

**SUBSTITUTE FOR  
SENATE BILL NO. 365**

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, 2000; 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

PART 1

2

LINE-ITEM APPROPRIATIONS

3

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

4

amounts listed in this part are appropriated for the family independence

5

agency for the fiscal year ending September 30, 2000, from the funds

## SB 365, As Passed Senate, March 25, 1999

Senate Bill No. 365 as amended March 24, 1999  
2

For Fiscal Year Ending  
September 30, 2000

1 indicated in this part. The following is a summary of the appropriations  
2 in this part:

### 3 **FAMILY INDEPENDENCE AGENCY**

4	Full-time equated classified positions.....	13,222.3	
5	Unclassified positions.....	6.0	
6	Total full-time equated positions.....	13,228.3	
7	GROSS APPROPRIATION.....	\$	3,518,219,500
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....	\$	150,000
11	ADJUSTED GROSS APPROPRIATION.....	\$	3,518,069,500
12	Federal revenues:		
13	Total federal revenues.....		2,309,325,200
14	Special revenue funds:		
15	Total private revenues.....		7,858,100
16	Total local revenues.....		18,536,200
17	Total other state restricted revenues.....		123,565,500
18	State general fund/general purpose.....	\$	1,058,784,500

### 19 **Sec. 102. EXECUTIVE OPERATIONS**

20	Total full-time equated positions.....	953.3	
21	Full-time equated unclassified positions.....	6.0	
22	Full-time equated classified positions.....	947.3	
23	Other unclassified salaries--6.0 FTE positions.....	\$	492,300
24	Salaries and wages--728.3 FTE positions.....		33,990,000

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

3

For Fiscal Year Ending  
September 30, 2000

1	Contractual services, supplies, and materials.....	10,330,300
2	Demonstration projects--11.0 FTE positions.....	10,634,600
3	End user support.....	7,614,500
4	Computer service fees.....	20,076,300
5	Automated social services information system	
6	project--25.0 FTE positions.....	16,963,800
7	Data system enhancement--26.0 FTE positions.....	20,948,500
8	Child support automation--25.0 FTE positions.....	36,042,000
9	Child support distribution computer system.....	7,164,100
10	Supplemental security income advocates, salaries and	
11	wages--16.0 FTE positions.....	980,000
12	Commission on disability concerns--8.0 FTE positions.	759,600
13	Commission for the blind--108.0 FTE positions.....	<u>17,309,700</u>
14	GROSS APPROPRIATION..... \$	183,305,700
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG-ADP user fees.....	150,000
18	ADJUSTED GROSS APPROPRIATION..... \$	183,155,700
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	119,518,500
22	Special revenue funds:	
23	Total private revenues.....	1,840,000
24	Total local revenues.....	475,000
25	Total other state restricted revenue.....	477,300
26	State general fund/general purpose..... \$	60,844,900

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

4

For Fiscal Year Ending  
September 30, 2000

1	<b>Sec. 103. FAMILY INDEPENDENCE SERVICES ADMINISTRATION</b>	
2	Full-time equated classified positions.....	359.0
3	Salaries and wages--299.0 FTE positions.....	\$ 14,268,100
4	Contractual services, supplies, and materials.....	5,776,500
5	Child support incentive payments.....	32,409,600
6	Legal support contracts.....	97,496,400
7	State incentive payments.....	4,449,000
8	Employment and training support services.....	27,926,700
9	Food stamp issuance.....	5,374,400
10	High school completion project--5.0 FTE positions....	363,400
11	Wage employment verification reporting--2.0 FTE	
12	positions.....	5,171,000
13	Urban and rural empowerment/enterprise zones.....	100
14	Training and staff development--53.0 FTE positions...	9,587,300
15	Community services block grant.....	<u>18,100,000</u>
16	GROSS APPROPRIATION.....	\$ 220,922,500
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	193,759,500
20	Special revenue funds:	
21	Total local revenues - donated.....	340,000
22	State general fund/general purpose.....	\$ 26,823,000

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

5

For Fiscal Year Ending  
September 30, 2000

1	<b>Sec. 104. CHILD AND FAMILY SERVICES</b>	
2	Full-time equated classified positions.....104.3	
3	Salaries and wages--53.3 FTE positions.....	\$ 2,747,200
4	Contractual services, supplies, and materials.....	1,782,000
5	Refugee assistance program--9.0 FTE positions.....	7,377,100
6	Foster care payments.....	218,754,900
7	Adoption subsidies.....	137,632,200
8	Youth in transition--20.0 FTE positions.....	9,896,900
9	Interstate compact.....	300,000
10	Children's benefit fund donations.....	21,000
11	Domestic violence prevention and treatment--1.0 FTE	
12	positions.....	8,662,200
13	Teenage parent counseling--3.0 FTE positions.....	3,405,200
14	Family preservation and prevention services--13.0 FTE	
15	positions.....	68,114,000
16	Black child and family institute.....	100,000
17	Rape prevention and services.....	1,100,000
18	Children's trust fund administration--4.0 FTE	
19	positions.....	330,300
20	Children's trust fund grants.....	3,615,000
21	Attorney general contracts.....	1,708,700
22	Guardian contract.....	600,000
23	County shelters.....	200,000
24	Prosecuting attorney contracts--1.0 FTE positions....	<u>1,061,700</u>
25	GROSS APPROPRIATION.....	\$ 467,408,400
26	Appropriated from:	

02366'99 (S-1)

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

6

For Fiscal Year Ending  
September 30, 2000

1	Federal revenues:	
2	Total federal revenues.....	284,780,600
3	Special revenue funds:	
4	Private-children's benefit fund donations.....	21,000
5	Private-collections.....	4,101,300
6	Local funds - county payback.....	2,672,800
7	Children's trust fund.....	2,070,300
8	State general fund/general purpose..... \$	173,762,400

**9 Sec. 105. JUVENILE JUSTICE SERVICES**

10	Full-time equated classified positions.....1,081.4	
11	Personnel payroll costs--863.0 FTE positions..... \$	46,244,900
12	County juvenile officers.....	3,551,000
13	Child care fund.....	56,352,900
14	Delinquency services operations.....	15,108,700
15	Residential care centers--45.0 FTE positions.....	2,623,600
16	Genesee valley and Detroit detention centers--133.7	
17	FTE positions.....	8,876,800
18	Federally funded activities--26.1 FTE positions.....	1,812,700
19	W.J. Maxey memorial fund.....	45,000
20	Regional detention services--10.6 FTE positions.....	1,207,300
21	Juvenile accountability incentive block grant.....	6,482,000
22	Juvenile boot camp program.....	2,300,000
23	Committee on juvenile justice administration--3.0 FTE	
24	positions.....	269,300

02366'99 (S-1)

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

7

For Fiscal Year Ending  
September 30, 2000

1	Committee on juvenile justice grants.....	7,000,000
2	Wayne County block grant.....	<u>64,516,900</u>
3	GROSS APPROPRIATION..... \$	216,391,100
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenues.....	36,205,200
7	Special revenue funds:	
8	Total private revenues.....	45,000
9	Wayne county block grant revenue.....	38,610,200
10	Local funds - county payback.....	14,550,900
11	State general fund/general purpose..... \$	126,979,800

12       **Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS (formerly ASSISTANCE**  
13 **PAYMENTS, SERVICES, AND CLERICAL FIELD STAFF)**

14	Full-time equated classified positions.....10,083.6	
15	Field staff, salaries and wages--7,258.6 FTE	
16	positions..... \$	285,944,200
17	Children and adult services, salaries and	
18	wages--2,704.5 FTE positions.....	111,170,000
19	Contractual services, supplies, and materials.....	25,042,900
20	Outstationed eligibility workers--30.0 FTE positions.	3,552,900
21	Wayne county gifts and bequests.....	100,000
22	Volunteer services and reimbursement--90.5 FTE	
23	positions.....	<u>7,065,500</u>
24	GROSS APPROPRIATION..... \$	432,875,500

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

8

For Fiscal Year Ending  
September 30, 2000

1       Appropriated from:

2       Federal revenues:

3       Total federal revenues..... 270,873,300

4       Special revenue funds:

5       Local funds - donated funds..... 193,100

6       Private funds - hospital contributions..... 1,750,800

7       Private - Wayne County gifts..... 100,000

8       State general fund/general purpose..... \$ 159,958,300

9       **Sec. 107. CENTRAL SUPPORT ACCOUNTS**

10      Rent..... \$ 49,521,100

11      Occupancy charge..... 5,378,900

12      Travel..... 7,859,500

13      Equipment..... 3,022,900

14      Worker's compensation..... 4,577,000

15      Advisory commissions..... 17,900

16      Payroll taxes and fringe benefits..... 152,030,600

17      GROSS APPROPRIATION..... \$ 222,407,900

18      Appropriated from:

19      Federal revenues:

20      Total federal revenues..... 126,696,900

21      Special revenue funds:

22      Local funds - county payback..... 304,400

23      Departmentwide lapse revenue..... 8,024,200

24      State general fund/general purpose..... \$ 87,382,400



**SB 365, As Passed Senate, March 25, 1999**Senate Bill No. 365 as amended March 24, 1999  
9For Fiscal Year Ending  
September 30, 2000**1        Sec. 108.    DISABILITY DETERMINATION SERVICES**

2	Full-time equated classified positions.....	623.0	
3	Disability determination operations--	623.0 FTE	
4	positions.....		\$ <u>68,990,000</u>
5	GROSS APPROPRIATION.....		\$        68,990,000
6	Appropriated from:		
7	Federal revenues:		
8	Total federal revenues.....		68,152,000
9	State general fund/general purpose.....		\$        838,000

**10       Sec. 109.    PUBLIC ASSISTANCE**

11	Full-time equated classified positions.....	23.7	
12	Family independence program.....		\$ <u>331,231,800</u>
13	State disability assistance payments.....		22,341,700
14	Food stamp program benefits.....		600,000,000
15	State supplementation.....		60,180,300
16	State supplementation administration.....		1,960,000
17	Low income energy assistance program--	21.7 FTE	
18	positions.....		60,000,000
19	State emergency relief--	2.0 FTE positions	
20	Weatherization assistance.....		10,900,000
21	Day care services.....		<u>581,304,600</u>
22	GROSS APPROPRIATION.....		\$ <u>1,705,918,400</u>
23	Appropriated from:		
24	Federal revenues:		

# SB 365, As Passed Senate, March 25, 1999

Senate Bill No. 365 as amended March 24, 1999  
10

For Fiscal Year Ending  
September 30, 2000

1	Total federal revenues.....	1,209,339,200
2	Special revenue funds:	
3	Child support collections.....	66,943,400
4	Supplemental security income recoveries.....	4,440,000
5	Public assistance recoupment revenue.....	3,000,100
6	State general fund/general purpose..... \$	422,195,700

7

8

9

## PART 2

10

## PROVISIONS CONCERNING APPROPRIATIONS

### 11 GENERAL SECTIONS

12 Sec. 201. (1) In accordance with section 30 of article IX of the  
13 state constitution of 1963, total state spending from state sources for  
14 fiscal year 1999-2000 is estimated at \$1,182,350,000.00 in this act and  
15 state spending from state sources to local units of government for fiscal  
16 year 1999-2000 is estimated at \$169,620,300.00. The itemized statement  
17 below identifies appropriations from which spending to units of local  
18 government will occur:

19 FAMILY INDEPENDENCE AGENCY

20 CHILD AND FAMILY SERVICES

21	Adoption subsidies.....	\$	56,783,200
----	-------------------------	----	------------

22 JUVENILE JUSTICE SERVICES

23	Child care fund.....	51,352,900
----	----------------------	------------

24	County juvenile officers.....	2,452,300
----	-------------------------------	-----------

25	Wayne County block grant.....	57,873,200
----	-------------------------------	------------

26 PUBLIC ASSISTANCE

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

11

1	State disability program.....	<u>1,158,700</u>
2	TOTAL.....	\$ 169,620,300

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

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

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

19       Sec. 204. In addition to funds appropriated in part 1 for all pro-  
20 grams and services, there is appropriated for write-offs of accounts  
21 receivable, deferrals, and for prior year obligations in excess of appli-  
22 cable prior year appropriations, an amount equal to total write-offs and  
23 prior year obligations, but not to exceed amounts available in prior year  
24 revenues or current year revenues that are in excess of the authorized  
25 amount.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

12

1       Sec. 205. The expenditures and funding sources authorized under  
2 this act are subject to the management and budget act, 1984 PA 431,  
3 MCL 18.1101 to 18.1594.

4       Sec. 206. The department may retain all of the state's share of  
5 food stamp overissuance collections as an offset to general fund/general  
6 purpose costs. Retained collections shall be applied against federal  
7 funds deductions in all appropriation units where department costs  
8 related to the investigation and recoupment of food stamp overissuances  
9 are incurred. Retained collections in excess of such costs shall be  
10 applied against the federal funds deducted in the executive operations  
11 appropriation unit.

12       Sec. 207. (1) The department shall submit a report to the chair-  
13 persons of the senate and house appropriations subcommittees on the  
14 family independence agency budget and to the senate and house fiscal  
15 agencies on the details of allocations within program budgeting line  
16 items and within the salaries and wages line items in the field services  
17 appropriation unit. The report shall include a listing, by account,  
18 dollar amount, and fund source, of salaries and wages; longevity and  
19 insurance; retirement; contractual services, supplies, and materials;  
20 equipment; travel; and grants within each program line item appropriated  
21 for the fiscal year ending September 30, 2000.

22       (2) On a monthly basis, the department shall report on the number of  
23 FTEs in pay status by type of staff.

24       Sec. 208. As used in this act:

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

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

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

13

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

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

3 (e) "IDG" means interdepartmental grant.

4 (f) "Temporary assistance for needy families" (TANF) or "title IV"  
5 means title IV of the social security act, chapter 531, 49 Stat. 620, 42  
6 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660, 663  
7 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

8 (g) "Title XX" means title XX of the social security act, chapter  
9 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397f.

10 Sec. 209. If a legislative objective of this act or the social wel-  
11 fare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented with-  
12 out loss of federal financial participation because implementation would  
13 conflict with or violate federal regulations, the department shall notify  
14 the house and senate appropriations committees and the house and senate  
15 fiscal agencies of that fact. Upon receipt of the notification, a joint  
16 house and senate committee made up of the members of the house and senate  
17 appropriations subcommittees dealing with appropriations for the family  
18 independence agency may be appointed to meet with the director of the  
19 department to review the substantive, procedural, and legal ramifications  
20 of the legislative objective and to develop a plan to attain that legis-  
21 lative objective.

22 Sec. 210. Funds appropriated in part 1 shall not be used for the  
23 purchase of foreign goods and/or services if competitively priced  
24 American goods and/or services of comparable quality are available.

25 Sec. 211. The department of civil service shall bill departments  
26 and agencies at the end of the first fiscal quarter for the 1% charges  
27 authorized by section 5 of article XI of the state constitution of 1963.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

14

1 Payments shall be made for the total amount of the billing by the end of  
2 the second fiscal quarter.

3       Sec. 212. In compliance with governmental accounting standards  
4 board (GASB) statement no. 24, accounting and financial reporting for  
5 certain grants and other financial assistance, such as federal food stamp  
6 distributions via coupons or electronic benefits systems, are hereby  
7 appropriated and shall be recognized as general fund - special purpose  
8 expenditures in the state's accounting records and financial reports.  
9 The level of appropriations under this section shall coincide with antic-  
10 ipated federal food stamps revenues for the fiscal year ending  
11 September 30, 2000.

12       Sec. 213. (1) Beginning October 1, 1999, a hiring freeze is imposed  
13 on the state classified civil service. State departments and agencies  
14 are prohibited from hiring any new full-time state classified civil serv-  
15 ice employees and prohibited from filling any vacant state classified  
16 civil service positions. This hiring freeze does not apply to internal  
17 transfers of classified employees from 1 position to another within a  
18 department or to positions that are funded 80% or more from federal or  
19 restricted funds.

20       (2) The state budget director shall grant exceptions to this hiring  
21 freeze when the state budget director believes that the hiring freeze  
22 will result in rendering a state department or agency unable to deliver  
23 basic services.

24       Sec. 214. The director shall take all reasonable steps to ensure  
25 businesses in deprived and depressed communities compete for and perform  
26 contracts to provide services or supplies, or both, for the department.  
27 The director shall strongly encourage firms with which the department

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

15

1 contracts to subcontract with certified businesses in depressed and  
2 deprived communities for services or supplies, or both.

3       Sec. 215. (1) The department shall submit to the department of man-  
4 agement and budget, the house and senate appropriations committees, the  
5 house and senate fiscal agencies, and the house and senate standing com-  
6 mittees having jurisdiction over technology issues, quarterly reports on  
7 the department's efforts to change the department's computer software and  
8 hardware as necessary to perform properly in the year 2000 and beyond.  
9 These reports shall identify actual progress in comparison to the  
10 department's approved work plan for these efforts.

11       (2) The reports required under subsection (1) shall also identify  
12 and forward as appropriate the funding sources that should support the  
13 work performed.

14       Sec. 216. The department shall receive and retain copies of all  
15 reports funded from part 1 appropriations. Federal and state guidelines  
16 for short-term and long-term retention of records shall be followed.

17       Sec. 217. (1) The department shall prepare a semiannual report on  
18 the temporary assistance for needy families (TANF) federal block grant.  
19 The report shall include projected expenditures for the current fiscal  
20 year, an accounting of any previous year funds carried forward, and a  
21 summary of all interdepartmental or interagency agreements relating to  
22 the use of TANF funds. The report shall be forwarded to the house and  
23 senate appropriations subcommittees on the family independence agency  
24 budget on or before October 15, 1999 and April 15, 2000.

25       (2) The state budget director shall give prior written notice to the  
26 members of the house and senate appropriations subcommittees for the  
27 family independence agency and to the house and senate fiscal agencies of

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

16

1 any proposed changes in utilization or distribution of TANF funding or  
2 the distribution of TANF maintenance of effort spending relative to the  
3 amounts reflected in the annual appropriations acts of all state agencies  
4 where TANF funding is appropriated.

5       Sec. 218. The department shall include in its quality control  
6 reporting the number of veterans receiving food stamps, family indepen-  
7 dence program assistance, and Medicaid.

8       Sec. 219. (1) In contracting with faith-based organizations for  
9 mentoring or supportive services, and in all contracts for services, the  
10 department shall ensure that no funds provided directly to institutions  
11 or organizations to provide services and administer programs shall be  
12 used or expended for any sectarian activity, including sectarian worship,  
13 instruction, or proselytization.

14       (2) If an individual requests the service and has an objection to  
15 the religious character of the institution or organization from which the  
16 individual receives or would receive services or assistance, the depart-  
17 ment shall provide the individual within a reasonable time after the date  
18 of the objection with assistance or services and which are substantially  
19 the same as the service the individual would have received from the  
20 organization.

21       (3) Notwithstanding subsections (1) and (2), the department shall  
22 cooperate with faith-based organizations so that they are able to compete  
23 on the same basis as any other private organization for contracts to pro-  
24 vide services to recipients of department services, including, but not  
25 limited to, mentoring or supportive services. The department shall not  
26 discriminate against an organization that applies to become a contractor  
27 on the basis that the organization has a religious character.



**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

17

1       Sec. 220. Within 10 working days after formal presentation of the  
2 executive budget, the state budget director shall report to the members  
3 of the senate and house appropriations committees and the senate and  
4 house fiscal agencies on the amounts and sources of all capped federal  
5 funds, special revenue funds as defined in the state of Michigan's com-  
6 prehensive annual financial report, and the healthy Michigan fund, and an  
7 accounting of the state departments or agencies in which the executive  
8 budget proposed to spend the funds.

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

13       Sec. 222. Sixty days before beginning any effort to privatize, the  
14 department shall submit a complete project plan to the appropriate house  
15 and senate appropriations subcommittees and the house and senate fiscal  
16 agencies. The plan shall include the criteria under which the privatiza-  
17 tion initiative will be evaluated. The evaluation shall be completed and  
18 submitted to the appropriate house and senate appropriations subcommit-  
19 tees and the house and senate fiscal agencies within 30 months.

20       Sec. 223. (1) The department of management and budget and each  
21 principal executive department and agency shall provide to the senate and  
22 house of representatives standing committees on appropriations and the  
23 senate and house fiscal agencies a monthly report on all personal service  
24 contracts awarded without competitive bidding, pricing, or rate setting.  
25 The notification shall include all of the following:

26       (a) The total dollar amount of the contract.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

18

1 (b) The duration of the contract.

2 (c) The name of the vendor.

3 (d) The type of service to be provided.

4 (2) For personal service contracts of \$100,000.00 or more, the  
5 department of management and budget shall provide a monthly report on all  
6 of the following:

7 (a) The total dollar amount of the contract.

8 (b) The duration of the contract.

9 (c) The name of the vendor.

10 (d) The type of service to be provided.

11 (3) The department of management and budget shall provide a monthly  
12 listing of all bid requests or requests for proposal that were issued.

13 (4) Each principal executive department and agency shall provide a  
14 monthly summary listing of information that identifies any authorizations  
15 for personal service contracts that are provided to the department of  
16 civil service pursuant to delegated authority granted to each principal  
17 executive department and agency related to personal service contracts.

18 Sec. 224. (1) In addition to the funds appropriated in part 1,  
19 there is appropriated an amount not to exceed \$200,000,000.00 for federal  
20 contingency funds. These funds are not available for expenditure until  
21 they have been transferred to another line item in this act in accordance  
22 with section 393(2) of the management and budget act, 1984 PA 431, MCL  
23 18.1393.

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

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

19

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

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

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

13 Sec. 225. All reports required in this act shall be made available  
14 to the public primarily through Internet access, unless a printed version  
15 is requested. The department shall provide electronic notification to  
16 all legislative offices for specific reports requested by the  
17 legislature.

18 **EXECUTIVE OPERATIONS**

19 Sec. 301. The department may receive local funds to be applied  
20 toward the purchase of local office automation equipment. Local office  
21 automation equipment shall only be purchased through appropriate depar-  
22 tmentwide automated data processing equipment contracts and shall be the  
23 property of the department.

24 Sec. 302. The department may distribute cash assistance to  
25 recipients electronically by using debit cards.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

20

1       Sec. 303. The appropriation in section 102 for the Michigan  
2 commission for the blind includes funds for case services. These funds  
3 may be used for tuition payments for blind clients for the school year  
4 beginning September 1999.

5       Sec. 304. The appropriation in section 102 for commissions and  
6 boards may be used for per diem payments to members of commissions or  
7 boards for a full day of committee work at which a quorum is present for  
8 performing official business as authorized by each respective commission  
9 or board. The per diem payment for the Michigan commission for the blind  
10 shall be at a rate of \$50.00 per day.

11 **FAMILY INDEPENDENCE SERVICES ADMINISTRATION**

12       Sec. 401. (1) From the federal money received for child support  
13 incentive payments, up to \$4,365,200.00 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 submitting  
18 to the federal office of child support administrative expenses eligible  
19 for federal financial participation. The department may recoup earned  
20 but unclaimed federal funds from the resulting increased federal child  
21 support incentive. The recoupment by the department shall be made prior  
22 to distribution of the increased incentive to the counties. Any incen-  
23 tive funds retained by the state under this section shall be separate and  
24 apart from incentive funds retained in any other section of this act.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

21

1       Sec. 402. From the funds appropriated in section 103 for legal  
2 support contracts and child support incentive payments, the department  
3 may fund demonstration projects to enhance friend of the court child sup-  
4 port collections efforts for public assistance recipients. Funding shall  
5 be from federal title IV-D and federal child support incentives earned.  
6 The projects shall be implemented in no more than 3 counties. Priority  
7 shall be given to counties with federal title IV-D aid to families with  
8 dependent children collections exceeding \$7,000,000.00 in fiscal year  
9 1992.

10       Sec. 403. Not later than September 30 of each year, the department  
11 shall submit for public hearing to the chairpersons of the house and  
12 senate appropriations subcommittees dealing with appropriations for the  
13 family independence agency the proposed use and distribution plan for  
14 community services block grant funds appropriated in section 103 for the  
15 succeeding fiscal year.

16       Sec. 404. The department shall develop plans jointly with the  
17 Indian affairs commission for the implementation of programs and the dis-  
18 tribution of funds for recognized tribal groups and organizations under  
19 the block grant programs that are established by the community services  
20 block grant act, subtitle B of title VI of the omnibus budget reconcilia-  
21 tion act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9910a, 9910c, and  
22 9911 to 9912, and that are administered by that bureau. The plans shall  
23 comply with the regulations issued by the United States department of  
24 health and human services.

25       Sec. 405. The state general fund/general purpose contribution  
26 related to the Wayne County third circuit court cooperative reimbursement  
27 contract resides in the judiciary budget. There are no general

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

22

1 fund/general purpose funds appropriated for this purpose in the family  
2 independence agency budget.

3       Sec. 406. Any unencumbered balances included in the training and  
4 staff development line for child welfare education shall not lapse and  
5 shall be carried forward to fiscal year 2001.

6       Sec. 407. From the funds appropriated in section 103 for employment  
7 and training support services, the department shall contract with created  
8 for caring for \$100,000.00 to provide employment skills and opportunities  
9 support services.

10 **CHILD AND FAMILY SERVICES**

11       Sec. 501. The following goal is established by state law. During  
12 the fiscal year ending September 30, 2000, not more than 3,150 children  
13 supervised by the department shall remain in foster care longer than 24  
14 months. The department shall give priority to reducing the number of  
15 children under 1 year of age in foster care.

16       Sec. 502. From the funds appropriated in section 104 for foster  
17 care, the department shall provide 50% reimbursement to Indian tribal  
18 governments for foster care expenditures for children who are under the  
19 jurisdiction of Indian tribal courts and who are not otherwise eligible  
20 for federal foster care cost sharing.

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

24       (a) Has not yet graduated from high school or passed a high school  
25 equivalency examination.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

23

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

2 (c) Has not yet reached his or her twenty-first birthday.

3 Sec. 504. The department's ability to satisfy appropriation deducts  
4 in section 104 for foster care private collections shall not be limited  
5 to collections and accruals pertaining to services provided in the cur-  
6 rent fiscal year but shall include revenues collected in excess of the  
7 amount specified in section 104.

8 Sec. 505. Counties shall be subject to 50% charge back for the use  
9 of alternative regional detention services, except for those counties  
10 receiving a delinquency block grant, if those detention services do not  
11 fall under the basic provision of section 117e of the social welfare act,  
12 1939 PA 280, MCL 400.117e, or if a county operates those detention serv-  
13 ices programs primarily with professional rather than volunteer staff.

14 Sec. 506. (1) In order to promote continuity of service for chil-  
15 dren and families, the department shall, to the maximum extent possible,  
16 enter into multiyear contracts for child welfare and juvenile justice  
17 services.

18 (2) The bid specifications and contract award determinations for  
19 child welfare and juvenile justice services shall include criteria rela-  
20 tive to provider experience, placing emphasis on total years of  
21 experience in providing child welfare and juvenile justice services, pro-  
22 vision of services to persons of similar characteristics as the target  
23 clientele, quality of prior child welfare and juvenile justice services,  
24 length of service in the targeted geographic area, and the adequacy of  
25 the provider's plan for coordinating the provision of services in the  
26 targeted geographic area.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

24

1       Sec. 507. Funds appropriated in part 1 for the child care fund may  
2 be used as local match for the purchase of families first services for  
3 clients referred by juvenile courts except for delinquent children in  
4 counties receiving a delinquency block grant. For local offices and  
5 courts choosing this option, the in-home portion of the county child care  
6 fund plan must authorize the transfer of funds from the state child care  
7 fund account designated for that county to a local funds - county payback  
8 deduct account associated with the family preservation services  
9 appropriation.

10       Sec. 508. (1) In addition to the amount appropriated in  
11 section 104, 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 project  
16 supports the programmatic goals of both the state child abuse and neglect  
17 prevention board and the state agency. The department may invoice the  
18 state agency for shared costs of a joint project in an amount authorized  
19 by the state agency, and the state child abuse and neglect prevention  
20 board may receive and expend funds for shared costs of a joint project in  
21 addition to those authorized by section 104.

22       Sec. 509. (1) From the funds appropriated in part 1, the department  
23 shall not expend funds to preserve or reunite a family, unless there is a  
24 court order requiring the preservation or reuniting of the family, if  
25 either of the following would result:



**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

25

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

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

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

12 Sec. 510. The department shall not be required to put up for bid  
13 contracts with service providers if only 1 provider currently exists in  
14 the service area.

15 Sec. 511. In order to be reimbursed for child care fund expendi-  
16 tures, counties are required to submit department development reports to  
17 enable the department to document potential federal claimable  
18 expenditures. This requirement is in accord with the reporting require-  
19 ments specified in section 117a(7) of the social welfare act, 1939  
20 PA 280, MCL 400.117a.

21 Sec. 512. From the funds appropriated in section 104 for foster  
22 care payments, the department may expend up to \$500,000.00 for foster  
23 care pilot projects that include ways to increase foster parent recruit-  
24 ment, improve foster parent retention, and increase delivery of training  
25 and supportive services to foster parents.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

26

1       Sec. 513. The department shall not expend funds appropriated in  
2 part 1 to pay for the placement of a child in an out-of-state facility  
3 unless all of the following conditions are met:

4       (a) There is no appropriate placement available in this state.

5       (b) The out-of-state facility meets all of the licensing standards  
6 of this state for a comparable facility.

7       (c) The out-of-state facility meets all of the applicable licensing  
8 standards of the state in which it is located.

9       (d) The department has done an on-site visit to the out-of-state  
10 facility, reviewed the facility records, and reviewed licensing records  
11 and reports on the facility and believes that the facility is an appro-  
12 priate placement for the child.

13       Sec. 514. The department shall make a comprehensive report concern-  
14 ing children's protective services (CPS) to the legislature by January 1,  
15 2000, that shall include all of the following:

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

18       (i) The total number of reports of abuse or neglect investigated  
19 under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and  
20 the number of cases that were substantiated and the number that were  
21 unsubstantiated.

22       (ii) Characteristics of perpetrators of abuse or neglect and the  
23 child victims, such as age, relationship, socioeconomic status, race, and  
24 ethnicity.

25       (iii) The mandatory reporter category in which the individual who  
26 made the report fits, or other categorization if the individual is not

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

27

1 within a group required to report under the child protection law, 1975 PA  
2 238, MCL 722.621 to 722.638.

3 (b) New policies related to children's protective services includ-  
4 ing, but not limited to, major policy changes and court decisions affect-  
5 ing the children's protective services system during the immediately pre-  
6 ceding 12-month period.

7 Sec. 515. From the funds appropriated in part 1 for foster care  
8 payments and related administrative costs, the department may implement  
9 the federally approved title IV-E child welfare waiver managed care  
10 demonstration project.

11 Sec. 516. (1) The department shall complete a study of all the  
12 agencies that currently provide adoption services, including the  
13 department. Based on the study, the department shall provide a compre-  
14 hensive report concerning the reimbursement rate paid to private non-  
15 profit agencies that perform adoption services. The report shall  
16 include, at a minimum, all of the following:

17 (a) The number of agencies that receive reimbursement for adoption  
18 services at the standard adoption rate.

19 (b) The number of agencies that receive reimbursement for adoption  
20 services at the enhanced adoption rate.

21 (c) The number of agencies that receive reimbursement for adoption  
22 services at the premium adoption rate.

23 (d) Of the agencies receiving the reimbursement at the standard  
24 adoption rate, information detailing what factors impact the timeliness  
25 of processing applications, responding to requests, and any other process  
26 of documentation necessary for the reimbursement.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

28

1 (e) Information on the average time it takes each of the following  
2 to process documentation for reimbursement for adoption services:

3 (i) The department.

4 (ii) County family independence agencies.

5 (iii) Private nonprofit adoption agencies.

6 (f) The time it takes the department to transmit to an agency docu-  
7 mentation certifying a child for adoption subsidy.

8 (g) Any other information that provides insight into the time  
9 required to complete reimbursement to an agency for adoption services.

10 (2) The department shall provide the report required in subsection  
11 (1) by April 1, 2000 to the house and senate standing committees dealing  
12 with human services and the house and senate appropriations subcommittees  
13 dealing with appropriations for the family independence agency.

14 **PUBLIC ASSISTANCE**

15 Sec. 601. (1) The department may terminate a vendor payment for  
16 shelter upon written notice from the appropriate local unit of government  
17 that a recipient's rental unit is not in compliance with applicable local  
18 housing codes or when the landlord is delinquent on property tax  
19 payments. A landlord shall be considered to be in compliance with local  
20 housing codes when the department receives from the landlord a signed  
21 statement stating that the rental unit is in compliance with local hous-  
22 ing codes and that statement is not contradicted by the recipient and the  
23 local housing authority. The department shall terminate vendor payments  
24 if a taxing authority notifies the department that taxes are delinquent.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

29

1       (2) Whenever a client agrees to the release of his or her name and  
2 address to the local housing authority, the department shall request from  
3 the local housing authority information regarding whether the housing  
4 unit for which vendoring has been requested meets applicable local hous-  
5 ing codes. Vendoring shall be terminated for those units that the local  
6 authority indicates in writing do not meet local housing codes until such  
7 time as the local authority indicates in writing that local housing codes  
8 have been met.

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

14       Sec. 602. The department, together with other agencies, may estab-  
15 lish special projects to provide special needs shelter payment levels for  
16 the family independence program that will support the development of  
17 transitional shelter facilities for homeless families. These facilities  
18 are to provide supportive services to families and to support the devel-  
19 opment of permanent low-income housing.

20       Sec. 603. (1) The department, as it determines is appropriate,  
21 shall enter into agreements with energy providers by which cash assist-  
22 ance recipients and the energy providers agree to permit the department  
23 to make direct payments to the energy providers on behalf of the  
24 recipient. The payments may include heat and electric payment require-  
25 ments from recipient grants and amounts in excess of the payment  
26 requirements.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

30

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

4       (3) The department shall negotiate with positive billing utility  
5 companies to develop extended payment plans. Such plans shall allow cli-  
6 ents who terminate from positive billing due to increased income to make  
7 monthly payments in order to gradually liquidate utility arrears.

8       Sec. 604. (1) The department shall operate a state disability  
9 assistance program. Except as provided in subsection (3), persons eligi-  
10 ble for this program shall include needy citizens of the United States or  
11 aliens exempted from the supplemental security income citizenship  
12 requirement who are at least 18 years of age or emancipated minors meet-  
13 ing 1 or more of the following requirements:

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

16       (b) A person with a physical or mental impairment which meets fed-  
17 eral supplemental security income disability standards, except that the  
18 minimum duration of the disability shall be 90 days. Substance abuse  
19 alone is not defined as a basis for eligibility.

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

22       (d) A person receiving 30-day postresidential substance abuse  
23 treatment.

24       (e) A person diagnosed as having acquired immunodeficiency  
25 syndrome.

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

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

31

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

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

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

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

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

23 (4) A refugee or asylee who loses his or her eligibility for the  
24 federal supplemental security income program by virtue of exceeding the  
25 maximum time limit for eligibility as delineated in section 402 of  
26 title IV of the personal responsibility and work opportunity  
27 reconciliation act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

32

1 otherwise meets the eligibility criteria under this section shall be  
2 eligible to receive benefits under the state disability assistance  
3 program.

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

8       Sec. 606. County family independence agencies shall require each  
9 recipient of state disability assistance who has applied with the social  
10 security administration for supplemental security income to sign a con-  
11 tract to repay any assistance rendered through the state disability  
12 assistance program upon receipt of retroactive supplemental security  
13 income benefits.

14       Sec. 607. The department's ability to satisfy appropriation deduc-  
15 tions in section 109 for state disability assistance/supplemental secur-  
16 ity income recoveries and public assistance recoupment revenues shall not  
17 be limited to recoveries and accruals pertaining to state disability  
18 assistance, or family independence assistance grant payments provided  
19 only in the current fiscal year, but shall include all related net recov-  
20 eries received during the current fiscal year.

21       Sec. 608. Adult foster care facilities providing domiciliary care  
22 or personal care to residents receiving supplemental security income or  
23 homes for the aged serving residents receiving supplemental security  
24 income shall not require those residents to reimburse the home or facil-  
25 ity for care at rates in excess of those legislatively authorized. To  
26 the extent permitted by federal law, adult foster care facilities and  
27 homes for the aged serving residents receiving supplemental security



**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

33

1 income shall not be prohibited from accepting third-party payments in  
2 addition to supplemental security income provided that the payments are  
3 not for food, clothing, shelter, or result in a reduction in the  
4 recipient's supplemental security income payment.

5       Sec. 609. The state supplementation level under the supplemental  
6 security income program for the personal care/adult foster care and home  
7 for the aged categories shall not be reduced during the fiscal year  
8 beginning October 1, 1999 and ending September 30, 2000.

9       Sec. 610. In developing good cause criteria for the state emergency  
10 relief program, the department shall grant exemptions if the emergency  
11 resulted from unexpected expenses related to maintaining or securing  
12 employment.

13       Sec. 611. (1) The department shall not require providers of burial  
14 services to accept state payment for indigent burials as payments in  
15 full. Providers shall be permitted to collect additional payment, not to  
16 exceed \$2,300.00, from relatives or other persons on behalf of the  
17 deceased.

18       (2) Of the additional payments collected in subsection (1), 75%  
19 shall be distributed to funeral directors and 25% to cemeteries or crema-  
20 toriums if cemeteries provide the vaults.

21       (3) Any additional payment collected pursuant to subsection (1)  
22 shall not increase the maximum charge limit for state payment as estab-  
23 lished by law.

24       Sec. 612. For purposes of determining housing affordability eligi-  
25 bility for state emergency relief, a group is considered to have suffi-  
26 cient income to meet ongoing housing expenses if their total housing  
27 obligation does not exceed 75% of their total net income.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

34

1       Sec. 613. From the funds appropriated in section 109 for state  
2 emergency relief, the maximum allowable charge limit for indigent burials  
3 shall be \$1,410.00. It is the intent of the legislature that this charge  
4 limit reflect a maximum payment to funeral directors of \$885.00 for  
5 funeral goods and services and a maximum payment to cemeteries or crema-  
6 toriums of \$325.00 for cemetery goods and services. In addition, a maxi-  
7 mum payment of \$200.00 shall be distributed to either the funeral direc-  
8 tor or cemetery, whoever provides the burial vault.

9       Sec. 614. The funds available pursuant to this section shall be  
10 available if the deceased was an eligible recipient and an application  
11 for emergency relief funds was made within 10 days of the burial or cre-  
12 mation of the deceased person. Each provider of burial services shall be  
13 paid directly by the department.

14       Sec. 615. Except as required by federal law or regulations, funds  
15 appropriated in section 109 shall not be used to provide public assist-  
16 ance to a person who is an illegal alien. This section shall not pro-  
17 hibit the department from entering into contracts with food banks or  
18 emergency shelter providers who may, as a normal part of doing business,  
19 provide food or emergency shelter to individuals.

20       Sec. 616. (1) The appropriation in section 109 for the weatheriza-  
21 tion program shall be expended in such a manner that at least 25% of the  
22 households weatherized under the program shall be households of families  
23 receiving family independence assistance, state disability assistance, or  
24 supplemental security income.

25       (2) Any unencumbered balances of the weatherization program shall  
26 not lapse and may be carried forward to fiscal year 2001.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

35

1       Sec. 617. In operating the family independence program with funds  
2 appropriated in section 109, the department shall not approve as a minor  
3 parent's adult supervised household a living arrangement in which the  
4 minor parent lives with his or her partner as the supervising adult.

5       Sec. 618. (1) Except as otherwise provided in subsection (2), the  
6 department shall provide not less than 10 days' notice before reducing,  
7 terminating, or suspending assistance provided under the social welfare  
8 act, 1939 PA 280, MCL 400.1 to 400.122.

9       (2) The department may reduce, terminate, or suspend assistance pro-  
10 vided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.122,  
11 without prior notice in 1 or more of the following situations:

12       (a) The only eligible recipient has died.

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

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

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

19       (e) A recipient has intentionally violated 1 or more of the require-  
20 ments of the social welfare act, 1939 PA 280, MCL 400.1 to 400.122.

21       (f) A recipient has been approved to receive assistance in another  
22 state.

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

25       (3) If a recipient appeals the department's determination to reduce,  
26 terminate, or suspend his or her assistance within 10 days from the  
27 mailing of the notice of negative action, the department shall not

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

36

1 reduce, terminate, or suspend that assistance until there is a final  
2 determination of that appeal upholding the department's determination to  
3 reduce, terminate, or suspend that assistance.

4       Sec. 619. The department shall exempt from the denial of title IV-A  
5 assistance and food stamp benefits, contained in section 115 of title I  
6 of the personal responsibility and work opportunity reconciliation act of  
7 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has been  
8 convicted of a felony that included the possession, use, or distribution  
9 of a controlled substance, after August 22, 1996, provided that the indi-  
10 vidual is not in violation of his or her probation or parole  
11 requirements. Benefits shall be provided to such individuals as  
12 follows:

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

15       (b) An authorized representative shall be required for food stamp  
16 receipt.

17       Sec. 620. Funds appropriated under this act shall not be used to  
18 pay for the purchase, installation, repair, or maintenance of any  
19 air-conditioning unit or equipment unless either of the following condi-  
20 tions is met:

21       (a) The recipient requesting the payment provides to the department  
22 a certificate from a physician stating that the air-conditioning is medi-  
23 cally required.

24       (b) The recipient is 55 years of age or older.

25       Sec. 621. The department shall conduct a feasibility study and  
26 develop a plan for the state to implement a vehicle donation program. As  
27 part of the feasibility study, the department shall review similar

1 programs implemented in other states. It is the intent of the  
2 legislature that the vehicle donation program provide a transportation  
3 option to family independence program recipients to alleviate a barrier  
4 to employment.

5

6

7

Sec. 623. (1) From the funds appropriated in section 109, the department shall not in whole or in part provide funds for a residence that includes a convicted sex offender as a member of the household.

(2) If a convicted sex offender is currently residing with a family that receives state cash assistance, he or she must vacate that residence within 30 days of the effective date of this bill.

Sec. 624. (1) The department shall ensure that all family independence agency clients are informed in writing of additional programs for which they may potentially be eligible. Notification of programs should at a minimum include information on transitional Medicaid, LIF Medicaid, Healthy Kids, and MICHild, transitional child day care services, extended payment plans with positive billing utility companies as negotiated under section 603(3) of this bill including emergency assistance with utility arrearages, tax credits available to low income households, opportunities for skills development, training and education, training programs administered by the state jobs commission or its successor, and instructions on the application process for each program benefit.

(2) At the client's discretion, the department shall grant an exit interview to discuss issues pertaining to self-sufficiency including all of the information outlined in subsection (1). Clients shall be notified of their right to an exit interview.

8 **JUVENILE JUSTICE SERVICES**

9 Sec. 701. The department shall expend a portion of the federal  
10 juvenile accountability incentive block grant to support the boot camp  
11 program. The remainder of the state allocation of the juvenile account-  
12 ability incentive block grant shall be used to provide funding to enable  
13 juvenile courts, juvenile probation offices, and community-based programs  
14 to be more effective and efficient in holding juvenile offenders account-  
15 able and reducing recidivism, treating substance abuse problems, and  
16 developing community-based alternatives for female offenders and the  
17 following:

18 (a) To better address gang, drug, and youth violence.

19 (b) For training, equipment, and technology.

20 (c) For the establishment of programs that protect students and  
21 school personnel from drug, gang, and youth violence.

22 Sec. 702. Facilities funded under section 105 for delinquency serv-  
23 ices shall not be located within 1,500 feet of property in use for a K-12  
24 educational program.



**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

38

1       Sec. 703. Expansion of facilities funded under section 105 for  
2 delinquency services shall not be authorized by the joint capital outlay  
3 subcommittee of the appropriations committees until the department has  
4 held a public hearing in the community where the facility proposed to be  
5 expanded is located.

6       Sec. 704. A juvenile adjudicated and placed in a state operated  
7 maximum security program funded under section 105 for delinquency serv-  
8 ices shall not be allowed to leave the property of the maximum security  
9 facility at which the program is located except when required to leave  
10 the property for medical treatment, court appearances, or other good  
11 cause approved by the facility director. For purposes of this section,  
12 "juvenile" means that term as defined in section 115n of the social wel-  
13 fare act, 1939 PA 280, MCL 400.115n.

14       Sec. 705. (1) The Wayne County block grant amount appropriated in  
15 part 1 shall be reduced by an amount calculated by subtracting the fol-  
16 lowing amount determined under subdivision (a) from the following amount  
17 determined under subdivision (b) and multiplying the result by 50% of the  
18 per-child cost for educational services to state wards in state operated  
19 training schools and treatment and detention facilities during the state  
20 fiscal year beginning October 1, 1998:

21       (a) The estimated average daily population of public wards from  
22 Wayne County in state operated training schools and treatment and deten-  
23 tion facilities for the 1999-2000 state fiscal year.

24       (b) The actual average daily population of public wards from Wayne  
25 County in state operated training schools and treatment and detention  
26 facilities for the 1997-1998 state fiscal year.

**SB 365, As Passed Senate, March 25, 1999**

Senate Bill No. 365

39

1       (2) The state budget director shall review the reductions made under  
2 this section during the third quarter of the 1999-2000 state fiscal year  
3 based on actual data from the first 2 quarters of the 1999-2000 state  
4 fiscal year and make recommendations to the legislature regarding appro-  
5 priate fourth quarter adjustments.