

HOUSE BILL No. 4383

EXECUTIVE BUDGET BILL

February 23, 2005, Introduced by Rep. Whitmer and referred to the Committee on Appropriations.

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2006; 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:

PART 1

LINE-ITEM APPROPRIATIONS

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

1 amounts listed in this part are appropriated for the family
 2 independence agency for the fiscal year ending September 30, 2006,
 3 from the funds indicated in this part. The following is a summary
 4 of the appropriations in this part:

5 **FAMILY INDEPENDENCE AGENCY**

6 APPROPRIATION SUMMARY:

7	Full-time equated classified positions.....	10,280.0	
8	Unclassified positions	5.0	
9	Total full-time equated positions.....	10,285.0	
10	GROSS APPROPRIATION.....		\$ 4,428,975,200
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers		1,400,900
14	ADJUSTED GROSS APPROPRIATION.....		\$ 4,427,574,300
15	Federal revenues:		
16	Total federal revenues.....		3,190,468,600
17	Special revenue funds:		
18	Total local revenues.....		51,189,300
19	Total private revenues.....		8,938,900
20	Total other state restricted revenues.....		70,373,900
21	State general fund/general purpose.....		\$ 1,106,603,600
22	Sec. 102. EXECUTIVE OPERATIONS		
23	Total full-time equated positions.....	422.3	
24	Full-time equated unclassified positions.....	5.0	
25	Full-time equated classified positions.....	417.3	
26	Unclassified salaries--5.0 FTE positions.....		\$ 537,200
27	Salaries and wages--302.3 FTE positions.....		15,509,800

1	Contractual services, supplies, and materials	6,700,300
2	Demonstration projects--18.0 FTE positions	6,841,200
3	Inspector general salaries and wages--88.0 FTE	
4	positions	4,592,900
5	Electronic benefit transfer EBT	7,333,600
6	Office of professional development--9.0 FTE	
7	positions	<u>2,624,400</u>
8	GROSS APPROPRIATION	\$ 44,139,400
9	Appropriated from:	
10	Federal revenues:	
11	Total federal revenues	27,507,400
12	Special revenue funds:	
13	Total local revenues	200,000
14	Total private revenues	1,219,300
15	State general fund/general purpose	\$ 15,212,700
16	Sec. 103. CHILD SUPPORT ENFORCEMENT	
17	Full-time equated classified positions..... 212.7	
18	Child support enforcement operations--207.7 FTE	
19	positions	\$ 20,909,400
20	Legal support contracts	138,753,600
21	Child support incentive payments	32,409,600
22	Child support distribution computer system--5.0 FTE	
23	positions	<u>13,671,700</u>
24	GROSS APPROPRIATION	\$ 205,744,300
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues	193,563,800

1	Special revenue funds:	
2	Total local revenues.....	340,000
3	State general fund/general purpose.....	\$ 11,840,500
4	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY	
5	Full-time equated classified positions.....	11.0
6	Bureau of community action and economic opportunity	
7	operations--11.0 FTE positions.....	1,208,800
8	Community services block grant.....	27,384,600
9	Weatherization assistance.....	<u>18,671,000</u>
10	GROSS APPROPRIATION.....	\$ 47,264,400
11	Appropriated from:	
12	Federal revenues:	
13	Total federal revenues.....	47,264,400
14	Special revenue funds:	
15	State general fund/general purpose.....	\$ 0
16	Sec. 105. ADULT AND FAMILY SERVICES	
17	Full-time equated classified positions.....	49.2
18	Executive direction and support--6.0 FTE positions ...	\$ 482,100
19	Domestic violence prevention and treatment--5.5 FTE	
20	positions	14,591,400
21	Rape prevention and services.....	2,600,000
22	Guardian contract.....	600,000
23	Adult services policy and administration--6.0 FTE	
24	positions	588,700
25	Income support policy and administration--31.7 FTE	
26	positions	5,920,500
27	Employment and training support services.....	16,429,100

1	Wage employment verification reporting.....	1,237,500
2	Urban and rural empowerment/enterprise zones.....	100
3	Nutrition education.....	<u>8,569,900</u>
4	GROSS APPROPRIATION.....	\$ 51,019,300
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues.....	44,948,800
8	Special revenue funds:	
9	State general fund/general purpose.....	\$ 6,070,500
10	Sec. 106. CHILD AND FAMILY SERVICES	
11	Full-time equated classified positions.....	87.0
12	Salaries and wages--29.7 FTE positions.....	\$ 1,715,200
13	Contractual services, supplies, and materials.....	1,149,300
14	Refugee assistance program--2.9 FTE positions.....	12,683,700
15	Foster care payments.....	142,487,600
16	Wayne County foster care payments.....	71,484,600
17	Adoption subsidies.....	229,658,900
18	Adoption support services--7.7 FTE positions.....	13,897,800
19	Youth in transition--2.0 FTE positions.....	13,220,400
20	Interstate compact.....	300,000
21	Children's benefit fund donations.....	21,000
22	Teenage parent counseling--2.3 FTE positions.....	3,808,400
23	Families first.....	17,448,100
24	Child safety and permanency plan.....	16,900,700
25	Strong families/safe children.....	13,395,300
26	Child protection/community partners--18.3 FTE	
27	positions	5,805,900

1	Zero to three.....	4,000,000
2	Family group decision making.....	2,454,700
3	Family reunification program.....	4,062,700
4	Family preservation and prevention services	
5	administration--12.0 FTE positions.....	2,014,500
6	Black child and family institute.....	100,000
7	Children's trust fund administration--4.3 FTE	
8	positions	505,500
9	Children's trust fund grants.....	3,615,000
10	Attorney general contracts.....	2,928,000
11	Prosecuting attorney contracts.....	1,061,700
12	Child care fund.....	171,337,900
13	Child care fund administration--5.8 FTE positions	822,500
14	County juvenile officers.....	3,758,600
15	Community support services--2.0 FTE positions	<u>1,490,400</u>
16	GROSS APPROPRIATION.....	\$ 742,128,400
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	434,409,900
20	Special revenue funds:	
21	Local funds - county payback.....	25,281,400
22	Private - children's benefit fund donations	21,000
23	Private - collections.....	3,860,900
24	Children's trust fund.....	3,294,100
25	State general fund/general purpose.....	\$ 275,261,100
26	Sec. 107. JUVENILE JUSTICE SERVICES	
27	Full-time equated classified positions.....	706.7

1	W.J. Maxey training school--301.0 FTE positions	\$	26,818,400
2	Adrian training school--128.0 FTE positions		10,084,000
3	Bay pines center--44.0 FTE positions		3,332,600
4	Nokomis challenge center--43.0 FTE positions		3,164,000
5	Shawono center--39.0 FTE positions		3,063,500
6	Arbor heights--34.0 FTE positions		3,035,300
7	Community juvenile justice centers--37.0 FTE		
8	positions		3,177,400
9	Juvenile justice field staff, administration and		
10	maintenance--60.0 FTE positions		9,308,800
11	Federally funded activities--13.7 FTE positions		1,781,700
12	W.J. Maxey memorial fund		45,000
13	Juvenile accountability incentive block grant--3.0		
14	FTE positions		2,705,600
15	Committee on juvenile justice administration--4.0		
16	FTE positions		484,100
17	Committee on juvenile justice grants		<u>5,000,000</u>
18	GROSS APPROPRIATION	\$	72,000,400
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues		13,088,200
22	Special revenue funds:		
23	Local funds - county payback		24,857,700
24	Total private revenues		645,000
25	State general fund/general purpose	\$	33,409,500
26	Sec. 108. LOCAL OFFICE STAFF AND OPERATIONS		
27	Full-time equated classified positions		8,019.7

1	Field staff, salaries and wages--7,888.9 FTE		
2	positions	\$	358,476,000
3	Contractual services, supplies, and materials		19,968,400
4	Medical/psychiatric evaluations		4,300,000
5	Donated funds positions--11.0 FTE positions		762,300
6	Training and program support--41.0 FTE positions		6,348,500
7	Food stamp reinvestment--78.8 FTE positions		17,564,400
8	Wayne County gifts and bequests		100,000
9	Volunteer services and reimbursement		<u>1,544,900</u>
10	GROSS APPROPRIATION	\$	409,064,500
11	Appropriated from:		
12	Federal revenues:		
13	Total federal revenues		251,824,000
14	Special revenue funds:		
15	Local funds - donated funds		205,800
16	Private funds - donated funds		163,000
17	Private funds - hospital contributions		2,929,700
18	Private funds - Wayne County gifts		100,000
19	State general fund/general purpose	\$	153,842,000
20	Sec. 109. DISABILITY DETERMINATION SERVICES		
21	Full-time equated classified positions..... 568.4		
22	Disability determination operations--545.9 FTE		
23	positions	\$	76,418,400
24	Medical consultation program--18.4 FTE positions		2,861,100
25	Retirement disability determination--4.1 FTE		
26	positions		<u>820,800</u>
27	GROSS APPROPRIATION	\$	80,100,300

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from DMB-office of retirement systems.....		1,400,900
4	ADJUSTED GROSS APPROPRIATION.....	\$	78,699,400
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues.....		75,803,000
8	State general fund/general purpose.....	\$	2,896,400
9	Sec. 110. CENTRAL SUPPORT ACCOUNTS		
10	Rent.....	\$	44,016,700
11	Occupancy charge.....		11,431,800
12	Travel.....		5,536,800
13	Equipment.....		145,300
14	Workers' compensation.....		4,279,000
15	Advisory commissions.....		17,900
16	Human resources optimization user charges.....		561,000
17	Payroll taxes and fringe benefits.....		<u>218,554,800</u>
18	GROSS APPROPRIATION.....	\$	284,543,300
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues.....		183,900,500
22	Special revenue funds:		
23	Local funds - county payback.....		304,400
24	State general fund/general purpose.....	\$	100,338,400
25	Sec. 111. OFFICE OF CHILDREN AND ADULT LICENSING		
26	Full-time equated classified positions.....		208.0
27	AFC, children's welfare and day care licensure--		208.0

1	FTE positions	\$	<u>21,839,900</u>
2	GROSS APPROPRIATION.....	\$	21,839,900
3	Appropriated from:		
4	Federal revenues:		
5	Total federal revenues.....		11,458,000
6	Special revenue funds:		
7	Licensing fees.....		620,900
8	Health fees and collections.....		111,200
9	State general fund/general purpose.....	\$	9,649,800
10	Sec. 112. PUBLIC ASSISTANCE		
11	Family independence program.....	\$	394,277,600
12	State disability assistance payments.....		37,289,600
13	Food assistance program benefits.....		1,218,740,900
14	State supplementation.....		59,835,200
15	State supplementation administration.....		2,493,200
16	Low-income home energy assistance program.....		116,467,700
17	Food bank funding.....		1,155,500
18	Homeless shelter contracts.....		11,646,700
19	Multicultural assimilation funding.....		1,715,500
20	Indigent burial.....		5,909,300
21	Emergency services local office allocations.....		21,865,500
22	Day care services.....		<u>464,102,800</u>
23	GROSS APPROPRIATION.....	\$	2,335,499,500
24	Appropriated from:		
25	Federal revenues:		
26	Total federal revenues.....		1,816,375,700
27	Special revenue funds:		

1	Child support collections.....	47,710,700
2	Supplemental security income recoveries.....	5,104,800
3	Public assistance recoupment revenue.....	2,500,000
4	State general fund/general purpose.....	\$ 463,808,300
5	Sec. 113. INFORMATION TECHNOLOGY	
6	Information technology services and projects.....	81,459,200
7	Child support automation.....	<u>54,172,300</u>
8	GROSS APPROPRIATION.....	\$ 135,631,500
9	Appropriated from:	
10	Federal revenues:	
11	Total federal revenues.....	90,324,900
12	Special revenue funds:	
13	Total other state restricted revenue.....	11,032,200
14	State general fund/general purpose.....	\$ 34,274,400

15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 GENERAL SECTIONS

18 Sec. 201. Pursuant to section 30 of article IX of the state
 19 constitution of 1963, total state spending from state resources
 20 under part 1 for fiscal year 2005-2006 is \$1,176,977,500.00 and
 21 state spending from state resources to be paid to local units of
 22 government for fiscal year 2005-2006 is \$174,650,400.00. The
 23 itemized statement below identifies appropriations from which
 24 spending to units of local government will occur:

25 FAMILY INDEPENDENCE AGENCY

1 CHILD AND FAMILY SERVICES

2 Adoption subsidies..... \$ 85,048,000

3 Child care fund..... 84,046,500

4 County juvenile officers..... 3,270,000

5 PUBLIC ASSISTANCE

6 State disability program..... 2,285,900

7 TOTAL..... \$ 174,650,400

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

11 Sec. 203. As used in this bill:

12 (a) "AFC" means adult foster care.

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

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

15 (d) "GED" means general educational development.

16 (e) "Temporary assistance for needy families" or "TANF" or
 17 "title IV-A" means part A of title IV of the social security act,
 18 42 USC 601 to 604, 605 to 608, and 609 to 619.

19 (f) "Title IV-D" means part D of title IV of the social
 20 security act, 42 USC 651 to 655, and 656 to 669b.

21 (g) "Title IV-E" means part E of title IV of the social
 22 security act, 42 USC 670 to 673, 673b to 679, and 679b.

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

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

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

20 Sec. 206. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$200,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in this bill under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$5,000,000.00 for state

1 restricted contingency funds. These funds are not available for
2 expenditure until they have been transferred to another line item
3 in this bill under section 393(2) of the management and budget act,
4 1984 PA 431, MCL 18.1393.

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

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

17 Sec. 208. Unless otherwise specified, the department shall use
18 the Internet to fulfill the reporting requirements of this bill.
19 This requirement may include transmission of reports via electronic
20 mail to the recipients identified for each reporting requirement,
21 or it may include placement of reports on an Internet or Intranet
22 site.

23 Sec. 209. Funds appropriated in part 1 shall not be used for
24 the purchase of foreign goods or services, or both, if
25 competitively priced and comparable quality American goods or
26 services, or both, are available. Preference should be given to
27 goods or services, or both, manufactured or provided by Michigan

1 businesses if they are competitively priced and of comparable
2 value.

3 Sec. 210. The director shall take all reasonable steps to
4 ensure businesses in deprived and depressed communities compete for
5 and perform contracts to provide services or supplies, or both.
6 The director shall strongly encourage firms with which the
7 department contracts to subcontract with certified businesses in
8 depressed and deprived communities for services, supplies, or both.

9 Sec. 212. In addition to funds appropriated in part 1 for all
10 programs and services, there is appropriated for write-offs of
11 accounts receivable, deferrals, and for prior year obligations in
12 excess of applicable prior year appropriations, an amount equal to
13 total write-offs and prior year obligations, but not to exceed
14 amounts available in prior year revenues or current year revenues
15 that are in excess of the authorized amount.

16 Sec. 213. The department may retain all of the state's share of
17 food assistance overissuance collections as an offset to general
18 fund/general purpose costs. Retained collections shall be applied
19 against federal funds deductions in all appropriation units where
20 department costs related to the investigation and recoupment of
21 food assistance overissuances are incurred. Retained collections
22 in excess of such costs shall be applied against the federal funds
23 deducted in the executive operations appropriation unit.

24 Sec. 214. (1) The department shall submit a report to the
25 chairpersons of the senate and house appropriations subcommittees
26 on the family independence agency budget, the senate and house
27 fiscal agencies and policy offices, and the state budget director

1 on the details of allocations within program budgeting line items
2 and within the salaries and wages line items in all appropriation
3 units. The report shall include a listing, by account, dollar
4 amount, and fund source, of salaries and wages; longevity and
5 insurance; retirement; contractual services, supplies, and
6 materials; equipment; travel; and grants within each program line
7 item appropriated for the fiscal year ending September 30, 2006.

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

10 Sec. 215. If a legislative objective of this bill or the social
11 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be
12 implemented without loss of federal financial participation because
13 implementation would conflict with or violate federal regulations,
14 the department shall notify the state budget director, the house
15 and senate appropriations committees, and the house and senate
16 fiscal agencies and policy offices of that fact.

17 Sec. 217. (1) Due to the current budgetary problems in this
18 state, out-of-state travel for the fiscal year ending September 30,
19 2006 shall be limited to situations in which 1 or more of the
20 following conditions apply:

21 (a) The travel is required by legal mandate or court order or
22 for law enforcement purposes.

23 (b) The travel is necessary to protect the health or safety of
24 Michigan citizens or visitors or to assist other states in similar
25 circumstances.

26 (c) The travel is necessary to produce budgetary savings or to
27 increase state revenues, including protecting existing federal

1 funds or securing additional federal funds.

2 (d) The travel is necessary to comply with federal
3 requirements.

4 (e) The travel is necessary to secure specialized training for
5 staff that is not available within this state.

6 (f) The travel is financed entirely by federal or nonstate
7 funds.

8 (2) If out-of-state travel is necessary but does not meet 1 or
9 more of the conditions in subsection (1), the state budget director
10 may grant an exception to allow the travel. Any exceptions granted
11 by the state budget director shall be reported on a monthly basis
12 to the senate and house of representatives standing committees on
13 appropriations.

14 (3) Not later than January 1 of each year, each department shall
15 prepare a travel report listing all travel by classified and
16 unclassified employees outside this state in the immediately
17 preceding fiscal year that was funded in whole or in part with
18 funds appropriated in the department's budget. The report shall be
19 submitted to the chairs and members of the senate and house of
20 representatives standing committees on appropriations, the fiscal
21 agencies, and the state budget director. The report shall include
22 the following information:

23 (a) The name of each person receiving reimbursement for travel
24 outside this state or whose travel costs were paid by this state.

25 (b) The destination of each travel occurrence.

26 (c) The dates of each travel occurrence.

27 (d) A brief statement of the reason for each travel occurrence.

1 (e) The transportation and related costs of each travel
2 occurrence, including the proportion funded with state general
3 fund/general purpose revenues, the proportion funded with state
4 restricted revenues, the proportion funded with federal revenues,
5 and the proportion funded with other revenues.

6 (f) A total of all out-of-state travel funded for the
7 immediately preceding fiscal year.

8 Sec. 218. The department shall prepare a report on the TANF
9 federal block grant. The report shall include projected
10 expenditures for the current fiscal year, an accounting of any
11 previous year funds carried forward, and a summary of all
12 interdepartmental or interagency agreements relating to the use of
13 TANF funds. The report shall be forwarded to the state budget
14 director and the house and senate appropriations subcommittees on
15 the family independence agency budget and the house and senate
16 fiscal agencies and policy offices within 10 days after
17 presentation of the executive budget.

18 Sec. 221. If the revenue collected by the department from
19 private and local sources exceeds the amount spent from amounts
20 appropriated in part 1, the revenue may be carried forward, with
21 approval from the state budget director, into the subsequent fiscal
22 year.

23 Sec. 227. The department, with the approval of the state budget
24 director, is authorized to realign sources of financing
25 authorizations in order to maximize temporary assistance for needy
26 families' maintenance of effort countable expenditures. This
27 realignment of financing shall not be made until 15 days after

1 notifying the chairs of the house and senate appropriations
2 subcommittees on the family independence agency and house and
3 senate fiscal agencies, and shall not produce an increase or
4 decrease in any line-item expenditure authorization.

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

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

18 Sec. 269. If title IV-D-related child support collections are
19 escheated, the state budget director is authorized to adjust the
20 sources of financing for the funds appropriated in part 1 for legal
21 support contracts to reduce federal authorization by 66% of the
22 escheated amount and increase general fund/general purpose
23 authorization by the same amount. This budget adjustment is
24 required to offset the loss of federal revenue due to the escheated
25 amount being counted as title IV-D program income in accordance
26 with federal regulations at 45 CFR 304.50.

27 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

1 Sec. 301. Not later than September 30 of each year, the
2 department shall submit for public hearing to the chairpersons of
3 the house and senate appropriations subcommittees dealing with
4 appropriations for the family independence agency the proposed use
5 and distribution plan for community services block grant funds
6 appropriated in part 1 for the succeeding fiscal year.

7 Sec. 302. The department shall develop a plan based on
8 recommendations from the department of civil rights and from Native
9 American organizations to assure that the community services block
10 grant funds are equitably distributed. The plan must be developed
11 by October 31, 2005, and the plan shall be delivered to the
12 appropriations subcommittees on the family independence agency in
13 the house and senate, the senate and house fiscal agencies, and the
14 state budget director.

15 Sec. 305. (1) Of the funds appropriated in part 1 for community
16 services block grant, \$2,350,000.00 represents TANF funding
17 earmarked for community action agencies.

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

25 (3) In addition to the money referred to in subsection (1), from
26 the funds appropriated in part 1 for community services block
27 grant, the department may award up to \$500,000.00 to community

1 action agencies based on the number of clients educated, with an
2 emphasis on clients who have never filed for the earned income tax
3 credit (EITC), clients with children, and clients for whom the
4 receipt of the EITC will make it easier for them to move off public
5 assistance.

6 Sec. 306. The appropriation in part 1 for the weatherization
7 program shall be expended in such a manner that at least 25% of the
8 households weatherized under the program shall be households of
9 families receiving 1 or more of the following:

10 (a) Family independence assistance.

11 (b) State disability assistance.

12 (c) Food assistance.

13 (d) Supplemental security income.

14 **ADULT AND FAMILY SERVICES**

15 Sec. 401. From the funds appropriated in part 1 for employment
16 and training support services, the department may expand the
17 availability of individual development accounts (IDAs) with
18 \$200,000.00 for allocation to qualified IDA programs established
19 through the Michigan IDA partnership to serve TANF eligible
20 households in Michigan. The Michigan IDA partnership shall
21 encourage each TANF eligible household served to claim the federal
22 earned income tax credit (EITC) and to incorporate all or part of
23 any tax credit received in the household's IDA savings plan, and
24 shall provide the household with information concerning available
25 free tax assistance resources. In addition, the Michigan IDA
26 partnership and its program sites shall participate in community
27 EITC coalitions established under the plan to increase the EITC

1 participation of TANF families referenced in section 666.

2 Sec. 402. From the funds appropriated in part 1 for employment
3 and training support services, the department may allocate TANF
4 funds for welfare to career innovation grants.

5 **CHILD AND FAMILY SERVICES**

6 Sec. 501. The following goal is established by state law.
7 During the fiscal year ending September 30, 2006, not more than
8 3,000 children supervised by the department shall remain in foster
9 care longer than 24 months. The department shall give priority to
10 reducing the number of children under 1 year of age in foster care.
11 During the annual budget presentation, the department shall report
12 on the number of children supervised by the department and by
13 private agencies who remain in foster care between 12 and 24
14 months, and those who remain in foster care longer than 24 months.

15 Sec. 502. From the funds appropriated in part 1 for foster
16 care, the department shall provide 50% reimbursement to Indian
17 tribal governments for foster care expenditures for children who
18 are under the jurisdiction of Indian tribal courts and who are not
19 otherwise eligible for federal foster care cost sharing.

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

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

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

26 (c) Has not yet reached his or her nineteenth birthday.

27 (d) Is not eligible for federal supplemental security income

1 (SSI) payments.

2 Sec. 504. The department's ability to satisfy appropriation
3 deducts in part 1 for foster care private collections shall not be
4 limited to collections and accruals pertaining to services provided
5 only in the current fiscal year but shall include revenues
6 collected during the fiscal year in excess of the amount specified
7 in part 1.

8 Sec. 508. (1) In addition to the amount appropriated in part 1
9 for children's trust fund grants, money granted or money received
10 as gifts or donations to the children's trust fund created by 1982
11 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

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

21 (3) From the funds appropriated in part 1 for children's trust
22 fund, the department may utilize interest and investment revenue
23 from the current fiscal year only for programs, administration,
24 services, or all sanctioned by the child abuse and neglect
25 prevention board.

26 Sec. 509. (1) From the funds appropriated in part 1, the
27 department shall not expend funds to preserve or reunite a family,

1 unless there is a court order requiring the preservation or
2 reuniting of the family or the court denies the petition, if either
3 of the following would result:

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

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

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

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

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

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

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

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

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

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

3 Sec. 514. The department shall make a comprehensive report
4 concerning children's protective services (CPS) to the legislature,
5 including the senate and house policy offices, and the state budget
6 director, by January 1, 2006, that shall include all of the
7 following:

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

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

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

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

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

25 (c) The number of cases in category III closed during the time
26 period covered by the report categorized as follows:

27 (i) Transfer to foster care.

1 (ii) Risk of further child abuse or neglect has been reduced to
2 an acceptable level.

3 Sec. 517. (1) From the funds appropriated in part 1, the
4 department is authorized to allocate funds to multipurpose
5 collaborative bodies to address issues raised in the Binsfeld
6 children's commission report issued in July 1996. Priority for
7 activities and services will be given to at-risk children and
8 families and cases classified by the department as category III or
9 category IV under sections 8 and 8d of the child protection law,
10 1975 PA 238, MCL 722.628 and 722.628d.

11 (2) Funds appropriated in part 1 for zero to three may be used
12 to fund community-based collaborative prevention services designed
13 to do any of the following:

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

16 (b) Improve parent/child interaction.

17 (c) Promote access to needed community services.

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

19 (e) Improve school readiness.

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

22 (3) The appropriation provided for in subsection (2) is to fund
23 secondary prevention programs as defined in the children's trust
24 fund's preapplication materials for fiscal year 2005-2006 direct
25 services grants.

26 (4) Projects funded through the appropriation provided for in
27 subsection (2) shall meet all of the following criteria:

1 (a) Be awarded through a joint request for proposal process
2 established by the department in conjunction with the children's
3 trust fund and the state human services directors.

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

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

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

13 (5) As used in this section, "state human services directors"
14 means the director of the department of community health, the
15 director of the department of education, and the director of the
16 family independence agency.

17 Sec. 523. (1) From the funds appropriated in part 1 for youth
18 in transition, domestic violence prevention and treatment, and
19 teenage parent counseling, the department is authorized to make
20 allocations of TANF funds only to the agencies that report
21 necessary data to the department for the purpose of meeting TANF
22 eligibility reporting requirements. The use of TANF funds under
23 this section should not be considered an ongoing commitment of
24 funding.

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

1 (a) Whether program services have impacted the following issue
2 areas:

3 (i) The number of teen participants having fewer repeat
4 pregnancies.

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

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

7 (iv) The number of father participants.

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

10 (i) Adult supervised, supportive living arrangements.

11 (ii) Pregnancy prevention services or referrals.

12 (iii) Required completion of high school or receipt of GED,
13 including child care to assist young mothers to focus on
14 achievement.

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

17 (v) Parenting and life-skills training.

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

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

20 (viii) Instruction on self-protection.

21 (3) Agencies receiving teenage parent counseling funds shall
22 provide at least 10% in matching funds, through any combination of
23 local, state, or federal funds or in-kind or other donations.

24 Sec. 531. (1) From the funds appropriated in part 1, the
25 department may make claims for and pay to local units of government
26 a portion of federal title IV-E revenues earned as a result of
27 eligible costs incurred by local units of government.

1 (2) The department shall make payments under subsection (1) only
2 to local units of government that have entered into formal
3 agreements with the department. The agreement must include all of
4 the following:

5 (a) Provide for the department to retain 50% of the federal
6 revenues earned.

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

9 (c) Provide for the local unit of government to submit bills at
10 times, and in the format, specified by the department.

11 (d) Specify that the local unit of government is responsible
12 for meeting all federal title IV-E regulation requirements,
13 including reporting requirements, with regard to the activities and
14 costs being billed to title IV-E.

15 (e) Provide for the local unit of government to pay the state
16 for the amount of any federal revenues paid to the local unit that
17 may subsequently be disallowed by the federal government.

18 (f) Be signed by the director of the department, the chief
19 executive officer of the local government agency providing the
20 title IV-E services, the chair of the county board of
21 commissioners, and the chief executive officer of the county.

22 Sec. 532. (1) The department, in collaboration with
23 representatives of private child and family agencies, shall
24 continue to review policies, practices, and procedures involving
25 the annual licensing review and the annual contract compliance
26 review conducted by the department regarding child placing agencies
27 and child caring institutions. The review shall include efforts to

1 identify duplication of staff activities and information sought
2 from child placing agencies and child caring institutions in the
3 annual review process.

4 (2) The department shall develop a streamlined licensing
5 contract compliance review process where possible, including
6 potential for utilizing deeming status for nationally accredited
7 agencies. During the annual budget presentation, the department
8 shall report on the implementation of the licensing and contract
9 compliance review process.

10 Sec. 540. Counties shall be subject to 50% charge-back for the
11 use of alternative regional detention services, if those detention
12 services do not fall under the basic provision of section 117e of
13 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
14 operates those detention services programs primarily with
15 professional rather than volunteer staff.

16 Sec. 541. In order to be reimbursed for child care fund
17 expenditures, counties are required to submit department-developed
18 reports to enable the department to document potential federally
19 claimable expenditures. This requirement is in accordance with the
20 reporting requirements specified in section 117a(7) of the social
21 welfare act, 1939 PA 280, MCL 400.117a.

22 Sec. 542. As a condition of receiving funds appropriated in
23 part 1 for the child care fund, by February 15, 2006, counties
24 shall have an approved service spending plan for the fiscal year
25 ending September 30, 2006. Counties must submit the service
26 spending plan to the department by December 15, 2005 for approval.

27 Sec. 548. (1) The director of the department shall convene a

1 task force to study the disproportionate representation of African-
2 American and other children of color in the child welfare and
3 juvenile justice systems of this state. The department shall
4 collaborate with private sector entities to develop a methodology
5 for the task force to follow in conducting the study and to seek
6 public or private funding for the task force. At a minimum, the
7 task force shall examine the level of involvement of African-
8 American and other children of color at each stage in the systems,
9 including the points of entry and each point at which a treatment
10 decision is made and the outcomes for children exiting the systems.

11 (2) The task force convened under subsection (1) shall consist
12 of experts in social work, law, child welfare, psychology, or
13 related fields, and shall be appointed as follows:

14 (a) Two members appointed by the senate majority leader.

15 (b) Two members appointed by the speaker of the house.

16 (c) Three members appointed by the governor, including a
17 representative of the department.

18 (3) The task force created under subsection (1) shall report to
19 the department on the results of the study required by subsection
20 (1) and make administrative and legislative recommendations for
21 appropriate program services to reduce existing disparities and
22 bias in the systems and improve the long-term outcomes for children
23 of color who are served by the systems.

24 (4) By December 31, 2005, the department shall report the
25 results of the study received under subsection (3) to the senate
26 and house of representatives appropriations subcommittees on the
27 family independence agency, the senate and house of representatives

1 standing committees with jurisdiction over families and human
2 services issues, the senate and house fiscal agencies and policy
3 offices, and the state budget office.

4 **PUBLIC ASSISTANCE**

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

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

25 (3) In order to participate in the rent vendoring programs of
26 the department, a landlord shall cooperate in weatherization and
27 conservation efforts directed by the department or by an energy

1 provider participating in an agreement with the department when the
2 landlord's property has been identified as needing services.

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

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

13 (3) The department may review and adjust the standard utility
14 allowance for the state food assistance program to ensure that it
15 reflects current energy costs in the state.

16 Sec. 604. (1) The department shall operate a state disability
17 assistance program. Except as provided in subsection (3), persons
18 eligible for this program shall include needy citizens of the
19 United States or aliens exempted from the supplemental security
20 income citizenship requirement who are at least 18 years of age or
21 emancipated minors meeting 1 or more of the following requirements:

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

25 (b) A person with a physical or mental impairment which meets
26 federal supplemental security income disability standards, except
27 that the minimum duration of the disability shall be 90 days.

1 Substance abuse alone is not defined as a basis for eligibility.

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

4 (d) A person receiving 30-day postresidential substance abuse
5 treatment.

6 (e) A person diagnosed as having acquired immunodeficiency
7 syndrome.

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

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

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

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

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

18 (3) Except for a person described in subsection (1)(c) or (d), a
19 person is not disabled for purposes of this section if his or her
20 drug addiction or alcoholism is a contributing factor material to
21 the determination of disability. "Material to the determination of
22 disability" means that, if the person stopped using drugs or
23 alcohol, his or her remaining physical or mental limitations would
24 not be disabling. If his or her remaining physical or mental
25 limitations would be disabling, then the drug addiction or
26 alcoholism is not material to the determination of disability and
27 the person may receive state disability assistance. Such a person

1 must actively participate in a substance abuse treatment program,
2 and the assistance must be paid to a third party or through vendor
3 payments. For purposes of this section, substance abuse treatment
4 includes receipt of inpatient or outpatient services or
5 participation in alcoholics anonymous or a similar program.

6 (4) A refugee or asylee who loses his or her eligibility for the
7 federal supplemental security income program by virtue of exceeding
8 the maximum time limit for eligibility as delineated in section 402
9 of title IV of the personal responsibility and work opportunity
10 reconciliation act of 1996, 8 USC 1612, and who otherwise meets the
11 eligibility criteria under this section shall be eligible to
12 receive benefits under the state disability assistance program.

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

17 Sec. 606. County family independence agencies shall require
18 each recipient of state disability assistance who has applied with
19 the social security administration for supplemental security income
20 to sign a contract to repay any assistance rendered through the
21 state disability assistance program upon receipt of retroactive
22 supplemental security income benefits.

23 Sec. 607. The department's ability to satisfy appropriation
24 deductions in part 1 for state disability assistance/supplemental
25 security income recoveries and public assistance recoupment
26 revenues shall not be limited to recoveries and accruals pertaining
27 to state disability assistance, or family independence assistance

1 grant payments provided only in the current fiscal year, but shall
2 include all related net recoveries received during the current
3 fiscal year.

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

16 Sec. 610. In developing good cause criteria for the state
17 emergency relief program, the department shall grant exemptions if
18 the emergency resulted from unexpected expenses related to
19 maintaining or securing employment.

20 Sec. 611. (1) The department shall not require providers of
21 burial services to accept state payment for indigent burials as
22 payments in full. Each provider shall be permitted to collect
23 additional payment from relatives or other persons on behalf of the
24 deceased. The total in additional payments shall not exceed
25 \$2,600.00.

26 (2) Any additional payment collected pursuant to subsection (1)
27 shall not increase the maximum charge limit for state payment as

1 established by law.

2 Sec. 612. For purposes of determining housing affordability
3 eligibility for state emergency relief, a group is considered to
4 have sufficient income to meet ongoing housing expenses if their
5 total housing obligation does not exceed 75% of their total net
6 income.

7 Sec. 613. From the funds appropriated in part 1 for indigent
8 burial, the maximum allowable charge limit for indigent burials
9 shall be \$909.00. The funds shall be distributed as follows:
10 \$579.00 for funeral directors; \$192.00 for cemeteries or
11 crematoriums; and \$138.00 for the provider of the vault.

12 Sec. 614. The funds available in part 1 for burial services
13 shall be available if the deceased was an eligible recipient and an
14 application for emergency relief funds was made within 10 days of
15 the burial or cremation of the deceased person. Each provider of
16 burial services shall be paid directly by the department.

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

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

1 Sec. 618. The department may only reduce, terminate, or suspend
2 assistance provided under the social welfare act, 1939 PA 280, MCL
3 400.1 to 400.119b, without prior notice in 1 or more of the
4 following situations:

5 (a) The only eligible recipient has died.

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

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

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

12 (e) A recipient has been approved to receive assistance in
13 another state.

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

16 Sec. 619. The department shall exempt from the denial of title
17 IV-A assistance and food assistance benefits, contained in section
18 115 of title I of the personal responsibility and work opportunity
19 reconciliation act of 1996, 21 USC 862a, any individual who has
20 been convicted of a felony that included the possession, use, or
21 distribution of a controlled substance, after August 22, 1996,
22 provided that the individual is not in violation of his or her
23 probation or parole requirements. Benefits shall be provided to
24 such individuals as follows:

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

27 (b) An authorized representative shall be required for food

1 assistance receipt.

2 Sec. 621. Funds appropriated in part 1 may be used to support
3 multicultural assimilation and support services. The department
4 shall distribute all of the funds described in this section based
5 on assessed community needs.

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

8 (a) The identification of individuals on entry into the system
9 who have a history of domestic violence, while maintaining the
10 confidentiality of that information.

11 (b) Referral of persons so identified to counseling and
12 supportive services.

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

19 Sec. 640. From the funds appropriated in part 1 for day care
20 services, the department may continue to provide infant and toddler
21 incentive payments to child day care providers serving children
22 from 0 to 2-1/2 years of age who meet licensing or training
23 requirements.

24 Sec. 641. In collaboration with central Michigan university,
25 the department shall develop and disseminate read, educate, and
26 develop youth (R.E.A.D.Y) kits to parents of preschool and
27 kindergarten children to provide these parents with information

1 about how they can prepare their children for reading success.

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

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

23 Sec. 648. From the funds appropriated in part 1 for public
24 assistance, the department may make assistance payments to
25 recipients beyond the 5-year limit set by the personal
26 responsibility and work opportunity reconciliation act of 1996,
27 Public Law 104-193, 110 Stat. 2105, providing the recipient is

1 complying with asset, income, and participation standards set as a
2 condition of eligibility to receive assistance and clearly
3 demonstrates that he or she is making progress in becoming self-
4 sufficient.

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

12 Sec. 657. (1) The department shall fund a statewide before- or
13 after-school program to provide youth with a safe, engaging
14 environment to motivate and inspire learning outside the
15 traditional classroom setting. Before- or after-school program
16 eligibility is limited to geographic areas near school buildings
17 that do not meet federal no child left behind annual yearly
18 progress (AYP) requirements and that include the before- or after-
19 school programs in the AYP plans as a means to improve outcomes.
20 Before-school programs are limited to elementary school-aged
21 children. Effective before- or after-school programs combine
22 academic, enrichment, and recreation activities to guide learning
23 and inspire children and youth in various activities. The before-
24 or after-school programs can meet the needs of the communities
25 served by the programs.

26 (2) The department shall work in collaboration with independent
27 contractors to put into practice a program establishing quality

1 before- or after-school programs for children in kindergarten to
2 ninth grades. The focus of the pilot programs must be on children
3 from families in poverty.

4 (3) The department shall, through a competitive bid process,
5 provide grants or contracts up to \$5,000,000.00 in TANF funds for
6 the program based on community needs. A county shall receive no
7 more than 20% of the funds appropriated in part 1 for this program.
8 The use of funds under this section should not be considered an
9 ongoing commitment of funding.

10 (4) The before- or after-school programs shall include academic
11 assistance, including assistance with reading and writing, and at
12 least 3 of the following topics:

13 (a) Abstinence-based pregnancy prevention.

14 (b) Chemical abuse and dependency including nonmedical
15 services.

16 (c) Gang violence prevention.

17 (d) Preparation toward future self-sufficiency.

18 (e) Leadership development.

19 (f) Case management or mentoring.

20 (g) Parental involvement.

21 (h) Anger management.

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

1 federal funds, and/or through in-kind or other donations.

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

5 Sec. 660. From the funds appropriated in part 1 for food bank
6 funding, the department is authorized to make allocations of TANF
7 funds only to the agencies that report necessary data to the
8 department for the purpose of meeting TANF eligibility reporting
9 requirements. The agencies that do not report necessary data to
10 the department for the purpose of meeting TANF eligibility
11 reporting requirements will not receive allocations in excess of
12 those received in fiscal year 2000. The use of TANF funds under
13 this section should not be considered an ongoing commitment of
14 funding.

15 Sec. 665. The department shall partner with the department of
16 transportation to use TANF and other sources of available funding
17 to support public transportation needs of TANF-eligible
18 individuals.

19 Sec. 666. The department shall continue efforts to increase the
20 participation of eligible family independence program recipients in
21 the federal earned income tax credit.

22 Sec. 669. (1) The department shall distribute cash and food
23 assistance to recipients electronically by using debit cards.

24 (2) The department shall allocate up to \$6,850,000.00 for the
25 annual clothing allowance. The allowance shall be granted to all
26 eligible children as defined by the department.

27 Sec. 674. The department shall develop and implement a plan to

1 reduce waste, fraud, and abuse within the child day care program,
2 including feasibility for expanding wage match and employer
3 verification, unannounced home call verification at day care sites,
4 and other process changes.

5 Sec. 676. (1) The department shall collaborate with the state
6 board of education to extend the duration of the Michigan after-
7 school partnership, and oversee its efforts to implement the policy
8 recommendations and strategic next steps identified in the Michigan
9 after-school initiative's report of December 15, 2003.

10 (2) From the funds appropriated in part 1, \$25,000.00 may be
11 used to support the Michigan after-school partnership and shall be
12 used to leverage other private and public funding to engage the
13 public and private sectors in building and sustaining high-quality
14 out-of-school-time programs and resources. The co-chairs shall
15 name a fiduciary agent and may authorize the fiduciary to expend
16 funds and hire people to accomplish the work of the Michigan after-
17 school partnership.

18 (3) Each year, on or before December 31, the Michigan after-
19 school partnership shall report its progress in reaching the
20 recommendations set forth in the Michigan after-school initiative's
21 report to the senate and house of representatives committees on
22 appropriations, the senate and house fiscal agencies, and the state
23 budget director.

24 **JUVENILE JUSTICE SERVICES**

25 Sec. 705. (1) The department, in conjunction with private
26 juvenile justice residential programs, shall develop a methodology
27 for measuring goals, objectives, and performance standards for the

1 delivery of juvenile justice residential programs. These goals,
2 objectives, and performance standards shall apply to both public
3 and private delivery of juvenile justice residential programs, and
4 data shall be collected from both private and public juvenile
5 justice residential programs that can be used to evaluate
6 performance achievements, including, but not limited to, the
7 following:

8 (a) Admission and release data and other information related to
9 demographics of population served.

10 (b) Program descriptions and information related to treatment,
11 educational services, and conditions of confinement.

12 (c) Program outcomes including recidivism rates for youth
13 served by the facility.

14 (2) The department, during the annual budget presentation, shall
15 outline the progress of the development of the goals, objectives,
16 and performance standards, as well as the information collected
17 through the implementation of the performance measurement program.
18 The presentation shall include the following:

19 (a) Trends in census and population demographics.

20 (b) Program outcomes.

21 (c) Staff and resident safety.

22 (d) Facility profile.

23 (e) Fiscal information necessary for qualitative understanding
24 of program operations and comparative costs of public and private
25 facilities.

26 Sec. 713. As required by section 18 of chapter XIIIA of the
27 probate code of 1939, 1939 PA 288, MCL 712A.18, juveniles committed

1 to an institution operated by the department shall receive medical,
2 dental, surgical, or other health care as necessary. The Medicaid
3 reimbursable rate scale shall be used as the standard for allowable
4 charges for services rendered. The family independence agency
5 shall reimburse providers for the actual charges less than or equal
6 to the Medicaid reimbursable rate scale for each service provided.

7 **LOCAL OFFICE SERVICES**

8 Sec. 751. (1) From the funds appropriated in part 1, the
9 department shall implement school-based family resource centers
10 based on the following guidelines:

11 (a) The center is supported by the local school district.

12 (b) The programs and information provided at the center do not
13 conflict with sections 1169, 1507, and 1507b of the revised school
14 code, 1976 PA 451, MCL 380.1169, 380.1507, and 380.1507b.

15 (c) Notwithstanding subdivision (b), the center shall provide
16 information regarding crisis pregnancy centers or adoption service
17 providers in the area.

18 (2) The department shall notify the senate and house
19 subcommittees on the family independence agency budget, the senate
20 and house fiscal agencies and policy offices, and the state budget
21 office of family resource center expansion efforts and shall
22 provide all of the following at the beginning of the selection
23 process or no later than 5 days after eligible schools receive
24 opportunity notification:

25 (a) A list of eligible schools.

26 (b) The selection criteria to be used.

27 (c) The projected number to be opened.

(d) The financial implications for expansion, including funding sources.

DISABILITY DETERMINATION SERVICES

Sec. 801. The family independence agency disability determination services in agreement with the department of management and budget office of retirement systems will develop the medical information and make recommendations for medical disability retirement for state employees, state police, judges, and school teachers.

CHILD SUPPORT ENFORCEMENT

Sec. 901. (1) From the federal money received for child support incentive payments, up to \$15,397,400.00 shall be retained by the state and expended for legal support contracts and child support program expenses.

(2) In addition to the amount retained in subsection (1), additional incentives may be retained and used by the state for special, enhanced, or centralized initiatives or services that are reasonably calculated by the department, in consultation with the child support program leadership group, which consists of representatives of the state court administrative office, the friend of the court association, the prosecuting attorney's association of Michigan, the Michigan department of information technology, the family independence agency office of child support, and the state budget office, to result in an equivalent or greater increase in child support collections or child support incentive payments received from the federal government.

(3) At the end of the current fiscal year, the department may,

1 if it is cost beneficial to the state and counties, withhold from
2 submitting to the federal office of child support administrative
3 expenses eligible for federal financial participation. The
4 department may recoup earned but unclaimed federal funds from the
5 resulting increased federal child support incentive. The
6 recoupment by the department shall be made prior to distribution of
7 the increased incentive to the counties. Any incentive funds
8 retained by the state under this section shall be separate and
9 apart from incentive funds retained in any other section of this
10 bill.

11 **OFFICE OF CHILDREN AND ADULT LICENSING**

12 Sec. 1001. The department shall assess fees in the licensing
13 and regulation of child care organizations as defined in 1973 PA
14 116, MCL 722.111 to 722.128, and adult foster care facilities as
15 defined in the adult foster care facility licensing act, 1979 PA
16 218, MCL 400.701 to 400.737. Fees collected by the department
17 shall be used exclusively for the purpose of licensing and
18 regulating child care organizations and adult foster care
19 facilities.

20 Sec. 1002. The department shall furnish the clerk of the house,
21 the secretary of the senate, the senate and house fiscal agencies
22 and policy offices, the state budget office, and all members of the
23 house and senate appropriations committees with a summary of any
24 evaluation reports and subsequent approvals or disapprovals of
25 juvenile residential facilities operated by the department, as
26 required by section 6 of 1973 PA 116, MCL 722.116. If no
27 evaluations are conducted during the fiscal year, the department

- 1 shall notify the fiscal agencies and all members of the appropriate
- 2 subcommittees of the house and senate appropriations committees.