1 appropriations from which spending to units of local government will
2 occur:

3 DEPARTMENT OF CAREER DEVELOPMENT

4 Adult basic education..... \$ 5,000,000

5 Total department of career development..... 5,000,000

6 (2) If it appears to the principal executive officer of a department
7 or branch that state spending to local units of government will be less
8 than the amount that was projected to be expended under subsection (1),
9 the principal executive officer shall immediately give notice of the
10 approximate shortfall to the state budget director, the house and senate
11 appropriations committees, and the fiscal agencies.

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

14 Sec. 203. As used in this appropriation act:

15 (a) "CNS" means the corporation for national services.

16 (b) "DAG" means the United States department of agriculture.

17 (c) "DED" means the United States department of education.

18 (d) "DED-OESE" means the DED office of elementary and secondary
19 education.

20 (e) "DED-OPSE" means the DED office of postsecondary education.

21 (f) "DED-OSERS" means the DED office of special education
22 rehabilitation services.

23 (g) "DED-OVAE" means the DED office of vocational and adult
24 education.

25 (h) "Department" means the department of career development.

26 (i) "Director" means the director of the department of career
27 development.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

9

1 (j) "DOL" means the United States department of labor.

2 (k) "DOL-ETA" means the DOL employment and training act.

3 (l) "DOL-NOICC" means the DOL national occupational information
4 coordinating committee.

5 (m) "Fiscal agencies" means the Michigan house fiscal agency and
6 the Michigan senate fiscal agency.

7 (n) "FTE" means full-time equated.

8 (o) "HHS" means the United States department of health and human
9 services.

10 (p) "HHS-SSA" means HHS social security administration.

11 (q) "IDG" means interdepartmental grant.

12 (r) "MDOC" means the Michigan department of corrections.

13 (s) "U.S.C." means the United States Code.

14 (t) "WIA" means workforce investment act.

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

20 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on
21 the state classified civil service. State departments and agencies are
22 prohibited from hiring any new full-time state classified civil service
23 employees and prohibited from filling any vacant state classified civil
24 service positions. This hiring freeze does not apply to internal trans-
25 fers of classified employees from 1 position to another within a depart-
26 ment or to positions that are funded with 80% or more federal or
27 restricted funds.

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

10

1 (2) The state budget director shall grant exceptions to this hiring
2 freeze when the state budget director believes that the hiring freeze
3 will result in rendering a state department or agency unable to deliver
4 basic services. The state budget director shall report by the thirtieth
5 of each month to the chairpersons of the senate and house of representa-
6 tives standing committees on appropriations the number of exceptions to
7 the hiring freeze approved during the previous month and the justifica-
8 tion for the exception.

9 Sec. 207. At least 60 days before beginning any effort to privati-
10 ze, the department shall submit a complete project plan to the appropri-
11 ate senate and house of representatives appropriations subcommittees and
12 the senate and house fiscal agencies. The plan shall include the cri-
13 teria under which the privatization initiative will be evaluated. The
14 evaluation shall be completed and submitted to the appropriate senate and
15 house of representatives appropriations subcommittees and the senate and
16 house fiscal agencies within 30 months.

17 Sec. 208. The department shall continue to pilot the use of the
18 Internet to fulfill the reporting requirements of this act. This may
19 include transmission of reports via electronic mail to the recipients
20 identified for each reporting requirement or it may include placement of
21 reports on the Internet or legislative Intranet site. The senate and
22 house of representatives appropriations subcommittees and senate and
23 house fiscal agencies shall be notified in writing of the Internet or
24 Intranet site of any such report. Quarterly, the department shall pro-
25 vide a cumulative listing of the reports submitted during the most recent
26 3-month period along with the Internet or Intranet site of each report,
27 and a list of those reports expected to be transmitted in the following

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

11

1 quarter. The department shall continue to distribute all of these
2 reports to the legislature in the current printed format.

3 Sec. 209. Funds appropriated in part 1 shall not be used for the
4 purchase of foreign goods or services, or both, if competitively priced
5 and of comparable quality American goods or services, or both, are
6 available.

7 Sec. 210. The director of each department receiving appropriations
8 in part 1 shall take all reasonable steps to ensure businesses in
9 deprived and depressed communities compete for and perform contracts to
10 provide services or supplies, or both. Each director shall strongly
11 encourage firms with which the department contracts to subcontract with
12 certified businesses in depressed and deprived communities for services,
13 supplies, or both.

14 Sec. 211. Of the funds appropriated in part 1 that are in units
15 other than the grants unit, the department and the fund shall not provide
16 grants to local government agencies, institutions of higher education, or
17 nonprofit organizations unless the department or the fund provides notice
18 of the grant to the appropriations subcommittees of the house and senate
19 at least 10 days before the grant is issued or at least 72 hours before
20 any announcement to local governmental units or the public.

21 Sec. 212. The department and the fund shall provide a report pre-
22 pared by the department's and the fund's internal auditor on the activi-
23 ties of the internal auditor for the prior fiscal year. This report
24 shall include a listing of each audit or investigation performed by the
25 internal auditor pursuant to sections 486(4) and 487 of the management
26 and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall
27 identify the proportion of time spent on each of the statutory

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

12

1 responsibilities listed in sections 485(4), 486(4), and 487 of the
2 management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and
3 18.1487, and the time spent on all other activities performed in the
4 internal audit function. The first report shall be due March 1, 2000,
5 and biennially thereafter beginning on May 1 and shall be submitted to
6 the governor, auditor general, the senate and house appropriations com-
7 mittees, the fiscal agencies, and the director and the president.

8 Sec. 213. The department shall establish and maintain affirmative
9 action programs based on guidelines developed by the state equal opportu-
10 nity workforce planning council which was created by Executive Order
11 No. 1996-13 in order to receive general fund/general purpose dollars.
12

13 DEPARTMENT OF CAREER DEVELOPMENT

14 Sec. 301. The Michigan career and technical institute may receive
15 equipment and in-kind contributions for the direct support of staff serv-
16 ices through the Pine Lake fund, the Delton-Kellogg school district or
17 other local or intermediate school district, or any combination of local
18 or intermediate school districts in addition to those authorized in
19 part 1.

20 Sec. 302. The Michigan rehabilitation service shall make every
21 effort to ensure that all sources of matching funds in this state are
22 used to obtain federal vocational rehabilitation funds. All sources
23 include, but are not limited to, privately raised funds to support public
24 nonprofit rehabilitation centers as permitted by the rehabilitation act
25 of 1973, Public Law 93-112, 29 U.S.C. 701 to 717, 720 to 724, 730 to 732,

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

13

1 740 to 741, 750, 752, 760 to 762, 770 to 777b, 777d to 777f, 780, 781 to
2 785, 790 to 794d, 795 to 795q, and 796 to 796i.

3 Sec. 303. (1) The appropriation in part 1 to the department for the
4 work first program shall be expended for grants which provide employment
5 and training services to family independence program applicants and
6 recipients and may be expended for grants which provide employment and
7 training services to former family independence program recipients, as
8 well as to recipients of noncash public assistance, specifically child
9 day care, Medicaid, or food stamp benefits. The work first program, how-
10 ever, shall not be construed to be an entitlement to services.

11 (2) An applicant may be a district, intermediate district, community
12 college, public or private nonprofit college or university, nonprofit
13 organization that provides school-to-work transition programs or that
14 provides employment and training services or vocational rehabilitation
15 programs or state licensed accredited vocational or technical education
16 programs, proprietary school licensed by the state board of education,
17 local workforce development board, or a consortium consisting of any com-
18 bination of districts, intermediate districts, community colleges, non-
19 profit organizations described in this subsection, licensed proprietary
20 schools, or public or private nonprofit colleges or universities
21 described in this subsection.

22 (3) When the work first job search requirements have been completed,
23 if the participant has not found employment, the work first site shall
24 identify the barriers which may have prevented the participant from
25 obtaining employment and assist the client in removing those barriers.
26 The work first site shall also identify appropriate education and job
27 training programs which would be available to the participant.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

14

1 (4) Work first program participants shall include applicants and
2 recipients of the family independence program established under section
3 57a of the social welfare act, 1939 PA 280, MCL 400.57a, and such indi-
4 viduals referred to a job club program by a county family independence
5 agency board or a county friend of the court as long as the participation
6 in the job club is part of an application made under this section.
7 Additionally, the department and the family independence agency shall
8 work together to develop a program to provide employment services to
9 former family independence program recipients and to recipients of non-
10 cash public assistance benefits such as child day care, Medicaid, or food
11 stamp benefits. This program shall not be construed to be an entitlement
12 to services.

13 (5) Participants in the work first program shall not be enrolled and
14 counted in membership in a school district or intermediate school
15 district.

16 (6) The department will work with the family independence agency to
17 coordinate support services to work first participants relating to
18 special/emergency needs.

19 (7) Work first program participants must receive or be provided an
20 explanation of the program including their benefits and responsibilities
21 before the job interview phase of the program. This explanation shall
22 include clear guidelines with regard to an individual's eligibility for
23 post-employment training support and for applying hours in training
24 toward federal work requirements.

25 (8) The department shall make every effort to place a minimum of 25%
26 of clients who participate in the work first program in positions that
27 provide wages of \$6.00 per hour or more.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

15

1 (9) The department shall submit to the fiscal agencies and the state
2 budget director by March 15, 2001, a report on the work first program,
3 including the number of participants served under this section, the
4 number of persons who located employment through work first, the average
5 wage of participants who found employment, the number of persons who
6 retained jobs for 90 days, the number of participants placed in employ-
7 ment training and education programs, the number of clients referred to
8 work first who failed to report, a compilation of barriers to employment
9 by incidence and type experienced by participants, and the number of par-
10 ticipants referred back to the family independence agency.

11 (10) A grant awarded under this section may extend beyond the end of
12 the fiscal year in which the grant is awarded and the funds awarded for
13 the grant may be available in the subsequent fiscal year for payment the
14 next fiscal year.

15 (11) The department shall provide to the state budget director and
16 the fiscal agencies by May 15 and November 15 of each year a report on
17 the work first grants. The report due by May 15 shall provide the infor-
18 mation described in this subsection for each grant or contract awarded
19 during the preceding 2 quarters of the state fiscal year. The report due
20 by November 15 shall provide this information for each grant or contract
21 awarded during the preceding full fiscal year. The report shall contain
22 both of the following:

23 (a) The amount and recipient of each grant or contract.

24 (b) The number of participants in each service delivery area and the
25 number of clients placed in employment in each service delivery area.

26 (12) The department and the family independence agency shall
27 continue to collaborate on refining and making available to work first

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

16

1 participants clear joint guidelines on the eligibility of work first
2 participants for post-employment training support and on how
3 training/education hours can be applied toward federal work participation
4 requirements. These guidelines shall balance the ability of participants
5 to obtain training and subsequent long-term, high-wage employment with
6 the need to connect participants with the workplace. Any and all
7 training/education, with the exception of high school completion and GED
8 preparation, must be occupationally relevant and in demand in the labor
9 market as determined by the workforce development board. Participants
10 must make satisfactory progress while in training/education. The depart-
11 ment shall submit a progress report on these continuing efforts to the
12 house and senate appropriations subcommittees with jurisdiction over the
13 department and the family independence agency and to the fiscal agencies
14 by October 1, 2000.

15 (13) Work first participants may meet the work participation
16 requirement by combining a minimum of 10 hours per week of work with
17 training/education. Training/education may last up to 12 months and the
18 calculated hours may include actual classroom seat time up to 10 hours
19 per week plus up to 1 hour of study time for each hour of classroom seat
20 time. The combined work and training/education hours must equal the min-
21 imum number of hours required to meet the federal work participation
22 requirements, 30 hours per week for a single parent, 35 hours per week
23 for 2-parent families, 55 hours if utilizing federally funded day care,
24 and 20 hours per week for single parents with a child under the age of
25 6. Work first participants may enroll in additional hours of classroom
26 seat time beyond 10 hours. However, these hours and the related study
27 time will not count toward the work participation requirement. The

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

17

1 training may be no longer than a 1-year program, or the final year of a
2 2- or 4-year undergraduate program which is designed to lead to immediate
3 labor force attachment.

4 (14) Work first participants may meet the federal work participation
5 requirement through enrollment in a short-term vocational program requir-
6 ing 30 hours of classroom seat time per week for a period not to exceed 6
7 months, or by enrollment in full-time internships, practicums, or clini-
8 cals required by an academic or training institution for licensure, pro-
9 fessional certification, or degree completion, without an additional work
10 requirement. Two-parent families who receive federally funded day care
11 must work an additional 25 hours per week to meet the federal work par-
12 ticipation requirement. In cases where a short-term vocational program
13 lasts less than 6 months, the participant shall be eligible to enroll in
14 1 additional short-term vocational program for a combined period not to
15 exceed a total of 6 months.

16 (15) Work first participants who lack a high school diploma or GED
17 and who enroll in high school completion or classes to obtain a GED may
18 count up to 10 hours of classroom seat time, combined with a minimum
19 number of hours of work per week, to meet their federal work participa-
20 tion requirement. There shall be no time limit on high school
21 completion. GED preparation shall be limited to 6 months.

22 Sec. 304. (1) Of the funds appropriated in part 1 for precollege
23 programs in engineering and the sciences, \$620,000.00 shall be provided
24 in the form of a grant to the Detroit precollege engineering program,
25 incorporated and \$424,700.00 shall be provided in the form of a grant to
26 the Grand Rapids area precollege engineering program.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

18

1 (2) The department shall submit a report to the appropriate house
2 and senate appropriations subcommittees and the fiscal agencies by
3 February 1, 2001 regarding dropout rates, grade point averages, enroll-
4 ment in science, engineering, and math-based curricula, and employment in
5 science, engineering, and math-based fields for students within the
6 programs. The report shall continue to evaluate the effectiveness of the
7 precollege programs in engineering and sciences funded through part 1
8 appropriations and shall make recommendations on whether state support to
9 expand such programs to other areas of the state is warranted in future
10 fiscal years.

11 Sec. 305. (1) In addition to the funds appropriated for the depart-
12 ment in part 1, there is appropriated an amount not to exceed
13 \$41,000,000.00 for federal contingency funds. These funds are not avail-
14 able for expenditure until they have been transferred to another line
15 item in this act pursuant to section 393(2) of the management and budget
16 act, 1984 PA 431, MCL 18.1393.

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

22 (3) In addition to the funds appropriated in part 1, there is appro-
23 priated an amount not to exceed \$8,000,000.00 for local contingency
24 funds. These funds are not available for expenditure until they have
25 been transferred to another line item in this act pursuant to section
26 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

HB5274, As Passed House, March 21, 2000

Sub. H.B. 5274 (H-1) as amended March 21, 2000

19

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

7 Sec. 306. The local match requirements for vocational rehabilita-
8 tion facilities establishment grants shall not exceed 21.3% for the
9 fiscal year ending September 30, 2001. It is the intent of the legisla-
10 ture that the local match requirements for vocational rehabilitation
11 facilities establishment grants shall not exceed 27.0% for the fiscal
12 year ending September 30, 2002. The department shall make every effort
13 to negotiate a match requirement that is appropriate and feasible given
14 the resources of the recipient grantee.

15 Sec. 307. Funds earned or authorized by the United States depart-
16 ment of labor in excess of the gross appropriation in part 1 for the
17 employment service agency from the United States department of labor are
18 appropriated and may be expended for staffing and related expenses
19 incurred in the operation of its programs. These funds may be spent
20 after the department notifies the appropriations subcommittees of the
21 house and senate of the purpose and amount of each grant award.

22 Sec. 308. The department shall report to the appropriations subcom-
23 mittees of the house and senate by September 30, 2000, on the distribu-
24 tion of the Michigan community service commission volunteer investment
25 grants.

26 Sec. 309. (1) Of the funds appropriated in part 1 for vocational
27 rehabilitation independent living, not less than [\$2,988,000.00] shall be

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

20

1 used for the support of centers for independent living which are in
2 compliance with federal standards for such centers, for the development
3 of new centers in areas presently unserved or underserved, for technical
4 assistance to centers, and for projects to build capacity of centers to
5 deliver independent living services. Applications for such funds shall
6 be reviewed in accordance with criteria and procedures established by the
7 statewide independent living council, the Michigan rehabilitation serv-
8 ices unit within the department, and the Michigan commission for the
9 blind. Funds must be used in a manner consistent with the priorities
10 established in the state plan for independent living. The department is
11 directed to work with the Michigan association of centers for independent
12 living and the local workforce development boards to identify other com-
13 petitive sources of funding.

14 (2) The statewide independent living council and the Michigan asso-
15 ciation of centers for independent living shall jointly produce a report
16 providing the following information:

17 (a) Results in terms of enhanced statewide access to independent
18 living services to individuals who do not have access to such services
19 through other existing public agencies, including measures by which these
20 results can be monitored over time.

21 (b) Information from each center for independent living receiving
22 funding through appropriations in part 1 detailing their total budget for
23 their most recently completed fiscal year as well as the amount within
24 that budget funded through the vocational rehabilitation independent
25 living grant program referenced in part 1, the total amount funded
26 through other state agencies, the amount funded through federal sources,
27 and the amount funded through local and private sources.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

21

1 (c) Savings to state taxpayers in other specific areas that can be
2 shown to be the direct result of activities funded from the vocational
3 rehabilitation independent living grant program during the most recently
4 completed state fiscal year.

5 (3) The report required in subsection (2) shall be submitted to the
6 appropriate appropriations subcommittees, the fiscal agencies, and the
7 state budget director on or before January 15, 2001.

8 Sec. 310. (1) The department shall have at least 1 disabled veter-
9 ans outreach program specialist or local veterans employment representa-
10 tive present, if able and willing to serve, at each Michigan
11 works! employment services office on a full- or part-time basis during
12 hours of operation.

13 (2) The department shall ensure that each Michigan works! employment
14 services office shall have the necessary equipment to allow the disabled
15 veterans outreach specialist or local veterans employment representative
16 to perform his or her duties in the same manner they were performed prior
17 to February 1, 1999.

18 (3) The department shall require each Michigan works! employment
19 services office to have an employee available to ask each individual who
20 enters the office for service whether that individual is a veteran and to
21 refer each veteran to the disabled veterans outreach program specialist
22 or local veterans employment representative on duty at the time.

23 (4) The department shall require that each Michigan
24 works! employment services office shall have posted in a conspicuous
25 place within the office a notice advising veterans that a disabled veter-
26 ans outreach program specialist or a local veterans employment
27 representative is available to assist him or her.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

22

1 (5) The department shall require each Michigan works! employment
2 services office to provide free mediated services to employers wishing to
3 hire a veteran.

4 (6) The department shall continue to make the appropriate placement
5 of veterans and disabled veterans a priority.

6 Sec. 311. (1) Using all relevant state data sources, the department
7 shall acquire data on former work first participants, whose family inde-
8 pendence program cases closed due to earnings during fiscal year 1999,
9 for the second year in the continuing longitudinal study started in
10 fiscal year 2000. In addition, first-year data will also be compiled on
11 former work first participants whose family independence program cases
12 were closed due to earnings during fiscal year 2000. The data will
13 include the following:

14 (a) The number and percentage employed.

15 (b) The average hourly wage of those employed.

16 (c) The current hourly wage of those employed.

17 (d) The range of wages earned by those employed.

18 (e) The number of individuals that earned each wage amount.

19 (f) The number and percentage receiving health care benefits from
20 their employer.

21 (g) The number and percentage receiving tuition reimbursement from
22 their employer.

23 (h) The number and percentage receiving training benefits from their
24 employer.

25 (i) The type of jobs obtained by former participants in general
26 categories.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

23

1 (j) The length of time former participants have retained their jobs,
2 or if participants have had more than 1 job, the length of time employed
3 at each job.

4 (k) The number and percentage continuing to receive any type of
5 public assistance.

6 (l) If the former recipient has children, whether the children are
7 enrolled in and attending school.

8 (m) The extent to which the former participant feels that they and
9 their family are better off now than when they were on cash assistance
10 with regard to household income, housing, food and nutritional needs,
11 child health care, and access to health insurance coverage.

12 (2) The department shall file a report containing the identified
13 data with the appropriate house and senate appropriation subcommittees
14 and fiscal agencies by March 15, 2001.

15 (3) The department shall cooperate with the family independence
16 agency in formulating and acquiring the identified data.

17 (4) The department may retain a third party to conduct the studies
18 to obtain the data identified under this section.

19 Sec. 312. The department may carry into the succeeding fiscal year
20 unexpended federal pass-through funds to local institutions and govern-
21 ments that do not require additional state matching funds. Federal
22 pass-through funds to local institutions and governments that are
23 received in amounts in addition to those included in part 1 and that do
24 not require additional state matching funds are appropriated for the pur-
25 poses intended.

26 Sec. 313. Of the amounts appropriated in part 1 for postsecondary
27 education, \$250,000.00 of private occupational school license fees shall

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

24

1 fund 3.0 FTE positions and related administrative costs of the
2 proprietary schools oversight unit within the department.

3 Sec. 314. Money in the school loan exception fee fund that is unex-
4 pended at the end of the fiscal year shall not revert to the general fund
5 but shall be carried over to the succeeding fiscal year.

6 Sec. 315. The department is appropriated an amount not to exceed
7 \$100,000.00 from collection of defaulted loans under the future faculty
8 program in the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks pro-
9 grams to offset costs of administering the loan collections.

10 Sec. 316. It is the intent of the Martin Luther King, Jr. - Cesar
11 Chavez - Rosa Parks future faculty program to increase the pool of minor-
12 ity candidates pursuing faculty teaching careers in postsecondary
13 education. Each university shall apply the percentage increase applica-
14 ble to every university in the calculation of appropriations allocated to
15 the future faculty program.

16 Sec. 317. (1) It is the intent of the Martin Luther King, Jr. -
17 Cesar Chavez - Rosa Parks college day program to introduce school chil-
18 dren underrepresented in postsecondary education to the potential of a
19 college education.

20 (2) Individual program plans of each university shall include a
21 budget of equal contributions from this program, the participating public
22 university, the participating school district, and the participating
23 independent degree-granting college. College day funds shall not be
24 expended to cover indirect cost. Not more than 20% of the university
25 match shall be attributable to indirect costs. Each university shall
26 apply the percentage increase applicable to every university in the
27 calculation of appropriations allocated to the college day program.

HB5274, As Passed House, March 21, 2000

House Bill No. 5274

25

1 Sec. 318. (1) It is the intent of the Martin Luther King, Jr. -
2 Cesar Chavez - Rosa Parks select student support services program to
3 develop academically and economically disadvantaged student retention
4 programs for 4-year public and independent educational institutions in
5 this state.

6 (2) An award made under this program to any 1 institution shall not
7 be greater than \$150,000.00, and the amount awarded shall be matched on a
8 70% state, 30% college or university basis.

9 Sec. 319. (1) It is the intent of the Martin Luther King, Jr. -
10 Cesar Chavez - Rosa Parks college/university partnership program between
11 4-year public and independent colleges and universities and public commu-
12 nity colleges to increase the number of underrepresented minority stu-
13 dents who transfer from community colleges into baccalaureate programs.

14 (2) The grants shall be made under this program to Michigan public
15 and independent colleges and universities. An award to any 1 institution
16 shall not be greater than \$150,000.00, and the amount awarded shall be
17 matched on a 70% state, 30% university basis.

18 Sec. 320. It is the intent of the Martin Luther King, Jr. - Cesar
19 Chavez - Rosa Parks visiting professors program to increase the number of
20 minority instructors in the classroom and provide role models for under-
21 represented minority students.

22 Sec. 321. Each state institution of higher education receiving
23 funds under section 316, 317, 318, 319, or 320 shall notify the depart-
24 ment by April 15, 2001 as to whether it will expend by the end of its
25 fiscal year the funds received under section 316, 317, 318, 319, or 320.
26 Notwithstanding the award limitations in sections 318 and 319, the amount
27 of funding reported as not being expended will be reallocated to the

1 institutions that intend to expend all funding received under section
2 316, 317, 318, 319, or 320.

3 Sec. 322. (1) It is the intent of the Martin Luther King, Jr. -
4 Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator
5 development program to increase the number of minority students, espe-
6 cially males, who enroll in and complete K-12 teacher education programs
7 at the baccalaureate level.

8 (2) The program shall be administered by each state-approved teacher
9 education institution in a manner prescribed by the department.

10 (3) Approved teacher education institutions may and are encouraged
11 to use student support services funding in coordination with the Morris
12 Hood, Jr. funding to achieve the goals of the program.

13 Sec. 323. It is the intent of the legislature that the
14 King-Chavez-Parks initiative is marketed by the department to Michigan
15 parents, and high school and college students, to promote the benefits
16 and the availability of its various programs. It is further the intent
17 of the legislature that the department administer the King-Chavez-Parks
18 initiative in the same manner as when it was previously contained in the
19 department of education.

[Sec. 323a. From the funds appropriated in part 1 for postsecondary education, the department shall compile data from each university that receives funding for the future faculty program within the King-Chavez-Parks initiative on employment outcomes for program participants. The report shall be distributed to the house and senate appropriations committees by February 1 of each year. The report shall include data from each participating university covering the most recently completed fiscal year. The data shall include all of the following:

- (a) The number of participants receiving support under the program.
- (b) The number of participants obtaining full-time employment.
- (c) The number of participants obtaining full-time employment in college faculty positions.
- (d) The number of participants obtaining full-time employment in college faculty positions within the university through which they received future faculty program support for graduate studies.]

20 Sec. 324. The department shall work cooperatively with the depart-
21 ment of civil service to identify state employees who will lose their
22 jobs as a result of an agency or program being reorganized, modified, or
23 eliminated and shall develop training programs and provide training to
24 these individuals that will provide them an opportunity and skills neces-
25 sary to secure new employment within state government or the private
26 sector. It shall be a priority of the department to provide training and

HB5274, As Passed House, March 21, 2000

05701'00 (H-1)

HB5274, As Passed House, March 21, 2000

Sub. H.B. 5274 (H-1) as amended March 21, 2000

27

1 employment opportunities to these individuals through their employment
2 service locations.

3 Sec. 325. State and federal funds allocated to local workforce
4 development boards for disbursement shall not be appropriated unless the
5 local workforce development boards maintain a partnership with governmen-
6 tal agencies, public school districts, and public colleges located within
7 the local service delivery area. Each board shall appoint an education
8 advisory group made up of high-level administrators within local educa-
9 tional institutions.

10 Sec. 326. From the funds appropriated in part 1 to job training
11 programs subgrantees, the department shall allocate sufficient funds to
12 the Michigan works! service centers to allow these centers to remain
13 fully operational.

14 [Sec. 327. Of the funds appropriated in part 1 for the council of
15 Michigan foundations, \$10,000,000.00 shall be distributed to the council to
16 support local community efforts to address youth and senior health needs.
17 The remaining \$10,000,000.00 shall support community youth tobacco
18 prevention and smoking cessation programs. The council may distribute the
19 funds according to a formula determined by the council or may invest these
20 funds. Any investment earnings from this appropriation shall be used for
21 the same purpose as the original appropriation.

22

23]

24 Sec. 328. Of the funds appropriated in part 1 for adult basic edu-
25 cation, \$5,000,000.00 in general fund/general purpose revenue shall be
26 distributed in the form of grants to adult education providers in a
27 manner to be determined by the department.

HB5274, As Passed House, March 21, 2000

Sub. H.B. 5274 (H-1) as amended March 21, 2000

28

1 Sec. 329. The appropriation in part 1 for adult education shall be
2 utilized to support the administration of up to \$100,000,000.00 in gen-
3 eral fund/general purpose revenue for adult education programs. It is
4 the intent of the legislature that department staff funded through the
5 appropriation in part 1 ensure that at least \$80,000,000.00 in adult edu-
6 cation program funding be distributed through the existing grant process
7 as outlined in section 107 of the state school aid act of 1979, 1979 PA
8 94, MCL 388.1707. No more than \$20,000,000.00 may be administered
9 through any alternative process.

[Sec. 330. The department may provide support services to the family independence agency in development and workforce development board monitoring of the summer youth employment initiative upon request.]