

SENATE 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

## HB 5645, As Passed Senate, May 16, 2002

House Bill No. 5645 as amended May 15 and 16, 2002 For Fiscal Year Ending  
2 September 30, 2003

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

### 3 FAMILY INDEPENDENCE AGENCY

4	Full-time equated classified positions.....	12,495.1	
5	Unclassified positions.....	6.0	
6	Total full-time equated positions.....	12,501.1	
7	GROSS APPROPRIATION.....	\$	4,102,851,201
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....	\$	978,800
11	ADJUSTED GROSS APPROPRIATION.....	\$	4,101,872,401
12	Federal revenues:		
13	Total federal revenues.....		2,746,184,250
14	Special revenue funds:		
15	Total private revenues.....		9,856,850
16	Total local revenues.....		67,243,800
17	Total other state restricted revenues.....		65,388,800
18	State general fund/general purpose.....	\$	1,213,198,701
19	<b>Sec. 102. EXECUTIVE OPERATIONS</b>		
20	Total full-time equated positions.....	589.8	
21	Full-time equated unclassified positions.....	6.0	
22	Full-time equated classified positions.....	583.8	
23	Other unclassified salaries--6.0 FTE positions.....	\$	505,800
24	Salaries and wages--432.8 FTE positions.....		22,720,100
25	Contractual services, supplies, and materials.....		8,293,300
26	Demonstration projects--13.0 FTE positions.....		8,938,100

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1	Child support distribution computer system--8.0 FTE	
2	positions.....	17,155,600
3	Supplemental security income advocates, salaries and	
4	wages--16.0 FTE positions.....	1,050,800
5	Commission on disability concerns--8.0 FTE positions.	956,900
6	Commission for the blind--106.0 FTE positions.....	18,036,300
7	Youth low vision program.....	<u>260,000</u>
8	GROSS APPROPRIATION.....	\$ 77,916,900
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	ADJUSTED GROSS APPROPRIATION.....	\$ 77,916,900
12	Appropriated from:	
13	Federal revenues:	
14	Total federal revenues.....	51,097,800
15	Special revenue funds:	
16	Total private revenues.....	1,340,000
17	Total local revenues.....	275,000
18	Total other state restricted revenue.....	477,300
19	State general fund/general purpose.....	\$ 24,726,800
20	<b>Sec. 103. FAMILY INDEPENDENCE SERVICES ADMINISTRATION</b>	
21	Full-time equated classified positions.....	437.5
22	Salaries and wages--301.5 FTE positions.....	\$ 15,181,000
23	Contractual services, supplies, and materials.....	19,198,500
24	Child support incentive payments.....	32,409,600
25	Legal support contracts.....	135,896,400
26	Employment and training support services.....	14,701,700

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1	Project Zero--84.0 FTE positions.....	12,132,500
2	Wage employment verification reporting--2.0 FTE	
3	positions.....	2,170,200
4	Urban and rural empowerment/enterprise zones.....	100
5	Training and staff development--50.0 FTE positions...	9,881,200
6	Community services block grant.....	<u>24,350,000</u>
7	GROSS APPROPRIATION..... \$	265,921,200
8	Appropriated from:	
9	Federal revenues:	
10	Total federal revenues.....	244,384,200
11	Special revenue funds:	
12	Total local revenues - donated.....	340,000
13	State general fund/general purpose..... \$	21,197,000
14	<b>Sec. 104. CHILD AND FAMILY SERVICES</b>	
15	Full-time equated classified positions.....105.3	
16	Salaries and wages--45.3 FTE positions..... \$	2,836,800
17	Contractual services, supplies, and materials.....	1,657,500
18	Refugee assistance program--4.0 FTE positions.....	12,705,900
19	Foster care payments.....	149,057,500
20	Wayne County foster care payments.....	98,720,500
21	Adoption subsidies.....	204,952,800
22	Adoption support services--9.0 FTE positions.....	14,632,200
23	Youth in transition--10.0 FTE positions.....	13,353,500
24	Interstate compact.....	300,000
25	Children's benefit fund donations.....	21,000
26	Domestic violence prevention and treatment--6.0 FTE	
27	positions.....	13,149,000

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1	Teenage parent counseling--4.0 FTE positions.....	4,426,700
2	Family preservation and prevention services--20.0 FTE	
3	positions.....	77,854,600
4	Black child and family institute.....	100,000
5	Rape prevention and services.....	2,600,000
6	Children's trust fund administration--7.0 FTE	
7	positions.....	495,000
8	Children's trust fund grants.....	3,615,000
9	Attorney general contracts.....	2,481,000
10	Guardian contract.....	600,000
11	Prosecuting attorney contracts.....	<u>1,061,700</u>
12	GROSS APPROPRIATION..... \$	604,620,700
13	Appropriated from:	
14	Federal revenues:	
15	Total federal revenues.....	361,917,100
16	Special revenue funds:	
17	Private - children's benefit fund donations.....	21,000
18	Private - collections.....	5,054,600
19	Local funds - county payback.....	35,205,100
20	Children's trust fund.....	3,306,900
21	State general fund/general purpose..... \$	199,116,000
22	<b>Sec. 105. JUVENILE JUSTICE SERVICES</b>	
23	Full-time equated classified positions.....960.1	
24	Child care fund..... \$	139,500,000
25	Child care fund administration--7.5 FTE positions....	884,000
26	Juvenile justice operations-- 932.6 FTE positions....	82,215,700

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1	Federally funded activities--12.0 FTE positions.....	1,865,200
2	W.J. Maxey memorial fund.....	45,000
3	Juvenile accountability incentive block grant--4.0	
4	FTE positions.....	8,436,200
5	Juvenile boot camp program.....	1,600,000
6	Committee on juvenile justice administration--4.0 FTE	
7	positions.....	464,800
8	Committee on juvenile justice grants.....	<u>5,000,000</u>
9	GROSS APPROPRIATION..... \$	240,010,900
10	Appropriated from:	
11	Federal revenues:	
12	Total federal revenues.....	35,553,500
13	Special revenue funds:	
14	Total private revenues.....	645,000
15	Local funds - county payback.....	30,668,600
16	State general fund/general purpose..... \$	173,143,800
17	<b>Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS</b>	
18	Full-time equated classified positions.....9,778.4	
19	Field staff, salaries and wages--9,627.9 FTE	
20	positions..... \$	401,875,600
21	Food stamp reinvestment.....	5,700,000
22	Contractual services, supplies, and materials.....	27,936,400
23	Outstationed eligibility workers--60.0 FTE positions.	5,392,500
24	Wayne County gifts and bequests.....	100,000
25	Volunteer services and reimbursement--90.5 FTE	
26	positions.....	<u>7,455,300</u>

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1	GROSS APPROPRIATION.....	\$	448,459,800
2	Appropriated from:		
3	Federal revenues:		
4	Total federal revenues.....		283,245,050
5	Special revenue funds:		
6	Local funds - donated funds.....		193,100
7	Private funds - hospital contributions.....		2,696,250
8	Private - Wayne County gifts.....		100,000
9	State general fund/general purpose.....	\$	162,225,400
10	<b>Sec. 107. DISABILITY DETERMINATION SERVICES</b>		
11	Full-time equated classified positions.....	620.0	
12	Disability determination operations--	594.0 FTE	
13	positions.....	\$	69,460,300
14	Medical consultation program--	21.0 FTE positions.....	3,083,700
15	Retirement disability determination--	5.0 FTE	
16	positions.....		<u>828,800</u>
17	GROSS APPROPRIATION.....	\$	73,372,800
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from DMB-office of retirement systems.....		828,800
21	ADJUSTED GROSS APPROPRIATION.....	\$	72,544,000
22	Appropriated from:		
23	Federal revenues:		
24	Total federal revenues.....		69,466,000
25	State general fund/general purpose.....	\$	3,078,000
26	<b>Sec. 108. CENTRAL SUPPORT ACCOUNTS</b>		

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1	Rent.....	\$	45,802,900
2	Occupancy charge.....		11,399,300
3	Grand tower facility reimbursement.....		2,150,000
4	Travel.....		7,189,100
5	Equipment.....		1,087,400
6	Workers' compensation.....		5,391,600
7	Advisory commissions.....		17,900
8	Payroll taxes and fringe benefits.....		<u>179,687,900</u>
9	GROSS APPROPRIATION.....	\$	252,726,100
10	Appropriated from:		
11	Federal revenues:		
12	Total federal revenues.....		161,702,800
13	Special revenue funds:		
14	Local funds - county payback.....		304,400
15	State general fund/general purpose.....	\$	90,718,900
16	<b>Sec. 109. PUBLIC ASSISTANCE</b>		
17	Full-time equated classified positions.....10.0		
18	Family independence program.....	\$	423,890,100
19	Transitional work support.....		7,000,000
20	State disability assistance payments.....		22,139,900
21	Food assistance program benefits.....		833,011,200
22	State supplementation.....		59,038,000
23	State supplementation administration.....		2,624,300
24	Low-income home energy assistance program--10.0 FTE		
25	positions.....		86,003,600
26	State emergency relief.....		47,355,201



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1	Weatherization assistance.....	10,900,000
2	Day care services.....	<u>462,033,100</u>
3	GROSS APPROPRIATION..... \$	<u>1,953,995,401</u>
4	Appropriated from:	
5	Federal revenues:	
6	Total federal revenues.....	1,413,963,500
7	Special revenue funds:	
8	Child support collections.....	48,149,300
9	Supplemental security income recoveries.....	5,104,800
10	Public assistance recoupment revenue.....	2,300,000
11	State general fund/general purpose..... \$	<u>484,477,801</u>
12	<b>Sec. 110. INFORMATION TECHNOLOGY</b>	
13	Information technology services and projects..... \$	60,494,400
14	Child support automation.....	90,571,000
15	Client services system.....	12,721,200
16	Data system enhancement.....	<u>22,040,900</u>
17	GROSS APPROPRIATION..... \$	185,827,500
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG-ADP user fees.....	150,000
21	ADJUSTED GROSS APPROPRIATION..... \$	185,677,500
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	124,854,300
25	Special revenue funds:	
26	Total local revenues.....	257,600

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1	Total other state restricted revenue.....	6,050,500
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<b>2</b>	State general fund/general purpose.....	\$	54,515,100
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3           Sec. 111.   EARLY RETIREMENT SAVINGS

4 Early retirement savings..... \$ \_\_\_\_\_  
(100)

5 GROSS APPROPRIATION..... \$  
(100)

6 Appropriated from:

7 Federal revenues:

8 Special revenue funds:

9 State general fund/general purpose..... \$  
(100)

10

11

12 PART 2

13 PROVISIONS CONCERNING APPROPRIATIONS

## 14 GENERAL SECTIONS

15           Sec. 201. Pursuant to section 30 of article IX of the state consti-  
16   tution of 1963, total state spending from state resources under part 1  
17   for fiscal year 2002-2003 is \$1,275,407,401.00 and state spending from  
18   state resources to be paid to local units of government for fiscal year  
19   2002-2003 is \$207,056,200.00. The itemized statement below identifies  
20   appropriations from which spending to units of local government will  
21   occur:

**22** FAMILY INDEPENDENCE AGENCY

## 23 CHILD AND FAMILY SERVICES

<b>24</b>	Adoption subsidies.....	\$	79,224,300
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## 25 JUVENILE JUSTICE SERVICES

26	Child care fund.....	123,700,000
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1	County juvenile officers.....	2,973,200
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2 PUBLIC ASSISTANCE

3	State disability program.....	<u>1,158,700</u>
4	TOTAL.....	\$ 207,056,200

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

7 Sec. 203. As used in this act:

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

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

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

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

12 (e) "IDG" means interdepartmental grant.

13 (f) "Temporary assistance for needy families" or "TANF" or "Title  
14 IV-A" means part A of title IV of the social security act, chapter 531,  
15 49 Stat. 620, 42 U.S.C. 601 to 604, 605 to 608, and 609 to 619.

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

19 (h) "Title IV-E" means part E of title IV of the social security  
20 act, chapter 531, 49 Stat. 620, 42 U.S.C. 670 to 673, 673b to 679, and  
21 679b.

22 Sec. 204. The department of civil service shall bill departments  
23 and agencies at the end of the first fiscal quarter for the 1% charge  
24 authorized by section 5 of article XI of the state constitution of 1963.  
25 Payments shall be made for the total amount of the billing by the end of  
26 the second fiscal quarter.

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

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

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

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

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

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

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

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

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

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1 and senate appropriations subcommittees, house and senate fiscal  
2 agencies, and policy offices.

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. (1) 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       (2) The department shall report to the legislature during the senate  
10 and house budget hearings on the status of the food stamp error rate.  
11 The report shall include at least all of the following:

12       (a) An update on federal sanctions and federal requirements for  
13 reinvestment due to the food stamp error rate.

14       (b) Review of the status of training for employees who administer  
15 the food assistance program.

16       (c) An outline of the past year's monthly status of worker to food  
17 stamp cases and monthly status of worker to food stamp applications.

18       (d) Information detailing the effect and change in staffing due to  
19 the early retirement option.

20       (e) Corrective action through policy, rules, and programming being  
21 taken to reduce the food stamp error rate.

22       (f) Any other information regarding the food stamp error rate,  
23 including information pertaining to technology and computer applications  
24 used for the food assistance program.

25       Sec. 214. (1) The department shall submit a report to the chair-  
26 persons of the senate and house appropriations subcommittees on the  
27 family independence agency budget and to the senate and house fiscal

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1 agencies on the details of allocations within program budgeting line  
2 items and within the salaries and wages line items in the field services  
3 appropriation unit. The report shall include a listing, by account,  
4 dollar amount, and fund source, of salaries and wages; longevity and  
5 insurance; retirement; contractual services, supplies, and materials;  
6 equipment; travel; and grants within each program line item appropriated  
7 for the fiscal year ending September 30, 2003.

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

10 Sec. 215. If a legislative objective of this act or the social wel-  
11 fare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented with-  
12 out loss of federal financial participation because implementation would  
13 conflict with or violate federal regulations, the department shall notify  
14 the state budget director, the house and senate appropriations commit-  
15 tees, and the house and senate fiscal agencies of that fact. Upon  
16 receipt of the notification, a joint house and senate committee made up  
17 of the members of the house and senate appropriations subcommittees deal-  
18 ing with appropriations for the family independence agency may be  
19 appointed to meet with the director of the department to review the sub-  
20 stantive, procedural, and legal ramifications of the legislative objec-  
21 tive and to develop a plan to attain that legislative objective.

22 Sec. 217. The departments and state agencies receiving appropria-  
23 tions under this act shall receive and retain copies of all reports  
24 funded from appropriations in part 1. These departments and state agen-  
25 cies shall follow federal and state guidelines for short-term and  
26 long-term retention of these reports and records.



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

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

17       Sec. 220. (1) In contracting with faith-based organizations for  
18 mentoring or supportive services, and in all contracts for services, the  
19 department shall ensure that no funds provided directly to institutions  
20 or organizations to provide services and administer programs shall be  
21 used or expended for any sectarian activity, including sectarian worship,  
22 instruction, or proselytization.

23       (2) If an individual requests the service and has an objection to  
24 the religious character of the institution or organization from which the  
25 individual receives or would receive services or assistance, the depart-  
26 ment shall provide the individual within a reasonable time after the date  
27 of the objection with assistance or services and which are substantially

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1 the same as the service the individual would have received from the  
2 organization.

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

10 (4) The department shall follow guidelines related to faith-based  
11 involvement established in section 104 of title I of the personal respon-  
12 sibility and work opportunity reconciliation act of 1996, Public Law  
13 104-193, 42 U.S.C. 604a.

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

18 Sec. 223. (1) The department shall make a determination of Medicaid  
19 eligibility not later than 60 days after all information to make the  
20 determination is received from the applicant when disability is an eligi-  
21 bility factor. For all other Medicaid applicants, the department shall  
22 make a determination of Medicaid eligibility not later than 45 days after  
23 all information to make the determination is received from the  
24 applicant.

25 (2) The family independence agency shall analyze the efficacy of  
26 centralized monthly processing of Medicaid spend-down paperwork for  
27 clients whose monthly income amount is stable. The department shall

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1 present the findings of the analysis to the senate and house  
2 appropriations subcommittee on the family independence agency, during  
3 budget deliberations, and distribute the findings to the senate and house  
4 standing committees on human services matters, senate and house fiscal  
5 agencies, and policy offices.

6       Sec. 227. The family independence agency, with the approval of the  
7 state budget director, is authorized to realign sources of financing  
8 authorizations in order to maximize temporary assistance for needy  
9 families' maintenance of effort countable expenditures. This realignment  
10 of financing shall not be made until 15 days after notifying the chairs  
11 of the house and senate appropriations subcommittees on the family inde-  
12 pendence agency and house and senate fiscal agencies, and shall not  
13 produce an increase or decrease in any line-item expenditure  
14 authorization.

15       Sec. 259. (1) From the funds appropriated in part 1 for information  
16 technology, the department shall pay user fees to the department of  
17 information technology for technology related services and projects.  
18 User fees shall be subject to provisions of an interagency agreement  
19 between the department and the department of information technology.

20       (2) By October 15, 2002, the family independence agency shall report  
21 on the interagency agreement with the department of information technol-  
22 ogy to the house and senate appropriations subcommittees for the family  
23 independence agency budget, house and senate fiscal agencies, and policy  
24 offices. The report shall include the base service priorities in the  
25 agreement including, but not limited to, the following:

26       (a) Name and description of base service.

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

2 (c) Cost of each base service.

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

4 (3) Individual projects within the interagency agreement with a cost  
5 of \$300,000.00 or greater must be reported to the house and senate appro-  
6 priations subcommittees for the family independence agency budget, house  
7 and senate fiscal agencies, and policy offices.

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

12 Sec. 260. Amounts appropriated in part 1 for information technology  
13 may be designated as work projects and carried forward to support tech-  
14 nology projects under the direction of the department of information  
15 technology. Funds designated in this manner are not available for expen-  
16 diture until approved as work projects under section 451a of the manage-  
17 ment and budget act, 1984 PA 431, MCL 18.1451a.

18 Sec. 261. The department shall consult with the house and senate  
19 appropriations subcommittees on the family independence agency regarding  
20 the projected closing or consolidation of any local family independence  
21 agency offices. Any plans presented to the committees shall ensure that  
22 the department maintain a physical presence in every county.

23 Sec. 263. The department shall replace all foster care workers and  
24 child protection services workers who take an early retirement on a  
25 1-to-1 ratio.

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1       Sec. 264. The family independence agency shall ensure that all  
2 department employees, while on their personal time, are permitted to have  
3 appropriate communications with legislators and their staff.

4       Sec. 265. The negative appropriation in part 1 for early retirement  
5 savings represents savings from the state's 2002 early retirement  
6 program. Not later than November 15, 2002, the state budget director  
7 shall request legislative transfers under section 393(2) of the manage-  
8 ment and budget act, 1984 PA 431, MCL 18.1393, to apply the early retire-  
9 ment savings to the appropriated line items affected by the early retire-  
10 ment program.

11       Sec. 266. The family independence agency shall obtain the consent  
12 of the county board of commissioners prior to consolidating a local  
13 family independence agency within that county. However, the family inde-  
14 pendence agency shall reestablish that local family independence agency  
15 if both of the following occur:

16       (a) The county board of commissioners of the county in which that  
17 local family independence agency was located requests that the local  
18 office be reestablished.

19       (b) A request from the county board of commissioners under subdivi-  
20 sion (a) comes within 1 year after the consolidation of the local  
21 office.

22       Sec. 267. The family independence agency shall maintain and operate  
23 an office on a full-time basis that serves a population of 14,400 to  
24 14,450 as reported in the 2000 federal decennial census.

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**1    EXECUTIVE OPERATIONS**

2            Sec. 301. The department may distribute cash assistance to recip-  
3    ients electronically by using debit cards.

4            Sec. 302. The appropriation in part 1 for the Michigan commission  
5    for the blind includes funds for case services. These funds may be used  
6    for tuition payments for blind clients for the school year beginning  
7    September 2002.

8            Sec. 303. The appropriation in part 1 for commissions and boards  
9    may be used for per diem payments to members of commissions or boards for  
10   a full day of committee work at which a quorum is present for performing  
11   official business as authorized by each respective commission or board.  
12   The per diem payment for the Michigan commission for the blind shall be  
13   at a rate of \$50.00 per day.

**14   FAMILY INDEPENDENCE SERVICES ADMINISTRATION**

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

19           (2) In addition to the amount retained in subsection (1), additional  
20   incentives may be retained and used by the state for special, enhanced,  
21   or centralized initiatives or services that are reasonably calculated by  
22   the department, in consultation with the state court administrative  
23   office and the state budget office, to result in an equivalent or greater  
24   increase in child support collections or child support incentive payments  
25   received from the federal government.

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

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

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

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

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

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

(5) In addition to the amount specified in subsection (1), the family independence agency may retain any federal title IV-D incentive payment revenues withheld from counties pursuant to the imposition of

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1 financial penalties, and may use the federal revenues retained for any  
2 child support program purpose.

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

9       Sec. 404. The department shall develop a plan based on recommenda-  
10 tions from the department of civil rights and from Native American organ-  
11 izations to assure that the community services block grant funds are  
12 equitably distributed. The plan must be developed by October 31, 2002,  
13 and the plan shall be delivered to the appropriations subcommittees on  
14 the family independence agency in the house and senate.

15       Sec. 407. From the funds appropriated in part 1 for family preser-  
16 vation and prevention services, the family independence agency shall con-  
17 tract with Created for Caring for \$250,000.00 in TANF funds allowable  
18 services. The department is authorized to make allocations of TANF funds  
19 only to the agency if that agency reports necessary data to the depart-  
20 ment for the purpose of meeting TANF eligibility reporting requirements.  
21 The use of TANF funds under this section should not be considered an  
22 ongoing commitment of funding.

23       Sec. 412. If title IV-D-related child support collections are  
24 escheated, the state budget director is authorized to adjust the sources  
25 of financing for the funds appropriated in part 1 for legal support con-  
26 tracts to reduce federal authorization by 66% of the escheated amount and  
27 increase general fund/general purpose authorization by the same amount.



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1 This budget adjustment is required to offset the loss of federal revenue  
2 due to the escheated amount being counted as title IV-D program income in  
3 accordance with federal regulations at 45 C.F.R. 304.50.

4 Sec. 413. In addition to the funds appropriated in part 1, there is  
5 hereby appropriated up to \$28,785,700.00. This appropriation is contin-  
6 gent upon the receipt of a refund from the federal government related to  
7 penalties previously imposed for the child support enforcement system and  
8 upon certification from the state budget director that the funds are  
9 available for expenditure. Of this amount, up to \$2,000,000.00 may be  
10 used to continue before- or after-school programs, up to \$8,785,700.00  
11 may be used for the child support enforcement system, up to \$2,180,000.00  
12 may be used for the family independence program children's clothing  
13 allowance, up to \$650,000.00 may be used to supplement community services  
14 block grant funding for community action agencies, up to \$150,000.00 may  
15 be used to fund innovation grants, up to \$6,370,000.00 may be used for  
16 family independence program caseload costs as needed, up to \$150,000.00  
17 may be used to support a marriage initiative, up to \$8,000,000.00 may be  
18 used to fund the transitional work support program, up to \$150,000.00 may  
19 be used for Miracle Manor, an addiction treatment and rehabilitation  
20 services program for homeless women with dependent children, up to  
21 \$100,000.00 may be used for establishment or enhancement of domestic vio-  
22 lence supervised parenting time centers, up to \$150,000.00 may be used  
23 for 3 emergency homeless shelter case management pilot programs, and up  
24 to \$100,000.00 may be used for a Medicaid spend-down analysis.

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

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(2) From the funds appropriated in part 1 for community services block grants, the department is authorized to make allocations of TANF funds only to the community action 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.

Sec. 415. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency shall expend up to \$500,000.00 in federal dollars to fund a fatherhood initiative. The department may choose providers that will work with counties to help eligible fathers under TANF guidelines to acquire skills that will enable them to increase their responsible behavior toward their children and the mothers of their children. An increase of financial support for their children should be a very high priority as well as emotional support. Program topics may include, but are not limited to, parental guidance, infant care, food preparation, effective communication, anger management, children's financial support, respect, and drug-free lifestyle.

(2) The department is authorized to make allocations of TANF funds, of not more than \$75,000.00 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.

Sec. 416. (1) From the funds appropriated in part 1 for employment and training support services, the family independence agency may expend up to \$100,000.00 in TANF to fund a marriage initiative. The department

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1 may choose providers to work with counties that will work to support and  
2 strengthen marriages of those eligible under the TANF guidelines. The  
3 areas of work may include, but are not limited to, marital counseling,  
4 domestic violence counseling, family counseling, effective communication,  
5 and anger management as well as parenting skills to improve the family  
6 structure.

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

9 (3) The department is authorized to make allocations of TANF funds,  
10 of not more than \$20,000.00 per county, under this section only to agen-  
11 cies that report necessary data to the department for the purpose of  
12 meeting TANF eligibility reporting requirements. The use of TANF funds  
13 under this section should not be considered an ongoing commitment of  
14 funding.

15 (4) The department shall choose only providers who are licensed  
16 through the department of consumer and industry services and who meet the  
17 standards of the public health code, 1978 PA 368, MCL 333.1101 to  
18 333.25211.

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

21 Sec. 417. From the funds appropriated in part 1 for employment and  
22 training support services, the family independence agency may expend up  
23 to \$150,000.00 to fund innovation grants.

**1 CHILD AND FAMILY SERVICES**

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

7       Sec. 502. From the funds appropriated in part 1 for foster care,  
8 the department shall provide 50% reimbursement to Indian tribal govern-  
9 ments for foster care expenditures for children who are under the juris-  
10 diction of Indian tribal courts and who are not otherwise eligible for  
11 federal foster care cost sharing.

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

15       (a) Has not yet graduated from high school or passed a high school  
16 equivalency examination.

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

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

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

24       Sec. 508. (1) In addition to the amount appropriated in part 1 for  
25 children's trust fund grants, money granted or money received as gifts or  
26 donations to the children's trust fund created by 1982 PA 249, MCL 21.171

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1 to 21.172, is appropriated for expenditure in an amount not to exceed  
2 \$800,000.00.

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

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

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

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

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

25 (2) Notwithstanding subsection (1), this section shall not prohibit  
26 counseling or other services provided by the department, if the service  
27 is not directed toward influencing the child to remain in an abusive

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1 environment, justifying the actions of the abuser, or reuniting the  
2 family.

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

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

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

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

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

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

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

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

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1 (a) Statistical information including, at a minimum, all of the  
2 following:

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

8 (ii) Characteristics of perpetrators of abuse or neglect and the  
9 child victims, such as age, relationship, socioeconomic status, race, and  
10 ethnicity.

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

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

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

23 Sec. 518. (1) The funds appropriated in part 1 for family preserva-  
24 tion and prevention services in the 2002-2003 fiscal year reflect strong  
25 families/safe children allocations to local multipurpose collaborative  
26 bodies that are no less than the allocations in effect on April 1, 1997.  
27 The department shall work with the multipurpose collaborative bodies to

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1 address high out-of-home placement rates and through collaboration  
2 arrange a reward plan, penalty plan, or both, to achieve less child  
3 out-of-home placements, including placements for adjudicated youth in  
4 residential treatment programs.

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

9 (3) No later than March 1, 2003, each local multipurpose collaborat-  
10 ive body shall submit a report to the department that includes the number  
11 of people receiving strong families/safe children services, including  
12 services to adjudicated youth and their families, the local goals for  
13 this program, and a measure of the effectiveness in meeting these goals.

14 (4) The department shall provide during budget deliberation hearings  
15 the compilation of reports from the multipurpose collaborative bodies  
16 outline in subsection (3).

17 Sec. 519. From the funds appropriated in part 1 for foster care  
18 payments, Wayne County foster care payments, and adoption support serv-  
19 ices, the department shall increase the rate of payments for child plac-  
20 ing agencies and residential treatment facilities by 1% effective  
21 October 1, 2002. The rate increase may be used to support foster and  
22 adoptive parent resource centers.

23 Sec. 523. (1) From the funds appropriated in part 1 for youth in  
24 transition, domestic violence prevention and treatment, and teenage  
25 parent counseling, the department is authorized to make allocations of  
26 TANF funds only to the agencies that report necessary data to the  
27 department for the purpose of meeting TANF eligibility reporting



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1 requirements. The use of TANF funds under this section should not be  
2 considered an ongoing commitment of funding.

3 (2) The agencies receiving teenage parent counseling TANF funds  
4 shall report to the family independence agency on both of the following:

5 (a) Whether program services have impacted the following issues  
6 areas:

7 (i) The number of teen participants having fewer repeat  
8 pregnancies.

9 (ii) The completion rate for high school diplomas or GEDs.

10 (iii) The teen participants' rate of self-sufficiency.

11 (b) How many teens participate in the programs and have access to  
12 any or all of the following services:

13 (i) Adult supervised, supportive living arrangements.

14 (ii) Pregnancy prevention services or referrals.

15 (iii) Required completion of high school or receipt of GED, includ-  
16 ing child care to assist young mothers to focus on achievement.

17 (iv) Support services, including, but not limited to, health care,  
18 transportation, and counseling.

19 (v) Parenting and life-skills training.

20 (vi) Education, job training, and employment services.

21 (vii) Transition services in order to achieve self-sufficiency.

22 (viii) Instruction on self-protection.

23 Sec. 524. The department shall submit to the senate and house  
24 appropriations subcommittees on the family independence agency, the  
25 senate and house standing committees having jurisdiction over human serv-  
26 ices matters, the senate and house fiscal agencies, and the senate and

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1 house policy offices an annual report, beginning April 2, 2002, detailing  
2 the status of the prevention services program.

3 Sec. 530. Of funds available for foster care recruitment pilots,  
4 the department shall develop and implement foster parent recruitment and  
5 retention programs. The programs shall focus on diversity of foster par-  
6 ents, and recruitment of homes appropriate for teens and other high-risk  
7 placements. The programs should draw from models including, but not  
8 limited to, one church one child, foster home mentoring,  
9 neighborhood-based recruitment, and multimedia outreach.

10 Sec. 531. (1) From the funds appropriated in part 1, the family  
11 independence agency shall make claims for and pay to local units of gov-  
12 ernment a portion of federal title IV-E revenues earned as a result of  
13 eligible costs incurred by local units of government.

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

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

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

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

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

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

4 (f) Be signed by the director of the department, the chief executive  
5 officer of the local government agency providing the title IV-E services,  
6 the chair of the county board of commissioners, and the chief executive  
7 officer of the county.

8 Sec. 532. The family independence agency, in collaboration with the  
9 department of consumer and industry services and representatives of the  
10 Michigan federation of private child and family agencies, shall review  
11 policies, practices, and procedures involving the annual licensing review  
12 conducted by the department of consumer and industry services and the  
13 annual contract compliance review conducted by the department regarding  
14 child placing agencies and child caring institutions. The review shall  
15 include efforts to identify duplication of staff activities and informa-  
16 tion sought from child placing agencies and child caring institutions in  
17 the annual review process. The department shall report on its findings,  
18 conclusions, and any actions taken to ensure the maximum feasible coordi-  
19 nation and efficiency in conducting these reviews. The report shall be  
20 presented to the senate and house appropriations subcommittees on the  
21 family independence agency and the department of consumer and industry  
22 services, the senate and house fiscal agencies, and the senate and house  
23 policy offices by April 1, 2003.

24 Sec. 533. The family independence agency shall make payments to  
25 private nonprofit child placing facilities for title IV-E out-of-home  
26 care services within 18 days of receiving all necessary documentation  
27 from those agencies.

1       Sec. 535. It is the intent of the legislature that the department  
2 shall review the merits of increasing the per month guardianship fee.

3       Sec. 536. The family independence agency shall not implement a geo-  
4 graphically based assignment system for foster care unless determined to  
5 be in the best interests of the foster children.

      Sec. 537. From the funds appropriated in part 1 for foster care  
payments and Wayne County foster care payments, the family independence  
agency shall provide private nonprofit licensed child placing agencies,  
with whom it has contracted to provide foster care services, the first  
opportunity to provide foster care services if there are not less than 2  
private child placing agencies eligible and willing to provide foster  
care services within the county in which services are needed.

      Sec. 538. (1) From the funds appropriated in part 1 for foster care  
payments and Wayne County foster care payments, the family independence  
agency shall provide a cost analysis and a service quality report of  
public and private nonprofit providers of supervision and child welfare  
programs for children adjudicated as abused, neglected or delinquent and  
placed in family foster care or residential treatment programs.

      (2) The report shall be performed by an independent third party  
contractor. The elements included in the report shall be determined by  
the third party contractor in consultation with the department and  
representatives of private nonprofit service providers. The report shall  
be presented to the senate and house appropriation subcommittees on the  
family independence agency, senate and house fiscal agencies and policy  
offices during the FY 2003-04 budget deliberations process.

      Sec. 539. The family independence agency, in conjunction with  
representatives from private nonprofit child placing agencies, shall  
collaborate to develop statewide placement criteria for children who  
have been adjudicated abused, neglected or delinquent and need placement  
in residential treatment programs, to ensure appropriate placement  
determined to be in the best interest of the child.

6    **PUBLIC ASSISTANCE**

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

17       (2) Whenever a client agrees to the release of his or her name and

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18 address to the local housing authority, the department shall request from  
19 the local housing authority information regarding whether the housing  
20 unit for which vendoring has been requested meets applicable local hous-  
21 ing codes. Vendoring shall be terminated for those units that the local  
22 authority indicates in writing do not meet local housing codes until such  
23 time as the local authority indicates in writing that local housing codes  
24 have been met.

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

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

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

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

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

23       Sec. 604. (1) The department shall operate a state disability  
24 assistance program. Except as provided in subsection (3), persons eligi-  
25 ble for this program shall include needy citizens of the United States or  
26 aliens exempted from the supplemental security income citizenship

1 requirement who are at least 18 years of age or emancipated minors  
2 meeting 1 or more of the following requirements:

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

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

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

11 (d) A person receiving 30-day postresidential substance abuse  
12 treatment.

13 (e) A person diagnosed as having acquired immunodeficiency  
14 syndrome.

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

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

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

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

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

25 (3) Except for a person described in subsection (1)(c) or (d), a  
26 person is not disabled for purposes of this section if his or her drug  
27 addiction or alcoholism is a contributing factor material to the

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1 determination of disability. "Material to the determination of  
2 disability" means that, if the person stopped using drugs or alcohol, his  
3 or her remaining physical or mental limitations would not be disabling.  
4 If his or her remaining physical or mental limitations would be dis-  
5 abling, then the drug addiction or alcoholism is not material to the  
6 determination of disability and the person may receive state disability  
7 assistance. Such a person must actively participate in a substance abuse  
8 treatment program, and the assistance must be paid to a third party or  
9 through vendor payments. For purposes of this section, substance abuse  
10 treatment includes receipt of inpatient or outpatient services or partic-  
11 ipation in alcoholics anonymous or a similar program.

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

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

23 Sec. 606. County family independence agencies shall require each  
24 recipient of state disability assistance who has applied with the social  
25 security administration for supplemental security income to sign a con-  
26 tract to repay any assistance rendered through the state disability



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1 assistance program upon receipt of retroactive supplemental security  
2 income benefits.

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

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

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

25       Sec. 610. In developing good cause criteria for the state emergency  
26 relief program, the department shall grant exemptions if the emergency

1 resulted from unexpected expenses related to maintaining or securing  
2 employment.

3       Sec. 611. (1) The department shall not require providers of burial  
4 services to accept state payment for indigent burials as payments in  
5 full. Each provider shall be permitted to collect additional payment  
6 from relatives or other persons on behalf of the deceased. The total in  
7 additional payments shall not exceed \$2,450.00.

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

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

15       Sec. 613. From the funds appropriated in part 1 for state emergency  
16 relief, the maximum allowable charge limit for indigent burials shall be  
17 \$1,311.01. The funds shall be distributed as follows: \$835.00 for  
18 funeral directors; \$275.00 for cemeteries or crematoriums; and \$201.00  
19 for the provider of the vault.

20       Sec. 614. The funds available in part 1 for burial services shall  
21 be available if the deceased was an eligible recipient and an application  
22 for emergency relief funds was made within 10 days of the burial or cre-  
23 mation of the deceased person. Each provider of burial services shall be  
24 paid directly by the department.

25       Sec. 615. Except as required by federal law or regulations, funds  
26 appropriated in part 1 shall not be used to provide public assistance to  
27 a person who is an illegal alien. This section shall not prohibit the

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1 department from entering into contracts with food banks or emergency  
2 shelter providers who may, as a normal part of doing business, provide  
3 food or emergency shelter to individuals.

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

8 (a) Family independence assistance.

9 (b) State disability assistance.

10 (c) Food assistance.

11 (d) Supplemental security income.

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

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

18 Sec. 618. (1) Except as otherwise provided in subsection (2), law,  
19 or federal rule, the department shall provide not less than 10 days'  
20 notice before reducing, terminating, or suspending assistance provided  
21 under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

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

25 (a) The only eligible recipient has died.

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

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

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

5 (e) A recipient has been approved to receive assistance in another  
6 state.

7 (f) A change in either state or federal law that requires automatic  
8 grant adjustments for classes of recipients.

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

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

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

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

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1       Sec. 624. The department shall maintain a plan to provide for the  
2   implementation of temporary assistance for needy families-funded  
3   individual development accounts.

4       Sec. 625. The department in collaboration with the Michigan state  
5   university center for urban affairs and its partner organizations, the  
6   Michigan credit union league and the national federation of community  
7   development credit unions, shall further the work begun in fiscal year  
8   1999-2000 that implemented the individual development accounts programs  
9   in the growing number of low-income designated credit unions, i.e., com-  
10   munity development credit unions (CDCUs) located in this state's poorest  
11   communities. This further work will extend capacity-building and techni-  
12   cal assistance services to existing and emerging CDCUs serving low-income  
13   populations and will include:

14       (a) Creation of a Michigan-based support system for the  
15   capacity-building of existing and emerging CDCUs serving low-income indi-  
16   viduals and families, including development and testing of training,  
17   technical assistance, and professional development initiatives and  
18   related materials, and other capacity-building services to Michigan  
19   CDCUs.

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

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

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

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

18       (b) Referral of persons so identified to counseling and supportive  
19 services.

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

26       Sec. 632. The department shall calculate the food assistance  
27 allotment for applicants who are United States citizens and who live in a

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1 household with legal immigrants in a manner that maximizes the food  
2 assistance available to these United States citizens under federal law.

3       Sec. 635. Within 6 business days of receiving all information nec-  
4 essary to process an application for payments for child day care, the  
5 family independence agency shall determine whether the child day care  
6 provider to whom the payments, if approved, would be made, is listed on  
7 the child abuse and neglect central registry. If the provider is listed  
8 on the central registry, the family independence agency shall immediately  
9 send written notice denying the applicant's request for child day care  
10 payments.

11       Sec. 640. (1) From the funds appropriated in part 1 for day care  
12 services, the family independence agency shall expend up to \$8,000,000.00  
13 to provide infant and toddler incentive payments to child day care pro-  
14 viders serving children from 0 to 2-1/2 years of age who meet licensing  
15 or training requirements.

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

18       Sec. 643. As a condition of receipt of federal TANF funds, homeless  
19 shelters shall collaborate with the family independence agency to obtain  
20 necessary TANF eligibility information on families as soon as possible  
21 after admitting a family to the homeless shelter. From the funds appro-  
22 priated in part 1 for homeless shelters within state emergency relief,  
23 the department is authorized to make allocations of TANF funds only to  
24 the agencies that report necessary data to the department for the purpose  
25 of meeting TANF eligibility reporting requirements. Homeless shelters  
26 that do not report necessary data to the department for the purpose of  
27 meeting TANF eligibility reporting requirements will not receive

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1 reimbursements which exceed the per diem amount they received in fiscal  
2 year 2000. The use of TANF funds under this section should not be con-  
3 sidered an ongoing commitment of funding.

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

10 Sec. 648. From the funds appropriated in part 1 for assistance pay-  
11 ments, the department shall continue to make assistance payments to  
12 recipients beyond the federal 5-year limit set under the personal respon-  
13 sibility and work opportunity reconciliation act of 1996, Public Law  
14 104-193, 110 Stat. 2105, providing the recipient is complying with asset,  
15 income, and participation standards set as a condition of eligibility to  
16 receive assistance.

17 Sec. 653. From the funds appropriated in part 1 for food assist-  
18 ance, an individual who is the victim of domestic violence and does not  
19 qualify for any other exemption may be exempt from the 3-month in  
20 36-month limit on receiving food assistance under section 6(o)(6) of the  
21 food stamp act of 1977, Public Law 88-525, 7 U.S.C. 2015. This exemption  
22 can be extended an additional 3 months upon demonstration of continuing  
23 need.

24 Sec. 657. (1) The department shall continue to offer quality  
25 before- or after-school programs that provide youth with a safe, engaging  
26 environment to motivate and inspire learning outside the traditional  
27 classroom setting. Before-school programs are limited to elementary



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1 school-aged children. Effective before- or after-school programs combine  
2 academic, enrichment, and recreation activities to guide learning and  
3 inspire children and youth in various activities. The before- or  
4 after-school programs can meet the needs of the communities served by the  
5 programs.

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

13 (3) The department shall allocate through grants or contracts up to  
14 \$10,723,100.00 for pilot programs. A county shall receive no more than  
15 20% of the funds appropriated in part 1 for this program. From the funds  
16 appropriated in part 1 for before- or after-school pilot programs within  
17 day care services, the department is authorized to make allocations of  
18 TANF funds only to the agencies that report necessary data to the depart-  
19 ment for the purpose of meeting TANF eligibility reporting requirements.  
20 The use of TANF funds under this section should not be considered an  
21 ongoing commitment of funding.

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

24 (a) Abstinence-based pregnancy prevention.

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

26 (c) Gang violence prevention.

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1 (d) Academic assistance, including assistance with reading and  
2 writing.

3 (e) Preparation toward future self-sufficiency.

4 (f) Leadership development.

5 (g) Case management or mentoring.

6 (h) Parental involvement.

7 (i) Anger management.

8 (5) The department may enter into grants or contracts with indepen-  
9 dent contractors including, but not limited to, faith-based organiza-  
10 tions, boys or girls clubs, schools, or nonprofit organizations. The  
11 department shall grant priority in funding independent contractors who  
12 secure at least 10% in matching funds. The matching funds may either be  
13 fulfilled through local, state, or federal funds, and/or through in-kind  
14 or other donations. An independent contractor who cannot fulfill the  
15 match described in this subsection shall not be excluded from applying  
16 for a before- or after-school program contract.

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

20 (7) By August 30, 2003, the department before- or after-school pilot  
21 program expenditures shall be audited and the department shall work in  
22 collaboration with independent contractors to provide a report on the  
23 before- or after-school pilot program to the senate and house standing  
24 committees dealing with human services, the senate and house appropria-  
25 tions subcommittees for the family independence agency budget, the senate  
26 and house fiscal agencies, and the senate and house policy offices. The  
27 report shall include the number of participants and the average cost per

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1 participant, as well as changes noted in program participants in any of  
2 the following categories:

- 3 (a) Juvenile crime.
- 4 (b) Aggressive behavior.
- 5 (c) Academic achievement.
- 6 (d) Development of new skills and interests.
- 7 (e) School attendance and dropout rates.
- 8 (f) Behavioral changes in school.

9 Sec. 660. From the funds appropriated in part 1 for food bank coun-  
10 cil activities within state emergency relief, the department is autho-  
11 rized to make allocations of TANF funds only to the agencies that report  
12 necessary data to the department for the purpose of meeting TANF eligi-  
13 bility reporting requirements. The agencies that do not report necessary  
14 data to the department for the purpose of meeting TANF eligibility  
15 reporting requirements will not receive allocations in excess of those  
16 received in fiscal year 2000. The use of TANF funds under this section  
17 should not be considered an ongoing commitment of funding.

18 Sec. 661. From the funds appropriated in part 1 for transitional  
19 work support, the department shall expend up to \$7,000,000.00 in general  
20 fund/general purpose funds to develop and fund a transitional work sup-  
21 port program. The department shall provide the house and senate appro-  
22 priations subcommittees on the family independence agency, the house and  
23 senate fiscal agencies, the house and senate policy offices, and the  
24 state budget director with a report that includes all of the following:

- 25 (a) The number of participants served.
- 26 (b) The average cost per program participant.

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1 (c) Any other information that the department considers relevant.

2 Sec. 665. The department shall continue to partner with the  
3 department of transportation to use TANF and other sources of available  
4 funding to support public transportation needs of TANF-eligible  
5 individuals.

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

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

11 Sec. 668. In coordination with the Michigan alliance of boys and  
12 girls clubs, the department shall conduct a pilot program to develop a  
13 community-based child care program available to children ages 6 to 15.  
14 The pilot shall explore the ability to leverage child care funding by  
15 implementation of the SMART moves program, and with matching funds pro-  
16 vided by the alliance. The pilot shall be funded through families  
17 selecting the program as their provider under the department's child day  
18 care programs, and through community-based matching funds.

19 **JUVENILE JUSTICE SERVICES**

20 Sec. 701. The department shall expend a portion of the federal  
21 juvenile accountability incentive block grant to support the boot camp  
22 program. The remainder of the state allocation of the juvenile account-  
23 ability incentive block grant shall be used to provide funding to enable  
24 juvenile courts, juvenile probation offices, and community-based programs  
25 to be more effective and efficient in holding juvenile offenders

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1 accountable and reducing recidivism, treating substance abuse problems,  
2 and developing community-based alternatives for female offenders and the  
3 following:

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

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

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

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

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

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

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

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

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

6 (c) Staff and resident safety.

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

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

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

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

16 (a) Dysfunctional family practices, such as substance abuse and  
17 domestic violence.

18 (b) Sexual harassment and gender bias.

19 (c) Cultural and ethnic sensitivity.

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

26 Sec. 707. In order to be reimbursed for child care fund  
27 expenditures, counties are required to submit department developed

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1 reports to enable the department to document potential federally  
2 claimable expenditures. This requirement is in accordance with the  
3 reporting requirements specified in section 117a(7) of the social welfare  
4 act, 1939 PA 280, MCL 400.117a.

5 Sec. 708. It is the intent of the legislature that the department  
6 work with the department of education and all other state and local agen-  
7 cies necessary to ensure funding through the state school aid act of  
8 1979, 1979 PA 94, MCL 388.1601 to 388.1772, to educate pupils assigned by  
9 a court or the family independence agency to reside in a state-operated  
10 juvenile detention or treatment facility. Daily per diem rates for  
11 state-operated juvenile detention and treatment facilities shall reflect  
12 savings due to the use of school aid funds for education services.

13 Sec. 709. As a condition of receiving funds appropriated in part 1  
14 for the child care fund, by February 15, 2003, counties shall have an  
15 approved service spending plan for the fiscal year ending September 30,  
16 2003. Counties must submit the service spending plan to the department  
17 by December 15, 2002 for approval.

18 Sec. 710. From the funds appropriated in part 1 for juvenile jus-  
19 tice services, the department shall continue contracts for county juve-  
20 nile justice day treatment programs.

21 Sec. 712. Not more than 30 days after receiving a published report  
22 from the office of auditor general that states that the department has  
23 not complied with state or federal law, rule, or regulation, the depart-  
24 ment shall provide a report to the house and senate committees having  
25 jurisdiction over the family independence agency. The report shall state  
26 the reason for the noncompliance, a corrective action plan to bring the

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1 department into compliance, and the time frame for implementing and  
2 executing the plan.

3 Sec. 714. (1) The family independence agency shall provide techni-  
4 cal assistance for counties to develop information networks including,  
5 but not limited to, serious habitual offenders comprehensive action pro-  
6 gram (SHOCAP), juvenile justice on-line technology (JJOLT), and juvenile  
7 violent reporting system (JVRS).

8 (2) The department shall assist counties in identifying funding  
9 sources for the networks, including, but not limited to, the child care  
10 fund and the juvenile accountability incentive block grant.

11 (3) The local units of government shall report to the department on  
12 expenditures of their juvenile justice information networks in concert  
13 with their requests for reimbursement from the child care fund.

14 (4) The department shall provide during budget deliberation hearings  
15 the compilation of reports from the local units of government.

16 Sec. 715. (1) It is the intent of the legislature that the primary  
17 function of the juvenile justice system shall be to promote the protec-  
18 tion of individuals and communities through the reduction of juvenile  
19 crime.

20 (2) Based on the recommendations of the 2001 joint house and senate  
21 task force on juvenile justice, the family independence agency shall  
22 present the early intervention initiatives demonstrating the principles  
23 at the annual balanced and restorative justice conference in May 2003.  
24 The early intervention shall include, but not be limited to, the  
25 following:

26 (a) Mentoring programs that focus on improving communication and  
27 collaboration, encourage quality mentoring programs, recruitment of



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1 mentors, and increasing public awareness of and participation in programs  
2 for at-risk youth.

3 (b) Discussion of programs relating to juvenile information networks  
4 as an Internet-based communication tool that assists with case management  
5 of juvenile offenders in the area.

6 (c) Discussion of the possibility of implementing a program modeled  
7 after the "Wisconsin citizenship initiative" to collaborate with the  
8 before- and after-school programs offered under the authority of this  
9 act.

10 (d) Exploration of the option of a summit conducted via the Internet  
11 to discuss measures relating to the prevention and intervention of  
12 at-risk youth.

13 (e) Discussion of California's "8% early intervention" program that  
14 focuses on aggressive early intervention and treatment of young, high  
15 at-risk juvenile offenders and their families.

16 (f) Multisystem therapy.

17 (g) Youth service projects.

18 (h) Community services projects.

19 (i) A report on the outcomes of the initiatives described in this  
20 section to the senate and house appropriations subcommittees on the  
21 family independence agency budget, the senate and house standing commit-  
22 tees dealing with human services, the senate and house fiscal agencies,  
23 and the policy offices no later than September 30, 2003.

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**1 DISABILITY DETERMINATION SERVICES**

2       Sec. 801. The family independence agency disability determination  
3 services in agreement with the department of management and budget office  
4 of retirement systems will develop the medical information and determine  
5 eligibility of medical disability retirement for state employees, state  
6 police, judges, and school teachers.