

SUBSTITUTE FOR
HOUSE BILL NO. 5645

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, 2003; 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, 2003, from the funds

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Sub. HB 5645 (H-1) as amended March 20, 2002
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For Fiscal Year Ending
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1 indicated in this part. The following is a summary of the appropriations
2 in this part:

3 **FAMILY INDEPENDENCE AGENCY**

4 APPROPRIATION SUMMARY:

5	Full-time equated classified positions.....	12,554.3	
6	Full-time equated unclassified positions.....	6.0	
7	Total full-time equated positions.....	12,560.3	
8	GROSS APPROPRIATION.....	\$	[4,089,650,601]
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartment		
11	transfers.....	\$	978,800
12	ADJUSTED GROSS APPROPRIATION.....	\$	[4,088,671,801]
13	Federal revenues:		
14	Total federal revenues.....		2,736,184,250
15	Special revenue funds:		
16	Total private revenues.....		9,836,150
17	Total local revenues.....		67,243,800
18	Total other state restricted revenues.....		65,388,800
19	State general fund/general purpose.....	\$	[1,210,018,801]
20	Sec. 102. EXECUTIVE OPERATIONS		
21	Total full-time equated positions.....	601.0	
22	Full-time equated unclassified positions.....	6.0	
23	Full-time equated classified positions.....	595.0	
24	Unclassified salaries--6.0 FTE positions.....	\$	505,800
25	Salaries and wages--416.0 FTE positions.....		21,718,200
26	Contractual services, supplies, and materials.....		6,613,300

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1	Demonstration projects--13.0 FTE positions.....	8,938,100
2	Child support automation--28.0 FTE positions.....	91,586,600
3	Child support distribution computer system--8.0 FTE	
4	positions.....	17,155,600
5	Supplemental security income advocates, salaries and	
6	wages--16.0 FTE positions.....	1,050,800
7	Commission on disability concerns--8.0 FTE positions.	956,900
8	Commission for the blind--106.0 FTE positions.....	18,036,300
9	Youth low vision program.....	<u>260,000</u>
10	GROSS APPROPRIATION.....	\$ 166,821,600
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	ADJUSTED GROSS APPROPRIATION.....	\$ 166,821,600
14	Appropriated from:	
15	Federal revenues:	
16	Total federal revenues.....	109,731,200
17	Special revenue funds:	
18	Total private revenues.....	1,340,000
19	Total local revenues.....	275,000
20	Total other state restricted revenues.....	6,527,800
21	State general fund/general purpose.....	\$ 48,947,600
22	Sec. 103. FAMILY INDEPENDENCE SERVICES ADMINISTRATION	
23	Full-time equated classified positions.....	427.5
24	Salaries and wages--288.5 FTE positions.....	\$ 14,454,500
25	Contractual services, supplies, and materials.....	19,185,500
26	Child support incentive payments.....	32,409,600

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1	Legal support contracts.....	125,896,400
2	Employment and training support services.....	14,851,700
3	Project zero--84.0 FTE positions.....	12,132,500
4	Wage employment verification reporting--2.0 FTE	
5	positions.....	2,170,200
6	Urban and rural empowerment/enterprise zones.....	100
7	Training and staff development--53.0 FTE positions...	10,082,200
8	Community services block grants.....	<u>24,350,000</u>
9	GROSS APPROPRIATION..... \$	255,532,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	ADJUSTED GROSS APPROPRIATION..... \$	255,532,700
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues.....	234,176,800
16	Special revenue funds:	
17	Total local revenues.....	340,000
18	State general fund/general purpose..... \$	21,015,900
19	Sec. 104. CHILD AND FAMILY SERVICES	
20	Full-time equated classified positions.....106.3	
21	Salaries and wages--45.3 FTE positions..... \$	2,836,800
22	Contractual services, supplies, and materials.....	1,657,500
23	Refugee assistance program--5.0 FTE positions.....	12,755,100
24	Foster care payments.....	149,276,200
25	Wayne County foster care payments.....	98,517,700
26	Adoption subsidies.....	204,952,800

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1	Adoption support services--9.0 FTE positions.....	14,616,300
2	Youth in transition--10.0 FTE positions.....	13,353,500
3	Interstate compact.....	300,000
4	Children's benefit fund donations.....	21,000
5	Domestic violence prevention and treatment--6.0 FTE	
6	positions.....	13,149,000
7	Teenage parent counseling--4.0 FTE positions.....	4,426,700
8	Family preservation and prevention services--20.0 FTE	
9	positions.....	77,604,700
10	Black child and family institute.....	100,000
11	Rape prevention and services.....	2,600,000
12	Children's trust fund administration--7.0 FTE	
13	positions.....	474,300
14	Children's trust fund grants.....	3,615,000
15	Attorney general contract.....	2,481,000
16	Guardian contract.....	600,000
17	Prosecuting attorney contracts.....	<u>1,061,700</u>
18	GROSS APPROPRIATION..... \$	604,399,300
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	ADJUSTED GROSS APPROPRIATION..... \$	604,399,300
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	361,716,300
25	Special revenue funds:	
26	Private-children's benefit fund donations.....	21,000

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1	Private-collections.....	5,033,900
2	Local funds - county payback.....	35,205,100
3	Children's trust fund.....	3,306,900
4	State general fund/general purpose..... \$	199,116,100
5	Sec. 105. JUVENILE JUSTICE SERVICES	
6	Full-time equated classified positions.....962.1	
7	Child care fund..... \$	139,500,000
8	Child care fund administration--7.5 FTE positions....	884,000
9	Juvenile justice operations--934.6 FTE positions.....	82,330,900
10	Federally funded activities--12.0 FTE positions.....	1,865,200
11	W.J. Maxey memorial fund.....	45,000
12	Juvenile accountability incentive block grant--4.0	
13	FTE positions.....	8,436,200
14	Juvenile boot camp program.....	1,600,000
15	Committee on juvenile justice administration--4.0 FTE	
16	positions.....	464,800
17	Committee on juvenile justice grants.....	<u>5,000,000</u>
18	GROSS APPROPRIATION..... \$	240,126,100
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	35,553,500
22	Special revenue funds:	
23	Total private revenues.....	645,000
24	Local funds - county payback.....	30,726,200
25	State general fund/general purpose..... \$	173,201,400
26	Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS	

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1	Full-time equated classified positions.....	9,825.4	
2	Field staff, salaries and wages--	9,674.9 FTE	
3	positions.....		\$ 403,926,400
4	Contractual services, supplies, and materials.....		28,061,400
5	Outstationed eligibility workers--	60.0 FTE positions.	5,392,500
6	Food stamp reinvestment.....		5,700,000
7	Wayne County gifts and bequests.....		100,000
8	Volunteer services and reimbursement--	90.5 FTE	
9	positions.....		<u>7,455,300</u>
10	GROSS APPROPRIATION.....		\$ 450,635,600
11	Appropriated from:		
12	Federal revenues:		
13	Total federal revenues.....		284,630,350
14	Special revenue funds:		
15	Local funds - donated funds.....		193,100
16	Private funds - Wayne County gifts.....		100,000
17	Private funds - hospital contributions.....		2,696,250
18	State general fund/general purpose.....		\$ 163,015,900
19	Sec. 107. DISABILITY DETERMINATION SERVICES		
20	Full-time equated classified positions.....	628.0	
21	Disability determination operations--	602.0 FTE	
22	positions.....		\$ 69,891,200
23	Medical consultation program--	21.0 FTE positions.....	3,083,700
24	Retirement disability determination--	5.0 FTE	
25	positions.....		<u>828,800</u>
26	GROSS APPROPRIATION.....		\$ 73,803,700

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1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	Department of management and budget - office of		
4	retirement systems.....		828,800
5	ADJUSTED GROSS APPROPRIATION.....	\$	72,974,900
6	Federal revenues:		
7	Total federal revenues.....		69,896,900
8	State general fund/general purpose.....	\$	3,078,000
9	Sec. 108. CENTRAL SUPPORT ACCOUNTS		
10	Rent.....	\$	45,802,900
11	Occupancy charge.....		11,399,300
12	Grand tower facility reimbursement.....		2,150,000
13	Travel.....		7,189,100
14	Equipment.....		1,087,400
15	Worker's compensation.....		5,443,000
16	Advisory commissions.....		17,900
17	Payroll taxes and fringe benefits.....		<u>179,596,300</u>
18	GROSS APPROPRIATION.....	\$	252,685,900
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues.....		161,677,500
22	Special revenue funds:		
23	Local funds - county payback.....		304,400
24	State general fund/general purpose.....	\$	90,704,000
25	Sec. 109. PUBLIC ASSISTANCE		
26	Full-time equated classified positions.....		10.0

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1	Family independence program.....	\$	423,533,200
2	Transitional work support.....		10,000,000
3	State disability assistance payments.....		22,139,900
4	Food assistance program benefits.....		833,011,200
5	State supplementation.....		59,038,000
6	State supplementation administration.....		2,624,300
7	Low-income energy assistance program--10.0 FTE		
8	positions.....		86,003,600
9	State emergency relief.....		[47,355,101]
10	Weatherization assistance.....		10,900,000
11	Day care services.....		<u>456,310,000</u>
12	GROSS APPROPRIATION.....	\$	[1,950,915,301]
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	ADJUSTED GROSS APPROPRIATION.....	\$	[1,950,915,301]
16	Appropriated from:		
17	Federal revenues:		
18	Total federal revenues.....		1,414,063,500
19	Special revenue funds:		
20	Child support collections.....		48,149,300
21	Supplemental security income recoveries.....		5,104,800
22	Public assistance recoupment revenue.....		2,300,000
23	State general fund/general purpose.....	\$	[481,297,701]
24	Sec. 110. INFORMATION TECHNOLOGY		
25	Information technology services and projects.....	\$	59,968,300
26	Client services system.....		12,721,200

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1	Data system enhancement.....	22,040,900
2	GROSS APPROPRIATION.....	\$ 94,730,400
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from ADP.....	150,000
6	ADJUSTED GROSS APPROPRIATION.....	\$ 94,580,400
7	Appropriated from:	
8	Federal revenues:	
9	Total federal revenues.....	64,738,200
10	Local funds.....	200,000
11	Total private revenues.....	0
12	State general fund/general purpose.....	\$ 29,642,200

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14

15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 GENERAL SECTIONS

18 Sec. 201. Pursuant to section 30 of article IX of the state consti-
19 tution of 1963, total state spending from state resources under part 1
20 for fiscal year 2002-2003 is [\$1,275,407,601.00] and state spending from
21 state resources to be paid to local units of government for fiscal year
22 2002-2003 is \$207,056,200.00. The itemized statement below identifies
23 appropriations from which spending to units of local government will
24 occur:

25 FAMILY INDEPENDENCE AGENCY

26 CHILD AND FAMILY SERVICES

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1	Adoption subsidies.....	\$	79,224,300
2	JUVENILE JUSTICE SERVICES		
3	Child care fund.....		123,700,000
4	County juvenile officers.....		2,973,200
5	PUBLIC ASSISTANCE		
6	State disability program.....		<u>1,158,700</u>
7	TOTAL.....	\$	207,056,200

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

10 Sec. 203. As used in this act:

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

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

13 (c) "DMB" means the department of management and budget.

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

15 (e) "IDG" means interdepartmental grant.

16 (f) "Temporary assistance for needy families" or "TANF" or "Title
17 IV-A" means part A of title IV of the social security act, chapter 531,
18 49 Stat. 620, 42 U.S.C. 601 to 604, 605 to 608, and 609 to 619.

19 (g) "Title IV-D" means part D of title IV of the social security
20 act, chapter 531, 49 Stat. 620, 42 U.S.C. 651 to 655, 656 to 660, and 663
21 to 669b.

22 (h) "Title IV-E" means part E of title IV of the social security
23 act, chapter 531, 49 Stat. 620, 42 U.S.C. 670 to 673, 673b to 679, and
24 679b.

25 Sec. 204. The department of civil service shall bill departments
26 and agencies at the end of the first fiscal quarter for the 1% charge
27 authorized by section 5 of article XI of the state constitution of 1963.

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

3 Sec. 205. (1) A hiring freeze is imposed on the state classified
4 civil service. State departments and agencies are prohibited from hiring
5 any new full-time state classified civil service employees and prohibited
6 from filling any vacant state classified civil service positions. This
7 hiring freeze does not apply to internal transfers of classified employ-
8 ees from one position to another within a department.

9 (2) The state budget director shall grant exceptions to this hiring
10 freeze when the state budget director believes that the hiring freeze
11 will result in rendering a state department or agency unable to deliver
12 basic services, cause loss of revenue to the state, result in the inabil-
13 ity of the state to receive federal funds, or would necessitate addi-
14 tional expenditures that exceed any savings from maintaining a vacancy.
15 The state budget director shall report quarterly to the chairpersons of
16 the senate and house standing committees on appropriations the number of
17 exceptions to the hiring freeze approved during the previous quarter and
18 the reasons to justify the exception.

19 Sec. 206. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$200,000,000.00 for federal
21 contingency funds. These funds are not available for expenditure until
22 they have been transferred to another line item in this act under
23 section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is appro-
26 priated an amount not to exceed \$5,000,000.00 for state restricted
27 contingency funds. These funds are not available for expenditure until

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1 they have been transferred to another line item in this act under
2 section 393(2) of the management and budget act, 1984 PA 431,
3 MCL 18.1393.

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

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

14 Sec. 207. At least 60 days before beginning any effort to privat-
15 ize, the department shall submit a complete project plan to the appropri-
16 ate senate and house of representatives appropriations subcommittees and
17 the senate and house fiscal agencies. The plan shall include the cri-
18 teria under which the privatization initiative will be evaluated. The
19 evaluation shall be completed and submitted to the appropriate senate and
20 house of representatives appropriations subcommittees and the senate and
21 house fiscal agencies within 30 months.

22 Sec. 208. Unless otherwise specified, the department shall use the
23 Internet to fulfill the reporting requirements of this act. This may
24 include transmission of reports via electronic mail to the recipients
25 identified for each reporting requirement or it may include placement of
26 reports on the Internet or an Intranet site. On an annual basis, the
27 department shall provide a cumulative listing of the reports to the house

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1 and senate appropriations subcommittees and house and senate fiscal
2 agencies.

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. The department may receive and expend advances or reim-
15 bursements from the department of state police for the administration of
16 the individual and family grant disaster assistance program. An account
17 shall be established in the department for this purpose when a disaster
18 is declared. The authorization and allotment for the account shall be in
19 the amount advanced or reimbursed from the department of state police.

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

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

9 Sec. 214. (1) The department shall submit a report to the chair-
10 persons of the senate and house appropriations subcommittees on the
11 family independence agency budget and to the senate and house fiscal
12 agencies on the details of allocations within program budgeting line
13 items and within the salaries and wages line items in the field services
14 appropriation unit. The report shall include a listing, by account,
15 dollar amount, and fund source, of salaries and wages; longevity and
16 insurance; retirement; contractual services, supplies, and materials;
17 equipment; travel; and grants within each program line item appropriated
18 for the fiscal year ending September 30, 2003.

19 (2) On a bimonthly basis, the department shall report on the number
20 of FTEs in pay status by type of staff.

21 Sec. 215. If a legislative objective of this act or the social wel-
22 fare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented with-
23 out loss of federal financial participation because implementation would
24 conflict with or violate federal regulations, the department shall notify
25 the state budget director, the house and senate appropriations commit-
26 tees, and the house and senate fiscal agencies of that fact. Upon
27 receipt of the notification, a joint house and senate committee made up

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1 of the members of the house and senate appropriations subcommittees
2 dealing with appropriations for the family independence agency may be
3 appointed to meet with the director of the department to review the sub-
4 stantive, procedural, and legal ramifications of the legislative objec-
5 tive and to develop a plan to attain that legislative objective.

6 Sec. 218. (1) The department shall prepare a semiannual report on
7 the temporary assistance for needy families (TANF) federal block grant.
8 The report shall include projected expenditures for the current fiscal
9 year, an accounting of any previous year funds carried forward, and a
10 summary of all interdepartmental or interagency agreements relating to
11 the use of TANF funds. The report shall be forwarded to the state budget
12 director and the house and senate appropriations subcommittees on the
13 family independence agency budget on or before January 15, 2003 and
14 May 15, 2003.

15 (2) The state budget director shall give prior written notice to the
16 members of the house and senate appropriations subcommittees for the
17 family independence agency and to the house and senate fiscal agencies of
18 any proposed changes in utilization or distribution of TANF funding or
19 the distribution of TANF maintenance of effort spending relative to the
20 amounts reflected in the annual appropriations acts of all state agencies
21 where TANF funding is appropriated.

22 Sec. 219. The department shall include in its quality control
23 reporting the number of veterans receiving food stamps, family indepen-
24 dence program assistance, and Medicaid.

25 Sec. 220. (1) In contracting with faith-based organizations for
26 mentoring or supportive services, and in all contracts for services, the
27 department shall ensure that no funds provided directly to institutions

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1 or organizations to provide services and administer programs shall be
2 used or expended for any sectarian activity, including sectarian worship,
3 instruction, or proselytization.

4 (2) If an individual requests the service and has an objection to
5 the religious character of the institution or organization from which the
6 individual receives or would receive services or assistance, the depart-
7 ment shall provide the individual within a reasonable time after the date
8 of the objection with assistance or services and which are substantially
9 the same as the service the individual would have received from the
10 organization.

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

18 (4) The department shall follow guidelines related to faith-based
19 involvement established in section 104 of title I of the personal respon-
20 sibility and work opportunity reconciliation act of 1996, Public Law
21 104-193, 42 U.S.C. 604a.

[(5) The department shall designate an individual to provide
information on any new request for proposals available through the department
to faith-based, community-based, and nonprofit organizations which have
requested to be notified.]

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

26 Sec. 222. The department shall provide a report prepared by the
27 department's internal auditor on the activities of the internal auditor

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1 for the prior fiscal year. This report shall include a listing of each
2 audit or investigation performed by the internal auditor pursuant to
3 sections 486(4) and 487 of the management and budget act, 1984 PA 431,
4 MCL 18.1486 and 18.1487. The report shall identify the proportion of
5 time spent on each of the statutory responsibilities listed in
6 sections 485(4), 486(4), and 487 of the management and budget act, 1984
7 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all
8 other activities performed in the internal audit function. The report is
9 due annually on May 1 of the fiscal year and shall be submitted to the
10 governor, auditor general, the senate and house appropriations commit-
11 tees, the senate and house fiscal agencies, and the director.

12 Sec. 223. The department shall make a determination of Medicaid
13 eligibility not later than 60 days after all information to make the
14 determination is received from the applicant when disability is an eligi-
15 bility factor. For all other Medicaid applicants, the department shall
16 make a determination of Medicaid eligibility not later than 45 days after
17 all information to make the determination is received from the
18 applicant.

19 Sec. 224. It is the intent of the legislature that the department
20 develop a system of flexible hours at local department offices in order
21 to maintain some nontraditional business hours.

22 Sec. 227. The family independence agency, with the approval of the
23 state budget director, is authorized to realign sources of financing
24 authorizations in order to maximize temporary assistance for needy
25 families' maintenance of effort countable expenditures. This realignment
26 of financing shall not be made until 15 days after notifying the chairs
27 of the house and senate appropriations subcommittees on the family

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1 independence agency and house and senate fiscal agencies, and shall not
2 produce an increase or decrease in any line-item expenditure
3 authorization.

4 Sec. 259. (1) From the funds appropriated in part 1 for information
5 technology, the department shall pay user fees to the department of
6 information technology for technology related services and projects.
7 User fees shall be subject to provisions of an interagency agreement
8 between the department and the department of information technology.

9 (2) By October 15, 2002, the family independence agency shall report
10 on the interagency agreement with the department of information technol-
11 ogy to the house and senate appropriations subcommittees for the family
12 independence agency budget. The report shall include the base service
13 priorities in the agreement including, but not limited to, the
14 following:

15 (a) Name and description of base service.

16 (b) Detail goals and objectives related to each base service.

17 (c) Cost of each base service.

18 (d) Time frame for implementation or completion of base service.

19 (3) Individual projects within the interagency agreement with a cost
20 of \$500,000.00 or greater must be reported to the house and senate appro-
21 priations subcommittees for the family independence agency budget and
22 house and senate fiscal agencies.

23 (4) As used in this section, "base services" means all services to
24 be supplied by the department of information technology that are to be
25 purchased by the family independence agency under the provisions of the
26 interagency agreement.

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1 Sec. 260. Amounts appropriated in part 1 for information technology
2 may be designated as work projects and carried forward to support
3 technology projects under the direction of the department of information
4 technology. Funds designated in this manner are not available for expen-
5 diture until approved as work projects under section 451a of the manage-
6 ment and budget act, 1984 PA 431, MCL 18.1451a.

7 Sec. 261. The department shall consult with the house and senate
8 appropriations subcommittees on the family independence agency regarding
9 the projected closing or consolidation of any local family independence
10 agency offices. [Any plans presented to the committees shall ensure that the
department maintain a physical presence full-time in every county.]

[Sec. 262. Prior to the closure of any local family independence
agency office, the department shall study the impact of the closure to the
community that will be effected and discuss the project community impact with
the house and senate appropriations subcommittees on the family independence
agency. This discussion shall include input from the residents of the
community and the employees affected by the projected closure.]

Sec. 263. The department shall replace all foster care workers and
child protection services workers who take an early retirement on a 1-to-1
ratio.

Sec. 264. The department shall not take disciplinary action against an
employee that communicates with a member of the legislature or their staff.]

11 EXECUTIVE OPERATIONS

12 Sec. 301. [(1)] The department may distribute cash assistance to recip-
13 ients electronically by using debit cards.

[(2) The department shall encourage all recipients of the annual child
clothing allowance to consider using that allowance at thrift stores or other
similar stores whenever possible.]

14 Sec. 302. The appropriation in part 1 for the Michigan commission
15 for the blind includes funds for case services. These funds may be used
16 for tuition payments for blind clients for the school year beginning
17 September 2002.

18 Sec. 303. The appropriation in part 1 for commissions and boards
19 may be used for per diem payments to members of commissions or boards for
20 a full day of committee work at which a quorum is present for performing
21 official business as authorized by each respective commission or board.
22 The per diem payment for the Michigan commission for the blind shall be

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23 at a rate of \$50.00 per day.

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1 FAMILY INDEPENDENCE SERVICES ADMINISTRATION

2 Sec. 401. (1) From the federal money received for child support
3 incentive payments, up to \$10,415,700.00 shall be retained by the state
4 and expended for legal support contracts and child support program
5 expenses.

6 (2) In addition to the amount retained in subsection (1), additional
7 incentives may be retained and used by the state for special, enhanced,
8 or centralized initiatives or services that are reasonably calculated by
9 the department, in consultation with the state court administrative
10 office and the state budget office, to result in an equivalent or greater
11 increase in child support collections or child support incentive payments
12 received from the federal government. Any additional incentives retained
13 pursuant to this subsection shall not result in actual incentive payments
14 to the counties that are less than was paid in the fiscal year ending
15 September 30, 2001.

16 (3) 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.

25 (4) A county shall not be penalized due to the failure to comply
26 with federal child support enforcement system requirements if the
27 department determines that all of the following conditions are met:

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1 (a) The county, friend of the court, and the department have a
2 written agreement that outlines the county's commitment to participate in
3 the system.

4 (b) The county and the friend of the court are fully and timely
5 cooperating with the work plan outlined in the child support enforcement
6 memorandum of understanding between the department and the county.

7 (c) The county and the friend of the court are implementing the
8 child support enforcement system required for federal certification.

9 (d) The friend of the court and county prosecuting attorney's office
10 use the statewide system upon availability to monitor and process title
11 IV-D cases.

12 (5) In addition to the amount specified in subsection (1), the
13 family independence agency may retain any federal title IV-D incentive
14 payment revenues withheld from counties pursuant to the imposition of
15 financial penalties, and may use the federal revenues retained for any
16 child support program purpose.

17 Sec. 403. Not later than September 30 of each year, the department
18 shall submit for public hearing to the chairpersons of the house and
19 senate appropriations subcommittees dealing with appropriations for the
20 family independence agency the proposed use and distribution plan for
21 community services block grant funds appropriated in part 1 for the suc-
22 ceeding fiscal year.

23 Sec. 404. The department shall develop a plan based on recommenda-
24 tions from the department of civil rights and from Native American organ-
25 izations to assure that the community services block grant funds are
26 equitably distributed. The plan must be developed by October 31, 2002,

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1 and the plan shall be delivered to the appropriations subcommittees on
2 the family independence agency in the house and senate.

3 Sec. 412. If title IV-D-related child support collections are
4 escheated, the state budget director is authorized to adjust the sources
5 of financing for the funds appropriated in part 1 for legal support con-
6 tracts to reduce federal authorization by 66% of the escheated amount and
7 increase general fund/general purpose authorization by the same amount.
8 This budget adjustment is required to offset the loss of federal revenue
9 due to the escheated amount being counted as title IV-D program income in
10 accordance with federal regulations at 45 C.F.R. 304.50.

11 Sec. 413. (1) In addition to the funds appropriated in part 1,
12 there is hereby appropriated up to \$28,785,700.00. This appropriation is
13 contingent upon the receipt of a refund from the federal government
14 related to penalties previously imposed for the child support enforcement
15 system and upon certification from the state budget director that the
16 funds are available for expenditure. Of this amount, up to \$5,000,000.00
17 may be used to continue before- or after-school programs, up to
18 \$8,785,700.00 may be used for the child support enforcement system, up to
19 \$4,300,000.00 may be used for the family independence program children's
20 clothing allowance, up to \$650,000.00 may be used to supplement community
21 services block grant funding for community action agencies, up to
22 \$500,000.00 may be used to support a fatherhood initiative, up to
23 \$250,000.00 may be used to fund innovation grants, up to \$3,900,000.00
24 may be used for family independence program caseload costs as needed, up
25 to \$100,000.00 may be used to fund pilot programs establishing juvenile
26 justice information networks, up to \$150,000.00 may be used to fund the
27 food bank council, up to \$150,000.00 may be used to support the Michigan

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1 marriage and fatherhood commission, and up to \$5,000,000.00 may be used
2 to fund the transitional work support program.

3 (2) The funds appropriated in subsection (1) for pilot programs
4 establishing juvenile justice information networks shall be used to
5 establish an Internet-based communication tool to assist with case man-
6 agement of the most serious juvenile offenders in the area. An entity
7 receiving funding shall provide matching funds equal to the amount of
8 funding received under this section. The department shall work in col-
9 laboration with counties to establish the program and may use the serious
10 habitual offenders comprehensive action program (SHOCAP) as a model
11 program.

12 (3) The funds appropriated in subsection (1) for the food bank coun-
13 cil shall be considered 1-time authority.

14 Sec. 414. (1) Of the funds appropriated in part 1 for community
15 services block grants, \$2,350,000.00 represents TANF funding earmarked
16 for community action agencies.

17 (2) From the funds appropriated in part 1 for community services
18 block grants, the department is authorized to make allocations of TANF
19 funds only to the community action agencies that report necessary data to
20 the department for the purpose of meeting TANF eligibility reporting
21 requirements. The use of TANF funds under this section should not be
22 considered an ongoing commitment of funding.

23 Sec. 415. (1) From the funds appropriated in part 1 for employment
24 and training support services, the family independence agency shall
25 expend up to \$1,000,000.00 in federal dollars to fund a fatherhood
26 initiative. The department may choose providers that will work with
27 counties to help eligible fathers under TANF guidelines to acquire skills

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1 that will enable them to increase their responsible behavior toward their
2 children and the mothers of their children. An increase of financial
3 support for their children should be a very high priority as well as emo-
4 tional support. Program topics may include, but are not limited to,
5 parental guidance, infant care, food preparation, effective communica-
6 tion, anger management, children's financial support, respect, drug-free
7 lifestyle, vocational training referrals, and job placement.

8 (2) The providers will measure outcomes as agreed upon by the
9 department and based on required TANF reporting guidelines.

10 (3) The department is authorized to make allocations of TANF funds,
11 of not more than \$200,000.00 per county, under this section only to agen-
12 cies that report necessary data to the department for the purpose of
13 meeting TANF eligibility reporting requirements. The use of TANF funds
14 under this section should not be considered an ongoing commitment of
15 funding.

16 (4) The department shall award grants or contracts to independent
17 contractors utilizing a request for proposal process.

18 Sec. 416. (1) From the funds appropriated in part 1 for employment
19 and training support services, the family independence agency may expend
20 up to \$250,000.00 in TANF to fund a marriage initiative. The department
21 may choose providers to work with counties that will work to support and
22 strengthen marriages of those eligible under the TANF guidelines. The
23 areas of work may include, but are not limited to, marital counseling,
24 domestic violence counseling, family counseling, effective communication,
25 and anger management as well as parenting skills to improve the family
26 structure.

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(2) The providers will measure outcomes as agreed upon by the department and based on required TANF reporting guidelines.

(3) The department is authorized to make allocations of TANF funds, of not more than \$50,000.00 per county, under this section only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The use of TANF funds under this section should not be considered an ongoing commitment of funding.

(4) The department shall choose only providers who are licensed through the department of consumer and industry services and who meet the standards of the public health code, 1978 PA 368, MCL 333.1101 to 333.25211.

(5) The department shall choose providers through the request for proposal process.

Sec. 417. From the funds appropriated in part 1 for employment and training support services, the family independence agency may expend up to \$250,000.00 in TANF to fund innovation grants.

CHILD AND FAMILY SERVICES

Sec. 501. The following goal is established by state law. During the fiscal year ending September 30, 2003, not more than 3,000 children supervised by the department shall remain in foster care longer than 24 months. The department shall give priority to reducing the number of children under 1 year of age in foster care.

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

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

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

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

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

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

11 Sec. 504. The department's ability to satisfy appropriation deducts
12 in part 1 for foster care private collections shall not be limited to
13 collections and accruals pertaining to services provided only in the cur-
14 rent fiscal year but shall include revenues collected during the fiscal
15 year in excess of the amount specified in part 1.

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

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

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1 the provider's plan for coordinating the provision of services in the
2 targeted geographic area.

3 Sec. 508. (1) In addition to the amount appropriated in part 1 for
4 children's trust fund grants, money granted or money received as gifts or
5 donations to the children's trust fund created by 1982 PA 249, MCL 21.171
6 to 21.172, is appropriated for expenditure in an amount not to exceed
7 \$800,000.00.

8 (2) The state child abuse and neglect prevention board may initiate
9 a joint project with another state agency to the extent that the project
10 supports the programmatic goals of both the state child abuse and neglect
11 prevention board and the state agency. The department may invoice the
12 state agency for shared costs of a joint project in an amount authorized
13 by the state agency, and the state child abuse and neglect prevention
14 board may receive and expend funds for shared costs of a joint project in
15 addition to those authorized by part 1.

16 (3) From the funds appropriated in part 1 for children's trust fund,
17 the department may utilize interest and investment revenue from the cur-
18 rent fiscal year only for programs, administration, services, or all
19 sanctioned by the child abuse and neglect prevention board.

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

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

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

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

9 Sec. 510. The department shall not be required to put up for bids
10 contracts with service providers if currently only 1 provider in the
11 service area exists.

12 Sec. 512. From the funds appropriated in part 1 for foster care
13 payments, the department may expend up to \$1,500,000.00 for foster care
14 pilot projects that include ways to increase foster parent recruitment,
15 improve foster parent retention, and increase delivery of training and
16 supportive services to foster parents.

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

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

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

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

25 (d) The department has done an on-site visit to the out-of-state
26 facility, reviewed the facility records, and reviewed licensing records

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1 and reports on the facility and believes that the facility is an
2 appropriate placement for the child.

3 Sec. 514. The department shall make a comprehensive report concern-
4 ing children's protective services (CPS) to the legislature, including
5 the senate and house policy offices, by January 1, 2003, that shall
6 include all of the following:

7 (a) Statistical information including, at a minimum, all of the
8 following:

9 (i) The total number of reports of abuse or neglect investigated
10 under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and
11 the number of cases classified under category I or category II and the
12 number of cases classified under category III, category IV, or category
13 V.

14 (ii) Characteristics of perpetrators of abuse or neglect and the
15 child victims, such as age, relationship, socioeconomic status, race, and
16 ethnicity.

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

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

25 Sec. 515. From the funds appropriated in part 1 for foster care
26 payments and related administrative costs, the department may implement

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1 the federally approved title IV-E child welfare waiver managed care
2 demonstration project.

3 Sec. 516. The department, with the involvement of private nonprofit
4 agencies providing adoption services for special needs children through
5 contracts with the department, shall prepare an annual report on the
6 status of special needs adoptions and submit the report to the house and
7 senate appropriations subcommittees on the family independence agency
8 budget, the house and senate fiscal agencies, and the house and senate
9 policy offices by June 1, 2003. The report shall include, at a minimum,
10 all of the following:

11 (a) For each private nonprofit agency contract, and in aggregate,
12 the number and percentage of adoptions in each of the payment categories
13 specified in contracts with the department for calendar year 2002.

14 (b) The total number of special needs adoptions completed in the
15 fiscal year ending September 30, 2002.

16 Sec. 517. (1) From the funds appropriated in part 1 for family pre-
17 servation and prevention services, the department is authorized to allo-
18 cate funds to multipurpose collaborative bodies to address issues raised
19 in the Binsfeld children's commission report issued in July 1996.
20 Priority for activities and services will be given to at-risk children
21 and families and cases classified by the department as category III or
22 category IV under sections 8 and 8d of the child protection law, 1975
23 PA 238, MCL 722.628 and 722.628d.

24 (2) From the funds appropriated in part 1 for family preservation
25 and prevention services, up to \$4,000,000.00 may be used to fund
26 community-based collaborative prevention services designed to do any of
27 the following:

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1 (a) Foster positive parenting skills especially for parents of
2 children under 3 years of age.

3 (b) Improve parent/child interaction.

4 (c) Promote access to needed community services.

5 (d) Increase local capacity to serve families at risk.

6 (e) Improve school readiness.

7 (f) Support healthy family environments that discourage alcohol,
8 tobacco, and other drug use.

9 (3) The appropriation provided for in subsection (2) is to fund sec-
10 ondary prevention programs as defined in the children's trust fund's
11 pre-application materials for fiscal year 2002-2003 direct services
12 grants.

13 (4) Projects funded through the appropriation provided for in sub-
14 section (2) shall meet all of the following criteria:

15 (a) Be awarded through a joint request for proposal process estab-
16 lished by the department in conjunction with the children's trust fund
17 and the state human services directors.

18 (b) Be secondary prevention initiatives. Funds are not intended to
19 be expended in cases in which neglect or abuse has been substantiated.

20 (c) Demonstrate that the planned services are part of a community's
21 integrated comprehensive family support strategy endorsed by the local
22 multipurpose collaborative body.

23 (d) Provide a 25% local match of which not more than 10% is in-kind
24 goods or services unless the maximum percentage is waived by the state
25 human services directors.

26 (5) As used in this section, "state human services directors" means
27 the director of the department of community health, the director of the

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1 department of education, and the director of the family independence
2 agency.

3 Sec. 518. (1) The funds appropriated in part 1 for family preserva-
4 tion and prevention services in the 2002-2003 fiscal year reflect strong
5 families/safe children allocations to local multipurpose collaborative
6 bodies that are no less than the allocations in effect on April 1, 1997.
7 The department shall work with the multipurpose collaborative bodies to
8 address high out-of-home placement rates and through collaboration
9 arrange a reward plan, penalty plan, or both, to achieve less child
10 out-of-home placements.

11 (2) In order to maintain this level of funding, the department may
12 use up to \$8,000,000.00 in TANF funds provided that the local multipur-
13 pose collaborative bodies submit data to the department that will enable
14 the department to document potential federal claimable expenditures.

15 (3) No later than March 1, 2003, each local multipurpose collaborat-
16 ive body shall submit a report to the department that includes the number
17 of people receiving strong families/safe children services, the local
18 goals for this program, and a measure of the effectiveness in meeting
19 these goals.

20 Sec. 519. From the funds appropriated in part 1 for foster care
21 payments, Wayne County foster care payments, and adoption support serv-
22 ices, the department shall increase the rate of payments for child plac-
23 ing agencies and residential treatment facilities by 1% effective [January]
24 1, 2003. The rate increase may be used to support foster and adoptive
25 parent resource centers.

26 Sec. 520. It is the intent of the legislature that the funds
27 appropriated in part 1 for kinship care in the fiscal year ending

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1 September 30, 2003, reflect the legislature's commitment to reduce the
2 benefit discrepancy between kinship care and a similar family size within
3 the family independence agency program (FIP). The legislature recognizes
4 the commitment of relatives to provide family continuity, nurturance, and
5 care for this special population of children who can no longer remain in
6 their parents' care due to abuse, neglect, or other social problems.

7 Sec. 523. From the funds appropriated in part 1 for youth in tran-
8 sition, domestic violence prevention and treatment, and teenage parent
9 counseling, the department is authorized to make allocations of TANF
10 funds only to the agencies that report necessary data to the department
11 for the purpose of meeting TANF eligibility reporting requirements. The
12 use of TANF funds under this section should not be considered an ongoing
13 commitment of funding.

14 Sec. 524. The department shall submit to the senate and house
15 appropriations subcommittees on the family independence agency, the
16 senate and house standing committees having jurisdiction over human serv-
17 ices matters, the senate and house fiscal agencies, and the senate and
18 house policy offices a quarterly report, beginning April 2, 2002, detail-
19 ing the status of the prevention services program.

20 Sec. 530. Of funds available for foster care recruitment pilots,
21 the department shall develop and implement foster parent recruitment and
22 retention programs. The programs shall focus on diversity of foster par-
23 ents, and recruitment of homes appropriate for teens and other high-risk
24 placements. The programs should draw from models including, but not
25 limited to, one church one child, foster home mentoring,
26 neighborhood-based recruitment, and multimedia outreach.

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1 Sec. 531. (1) From the funds appropriated in part 1, the family
2 independence agency may make claims for and pay to local units of
3 government a portion of federal title IV-E revenues earned as a result of
4 eligible costs incurred by local units of government.

5 (2) The family independence agency shall make payments under subsec-
6 tion (1) only to local units of government which have entered into formal
7 agreements with the family independence agency. Such agreement must
8 include all of the following:

9 (a) Provide for the family independence agency to retain 50% of the
10 federal revenues earned.

11 (b) Provide for agency review and approval of the local unit's plan
12 for allocating costs to title IV-E.

13 (c) Provide for the local unit of government to submit bills at
14 times, and in the format, specified by the family independence agency.

15 (d) Specify that the local unit of government is responsible for
16 meeting all federal title IV-E regulation requirements, including report-
17 ing requirements, with regard to the activities and costs being billed to
18 title IV-E.

19 (e) Provide for the local unit of government to pay the state for
20 the amount of any federal revenues paid to the local unit which may sub-
21 sequently be disallowed by the federal government.

22 (f) Be signed by the director of the department, the chief executive
23 officer of the local government agency providing the title IV-E services,
24 the chair of the county board of commissioners, and the chief executive
25 officer of the county.

26 Sec. 532. The department shall work cooperatively with the
27 department of consumer and industry services and with representatives

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1 from the Michigan federation of private child & family agencies to form a
2 licensing and contract compliance review team pilot to coordinate and
3 conduct joint reviews of 1 child placing agency and 1 child caring insti-
4 tution between October 1, 2002 and February 1, 2003. The Michigan feder-
5 ation of private child & family agencies will survey team participants
6 and involved agencies regarding the process and provide feedback to the
7 department. The department shall report during the annual budget presen-
8 tation to the house and senate appropriations subcommittees on the family
9 independence agency regarding pilot outcomes.

10 Sec. 533. The family independence agency shall make payments to
11 private nonprofit child placing facilities for title IV-E out-of-home
12 care services within 30 days of receiving all necessary documentation
13 from those agencies.

[Sec. 534. Funding not distributed from the Teen Pregnancy Prevention
Pilot Performance Bonus may be used to support teen pregnancy prevention
programs in the city of Pontiac.]

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.

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

21 (2) The department shall establish caps for natural gas, wood, elec-
22 tric heat service, deliverable fuel heat services, and for electric serv-
23 ice based on available federal funds.

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

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1 (4) It is the intent of the legislature that the department review
2 and adjust the standard utility allowance for the state food assistance
3 program to ensure that it reflects current energy costs in the state.

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

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

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

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

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

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

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

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

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

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

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

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

19 (4) A refugee or asylee who loses his or her eligibility for the
20 federal supplemental security income program by virtue of exceeding the
21 maximum time limit for eligibility as delineated in section 402 of
22 title IV of the personal responsibility and work opportunity reconcilia-
23 tion act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who otherwise
24 meets the eligibility criteria under this section shall be eligible to
25 receive benefits under the state disability assistance program.

26 Sec. 605. The level of reimbursement provided to state disability
27 assistance recipients in licensed adult foster care facilities shall be

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1 the same as the prevailing supplemental security income rate under the
2 personal care category.

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

9 Sec. 607. The department's ability to satisfy appropriation deduc-
10 tions in part 1 for state disability assistance/supplemental security
11 income recoveries and public assistance recoupment revenues shall not be
12 limited to recoveries and accruals pertaining to state disability assist-
13 ance, or family independence assistance grant payments provided only in
14 the current fiscal year, but shall include all related net recoveries
15 received during the current fiscal year.

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

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1 Sec. 609. The state supplementation level under the supplemental
2 security income program for the personal care/adult foster care and home
3 for the aged categories shall not be reduced during the fiscal year
4 beginning October 1, 2002 and ending September 30, 2003.

5 Sec. 610. In developing good cause criteria for the state emergency
6 relief program, the department shall grant exemptions if the emergency
7 resulted from unexpected expenses related to maintaining or securing
8 employment.

9 Sec. 611. (1) The department shall not require providers of burial
10 services to accept state payment for indigent burials as payments in
11 full. Each provider shall be permitted to collect additional payment
12 from relatives or other persons on behalf of the deceased. The total in
13 additional payments shall not exceed \$2,600.00.

14 (2) Any additional payment collected pursuant to subsection (1)
15 shall not increase the maximum charge limit for state payment as estab-
16 lished by law.

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

21 Sec. 613. From the funds appropriated in part 1 for state emergency
22 relief, the maximum allowable charge limit for indigent burials shall be
23 [\$1,311.00]. The funds shall be distributed as follows: [\$835.00] for
24 funeral directors; [\$275.00] for cemeteries or crematoriums; and [\$201.00]
25 for the provider of the vault.

26 Sec. 614. The funds available in part 1 for burial services shall
27 be available if the deceased was an eligible recipient and an application

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1 for emergency relief funds was made within 10 days of the burial or
2 cremation of the deceased person. Each provider of burial services shall
3 be paid directly by the department.

4 Sec. 615. Except as required by federal law or regulations, funds
5 appropriated in part 1 shall not be used to provide public assistance to
6 a person who is an illegal alien. This section shall not prohibit the
7 department from entering into contracts with food banks or emergency
8 shelter providers who may, as a normal part of doing business, provide
9 food or emergency shelter to individuals.

10 Sec. 616. (1) The appropriation in part 1 for the weatherization
11 program shall be expended in such a manner that at least 25% of the
12 households weatherized under the program shall be households of families
13 receiving 1 or more of the following:

14 (a) Family independence assistance.

15 (b) State disability assistance.

16 (c) Food assistance.

17 (d) Supplemental security income.

18 (2) Any unencumbered balances of the weatherization program shall
19 not lapse and may be carried forward to fiscal year 2004.

20 Sec. 617. In operating the family independence program with funds
21 appropriated in part 1, the department shall not approve as a minor
22 parent's adult supervised household a living arrangement in which the
23 minor parent lives with his or her partner as the supervising adult.

24 Sec. 618. (1) The department may only reduce, terminate, or suspend
25 assistance provided under the social welfare act, 1939 PA 280, MCL 400.1
26 to 400.119b, without prior notice in 1 or more of the following
27 situations:

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1 (a) The only eligible recipient has died.

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

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

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

8 (e) A recipient has intentionally violated 1 or more of the require-
9 ments of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

10 (f) A recipient has been approved to receive assistance in another
11 state.

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

14 (2) If a recipient appeals the department's determination to reduce,
15 terminate, or suspend his or her assistance within 10 days from the mail-
16 ing of the notice of negative action, the department shall not reduce,
17 terminate, or suspend that assistance until there is a final determina-
18 tion of that appeal upholding the department's determination to reduce,
19 terminate, or suspend that assistance.

20 Sec. 619. The department shall exempt from the denial of title IV-A
21 assistance and food assistance benefits, contained in section 115 of
22 title I of the personal responsibility and work opportunity reconcilia-
23 tion act of 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who
24 has been convicted of a felony that included the possession, use, or dis-
25 tribution of a controlled substance, after August 22, 1996, provided that
26 the individual is not in violation of his or her probation or parole

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1 requirements. Benefits shall be provided to such individuals as
2 follows:

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

5 (b) An authorized representative shall be required for food assist-
6 ance receipt.

7 Sec. 621. Funds appropriated in part 1 may be used to support mul-
8 ticultural assimilation and support services. The department shall dis-
9 tribute all of the funds described in this section based on assessed com-
10 munity needs.

11 Sec. 624. The department shall maintain a plan to provide for the
12 implementation of temporary assistance for needy families-funded individ-
13 ual development accounts.

14 Sec. 625. The department in collaboration with the Michigan state
15 university center for urban affairs and its partner organizations, the
16 Michigan credit union league and the national federation of community
17 development credit unions, shall further the work begun in fiscal year
18 1999-2000 that implemented the individual development accounts programs
19 in the growing number of low-income designated credit unions, i.e., com-
20 munity development credit unions (CDCUs) located in this state's poorest
21 communities. This further work will extend capacity-building and techni-
22 cal assistance services to existing and emerging CDCUs serving low-income
23 populations and will include:

24 (a) Creation of a Michigan-based support system for the
25 capacity-building of existing and emerging CDCUs serving low-income indi-
26 viduals and families, including development and testing of training,
27 technical assistance, and professional development initiatives and

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1 related materials, and other capacity-building services to Michigan
2 CDCUs.

3 (b) Other related support to assist existing and emerging CDCUs in
4 becoming self-supporting institutions to assist impoverished Michigan
5 residents in becoming economically independent.

6 (c) Training and technical assistance to CDCUs in the development of
7 support services, such as economic literacy, credit counseling, budget
8 counseling, and asset management programs for low-income individuals and
9 families.

10 Sec. 626. (1) From the funds appropriated in section 109 for day
11 care services, the department shall expend funds for day care provider
12 training programs administered under contract. Training shall be made
13 available to all day care providers including those who work out of cen-
14 ters, group homes, family homes, and the homes of relatives, and in-home
15 aides.

16 (2) From the funds appropriated in subsection (1), a contractor or
17 multiple contractors shall administer a training pilot project targeting
18 in-home aides and persons providing child care to relatives. Providers
19 who verify that they have received day care payments for at least 3
20 months from the department and who successfully complete at least 15
21 hours of approved child care training shall be eligible to receive a
22 1-time lump sum payment of up to \$150.00 for training received after
23 October 1, 2002. The total paid in lump sum payments and training costs
24 shall not exceed \$300,000.00. Approved training may include programs
25 operated by the Michigan community coordinated child care association,
26 the Michigan association for the education of young children, community
27 colleges, universities, or university extension programs.

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1 Sec. 627. (1) From the funds appropriated in section 109 for day
2 care services, the department shall contract to administer an amount not
3 to exceed \$1,350,000.00 for the "enhance quality improvement program"
4 (EQUIP) grants. A priority for the expenditure of EQUIP funds shall be
5 given to providers to expand access to child care, specifically 24-hour
6 care and weekend care. A child care program shall not be eligible for an
7 EQUIP grant unless 25% or more of its clients receive day care payments
8 from the department.

9 (2) From the funds appropriated in part 1 for day care services, the
10 department shall establish an additional fund of at least \$350,000.00 for
11 a grant pool for an "enhance quality improvement program" (EQUIP) specif-
12 ically to establish new family and group home day care providers.

13 Sec. 630. (1) The department and the department of career develop-
14 ment shall make available to work first participants guidelines on eligi-
15 bility for postemployment training and how training/education hours are
16 applied toward federal work participation requirements. These guidelines
17 will be presented during joint orientation conducted by the department
18 and the department of career development contracted staff in accordance
19 with department program bulletins and department of career development
20 policy issuances. These guidelines presented by the department and the
21 department of career development shall not conflict and shall balance the
22 ability of participants to obtain training and subsequent long-term
23 high-wage employment with the need to connect participants with the
24 workplace. Any and all training/education, with the exception of high
25 school completion and GED preparation, must be occupationally relevant
26 and in demand in the labor market as determined by the workforce

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1 development board. Participants must make satisfactory progress to
2 continue in a training/education component.

3 (2) The work participation requirement is up to 40 hours per week.
4 However, work first participants may meet the work participation require-
5 ment by combining a minimum of 10 hours per week of work with
6 training/education. Training/education may last up to 12 months and the
7 calculated hours may include actual classroom seat time up to 10 hours
8 per week plus up to 1 hour of study time for each hour of classroom seat
9 time. The combined work and training/education hours must equal the min-
10 imum number of hours required to meet the federal work participation
11 requirements, 30 hours per week for a single parent, 35 hours per week
12 for 2-parent families (55 hours if utilizing federally funded day care),
13 and 20 hours per week for single parents with a child under the age of
14 6. Work first participants may enroll in additional hours of classroom
15 seat time beyond 10 hours. However, these hours and the related study
16 time will not count toward the work participation requirements. The
17 training may be no longer than a 1-year program, 1 year of a 2-year
18 undergraduate program, or the final year of a 4-year undergraduate pro-
19 gram designed to lead to immediate labor force attachment.

20 (3) Work first participants may meet the federal work participation
21 requirement through enrollment in a short-term vocational program requir-
22 ing 30 hours of classroom seat time per week for a period not to exceed 6
23 months, or by enrollment in full-time internships, practicums, or clini-
24 cals required by an academic or training institution for licensure, pro-
25 fessional certification, or degree completion, without additional work
26 requirements. Two-parent families who receive federally funded day care
27 must work an additional 25 hours per week to meet the federal work

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1 participation requirement. In cases where a short-term vocational
2 program lasts less than 6 months, the participant shall be eligible to
3 enroll in 1 additional short-term vocational program for a combined
4 period not to exceed a total of 6 months.

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

11 Sec. 631. The department shall maintain policies and procedures to
12 achieve all of the following:

13 (a) The identification of individuals on entry into the system who
14 have a history of domestic violence, while maintaining the confidential-
15 ity of that information.

16 (b) Referral of persons so identified to counseling and supportive
17 services.

18 (c) In accordance with a determination of good cause, the waiving of
19 certain requirements of family independence programs where compliance
20 with those requirements would make it more difficult for the individual
21 to escape domestic violence or would unfairly penalize individuals who
22 have been victims of domestic violence or who are at risk of further
23 domestic violence.

24 Sec. 632. The department shall calculate the food assistance allot-
25 ment for applicants who are United States citizens and who live in a
26 household with legal immigrants in a manner that maximizes the food
27 assistance available to these United States citizens under federal law.

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1 Sec. 634. (1) From the funds appropriated in part 1 for the family
2 independence program, the family independence agency shall expend up to
3 \$250,000.00 to expand the parenting skills and career development pilot
4 program to new sites. The program shall meet all of the following
5 criteria:

6 (a) Identification of single parents eligible for cash assistance
7 having children up to 3 years old.

8 (b) Referral of persons identified under subdivision (a) to a local
9 collaborative program responsible for the development and supervision of
10 a comprehensive parenting skills and career development plan for each
11 referred client.

12 (c) Each referred client shall participate in 20 hours a week of
13 parenting skills training that is a formal professional program with
14 either a trainer or facilitator and career development activities as
15 detailed in his or her comprehensive plan and monitored by the local col-
16 laborative program.

17 (d) Participation in the above activities for the hours specified
18 would satisfy cash assistance work requirements.

19 (e) The program must not place the state of Michigan in violation of
20 work requirements as defined in the personal responsibility and work
21 opportunity reconciliation act of 1996, Public Law 104-193, 110
22 Stat. 2105.

23 (2) The local collaborative program shall provide the department
24 with a report not later than September 30, 2003 that includes all of the
25 following:

26 (a) The number of participants served.

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1 (b) The family size of participants served.

2 (c) Participants' rate of compliance with their comprehensive
3 plans.

4 (d) The number of participants attending postsecondary education or
5 vocational training programs.

6 (e) Parenting skills training outcomes.

7 (f) The number of participants working at the time the report is
8 completed.

9 (g) The average cost per participant of the program.

10 (h) Any other information that the department considers relevant.

11 Sec. 635. Within 6 business days of receiving all information nec-
12 essary to process an application for payments for child day care, the
13 family independence agency shall determine whether the child day care
14 provider to whom the payments, if approved, would be made, is listed on
15 the child abuse and neglect central registry. If the provider is listed
16 on the central registry, the family independence agency shall immediately
17 send written notice denying the applicant's request for child day care
18 payments.

19 Sec. 636. The department shall submit a report to the house and
20 senate appropriations committees and the house and senate standing com-
21 mittees having jurisdiction over human services matters by March 1, 2003,
22 on the subject of late payments to child day care providers for the year
23 of 2002. The report shall include the number of payments 30 to 45 days
24 late, the number of payments over 45 days late, and the reasons for any
25 late payments made to providers.

26 Sec. 640. (1) From the funds appropriated in part 1 for day care
27 services, the family independence agency shall expend up to \$8,000,000.00

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1 to provide infant and toddler incentive payments to child day care
2 providers serving children from 0 to 2-1/2 years of age who meet licens-
3 ing or training requirements.

4 (2) The use of the funds under this section should not be considered
5 an ongoing commitment of funding.

6 Sec. 643. As a condition of receipt of federal TANF funds, homeless
7 shelters shall collaborate with the family independence agency to obtain
8 necessary TANF eligibility information on families as soon as possible
9 after admitting a family to the homeless shelter. From the funds appro-
10 priated in part 1 for homeless shelters within state emergency relief,
11 the department is authorized to make allocations of TANF funds only to
12 the agencies that report necessary data to the department for the purpose
13 of meeting TANF eligibility reporting requirements. Homeless shelters
14 that do not report necessary data to the department for the purpose of
15 meeting TANF eligibility reporting requirements will not receive reim-
16 bursements which exceed the per diem amount they received in fiscal year
17 2000. The use of TANF funds under this section should not be considered
18 an ongoing commitment of funding.

19 Sec. 645. An individual or family is considered homeless, for pur-
20 poses of eligibility for state emergency relief, if living temporarily
21 with others in order to escape domestic violence. For purposes of this
22 section, domestic violence is defined and verified in the same manner as
23 in the family independence agency's policies on good cause for not coop-
24 erating with child support and paternity requirements.

25 Sec. 648. From the funds appropriated in part 1 for assistance pay-
26 ments, the department shall continue to make assistance payments to
27 recipients beyond the federal 5-year limit set under the personal

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1 responsibility and work opportunity reconciliation act of 1996, Public
2 Law 104-193, 110 Stat. 2105, providing the recipient is complying with
3 asset, income, and participation standards set as a condition of eligi-
4 bility to receive assistance.

5 Sec. 653. From the funds appropriated in part 1 for food assist-
6 ance, an individual who is the victim of domestic violence and does not
7 qualify for any other exemption may be exempt from the 3-month in
8 36-month limit on receiving food assistance under section 6(o)(6) of the
9 food stamp act of 1977, Public Law 88-525, 7 U.S.C. 2015. This exemption
10 can be extended an additional 3 months upon demonstration of continuing
11 need.

12 Sec. 657. (1) The department shall continue to offer quality
13 before- or after-school programs that provide youth with a safe, engaging
14 environment to motivate and inspire learning outside the traditional
15 classroom setting. Before-school programs are limited to elementary
16 school-aged children. Effective before- or after-school programs combine
17 academic, enrichment, and recreation activities to guide learning and
18 inspire children and youth in various activities. The before- or
19 after-school programs can meet the needs of the communities served by the
20 programs.

21 (2) The department shall work in collaboration with independent con-
22 tractors to put into practice a pilot program establishing quality
23 before- or after-school programs for children in kindergarten to ninth
24 grades. In order for an independent contractor to receive TANF funds, a
25 child served must be a member of a family with an income that does not
26 exceed 200% of the federal poverty guidelines published by the United
27 States department of health and human services.

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1 (3) The department shall allocate through grants or contracts up to
2 \$10,000,000.00 for pilot programs. A county shall receive no more than
3 20% of the funds appropriated in part 1 for this program. From the funds
4 appropriated in part 1 for before- or after-school pilot programs within
5 day care services, the department is authorized to make allocations of
6 TANF funds only to the agencies that report necessary data to the depart-
7 ment for the purpose of meeting TANF eligibility reporting requirements.
8 The use of TANF funds under this section should not be considered an
9 ongoing commitment of funding.

10 (4) The before- or after-school pilot programs shall include, at a
11 minimum, at least 3 of the following topics:

12 (a) Abstinence-based pregnancy prevention.

13 (b) Chemical abuse and dependency including nonmedical services.

14 (c) Gang violence prevention.

15 (d) Academic assistance, including assistance with reading and
16 writing.

17 (e) Preparation toward future self-sufficiency.

18 (f) Leadership development.

19 (g) Case management or mentoring.

20 (h) Parental involvement.

21 (i) Anger management.

22 (5) The department may enter into grants or contracts with indepen-
23 dent contractors including, but not limited to, faith-based organiza-
24 tions, boys or girls clubs, schools, or nonprofit organizations. The
25 department shall grant priority in funding independent contractors who
26 secure at least 10% in matching funds. The matching funds may either be
27 fulfilled through local, state, or federal funds, and/or through in-kind

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1 or other donations. An independent contractor who cannot fulfill the
2 match described in this subsection shall not be excluded from applying
3 for a before- or after-school program contract.

4 (6) A referral to a pilot program may be made by, but is not limited
5 to, any of the following: a teacher, counselor, parent, police officer,
6 judge, or social worker.

7 (7) By August 30, 2003, the department before- or after-school pilot
8 program expenditures shall be audited and the department shall work in
9 collaboration with independent contractors to provide a report on the
10 before- or after-school pilot program to the senate and house standing
11 committees dealing with human services, the senate and house appropria-
12 tions subcommittees for the family independence agency budget, the senate
13 and house fiscal agencies, and the senate and house policy offices. The
14 report shall include the number of participants and the average cost per
15 participant, as well as changes noted in program participants in any of
16 the following categories:

17 (a) Juvenile crime.

18 (b) Aggressive behavior.

19 (c) Academic achievement.

20 (d) Development of new skills and interests.

21 (e) School attendance and dropout rates.

22 (f) Behavioral changes in school.

[(8) Any before- or after-school program funds not expended by
existing pilots may be used to expand services to additional counties.]

23 Sec. 659. For the purpose of the family independence program eligi-
24 bility, a recipient with a child under 6 years of age must meet work
25 first participation requirements unless child care is not available and
26 that fact is verified by the family independence program caseworker.

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

10 Sec. 661. From the funds appropriated in part 1 for transitional
11 work support, the department shall expend up to \$10,000,000.00 in general
12 fund/general purpose funds to develop and fund a transitional work sup-
13 port program. The department shall provide the house and senate appro-
14 priations subcommittees on the family independence agency, the house and
15 senate fiscal agencies, the house and senate policy offices, and the
16 state budget director with a report that includes all of the following:

- 17 (a) The number of participants served.
18 (b) The average cost per program participant.
19 (c) Any other information that the department considers relevant.

20 Sec. 665. The department shall continue to partner with the depart-
21 ment of transportation to use TANF and other sources of available funding
22 to support public transportation needs of TANF-eligible individuals.

23 Sec. 666. The department shall develop and implement a plan to
24 increase the participation of eligible family independence program recip-
25 ients in the federal earned income tax credit.

[Sec. 667. The department may expend funds necessary to perform child
day care provider background checks from fees collected.]

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1 JUVENILE JUSTICE SERVICES

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

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

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

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

15 Sec. 702. Expansion of facilities funded under part 1 for juvenile
16 justice services shall not be authorized by the joint capital outlay sub-
17 committee of the appropriations committees until the department has held
18 a public hearing in the community where the facility proposed to be
19 expanded is located.

20 Sec. 703. A juvenile adjudicated and placed in a state-operated
21 maximum security program funded under part 1 for juvenile justice serv-
22 ices shall not be allowed to leave the property of the maximum security
23 facility at which the program is located except when required to leave
24 the property for medical treatment, court appearances, or other good
25 cause approved by the facility director. For purposes of this section,
26 "juvenile" means that term as defined in section 115n of the social
27 welfare act, 1939 PA 280, MCL 400.115n.

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57

1 Sec. 704. New facilities funded under part 1 for juvenile justice
2 services shall not be located within 1,500 feet of property in use for a
3 K-12 educational program.

4 Sec. 705. (1) The department shall report on the W.J. Maxey facil-
5 ity to the house and senate appropriations subcommittees on the family
6 independence agency budget as part of their annual budget presentation.
7 The report shall include the following:

8 (a) Population reintegration goals for juvenile justice wards
9 including, but not limited to, the categorization of positive outcomes
10 and recidivism by age and incarceration type.

11 (b) Facility media policy to ensure reinforcement and consistency
12 with treatment plans and desired ward outcomes.

13 (c) Staff and resident safety.

14 (d) Outcome based service and treatment program plan for wards who
15 are sex offenders or substance abusers.

16 (e) Facility procedure following traumatic campus occurrences such
17 as, but not limited to, violent and sexual assaults.

18 (f) Quality control process for resident service and release plans.

19 (2) The department shall ensure that all juveniles coming into care
20 receive an assessment that includes a review of dysfunctional behavior in
21 adolescents. In addition, the department shall ensure that all treatment
22 addresses:

23 (a) Dysfunctional family practices, such as substance abuse and
24 domestic violence.

25 (b) Sexual harassment and gender bias.

26 (c) Cultural and ethnic sensitivity.

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58

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

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

13 Sec. 708. It is the intent of the legislature that the department
14 work with the department of education and all other state and local agen-
15 cies necessary to ensure funding through the state school aid act of
16 1979, 1979 PA 94, MCL 388.1601 to 388.1772, to educate pupils assigned by
17 a court or the family independence agency to reside in a state-operated
18 juvenile detention or treatment facility. Daily per diem rates for
19 state-operated juvenile detention and treatment facilities shall reflect
20 savings due to the use of school aid funds for education services.

21 Sec. 709. As a condition of receiving funds appropriated in part 1
22 for the child care fund, by February 15, 2003, counties shall have an
23 approved service spending plan for the fiscal year ending September 30,
24 2003. Counties must submit the service spending plan to the department
25 by December 15, 2002 for approval.

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1 Sec. 710. From the funds appropriated in part 1 for juvenile
2 justice services, the department may continue contracts for county
3 juvenile justice day treatment programs.

4 Sec. 712. Not more than 30 days after receiving a published report
5 from the office of auditor general that states that the department has
6 not complied with state or federal law, rule, or regulation, the depart-
7 ment shall provide a report to the house and senate committees having
8 jurisdiction over the family independence agency. The report shall state
9 the reason for the noncompliance, a corrective action plan to bring the
10 department into compliance, and the time frame for implementing and exe-
11 cuting the plan.

12 Sec. 713. The department shall work cooperatively with judiciary
13 and with the departments of community health and career development to
14 coordinate and improve the delivery of mental health and substance abuse
15 treatment, and education and training services to individuals leaving the
16 juvenile justice system, especially those aging out of the system identi-
17 fied as continuing to pose a serious risk to themselves or others.

18 DISABILITY DETERMINATION SERVICES

19 Sec. 801. The family independence agency disability determination
20 services in agreement with the department of management and budget office
21 of retirement systems will develop the medical information and determine
22 eligibility of medical disability retirement for state employees, state
23 police, judges, and school teachers.