

**SUBSTITUTE FOR
SENATE BILL NO. 1158**

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2011; 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:

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PART 1

LINE-ITEM APPROPRIATIONS

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

amounts listed in this part are appropriated for the department of human services for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated classified positions..... 10,970.5

Unclassified positions 6.0

Total full-time equated positions..... 10,976.5

GROSS APPROPRIATION..... \$ 6,953,980,600

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 1,130,300

ADJUSTED GROSS APPROPRIATION..... \$ 6,952,850,300

Federal revenues:

Federal - FMAP stimulus..... 13,467,500

Federal - other ARRA revenues..... 805,535,400

Total federal revenues..... 5,114,685,600

Special revenue funds:

Total private revenues..... 9,491,500

Total local revenues..... 35,164,600

Total other state restricted revenues..... 58,049,600

State general fund/general purpose..... \$ 916,456,100

Sec. 102. EXECUTIVE OPERATIONS

Total full-time equated positions..... 632.7

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

Full-time equated classified positions..... 626.7

1	Unclassified salaries--6.0 FTE positions	\$	647,900
2	Salaries and wages--274.7 FTE positions		17,670,800
3	Contractual services, supplies, and materials		10,148,500
4	Demonstration projects--9.0 FTE positions		9,442,400
5	Inspector general salaries and wages--100.0 FTE		
6	positions		6,139,700
7	Electronic benefit transfer EBT.....		13,009,000
8	Michigan community service commission--15.0 FTE		
9	positions		9,159,100
10	AFC, children's welfare and day care		
11	licensure--228.0 FTE positions.....		24,672,500
12	State office of administrative hearings and rules		<u>5,808,000</u>
13	GROSS APPROPRIATION.....	\$	96,697,900
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues.....		63,212,000
17	Special revenue funds:		
18	Total private revenues.....		3,211,100
19	Total local revenues.....		175,000
20	Total other state restricted revenue.....		25,000
21	State general fund/general purpose.....	\$	30,074,800
22	Sec. 103. CHILD SUPPORT ENFORCEMENT		
23	Full-time equated classified positions..... 198.7		
24	Child support enforcement operations--192.7 FTE		
25	positions	\$	23,345,200
26	Legal support contracts.....		138,753,600
27	Child support incentive payments.....		32,409,600

1	State disbursement unit--6.0 FTE positions	<u>17,554,400</u>
2	GROSS APPROPRIATION.....	\$ 212,062,800
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues.....	195,519,900
6	Special revenue funds:	
7	Total local revenues.....	340,000
8	Total restricted revenues.....	769,900
9	State general fund/general purpose.....	\$ 15,433,000
10	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY	
11	Full-time equated classified positions.....	19.0
12	Bureau of community action and economic	
13	opportunity--19.0 FTE positions.....	\$ 2,232,200
14	Community services block grant.....	25,650,000
15	Weatherization assistance.....	<u>27,400,000</u>
16	GROSS APPROPRIATION.....	\$ 55,282,200
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	55,282,200
20	Special revenue funds:	
21	State general fund/general purpose.....	\$ 0
22	Sec. 105. ADULT AND FAMILY SERVICES	
23	Full-time equated classified positions.....	45.7
24	Executive direction and support--5.0 FTE positions ...	\$ 551,100
25	Guardian contract.....	600,000
26	Adult services policy and administration--6.0 FTE	
27	positions	663,300

1	Office of program policy--33.7 FTE positions	5,570,500
2	Employment and training support services	14,735,000
3	JET plus.....	100
4	Wage employment verification reporting.....	848,700
5	Urban and rural empowerment/enterprise zones	100
6	Nutrition education.....	30,000,000
7	Marriage initiative--0.5 FTE positions	2,310,000
8	Fatherhood initiative--0.5 FTE positions	1,560,000
9	Crisis prevention and elder law of Michigan food for	
10	the elderly project	<u>175,200</u>
11	GROSS APPROPRIATION.....	\$ 57,014,000
12	Appropriated from:	
13	Federal revenues:	
14	Total federal revenues.....	47,122,700
15	Federal - emergency TANF contingency fund revenues	
16	(ARRA)	4,823,100
17	Special revenue funds:	
18	Total private revenues.....	25,000
19	State general fund/general purpose.....	\$ 5,043,200
20	Sec. 106. CHILDREN'S SERVICES	
21	Full-time equated classified positions..... 131.8	
22	Salaries and wages--44.2 FTE positions.....	\$ 3,115,800
23	Contractual services, supplies, and materials	875,900
24	Interstate compact.....	231,600
25	Children's benefit fund donations.....	21,000
26	Teenage parent counseling.....	3,000,000
27	Families first.....	18,450,700

1	Strong families/safe children--3.0 FTE positions	16,580,700
2	Child protection and permanency--37.5 FTE positions ..	19,030,900
3	Zero to three.....	3,843,800
4	Family reunification program.....	3,977,100
5	Family preservation and prevention services	
6	administration--14.5 FTE positions.....	2,121,900
7	Children's trust fund administration--12.0 FTE	
8	positions	1,055,400
9	Children's trust fund grants.....	3,825,100
10	ECIC, early childhood investment corporation.....	14,623,000
11	Attorney general contract.....	3,559,000
12	Prosecuting attorney contracts.....	2,561,700
13	Child protection--5.0 FTE positions	838,300
14	Domestic violence prevention and treatment--14.6 FTE	
15	positions	14,871,200
16	Rape prevention and services--0.5 FTE positions	3,300,000
17	Federal transitional supportive housing revenues	
18	(ARRA)	2,000,000
19	Child advocacy centers--0.5 FTE positions	<u>1,000,000</u>
20	GROSS APPROPRIATION.....	\$ 118,883,100
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	ADJUSTED GROSS APPROPRIATION.....	\$ 118,883,100
24	Federal revenues:	
25	Child care and development block grant (ARRA)	1,960,600
26	Federal - transitional supportive housing revenues	
27	(ARRA)	2,000,000

1	Total other federal revenues	102,730,800
2	Special revenue funds:	
3	Private - children's benefit fund donations	21,000
4	Compulsive gambling prevention fund	1,040,000
5	Children's trust fund	3,824,100
6	Sexual assault victims' prevention and treatment	1,000,000
7	Child advocacy centers fund	1,000,000
8	State general fund/general purpose	\$ 5,306,600
9	Sec. 107. CHILDREN'S RIGHTS SETTLEMENT	
10	Full-time equated classified positions	2,929.0
11	Children's services administration--49.0 FTE positions	\$ 3,730,100
12	Title IV-E compliance and accountability office--5.0	
13	FTE positions	429,800
14	Child welfare institute--40.0 FTE positions	6,631,100
15	Child protective services workers--1,047.0 FTE	
16	positions	51,297,600
17	Foster care workers--814.0 FTE positions	45,963,900
18	Adoption workers--72.0 FTE positions	3,835,400
19	Education planners--14.0 FTE positions	745,800
20	Permanency planning specialists--55.0 FTE positions ..	2,329,800
21	Child welfare first line supervisors--397.0 FTE	
22	positions	22,285,500
23	Administrative support workers--261.0 FTE positions ..	13,343,800
24	Second line supervisors and technical staff--62.0	
25	FTE positions	3,982,800
26	Permanency planning specialists--81.0 FTE positions ..	3,314,700
27	POS contract monitoring unit--17.0 FTE positions	905,600

1	Child welfare field staff contractual services,	
2	supplies, and materials	5,349,900
3	Settlement monitor.....	1,625,800
4	Foster care payments.....	179,729,600
5	Foster care - children with serious emotional	
6	disturbance waiver	1,769,000
7	Guardianship assistance program.....	4,773,000
8	Child care fund.....	228,214,000
9	Child care fund administration--5.8 FTE positions	806,000
10	Adoption subsidies.....	230,783,700
11	Adoption support services--7.2 FTE positions	31,804,000
12	Youth in transition--2.0 FTE positions	<u>18,349,900</u>
13	GROSS APPROPRIATION.....	\$ 862,000,800
14	Appropriated from:	
15	Federal revenues:	
16	Federal - FMAP stimulus.....	12,602,800
17	Total other federal revenues	485,208,000
18	Special revenue funds:	
19	Private - collections.....	2,300,000
20	Local funds - county chargeback.....	19,747,300
21	State general fund/general purpose	\$ 342,142,700
22	Sec. 108. JUVENILE JUSTICE SERVICES	
23	Full-time equated classified positions..... 230.7	
24	Secure juvenile services--192.0 FTE	
25	positions	\$ 24,304,500
26	County juvenile officers.....	3,904,300
27	Community support services--2.0 FTE positions	1,400,700

1	Juvenile justice, administration and	
2	maintenance--31.7 FTE positions.....	4,431,800
3	W.J. Maxey memorial fund.....	45,000
4	Juvenile accountability block grant--1.0 FTE positions	1,306,600
5	Committee on juvenile justice administration--4.0	
6	FTE positions	547,600
7	Committee on juvenile justice grants.....	<u>5,000,000</u>
8	GROSS APPROPRIATION.....	\$ 40,940,500
9	Appropriated from:	
10	Federal revenues:	
11	Total federal revenues.....	9,185,200
12	Special revenue funds:	
13	Total private revenues.....	45,000
14	Local funds - state share education funds.....	1,526,200
15	Local funds - county chargeback.....	10,641,200
16	State general fund/general purpose.....	\$ 19,542,900
17	Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS	
18	Full-time equated classified positions..... 6,014.5	
19	Field staff, salaries and wages--5,823.5 FTE positions	\$ 298,310,100
20	Contractual services, supplies, and materials.....	12,712,800
21	Medical/psychiatric evaluations.....	6,831,900
22	Donated funds positions--156.0 FTE positions.....	12,862,900
23	Training and program support--23.0 FTE positions.....	3,297,900
24	Wayne County gifts and bequests.....	100,000
25	Volunteer services and reimbursement.....	1,036,100
26	Volunteer services and reimbursement (ARRA)--2.0 FTE	
27	positions	250,000

1	SSI advocates--10.0 FTE positions	<u>1,241,700</u>
2	GROSS APPROPRIATION	\$ 336,643,400
3	Appropriated from:	
4	Federal revenues:	
5	Federal - FMAP stimulus	537,300
6	Federal faith-based grant revenues (ARRA)	250,000
7	Total other federal revenues	215,795,600
8	Special revenue funds:	
9	Local funds	1,846,900
10	Private funds - donated funds	859,700
11	Private funds - Wayne County gifts	100,000
12	Private funds - hospital contributions	2,929,700
13	Supplemental security income recoveries	728,200
14	State general fund/general purpose	\$ 113,596,000
15	Sec. 110. DISABILITY DETERMINATION SERVICES	
16	Full-time equated classified positions	747.4
17	Disability determination operations--721.9 FTE	
18	positions	\$ 107,738,500
19	Medical consultation program--21.4 FTE positions	3,038,900
20	Retirement disability determination--4.1 FTE positions	<u>836,800</u>
21	GROSS APPROPRIATION	\$ 111,614,200
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from DMB - office of retirement systems	1,130,300
25	ADJUSTED GROSS APPROPRIATION	\$ 110,483,900
26	Appropriated from:	
27	Federal revenues:	

1	Total federal revenues.....	107,604,300
2	Special revenue funds:	
3	State general fund/general purpose.....	\$ 2,879,600
4	Sec. 111. CENTRAL SUPPORT ACCOUNTS	
5	Rent.....	\$ 44,450,900
6	Occupancy charge.....	8,260,500
7	Travel.....	6,150,300
8	Equipment.....	227,300
9	Worker's compensation.....	3,525,900
10	Advisory commissions.....	17,900
11	Payroll taxes and fringe benefits.....	<u>315,417,900</u>
12	GROSS APPROPRIATION.....	\$ 378,050,700
13	Appropriated from:	
14	Federal revenues:	
15	Federal - emergency TANF contingency fund	
16	revenue (ARRA)	4,068,400
17	Federal - FMAP stimulus.....	327,400
18	Total other federal revenues.....	241,440,100
19	Special revenue funds:	
20	Local funds - county chargeback.....	888,000
21	State general fund/general purpose.....	\$ 131,326,800
22	Sec. 112. PUBLIC ASSISTANCE	
23	Full-time equated classified positions..... 27.0	
24	Family independence program.....	\$ 441,112,500
25	State disability assistance payments.....	37,311,800
26	Food assistance program benefits.....	3,026,343,500
27	Food assistance program benefits (ARRA)	566,785,600

1	State supplementation.....	59,263,800
2	State supplementation administration.....	2,601,000
3	Low-income home energy assistance program.....	116,451,600
4	Food bank funding.....	1,345,000
5	Homeless programs.....	11,646,700
6	Multicultural integration funding.....	1,815,600
7	Chaldean community foundation.....	100
8	Indigent burial.....	4,209,200
9	Emergency services local office allocations.....	21,615,500
10	Regulated day care services.....	116,967,900
11	Unregulated day care services.....	105,850,400
12	Day care services grants and contracts.....	3,025,000
13	Day care training, technology and oversight--20.0	
14	FTE positions	2,590,900
15	Refugee assistance program--7.0 FTE positions	<u>24,258,200</u>
16	GROSS APPROPRIATION.....	\$ 4,543,194,300
17	Appropriated from:	
18	Federal revenues:	
19	Federal - emergency TANF contingency fund revenues	
20	(ARRA)	225,647,700
21	Federal supplemental nutrition assistance revenues	
22	(ARRA)	566,785,600
23	Total other federal revenues.....	3,488,663,100
24	Special revenue funds:	
25	Child support collections.....	27,445,800
26	Supplemental security income recoveries.....	15,206,600
27	Public assistance recoupment revenue.....	7,010,000

1	State general fund/general purpose	\$	212,435,500
2	Sec. 113. INFORMATION TECHNOLOGY		
3	Information technology services and projects	\$	95,965,700
4	Child support automation		<u>45,631,000</u>
5	GROSS APPROPRIATION	\$	141,596,700
6	Appropriated from:		
7	Federal revenues:		
8	Total federal revenues		102,921,700
9	Special revenue funds:		
10	State general fund/general purpose	\$	38,675,000

11 PART 2

12 PROVISIONS CONCERNING APPROPRIATIONS

13 GENERAL SECTIONS

14 Sec. 201. Pursuant to section 30 of article IX of the state
 15 constitution of 1963, total state spending from state resources
 16 under part 1 for fiscal year 2010-2011 is \$974,505,700.00 and state
 17 spending from state resources to be paid to local units of
 18 government for fiscal year 2010-2011 is \$110,571,500.00. The
 19 itemized statement below identifies appropriations from which
 20 spending to local units of government will occur:

21 DEPARTMENT OF HUMAN SERVICES

22	Child care fund	\$	104,044,100
23	County juvenile officers		3,657,600
24	State disability assistance payments		2,159,200
25	Child support enforcement operations	\$	<u>583,200</u>

1 TOTAL..... \$ 110,571,500

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

5 Sec. 203. As used in this act:

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

7 (b) "ARRA" means the American recovery and reinvestment act of
8 2009, Public Law 111-5.

9 (c) "CFSR" means child and family services review.

10 (d) "Children's rights settlement agreement" means the
11 settlement agreement entered in the case of Dwayne B. vs. Granholm,
12 docket no. 2:06-cv-13548 in the United States district court for
13 the eastern district of Michigan.

14 (e) "Current fiscal year" means the fiscal year ending
15 September 30, 2011.

16 (f) "DCH" means the department of community health.

17 (g) "Department" means the department of human services.

18 (h) "Director" means the director of the department of human
19 services.

20 (i) "DTMB" means the department of technology, management, and
21 budget.

22 (j) "ECIC" means early childhood investment corporation.

23 (k) "FMAP" means federal medical assistance percentage.

24 (l) "FTE" means full-time equated.

25 (m) "IDG" means interdepartmental grant.

26 (n) "JET" means jobs, education, and training program.

27 (o) "Previous fiscal year" means fiscal year ending September

1 30, 2010.

2 (p) "RSDI" means retirement survivors disability insurance.

3 (q) "SSI" means supplemental security income.

4 (r) "Temporary assistance for needy families" or "TANF" or
5 "title IV-A" means part A of title IV of the social security act,
6 42 USC 601 to 604, 605 to 608, and 609 to 619.

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

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

11 (u) "VA" means veterans affairs.

12 Sec. 204. The civil service commission shall bill the
13 department at the end of the first fiscal quarter for the 1% charge
14 authorized by section 5 of article XI of the state constitution of
15 1963. Payments shall be made for the total amount of the billing by
16 the end of the second fiscal quarter.

17 Sec. 205. (1) A hiring freeze is imposed on the state
18 classified civil service. State departments and agencies are
19 prohibited from hiring any new full-time state classified civil
20 service employees and prohibited from filling any vacant state
21 classified civil service positions. This hiring freeze does not
22 apply to internal transfers of classified employees from 1 position
23 to another within a department.

24 (2) The state budget director may grant exceptions to this
25 hiring freeze when the state budget director believes that the
26 hiring freeze will render a state department or agency unable to
27 deliver basic services, will cause loss of revenue to the state,

1 will result in the inability of the state to receive federal funds,
2 or will necessitate additional expenditures that exceed any savings
3 from maintaining a vacancy. The state budget director shall report
4 quarterly to the chairpersons of the senate and house standing
5 committees on appropriations the number of exceptions to the hiring
6 freeze approved during the previous quarter and the reasons to
7 justify the exception.

8 Sec. 207. (1) Sanctions, suspensions, conditions for
9 provisional license status, and other penalties shall not be more
10 stringent for private service providers than for public entities
11 performing equivalent or similar services.

12 (2) Neither the department nor private service providers or
13 licensees shall be granted preferential treatment or considered
14 automatically to be in compliance with administrative rules based
15 on whether they have collective bargaining agreements with direct
16 care workers. Private service providers or licensees without
17 collective bargaining agreements shall not be subjected to
18 additional requirements or conditions of licensure based on their
19 lack of collective bargaining agreements.

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

1 senate fiscal agencies and policy offices.

2 Sec. 209. Funds appropriated in part 1 shall not be used for
3 the purchase of foreign goods or services, or both, if
4 competitively priced and of comparable quality American goods or
5 services, or both, are available. Preference should be given to
6 goods or services, or both, manufactured or provided by Michigan
7 businesses, if they are competitively priced and of comparable
8 quality. In addition, preference should be given to goods or
9 services, or both, that are manufactured or provided by Michigan
10 businesses owned and operated by veterans, if they are
11 competitively priced and of comparable quality.

12 Sec. 210. The director shall take all reasonable steps to
13 ensure businesses in deprived and depressed communities compete for
14 and perform contracts to provide services or supplies, or both. The
15 director shall strongly encourage firms with which the department
16 contracts to subcontract with certified businesses in depressed and
17 deprived communities for services, supplies, or both.

18 Sec. 211. Funds appropriated in part 1 shall not be used by a
19 principal executive department, state agency, or authority to hire
20 a person to provide legal services that are the responsibility of
21 the attorney general. This prohibition does not apply to legal
22 services for bonding activities and for those activities that the
23 attorney general authorizes.

24 Sec. 212. (1) In addition to funds appropriated in part 1 for
25 all programs and services, there is appropriated for write-offs of
26 accounts receivable, deferrals, and for prior year obligations in
27 excess of applicable prior year appropriations, an amount equal to

1 total write-offs and prior year obligations, but not to exceed
2 amounts available in prior year revenues or current year revenues
3 that are in excess of the authorized amount.

4 (2) The department's ability to satisfy appropriation fund
5 sources in part 1 shall not be limited to collections and accruals
6 pertaining to services provided in the current fiscal year, but
7 shall also include reimbursements, refunds, adjustments, and
8 settlements from prior years. The department shall submit a written
9 report by February 1 of the current fiscal year to the chairpersons
10 of the senate and house appropriations subcommittees on the
11 department budget that identifies all reimbursements, refunds,
12 adjustments, and settlements from prior years to be used to satisfy
13 appropriation fund sources.

14 Sec. 213. (1) The department may retain all of the state's
15 share of food assistance overissuance collections as an offset to
16 general fund/general purpose costs. Retained collections shall be
17 applied against federal funds deductions in all appropriation units
18 where department costs related to the investigation and recoupment
19 of food assistance overissuances are incurred. Retained collections
20 in excess of such costs shall be applied against the federal funds
21 deducted in the executive operations appropriation unit.

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

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

27 (b) Review of the status of training for employees who

1 administer the food assistance program.

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

5 (d) Corrective action through policy, rules, and programming
6 being taken to reduce the food stamp error rate.

7 (e) Any other information regarding the food stamp error rate,
8 including information pertaining to technology and computer
9 applications used for the food assistance program.

10 Sec. 214. (1) By February 1 of the current fiscal year, the
11 department shall submit a report to the chairpersons of the senate
12 and house appropriations subcommittees on the department budget,
13 the senate and house fiscal agencies and policy offices, and the
14 state budget director on the details of allocations within program
15 budgeting line items and within the salaries and wages line items
16 in all appropriation units. The report shall include a listing, by
17 account, dollar amount, and fund source, of salaries and wages;
18 longevity and insurance; retirement; contractual services,
19 supplies, and materials; equipment; travel; and grants within each
20 program line item appropriated for the current fiscal year. With
21 regard to federal appropriations, for each program line item funded
22 by no more than 3 federal funding sources, the department shall
23 provide estimates of the allocation of the appropriation for each
24 specific federal funding source.

25 (2) On a bimonthly basis, the department shall report on the
26 number of FTEs in pay status by type of staff. The department shall
27 identify which FTEs are designated as limited-term staff.

1 Sec. 215. If a legislative objective of this act or the social
2 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be
3 implemented without loss of federal financial participation because
4 implementation would conflict with or violate federal regulations,
5 the department shall notify the state budget director, the house
6 and senate appropriations committees, and the house and senate
7 fiscal agencies and policy offices of that fact.

8 Sec. 216. The department, in collaboration with the state
9 budget office, shall submit to the house and senate appropriations
10 subcommittees on the department budget, the house and senate fiscal
11 agencies, and the house and senate policy offices on or before
12 March 1 of the current fiscal year a report on appropriated and
13 supportable FTE positions within the executive budget proposal for
14 the fiscal year beginning October 1, 2011. The report shall contain
15 all of the following information for each individual line item
16 contained in the executive budget proposal for the department
17 budget:

18 (a) The number of FTEs to be funded from the line item.

19 (b) The amount that is proposed to be allocated to salary and
20 wage costs from the gross appropriation for the line item.

21 (c) The amount that is proposed to be allocated to salary and
22 wage costs from the gross appropriation for the line item on which
23 was based the increase in the executive budget proposal from the
24 amount appropriated for the line item in the department budget for
25 the current fiscal year, if different from the amount in
26 subdivision (b).

27 (d) The portion of the amount described in subdivision (b)

1 that is proposed to be taken from each funding source identified in
2 the budget.

3 (e) The gross salary and wage expenditures for the line item
4 during the previous fiscal year and the estimated salary and wage
5 expenditures for the line item during the current fiscal year.

6 (f) The estimated number of FTE positions supportable by the
7 amount described in subdivision (b).

8 Sec. 217. (1) Due to the current budgetary problems in this
9 state, out-of-state travel shall be limited to situations in which
10 1 or more of the following conditions apply:

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

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

16 (c) The travel is necessary to produce budgetary savings or to
17 increase state revenues, including protecting existing federal
18 funds or securing additional federal funds.

19 (d) The travel is necessary to comply with federal
20 requirements.

21 (e) The travel is necessary to secure specialized training for
22 department workers or the staff of private providers through the
23 child welfare institute that is not available within this state.

24 (f) The travel is financed entirely by federal or nonstate
25 funds.

26 (2) Not later than January 1 of each year, each department
27 shall prepare a travel report listing all travel by classified and

1 unclassified employees outside this state in the immediately
2 preceding fiscal year that was funded in whole or in part with
3 funds appropriated in the department's budget. The report shall be
4 submitted to the chairs and members of the house and senate
5 appropriations committees, the fiscal agencies, and the state
6 budget director. The report shall include the following
7 information:

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

10 (b) The destination of each travel occurrence.

11 (c) The dates of each travel occurrence.

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

14 (e) The transportation and related costs of each travel
15 occurrence, including the proportion funded with state general
16 fund/general purpose revenues, the proportion funded with state
17 restricted revenues, the proportion funded with federal revenues,
18 and the proportion funded with other revenues.

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

21 Sec. 218. (1) By February 15 of the current fiscal year, the
22 department shall prepare an annual report on the TANF federal block
23 grant. The report shall include projected expenditures for the
24 current fiscal year, an accounting of any previous year funds
25 carried forward, and a summary of all interdepartmental or
26 interagency agreements relating to the use of TANF funds. The
27 report shall be forwarded to the state budget director and the

1 house and senate appropriations subcommittees on the department
2 budget and the house and senate fiscal agencies and policy offices.

3 (2) The state budget director shall give prior written notice
4 to the members of the house and senate appropriations subcommittees
5 for the department and to the house and senate fiscal agencies and
6 policy offices of any proposed changes in utilization or
7 distribution of TANF funding or the distribution of TANF
8 maintenance of effort spending relative to the amounts reflected in
9 the annual appropriations acts of all state agencies where TANF
10 funding is appropriated. The written notice shall be given not less
11 than 30 days before any changes being made in the funding
12 allocations. This prior notice requirement also applies to new
13 plans submitted in response to federal TANF reauthorization or
14 replacement by an equivalent federal law.

15 (3) By February 15 of the current fiscal year, the department
16 shall prepare an annual report of its efforts to identify
17 additional TANF maintenance of effort sources from all of the
18 following, but not limited to:

19 (a) Other departments.

20 (b) Local units of government.

21 (c) Private sources.

22 Sec. 219. The department shall not approve the travel of more
23 than 1 departmental employee to a specific professional development
24 conference or training seminar that is located outside of this
25 state unless a professional development conference or training
26 seminar is funded by a federal or private funding source and
27 requires more than 1 person from the department to attend or the

1 conference or training seminar includes multiple issues in which 1
2 employee from the department does not have expertise.

3 Sec. 220. The department shall ensure that faith-based
4 organizations are able to apply and compete for services, programs,
5 or contracts that they are qualified and suitable to fulfill. The
6 department shall not disqualify faith-based organizations solely on
7 the basis of the religious nature of their organization or their
8 guiding principles or statements of faith.

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

14 Sec. 222. (1) The department shall report no later than April
15 1 of the current fiscal year on each specific policy change made to
16 implement a public act affecting the department that took effect
17 during the prior calendar year to the house and senate
18 appropriations subcommittees on the budget for the department, the
19 joint committee on administrative rules, and the senate and house
20 fiscal agencies.

21 (2) Funds appropriated in part 1 shall not be used by the
22 department to adopt a rule that will apply to a small business and
23 that will have a disproportionate economic impact on small
24 businesses because of the size of those businesses if the
25 department fails to reduce the disproportionate economic impact of
26 the rule on small businesses as provided under section 40 of the
27 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

1 (3) As used in this section:

2 (a) "Rule" means that term as defined under section 7 of the
3 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

4 (b) "Small business" means that term as defined under section
5 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
6 24.207a.

7 Sec. 223. The department shall make a determination of
8 Medicaid eligibility not later than 60 days after all information
9 to make the determination is received from the applicant when
10 disability is an eligibility factor. For all other Medicaid
11 applicants, the department shall make a determination of Medicaid
12 eligibility not later than 45 days after all information to make
13 the determination is received from the applicant.

14 Sec. 224. The department shall approve or deny a Medicaid
15 application for a patient of a nursing home within 45 days after
16 the receipt of the necessary information.

17 Sec. 225. The department shall maintain a rapid
18 redetermination process for nursing home residents whose Medicaid
19 stay is greater than 90 days. This process shall be implemented not
20 later than September 30 of the current fiscal year.

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

1 agencies, and shall not produce an increase or decrease in any
2 line-item expenditure authorization.

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

8 Sec. 264. The department shall not take disciplinary action
9 against an employee for communicating with a member of the
10 legislature or his or her staff.

11 Sec. 271. (1) The department shall provide a report to the
12 senate and house appropriations subcommittees on the department
13 budget, the senate and house fiscal agencies, and the senate and
14 house policy offices by February 1 of the current fiscal year
15 detailing changes in program policy, outcome measurement, and
16 training by the department and courts to meet the requirements of
17 the adoption and safe families act of 1997, Public Law 105-89, 111
18 Stat. 2115.

19 (2) By February 1 of the current fiscal year, the department
20 shall provide the senate and house appropriations subcommittees on
21 the department budget, the senate and house fiscal agencies, and
22 the senate and house policy offices a report detailing recent
23 department communication with the federal government related to the
24 provision of foster care, juvenile justice, and adoption services.
25 The report shall include information detailing federal
26 recommendations made to the department and courts, any sanction or
27 warning of possible future sanction assessed on this state by the

1 federal government, the status of the performance improvement plan
2 submitted to the federal government, and efforts by the department
3 to increase federal financial support for children's services in
4 this state.

5 Sec. 273. (1) The department shall report quarterly to the
6 senate and house standing committees with primary jurisdiction over
7 matters relating to human services and the senate and house
8 appropriations subcommittees on the department budget any policy
9 changes made to implement the provisions of enacted legislation,
10 including the annual appropriation for the department budget.

11 (2) The department shall provide to the senate and house
12 appropriations subcommittees on the department budget and senate
13 and house standing committees with primary jurisdiction over
14 matters relating to human services, the senate and house fiscal
15 agencies, and the senate and house policy offices by July 1 of the
16 current fiscal year a cumulative list of all policy changes in
17 child welfare services, child support, work first, work
18 requirements, adult and child safety, local staff program
19 responsibilities, and day care and the most recent regulatory plan
20 submitted to the state office of administrative hearings and rules.

21 (3) The department shall only use money appropriated in
22 section 102 to prepare regulatory reform plans. Money appropriated
23 in part 1 shall not be used to prepare regulatory reform plans or
24 promulgate rules that exceed statutory authority granted to the
25 department. If the department fails to comply with the provisions
26 of section 39(1) of the administrative procedures act of 1969, 1969
27 PA 306, MCL 24.239, money shall not be expended for the further

1 preparation of that regulatory plan or the promulgation of rules
2 for that regulatory plan.

3 (4) Money appropriated in part 1 shall not be used to prepare
4 a regulatory plan or promulgate rules that fail to reduce the
5 disproportionate economic impact on small businesses as required in
6 section 40 of the administrative procedures act of 1969, 1969 PA
7 306, MCL 24.240.

8 (5) Money appropriated in part 1 shall not be used to prepare
9 a regulatory plan or promulgate rules that grant preferences to
10 private providers of services based on whether that private
11 provider has a collective bargaining agreement with its workers.

12 Sec. 278. (1) The department shall contract with 1 or more
13 private consulting firms for revenue maximization services for all
14 caseload services currently provided by the department.

15 (2) Contractors shall be reimbursed for revenue maximization
16 services by allowing the contractors to retain a negotiated
17 percentage of savings identified. The percentage of savings
18 retained by a contractor shall not exceed 25%.

19 (3) The department shall provide a report to the senate and
20 house appropriations subcommittees on the department budget, senate
21 and house standing committees on human services matters, senate and
22 house fiscal agencies and policy offices, and state budget director
23 by April 1 of the current fiscal year on the waste, fraud, error,
24 and abuse located through contracts authorized under subsection
25 (1).

26 Sec. 279. All contracts relating to human services shall be
27 performance-based contracts that employ a client-centered results-

1 oriented process that is based on measurable performance indicators
2 and desired outcomes and includes the annual assessment of the
3 quality of services provided. During the annual budget
4 presentation, the department shall provide the senate and house
5 appropriations subcommittees on the department budget with the
6 measurable performance indicators, desired outcomes, and the
7 assessment of the quality of services provided for each contract
8 relating to human services entered into by the department during
9 the current fiscal year.

10 Sec. 280. The department shall submit a report to the house
11 and senate appropriations subcommittees for the department budget,
12 the house and senate fiscal agencies, the house and senate policy
13 offices, and the state budget director by February 1 of the current
14 fiscal year on the department's information technology improvement
15 initiatives. The report shall include details on the following:

16 (a) The amounts expended during the previous fiscal year and
17 the first quarter of the current fiscal year by information
18 technology project.

19 (b) The amounts of appropriations carried forward as work
20 projects from previous fiscal years for information technology
21 projects.

22 (c) A listing of the projects and activities undertaken during
23 the previous fiscal year and during the first quarter of the
24 current fiscal year.

25 (d) A narrative describing anticipated information technology
26 needs for the department in future years.

27 Sec. 284. (1) In addition to the funds appropriated in part 1,

1 there is appropriated an amount not to exceed \$200,000,000.00 for
2 federal contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in this act under section 393(2) of the management and budget act,
5 1984 PA 431, MCL 18.1393.

6 (2) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$5,000,000.00 for state
8 restricted contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in this act under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

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

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

24 Sec. 287. The department shall work collaboratively with the
25 child death review board and court system to improve communication
26 and coordination between entities on the review and examination of
27 child death in Michigan.

1 Sec. 288. (1) The department shall not establish time limits
2 on payments to providers for properly documented services purchased
3 by the department.

4 (2) The department shall pay providers that meet the
5 requirements of subsection (1) with state general fund/general
6 purpose funds if federal funds cannot be used because of time
7 restrictions on federal claims.

8 Sec. 289. The department shall pay a private child placing
9 agency all verified and agreed to overdue payments for foster care
10 and juvenile justice services provided to eligible youth under
11 contract with the department.

12 Sec. 291. Of funds appropriated in part 1, no money shall be
13 allocated or expended to the Michigan home based child care
14 council, or a successor organization, nor shall any payment be made
15 to the grantee designated by the agency grant designation ADMIN 10-
16 99009 as reported on the grant abstract used by the Michigan state
17 administrative board.

18 Sec. 292. The department shall not expend money appropriated
19 in part 1 for the processing, distribution, transfer, or dispersal
20 of any money equivalent to or representing union dues for any
21 contract to which the state is not a party.

22 Sec. 293. The department may use money from the money
23 appropriated in part 1 to strengthen marriage and family relations
24 through the practice of marriage and family therapy for
25 individuals, families, couples, or groups. The goal of the therapy
26 shall be strengthening families by helping them avoid, eliminate,
27 relieve, manage, or resolve marital or family conflict or discord.

1 Sec. 295. (1) From the money appropriated in part 1 for
2 information technology services and projects, the department shall
3 allocate \$300,000.00 to modify the "Bridges" eligibility system to
4 permit greater cooperation between the department of state police
5 and department's office of inspector general in identifying
6 individuals with criminal justice disqualifications for program
7 eligibility inappropriately accessing benefits.

8 (2) The department shall ensure that the integration of the
9 "Bridges" eligibility system into the law enforcement information
10 network system is completed by July 1, 2011.

11 (3) By September 1 of the current fiscal year, the department
12 shall report to the senate and house appropriations subcommittees
13 on the department budget and the senate and house fiscal agencies
14 and policy offices on the number of individuals with criminal
15 justice disqualifications inappropriately accessing benefits that
16 were identified through the use of the "Bridges" and the law
17 enforcement information network system.

18 Sec. 296. Not later than October 15, 2011, the department
19 shall prepare and transmit a report that provides for estimates of
20 the total general fund/general purpose appropriation lapses at the
21 close of the fiscal year. This report shall summarize the projected
22 year-end general fund/general purpose appropriation lapses by major
23 departmental program or program areas. The report shall be
24 transmitted to the office of the state budget, the chairpersons of
25 the senate and house appropriations committees, and the senate and
26 house fiscal agencies.

27 Sec. 297. The department shall, with assistance from the

1 department of community health, provide a report to the senate and
2 house appropriations subcommittees on the department budget, the
3 senate and house committees with primary jurisdiction over matters
4 of health policy, the senate and house fiscal agencies, and the
5 senate and house policy offices describing money collected through
6 Medicaid estate recovery efforts and proposed changes to section
7 112g of the social welfare act, 1939 PA 280, MCL 400.112g, that
8 could increase collections through Medicaid estate recovery.

9 **EXECUTIVE OPERATIONS**

10 Sec. 306. From the money appropriated in part 1 for
11 demonstration projects, the department shall allocate \$100.00 to
12 support the kinship care resource center administered by the
13 Michigan state university school of social work. Funding is
14 contingent upon the center's reporting of necessary data to the
15 department to demonstrate TANF or maintenance of effort
16 eligibility. The center shall submit quarterly reports to the
17 department detailing expenditures from this appropriation and
18 reviewing program outcomes including the number of families served
19 through counseling, respite care, and other services as well as the
20 number provided with information on kinship care. The department
21 shall submit each quarterly report to the house and senate
22 appropriations subcommittees on the department budget by January
23 15, April 15, July 15, and October 15 of each year.

24 Sec. 307. (1) Of the money appropriated in part 1 for
25 demonstration projects, \$550,000.00 shall be distributed as
26 provided in subsection (2). The amount distributed under this

1 subsection shall not exceed 50% of the total operating expenses of
2 the program described in subsection (2), with the remaining 50%
3 paid by local United Way organizations and other nonprofit
4 organizations and foundations.

5 (2) Money distributed under subsection (1) shall be
6 distributed to Michigan 2-1-1, a nonprofit corporation organized
7 under the laws of this state that is exempt from federal income tax
8 under section 501(c)(3) of the internal revenue code, 26 USC 501,
9 and whose mission is to coordinate and support a statewide 2-1-1
10 system. Michigan 2-1-1 shall use the money only to fulfill the
11 Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January
12 2005.

13 (3) Michigan 2-1-1 shall report annually to the department and
14 the house and senate standing committees with primary jurisdiction
15 over matters relating to human services and telecommunications on
16 2-1-1 system performance, including, but not limited to, call
17 volume by community health and human service needs and unmet needs
18 identified through caller data and customer satisfaction metrics.

19 Sec. 308. From the money appropriated in part 1 for
20 demonstration projects, \$100.00 shall be expended on a contract
21 with the University of Detroit Mercy to provide legal services for
22 disabled veterans who are seeking eligibility under federal
23 disability programs, including federal supplemental security
24 income. The contract shall fund a statewide effort by the
25 university through use of its mobile office to deliver these legal
26 services.

27 Sec. 310. The department shall furnish the senate and house

1 fiscal agencies and policy offices, the state budget office, and
2 all members of the house and senate appropriations committees with
3 a summary of any evaluation reports and subsequent approvals or
4 disapprovals of juvenile residential facilities operated by the
5 department, as required by section 6 of 1973 PA 116, MCL 722.116.
6 If no evaluations are conducted during the fiscal year, the
7 department shall notify the fiscal agencies and all members of the
8 appropriate subcommittees of the house and senate appropriations
9 committees.

10 Sec. 311. (1) The department shall administer licensing and
11 regulation of licensees with the following standards:

12 (a) The highest priority shall be given to licensing
13 activities that present the highest risk to vulnerable children or
14 adults receiving services of licensees.

15 (b) Licensees shall be required to adhere to state law and
16 departmental policy.

17 (c) The department shall use performance standards and
18 measures that are clearly explained to licensees or providers.

19 (d) The department shall use goals of higher quality, greater
20 efficiency, and wider availability of services.

21 (e) The department shall provide clear and known opportunities
22 for licensees and providers to raise questions or concerns about
23 regulations and enforcement.

24 (f) The department shall provide effective outlets for judges
25 and court employees to communicate and receive attention to
26 concerns or questions about licensed or regulated providers.

27 (2) The department shall use standards and measures similar to

1 those in subsection (1) for services it provides or administers
2 that are similar to those provided by licensees.

3 Sec. 313. From the money appropriated in part 1 for
4 demonstration projects, the department shall allocate \$500,000.00
5 to spectrum health system for operation of a pilot program to
6 target clinic-based health care services to individuals who have
7 frequently accessed health services in the prior year through the
8 hospital emergency department.

9 **ADULT AND FAMILY SERVICES**

10 Sec. 415. (1) In expending money appropriated in part 1 for
11 the fatherhood initiative, the department may contract with
12 independent contractors from various counties, including, but not
13 limited to, faith-based and nonprofit organizations. Preference
14 shall be given to independent contractors that provide at least 10%
15 in matching funds, through any combination of local, state, or
16 federal funds or in-kind or other donations. However, an
17 independent contractor that cannot secure matching funds shall not
18 be excluded from consideration for the fatherhood program.

19 (2) The department may choose providers that will work with
20 counties to help eligible fathers under TANF guidelines to acquire
21 skills that will enable them to increase their responsible behavior
22 toward their children and the mothers of their children. An
23 increase of financial support for their children should be a very
24 high priority as well as emotional support.

25 (3) A fatherhood initiative program established under this
26 section shall minimally include at least 3 of the following

1 components: promoting responsible, caring, and effective parenting
2 through counseling; mentoring and parental education; enhancing the
3 abilities and commitment of unemployed or low-income fathers to
4 provide material support for their families and to avoid or leave
5 welfare programs by assisting them to take advantage of job search
6 programs, job training, and education to improve their work habits
7 and work skills; improving fathers' ability to effectively manage
8 family business affairs by means such as education, counseling, and
9 mentoring in household matters; infant care; effective
10 communication and respect; anger management; children's financial
11 support; and drug-free lifestyle.

12 (4) The department is authorized to make allocations of TANF
13 funds, of not more than 20% per county, under this section only to
14 agencies that report necessary data to the department for the
15 purpose of meeting TANF eligibility reporting requirements.

16 (5) Upon receipt of the promotion of responsible fatherhood
17 funds from the United States department of health and human
18 services, the department shall use the program criteria set forth
19 in subsection (3) to implement the program with the federal funds.

20 Sec. 416. (1) In expending money appropriated in part 1 for
21 the marriage initiative, the department may contract with
22 independent contractors from various counties, including, but not
23 limited to, faith-based and nonprofit organizations. Preference
24 shall be given to independent contractors that provide at least 10%
25 in matching funds, through any combination of local, state, or
26 federal funds or in-kind or other donations. However, an
27 independent contractor that cannot secure matching funds shall not

1 be excluded from consideration for a marriage initiative program.

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

9 (3) A marriage initiative program established under this
10 section may include, but is not limited to, 1 or more of the
11 following: public advertising campaigns on the value of marriage
12 and the skills needed to increase marital stability and health;
13 education in high schools on the value of marriage, relationship
14 skills, and budgeting; premarital, marital, family, and domestic
15 violence counseling; effective communication; marriage mentoring
16 programs which use married couples as role models and mentors in
17 at-risk communities; anger management; and parenting skills to
18 improve the family structure.

19 (4) The department is authorized to make allocations of TANF
20 funds, of not more than 20% per county, under this section only to
21 agencies that report necessary data to the department for the
22 purpose of meeting TANF eligibility reporting requirements.

23 (5) Upon receipt of the healthy marriage promotion grant from
24 the United States department of health and human services, the
25 department shall use the program criteria set forth in subsection
26 (3) to implement the program with the federal funds.

27 Sec. 418. From the funds appropriated in part 1 for employment

1 and training support services, the department may expand the
2 availability of individual development accounts (IDAs) with
3 \$200,000.00 for allocation to qualified IDA programs established
4 through the Michigan IDA partnership to serve TANF-eligible
5 households in Michigan. The Michigan IDA partnership shall
6 encourage each TANF-eligible household served to claim the federal
7 and state earned income tax credit (EITC) and to incorporate all or
8 part of any tax credit received in the household's IDA savings
9 plan, and shall provide the household with information concerning
10 available free tax assistance resources. In addition, the Michigan
11 IDA partnership and its program sites shall participate in
12 community EITC coalitions established under the plan to increase
13 the EITC participation of TANF families referenced in section 666.
14 The same amount shall be appropriated annually to further expand
15 IDA opportunities to low-income families to become more financially
16 self-sufficient through financial education, saving, wise
17 investment in home ownership, postsecondary education, small
18 business development, or a combination of those programs.

19 Sec. 419. The department in collaboration with the Michigan
20 State University center for urban affairs and its partner
21 organizations, the Michigan credit union league and the national
22 federation of community development credit unions, shall further
23 the work begun in fiscal year 1999-2000 that implemented the
24 individual development accounts programs in the growing number of
25 low-income designated credit unions, i.e., community development
26 credit unions (CDCUs) located in this state's poorest communities.
27 This further work will extend capacity-building and technical

1 assistance services to existing and emerging CDCUs serving low-
2 income populations and will include:

3 (a) Creation of a Michigan-based support system for the
4 capacity-building of existing and emerging CDCUs serving low-income
5 individuals and families, including development and testing of
6 training, technical assistance, and professional development
7 initiatives and related materials, and other capacity-building
8 services to Michigan CDCUs.

9 (b) Other related support to assist existing and emerging
10 CDCUs in becoming self-supporting institutions to assist
11 impoverished Michigan residents in becoming economically
12 independent.

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

17 Sec. 423. (1) From the money appropriated in part 1 for crisis
18 prevention and senior food aid projects, the department shall
19 allocate \$75,000.00 to support ongoing efforts in Barry County to
20 provide programs to women or children, or both, facing crisis
21 situations as a result of domestic violence or abuse.

22 (2) From the money appropriated in part 1 for crisis
23 prevention and senior food aid projects, the department shall
24 allocate not less than \$100,000.00 to assist this state's elderly
25 population to participate in the food assistance program. The money
26 may be used as state matching funds to acquire available United
27 States department of agriculture funding to provide outreach

1 program activities, such as eligibility screen and information
2 services, as part of a statewide food stamp hotline.

3 (3) Of the funds appropriated in part 1 for crisis prevention
4 and senior food aid projects, the department shall allocate \$100.00
5 for a food aid outreach project in Muskegon County and \$100.00 for
6 a food aid outreach project in Kent County.

7 CHILDREN'S SERVICES

8 Sec. 501. During the current fiscal year, 85% or more of
9 children who have been in care for 1 year or longer while legally
10 available for adoption or with an established goal of reunification
11 with their families shall be permanently placed. During the annual
12 budget presentation, the department shall report on the number of
13 children supervised by the department and by private agencies who
14 remain in foster care more than 12 and less than 24 months and
15 those who remain in foster care 24 months or more.

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

21 Sec. 504. The department will ensure that children aged 14
22 years and older in foster care and youth transitioning from foster
23 care to adulthood have access to the range of supportive services
24 necessary to support their preparation for and successful
25 transition to adulthood, including, but not limited to, independent
26 living services eligible for federal reimbursement under the Chafee

1 program, and shall maintain sufficient resources to deliver
2 independent living services to all children in foster care custody
3 of the department who qualify for them.

4 Sec. 505. (1) The department shall continue to implement a
5 plan to provide client-centered results-oriented foster care
6 programs.

7 (2) The department shall provide a quarterly report to the
8 senate and house appropriations subcommittees on the department
9 budget and the senate and house fiscal agencies and policy offices
10 outlining this state's performance in meeting the mandated measures
11 for placement stability, timeliness of reunification, permanency of
12 reunification, and timeliness of adoptions and other measures
13 mandated in the children's rights settlement agreement.

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

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

27 (3) The department may collaborate with the state child abuse

1 and neglect prevention board to develop recommendations on how to
2 best incorporate child abuse prevention strategies and practices
3 into suggested changes in state statute and department policy. The
4 department shall provide any recommendations developed with the
5 state child abuse and prevention board to the senate and house
6 standing committees on human services and appropriations
7 subcommittees on the department budget not later than March 1 of
8 the current fiscal year.

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

14 (5) The department and the child abuse neglect and prevention
15 board shall collaborate to ensure that administrative delays are
16 avoided and the local grant recipients and direct service providers
17 receive money in an expeditious manner. The department and board
18 shall seek to have the children's trust fund grants distributed no
19 later than October 31 of the current fiscal year.

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

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

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

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

9 Sec. 510. The department shall not be required to put up for
10 bids a contract with a service provider if the service provider is
11 nationally accredited or is currently the only provider in the
12 service area.

13 Sec. 513. (1) The department shall not expend money
14 appropriated in part 1 to pay for the direct placement by the
15 department of a child in an out-of-state facility unless all of the
16 following conditions are met:

17 (a) There is no appropriate placement available in this state
18 as determined by the department interstate compact office.

19 (b) An out-of-state placement exists that is nearer to the
20 child's home than the closest appropriate in-state placement as
21 determined by the department interstate compact office.

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

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

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

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

3 (2) The department shall not expend money for a child placed
4 in an out-of-state facility without approval of the deputy director
5 for children's services. The department shall notify the
6 appropriate state agency in that state including the name of the
7 out-of-state provider who accepted the placement.

8 (3) The department shall submit a report by February 1 of each
9 year on the number of children who were placed in out-of-state
10 facilities during the previous fiscal year, the number of Michigan
11 children residing in such facilities at the time of the report, the
12 total cost and average per diem cost of these out-of-state
13 placements to this state, and a list of each such placement
14 arranged by the Michigan county of residence for each child.

15 Sec. 514. The department shall make a comprehensive report
16 concerning children's protective services (CPS) to the legislature,
17 including the senate and house policy offices and the state budget
18 director, by January 1 of the current fiscal year, that shall
19 include all of the following:

20 (a) Statistical information including, at a minimum, all of
21 the following:

22 (i) The total number of reports of abuse or neglect
23 investigated under the child protection law, 1975 PA 238, MCL
24 722.621 to 722.638, and the number of cases classified under
25 category I or category II and the number of cases classified under
26 category III, category IV, or category V.

27 (ii) Characteristics of perpetrators of abuse or neglect and

1 the child victims, such as age, relationship, race, and ethnicity
2 and whether the perpetrator exposed the child victim to drug
3 activity, including the manufacture of illicit drugs, that exposed
4 the child victim to substance abuse, a drug house, or
5 methamphetamine.

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

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

14 (c) The information contained in the report required under
15 section 8d(5) of the child protection law, 1975 PA 238, MCL
16 722.628d, on cases classified under category III.

17 (d) The department policy, or changes to the department
18 policy, regarding termination of parental rights or foster
19 placement for children who have been exposed to the production of
20 illicit drugs in their dwelling place or a place frequented by the
21 children.

22 (e) The department policy, or changes to the department
23 policy, regarding children who have been exposed to the production
24 or manufacture of methamphetamines.

25 Sec. 515. The department shall use performance-based models
26 for all foster care services provided by the department and child
27 placing agencies. The goal of these models shall be to ensure that

1 foster care services are provided in a manner that increases the
2 state's compliance with CFSR and children's rights settlement
3 agreement goals. Not later than March 30 of the current fiscal
4 year, the department shall provide an update to the senate and
5 house appropriations subcommittees on the department budget, the
6 senate and house fiscal agencies and policy offices, and the office
7 of the state budget on benchmarks developed in conjunction with
8 private providers for this performance model and county
9 representatives from Genesee, Kent, Macomb, Oakland, and Wayne
10 Counties, results the department or child placing agencies have
11 achieved in improving permanency placements, and recommendations
12 for further improvements for foster care services across the entire
13 state.

14 Sec. 517. (1) From the money appropriated in part 1, the
15 department is authorized to allocate money to multipurpose
16 collaborative bodies. Priority for activities and services will be
17 given to at-risk children and families and cases classified by the
18 department as category III or category IV under sections 8 and 8d
19 of the child protection law, 1975 PA 238, MCL 722.628 and 722.628d.

20 (2) Money appropriated in part 1 for zero to three shall be
21 used to fund secondary prevention programs as defined in the
22 children's trust fund's preapplication materials for direct
23 services grants for the current fiscal year.

24 (3) The department shall demonstrate that the planned services
25 are part of the community's integrated comprehensive family support
26 strategy endorsed by the community collaborative and, where there
27 is a great start collaborative, demonstrate that the planned

1 services are part of the community's great start strategic plan.

2 Sec. 523. (1) The department shall report on prevention
3 programs for which money is appropriated in part 1 to the senate
4 and house appropriations subcommittees on the department budget
5 during the annual budget presentation. The report shall contain all
6 of the following for each program:

7 (a) The average cost per recipient served.

8 (b) Measurable performance indicators.

9 (c) Desired outcomes or results and goals that can be measured
10 on an annual basis, or desired results for a defined number of
11 years.

12 (d) Monitored results.

13 (e) Innovations that may include savings or reductions in
14 administrative costs.

15 (2) From the money appropriated in part 1 for youth in
16 transition, domestic violence prevention and treatment, and teenage
17 parent counseling, the department is authorized to make allocations
18 of TANF funds only to agencies that report necessary data to the
19 department for the purpose of meeting TANF eligibility reporting
20 requirements.

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

25 Sec. 532. (1) The department, in collaboration with
26 representatives of private child and family agencies, shall revise
27 and improve the annual licensing review process and the annual

1 contract compliance review process for child placing agencies and
2 child caring institutions. The improvement goals shall be safety
3 and care for children. Improvements to the review process shall be
4 directed toward alleviating administrative burdens so that agency
5 resources may be focused on children. The revision shall include
6 identification of duplicative staff activities and information
7 sought from child placing agencies and child caring institutions in
8 the annual review process. The department shall report to the
9 senate and house appropriations subcommittees on the department
10 budget, the senate and house fiscal agencies and policy offices,
11 and the state budget director on or before January 15 of the
12 current fiscal year on the findings of the annual licensing review.

13 (2) The department shall conduct licensing reviews no more
14 than once every 2 years for child placing agencies and child caring
15 institutions that are nationally accredited and have no outstanding
16 violations.

17 (3) The department shall develop a plan to license relatives
18 of foster children as foster care providers to ensure consistent
19 high standards of care for those foster children. The department
20 shall report on the plan to the senate and house appropriations
21 subcommittees with oversight over the department budget, the senate
22 and house standing policy committees generally concerned with
23 children's issues, the senate and house fiscal agencies and policy
24 offices, and the state budget director as part of the quarterly
25 reports required by section 582.

26 Sec. 533. (1) The department shall make payments to child
27 placing facilities for out-of-home care services within 30 days of

1 receiving all necessary documentation from those agencies.

2 (2) The department shall explore various types of automated
3 payments to private nonprofit child placing facilities to improve
4 speed and accuracy of payments.

5 Sec. 537. The department, in collaboration with child placing
6 agencies, shall develop a strategy to implement section 115o of the
7 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
8 include a requirement that a department caseworker responsible for
9 preparing a recommendation to a court concerning a juvenile
10 placement shall provide, as part of the recommendation, information
11 regarding the requirements of section 115o of the social welfare
12 act, 1939 PA 280, MCL 400.115o.

13 Sec. 539. The department shall work in collaboration with
14 representatives from child placing agencies to ensure appropriate
15 placement for children who have been adjudicated abused, neglected,
16 or delinquent and for whom residential treatment is required. The
17 department and the representatives from the child placing agencies
18 shall focus on statewide placement criteria to address the best
19 interests of the child in need of services. The placement criteria
20 shall include a continuum of care settings and options as
21 appropriate for each child and his or her needs at specific times,
22 including home placements, relative placements, shelter placements,
23 and other options.

24 Sec. 540. The department shall issue a request for proposals
25 for treatment foster care services and/or group homes within
26 Genesee, Kent, Macomb, Oakland, and Wayne Counties no later than
27 January 1 of the current fiscal year. The request for proposals for

1 treatment foster care shall be based on standards established by
2 the legislatively established public/private specialized foster
3 care subcommittee in 2005. Each nonprofit agency that has an
4 existing foster care contract with the state of Michigan shall be
5 eligible to respond to the request for proposals, with a goal that
6 services be part of a continuum of services offered by the
7 nonprofit agency.

8 Sec. 544. The department shall continue pilot projects with
9 applications pending for accelerated residential treatment.

10 Sec. 546. (1) From the money appropriated in part 1 for foster
11 care payments and from child care fund, the department shall pay
12 providers of foster care services not less than a \$37.00
13 administrative rate.

14 (2) From the funds appropriated in part 1 for foster care
15 payments and from child care fund, the department shall pay
16 providers of general independent living services not less than a
17 \$28.00 administrative rate. For specialized independent living
18 services, the administrative rate paid shall not be less than the
19 administrative rate paid in fiscal year 2008-2009.

20 (3) The department shall calculate and report to the house and
21 senate appropriations subcommittees on the department budget on the
22 cost of care, on a per diem basis, for foster care services
23 delivered directly by the department.

24 (4) Beginning April 1 of the current fiscal year, for children
25 not eligible for title IV-E funding, 55% of the cost of paying
26 administrative rates from the child care fund under subsections (1)
27 and (2) shall be funded with state money and any available federal

1 money. Counties shall pay the remaining 45% of the cost of paying
2 the administrative rates.

3 Sec. 547. (1) Beginning April 1 of the current fiscal year,
4 the department shall establish a \$40.00 administrative rate for
5 foster care and independent living services delivered directly by
6 the department through the child care fund.

7 (2) For children who are not eligible for title IV-E funding
8 through the child care fund, 55% of the cost of paying the
9 administrative rate under subsection (1) shall be funded with state
10 money and any available federal money. Counties shall pay the
11 remaining 45% of the cost of paying the administrative rate.

12 (3) For children who are not eligible for title IV-E funding,
13 55% of the cost of family foster care maintenance payments and
14 independent living maintenance payments provided through family
15 foster care and from the child care fund shall be funded with state
16 money and any available federal money. Counties shall pay the
17 remaining 45% of the cost of the payments.

18 Sec. 548. During the annual budget presentation to the house
19 and senate appropriations subcommittees on the department budget,
20 the department shall report on progress in implementing the
21 recommendations of the task force that studied the disproportionate
22 representation of African-American and other children of color in
23 the child welfare and juvenile justice systems as required under
24 former section 548 of the fiscal year 2005-2006 budget act for the
25 department.

26 Sec. 556. The department shall submit a report to the
27 chairpersons of the senate and house appropriations committees, the

1 senate and house fiscal agencies, and the senate and house policy
2 offices that includes all of the following:

3 (a) A description of how the department is complying with
4 federal requirements to notify prospective adoptive parents about
5 adoption subsidies for which those prospective adoptive parents may
6 qualify.

7 (b) The number of requests received by the department from
8 adoptive parents for money or reimbursement of costs to attend
9 conferences that include training or discussion of significant
10 adoption issues, the proportion of these requests approved by the
11 department, and the total annual expenditure for approved requests.

12 (c) The number of fair hearing requests from adoptive parents
13 received by the department challenging the amount of the adoption
14 subsidy, broken down by the stated reason for the challenge.

15 (d) The number of adoption subsidy payments suspended when the
16 child is still in the custody of the adoptive parent, but no longer
17 in the physical care of the adoptive parent.

18 Sec. 562. The department shall allow a county to submit a
19 claim for title IV-E foster care funding for a placement in a
20 secure residential facility if the county can demonstrate that the
21 reason for the secure placement is a diagnosed medical necessity
22 and not protection of the public.

23 Sec. 565. (1) From the funds appropriated in part 1 for
24 federally funded family preservation programs, the department shall
25 allocate \$2,000,000.00 to Wayne County to provide home-based
26 programs as part of the county expansion of community-based
27 services to serve the county's adjudicated delinquent and abused

1 and neglected youth.

2 (2) Federal revenues shall be paid to Wayne County as
3 reimbursement for actual costs incurred, consistent with
4 established federal requirements.

5 (3) As a condition of receipt of federal funds pursuant to
6 subsection (1), Wayne County shall provide the department with a
7 plan for the use of allocated funds in a format to be specified by
8 the department. The county shall also provide the department with
9 all information required to demonstrate the appropriateness and
10 allowability of expenditures and to meet federal financial and
11 programmatic reporting requirements.

12 Sec. 566. (1) Subject to subsection (2), beginning October 1,
13 2008, preference shall be given in the provision of direct foster
14 care services to public and private agencies that are nationally
15 accredited.

16 (2) Beginning October 1, 2007, the department shall not enter
17 into or maintain a contract with a for-profit child placing agency,
18 or with a nonprofit child placing agency that uses a for-profit
19 management group or contracts with a for-profit organization for
20 its management, to provide direct foster care services unless the
21 agency was licensed on or before August 1, 2007 and, if the agency
22 is a nonprofit child placing agency that uses a for-profit
23 management group or contracts with a for-profit organization for
24 its management, the contract with the for-profit group or
25 organization existed prior to August 1, 2007.

26 Sec. 568. (1) From the money appropriated in part 1 for child
27 welfare improvements, the department may allow the private sector

1 to compete for the money to achieve permanency placement for
2 children in foster care and prioritize funding for children in
3 foster care who have barriers to permanency placement.

4 (2) The department shall submit quarterly reports to the
5 legislature that include all of the following information on the
6 appropriation adjustments described in section 568(2) of 2007 PA
7 131 and those same appropriations adjustments in this act:

8 (a) The number of positions hired or paid from these
9 appropriations, what their titles and responsibilities will be,
10 what performance objectives and measurable outcomes they are
11 required to satisfy, and what they are being paid in salaries,
12 wages, and fringe benefits. If a community-based provider of
13 adoption services assumes an adoption case that was previously
14 handled by a public agency or worker, the time that the case was
15 handled by the public agency or worker shall not be counted in a
16 performance measure without the consent of the community-based
17 provider.

18 (b) Information on any contracts for services that have been
19 awarded and the performance objectives and measurable outcomes that
20 are incorporated in the contracts and the successes or failures
21 that are achieved as a result.

22 (c) Detailed information on any money spent for child welfare
23 improvements and what measurable outcome is expected for the money
24 being spent.

25 Sec. 570. (1) From the money appropriated in part 1 for the
26 guardianship assistance program, the department shall provide
27 assistance under this program to children who are eligible under

1 section 3 of the guardianship assistance act, 2008 PA 260, MCL
2 722.873.

3 (2) The department shall make money available to children who
4 are receiving services from the department at the time a guardian
5 is appointed for the child, if the court appointing the guardian
6 considers it necessary to continue those services for the success
7 of the guardianship.

8 (3) The department may provide money to eligible children in
9 the subsidized guardianship program on an as-needed basis or in the
10 form of a 1-time payment to promote permanency for children.

11 (4) The department shall report during the annual budget
12 presentation to the senate and house appropriations subcommittees
13 on the department budget the number of guardianship subsidies and
14 recommendations for any modifications in the guardianship
15 assistance program.

16 Sec. 571. The department shall maintain a title IV-E
17 compliance and accountability office with the following goals and
18 responsibilities:

19 (a) Study efforts in other states to determine best practices
20 for title IV-E-related activities and measures to maximize the
21 receipt of federal money for eligible cases.

22 (b) Coordinate compliance with federal regulations in order to
23 receive title IV-E money.

24 (c) Provide necessary technical assistance to local units of
25 government, including courts, to ensure proper handling of cases
26 and paperwork in preparation for federal audits and reviews.

27 (d) Coordinate a program to provide private persons, groups,

1 and corporations with incentives to make tax-deductible
2 contributions intended to assist foster care families to overcome
3 barriers to becoming licensed and eligible to receive title IV-E
4 money.

5 (e) As part of the quarterly reports required by section 582,
6 provide information to the house and senate appropriations
7 subcommittees on the department budget on activities and progress
8 toward meeting the responsibilities outlined above.

9 Sec. 573. From the money appropriated in part 1 for adoption
10 support services, \$1,049,400.00 is allocated to support adoption
11 contracts focusing on long-term permanent wards who have been wards
12 for more than 1 year after termination of parental rights. Private
13 agencies shall receive \$16,000.00 for each finalized placement
14 under the program.

15 Sec. 574. (1) From the money appropriated in part 1 for foster
16 care payments - abuse and neglect, \$2,500,000.00 is allocated to
17 support contracts with child placing agencies to facilitate the
18 licensure of relative caregivers as foster parents. Agencies shall
19 receive \$2,300.00 for each facilitated licensure. The agency
20 facilitating the licensure would retain the placement and continue
21 to provide case management services for at least 50% of the newly
22 licensed cases for which the placement was appropriate to the
23 agency. Up to 50% of the newly licensed cases would have direct
24 foster care services provided by the department.

25 (2) From the money appropriated for foster care payments,
26 \$375,000.00 is allocated to support family incentive grants to
27 private and community-based foster care service providers to assist

1 with home improvements or payment for physical exams for applicants
2 needed by foster families to accommodate foster children.

3 Sec. 575. (1) Of the funds provided for the training of human
4 services workers, particularly caseworkers, the department shall
5 use appropriated funds to begin cultural sensitivity training and
6 awareness with the goal of effectively reducing the number of
7 minority children inappropriately removed from their homes for
8 neglect and placed in the foster care system when more appropriate
9 action would include the provision of support services to the
10 family.

11 (2) Of the money appropriated to the department for family
12 preservation and prevention, more specific focus shall be placed on
13 preserving and reunifying families.

14 (3) As a condition for receiving appropriated money, the
15 department and the office of the friend of the court shall work in
16 cooperation to provide support services to families of custodial
17 parents who have been awarded child support from a parent who is
18 incarcerated.

19 (4) As part of the quarterly reports required by section 582,
20 the department shall provide a report to the house and senate
21 appropriations subcommittees with jurisdiction over the department
22 budget, the house and senate fiscal agencies, and the house and
23 senate policy offices on the specific cultural sensitivity training
24 and awareness efforts, family preservation and reunification
25 efforts.

26 Sec. 577. From the money appropriated in part 1, the
27 department may allow a community collaborative to use strong

1 families safe children program funds for a prevention program that
2 meets standards agreed upon between the community collaborative and
3 county department offices in accordance with federal regulations
4 regarding expenditure of strong families safe children program
5 funds.

6 Sec. 578. The department and child placing agencies shall
7 utilize a standardized assessment tool to ensure greater
8 cooperation between the department and the department of community
9 health and to measure the mental health treatment needs of every
10 child supervised by the department. The department shall use the
11 results of this assessment process to determine what services are
12 to be provided to the child while under department supervision.

13 Sec. 580. The department and the department of community
14 health shall initiate efforts to identify mental health programs
15 and activities where the services of the 2 departments overlap, or
16 are uncoordinated. The goal shall be to provide adequate and stable
17 mental health services which address the need of the individual
18 child without duplicative, confusing, or needlessly complex
19 services. The department shall report on these coordination efforts
20 with the department of community health during the annual budget
21 presentations to the senate and house appropriations subcommittees
22 with jurisdiction over the department budget.

23 Sec. 581. (1) The money appropriated in part 1 for adoption
24 support services shall be used by the department of human services
25 to increase the rates paid to private adoption agencies for all
26 categories of adoption placements and adoption finalizations to
27 reflect the rate schedule below:

1	Reimbursement	Placement Rate	Finalization Rate	Total Payment
2	Category			
3	Basic: More than	\$3,405	\$2,270	\$5,675
4	12 months			
5	Standard: 9-12	\$3,538	\$2,364	\$5,902
6	months, statewide			
7	Enhanced: 8	\$5,771	\$3,846	\$9,617
8	months, statewide			
9	Premium: 5	\$7,371	\$4,914	\$12,285
10	months, statewide			
11	Residential	\$8,513	\$5,676	\$14,189
12	MARE	\$13,094	\$8,730	\$21,824
13	In-state Transfer			\$1,845
14	Interstate: Existing			\$1,844
15	Services			
16	Interstate: New			\$3,546
17	Services			

18 (2) The additional revenue shall be used by private adoption
19 agencies to increase staffing to a level sufficient to meet the
20 15:1 cases-to-worker ratio requirements for adoption workers within
21 the children's rights settlement agreement.

22 Sec. 582. On the last working day of January, April, July, and
23 November, for the preceding fiscal quarter, the department shall
24 submit a comprehensive child welfare improvement report, compiling
25 material required by each section of this act related to child
26 welfare. This report will be provided to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house standing committees on human services, the senate and
2 house fiscal agencies, the senate and house policy offices, and the
3 state budget director and will provide an overview of the status of
4 all initiatives the department is required to carry out by this
5 appropriation act and the impact of those initiatives on meeting
6 the benchmarks established in the federal child and family service
7 review process and the requirements established in the children's
8 rights settlement agreement. The report may include information
9 about other initiatives of the department and its service delivery
10 partners which support improvements in safety, permanency, and
11 well-being for the children and families served by Michigan's child
12 welfare system.

13 Sec. 583. By February 1 of the current fiscal year, the
14 department shall provide to the senate and house appropriations
15 subcommittees on the department budget, the senate and house
16 standing committees on families and human services, and the senate
17 and house fiscal agencies and policy offices a report detailing the
18 number of individuals participating as foster parents during the
19 previous fiscal year who dropped out of the program. The report
20 shall also provide explanatory data on the primary reasons that
21 foster parents chose to leave the program.

22 Sec. 584. The department shall provide recommendations to the
23 senate and house appropriations subcommittees on the department
24 budget, the senate and house standing committees on families and
25 human services, and the senate and house fiscal agencies and policy
26 offices on changes to current state statutes that would ensure more
27 effective communication between caseworkers and courts

1 administering foster care cases.

2 Sec. 585. The department shall allow private nationally
3 accredited foster care and adoption agencies to conduct their own
4 staff training, based on current department policies and
5 procedures, provided that the agency trainer and training materials
6 are accredited by the department and that the agency documents to
7 the department that the training was provided. The department shall
8 provide access to any training materials requested by the private
9 agencies to facilitate this training.

10 Sec. 586. (1) The department shall request a modification of
11 the staffing requirement imposed by the children's rights
12 settlement agreement. The modification would permit the department
13 to ensure that 95% of purchase of service monitors will have a
14 caseload of no more than 90 cases in the current fiscal year.

15 (2) The department shall evaluate the effectiveness of the
16 purchase of service monitoring function to do all of the following:

17 (a) Eliminate tasks that are duplicative in nature.

18 (b) Establish standards for the duties of all purchase of
19 services workers, including responsibilities to attend review
20 hearings, frequency of conducting visits with children and
21 families, and other county-by-county differences that currently
22 exist.

23 (c) Review and approve case practice decisions in a timely
24 manner to avoid delays in providing services to families and
25 achieving permanency.

26 Sec. 588. (1) Concurrent with public release, the department
27 shall transmit all reports from the court-appointed settlement

1 monitor, including, but not limited to, the needs assessment and
2 period outcome reporting, to the state budget office, the senate
3 and house appropriations subcommittees on the department budget,
4 and the senate and house fiscal agencies, without revision.

5 (2) The department shall report monthly to the state budget
6 office, the senate and house appropriations subcommittees on the
7 department budget, and the senate and house fiscal agencies, on the
8 number of children enrolled in the guardianship assistance and
9 foster care - children with serious emotional disturbance waiver
10 programs.

11 PUBLIC ASSISTANCE

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

23 (2) Whenever a client agrees to the release of his or her name
24 and address to the local housing authority, the department shall
25 request from the local housing authority information regarding
26 whether the housing unit for which vendoring has been requested

1 meets applicable local housing codes. Vending shall be terminated
2 for those units that the local authority indicates in writing do
3 not meet local housing codes until such time as the local authority
4 indicates in writing that local housing codes have been met.

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

10 Sec. 603. (1) The department, as it determines is appropriate,
11 shall enter into agreements with energy providers by which cash
12 assistance recipients and the energy providers agree to permit the
13 department to make direct payments to the energy providers on
14 behalf of the recipient. The payments may include heat and electric
15 payment requirements from recipient grants and amounts in excess of
16 the payment requirements.

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

20 (3) The department shall review and adjust the standard
21 utility allowance for the state food assistance program to ensure
22 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
25 eligible for this program shall include needy citizens of the
26 United States or aliens exempted from the supplemental security
27 income citizenship requirement who are at least 18 years of age or

1 emancipated minors meeting 1 or more of the following requirements:

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

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

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

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

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

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

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

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

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

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

26 (3) Except for a person described in subsection (1)(c) or (d),
27 a person is not disabled for purposes of this section if his or her

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

14 (4) A refugee or asylee who loses his or her eligibility for
15 the federal supplemental security income program by virtue of
16 exceeding the maximum time limit for eligibility as delineated in 8
17 USC 1612 and who otherwise meets the eligibility criteria under
18 this section shall be eligible to receive benefits under the state
19 disability assistance program.

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

24 Sec. 606. County department offices shall require each
25 recipient of family independence program and state disability
26 assistance who has applied with the social security administration
27 for supplemental security income to sign a contract to repay any

1 assistance rendered through the family independence program or
2 state disability assistance program upon receipt of retroactive
3 supplemental security income benefits.

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

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

24 Sec. 609. The state supplementation level under the
25 supplemental security income program for the personal care/adult
26 foster care and home for the aged categories shall not be reduced
27 during the current fiscal year. The legislature shall be notified

1 not less than 30 days before any proposed reduction in the state
2 supplementation level.

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

7 Sec. 611. A provider of indigent burial services may collect
8 additional payment from relatives or other persons on behalf of the
9 deceased if the total additional payment does not exceed \$4,000.00.

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

15 Sec. 613. (1) From the money appropriated in part 1 for
16 indigent burial, the maximum allowable reimbursement limit for
17 indigent burials shall be \$700.00, which shall be distributed as
18 follows:

19 (a) \$455.00 to the funeral director.

20 (b) \$145.00 to the cemetery or crematorium.

21 (c) \$100.00 to the provider of the vault.

22 (2) From the money appropriated in part 1 for indigent burial,
23 the department may work with funeral directors to establish a
24 regional or statewide pilot program that would include the
25 following elements:

26 (a) The project shall provide funding only for the direct
27 cremation of bodies of indigent persons that are not claimed by a

1 person who has the right to control the disposition of the body.

2 (b) The payment to a funeral director for these services shall
3 be \$800.00 plus mileage reimbursement for transportation costs at
4 the standard rate established by the department of technology,
5 management, and budget for travel reimbursement for nonstate
6 vehicles and the cost of the cremation permit.

7 (c) The department may deviate from the payment limits
8 established in subsection (1) in making payments under the program.

9 (d) The department shall forward a copy of the program to the
10 senate and house of representatives appropriations subcommittees
11 with jurisdiction over the department budget.

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 business
15 days of the burial or cremation of the deceased person. Each
16 provider of burial services shall be paid directly by the
17 department.

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

25 Sec. 617. In operating the family independence program with
26 funds appropriated in part 1, the department shall not approve as a
27 minor parent's adult supervised household a living arrangement in

1 which the minor parent lives with his or her partner as the
2 supervising adult.

3 Sec. 618. The department may only reduce, terminate, or
4 suspend assistance provided under the social welfare act, 1939 PA
5 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of
6 the following situations:

7 (a) The only eligible recipient has died.

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

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

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

14 (e) A recipient has been approved to receive assistance in
15 another state.

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

18 (g) The only eligible recipient in the household has been
19 incarcerated.

20 (h) A recipient is no longer a Michigan resident.

21 (i) A recipient is closed on 1 case to be activated on
22 another.

23 (j) Federal payments (other than RSDI, railroad retirement, or
24 VA) to the group have begun or increased.

25 (k) A recipient is disqualified for intentional program
26 violation.

27 (l) When the department's negative action is upheld in an

1 administrative hearing.

2 Sec. 619. The department shall exempt from the denial of title
3 IV-A assistance and food assistance benefits, contained in 21 USC
4 862a, any individual who has been convicted of a felony that
5 included the possession, use, or distribution of a controlled
6 substance, after August 22, 1996, provided that the individual is
7 not in violation of his or her probation or parole requirements.
8 Benefits shall be provided to such individuals as follows:

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

11 (b) An authorized representative shall be required for food
12 assistance receipt.

13 Sec. 621. Funds appropriated in part 1 may be used to support
14 multicultural integration and support services. The department
15 shall distribute all of the funds described in this section based
16 on assessed community needs.

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

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

22 (b) Referral of persons so identified to counseling and
23 supportive services.

24 (c) In accordance with a determination of good cause, the
25 waiving of certain requirements of family independence programs
26 where compliance with those requirements would make it more
27 difficult for the individual to escape domestic violence or would

1 unfairly penalize individuals who have been victims of domestic
2 violence or who are at risk of further domestic violence.

3 Sec. 635. Within 24 hours of receiving all information
4 necessary to process an application for payments for child
5 development and care, the department shall determine whether the
6 child day care provider to whom the payments, if approved, would be
7 made, is listed on the child abuse and neglect central registry. If
8 the provider is listed on the central registry, the department
9 shall immediately send written notice denying the applicant's
10 request for child day care payments.

11 Sec. 640. (1) From the funds appropriated in part 1 for child
12 development and care services, the department may continue to
13 provide infant and toddler incentive payments to child development
14 and care providers serving children from 0 to 2-1/2 years of age
15 who meet licensing or training requirements.

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

18 Sec. 643. As a condition of receipt of federal TANF funds,
19 homeless shelters and human services agencies shall collaborate
20 with the department to obtain necessary TANF eligibility
21 information on families as soon as possible after admitting a
22 family to the homeless shelter. From the funds appropriated in part
23 1 for homeless programs, the department is authorized to make
24 allocations of TANF funds only to the agencies that report
25 necessary data to the department for the purpose of meeting TANF
26 eligibility reporting requirements. Homeless shelters or human
27 services agencies that do not report necessary data to the

1 department for the purpose of meeting TANF eligibility reporting
2 requirements will not receive reimbursements which exceed the per
3 diem amount they received in fiscal year 2000. The use of TANF
4 funds under this section should not be considered an ongoing
5 commitment of funding.

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

12 Sec. 653. From the funds appropriated in part 1 for food
13 assistance, an individual who is the victim of domestic violence
14 and does not qualify for any other exemption may be exempt from the
15 3-month in 36-month limit on receiving food assistance under 7 USC
16 2015. This exemption can be extended an additional 3 months upon
17 demonstration of continuing need.

18 Sec. 657. (1) The department shall allocate \$3,000,000.00 for
19 the operation of a statewide before- and after-school program
20 targeted to children in kindergarten through ninth grade. To be
21 eligible to be part of the statewide program, a program must serve
22 geographic areas near school buildings that do not meet federal no
23 child left behind annual yearly progress (AYP) requirements and be
24 included in the AYP plans of the affected school districts as a
25 means to improve outcomes and serve children living in households
26 with income below 200% of the federal poverty guidelines as
27 established by the United States department of health and human

1 services.

2 (2) The department shall require an applicant for before- and
3 after-school funding under this section to demonstrate how its
4 program would facilitate extensive involvement with the parents of
5 children served by the program and to show how other programming
6 being offered on the site would enhance the before- and after-
7 school funding. Priority for funding shall be given to programs
8 that can demonstrate effectiveness in these areas.

9 (3) The department shall evaluate each before- and after-
10 school program that is part of the statewide program with special
11 emphasis on the academic accomplishments and attendance records of
12 program participants.

13 Sec. 659. The department may provide staff support to the Kent
14 school services network to assist in addressing the multiple needs
15 of children and families at community schools. The department may
16 also participate in the expansion of this program in Kent County as
17 well as other areas of the state that may use the Kent school
18 services network program as a model.

19 Sec. 660. From the funds appropriated in part 1 for food bank
20 funding, the department is authorized to make allocations of TANF
21 funds only to the agencies that report necessary data to the
22 department for the purpose of meeting TANF eligibility reporting
23 requirements. The agencies that do not report necessary data to the
24 department for the purpose of meeting TANF eligibility reporting
25 requirements will not receive allocations in excess of those
26 received in fiscal year 2000. The use of TANF funds under this
27 section should not be considered an ongoing commitment of funding.

1 Sec. 665. The department shall partner with the department of
2 transportation and may partner with other entities to use TANF and
3 other sources of available funding to support public transportation
4 needs of TANF-eligible individuals. This partnership shall place a
5 priority on transportation needs for employment or seeking
6 employment or medical or health-related transportation.

7 Sec. 666. The department shall continue efforts to increase
8 the participation of eligible family independence program
9 recipients in the federal and state earned income tax credit.

10 Sec. 669. (1) The department shall distribute cash and food
11 assistance to recipients electronically by using debit or
12 purchasing cards.

13 (2) The department shall allocate up to \$12,751,000.00 for the
14 annual clothing allowance. The allowance shall be granted to all
15 eligible children as defined by the department.

16 (3) The department shall take steps to inform family
17 independence program recipients eligible for the allowance under
18 subsection (2) that the money is to be used for clothing for
19 eligible children.

20 Sec. 671. Not later than January 1, 2011, the department shall
21 impose a sanctions policy for criminal or fraudulent behavior for
22 the child development and care program.

23 Sec. 672. The department shall report to the senate and house
24 of representatives appropriations subcommittees on the department
25 budget, the senate and house fiscal agencies, and the senate and
26 house policy offices by May 1 of the current fiscal year on
27 department efforts to reduce inappropriate use of electronic

1 benefit transfer cards. The department shall provide information on
2 the number of recipients of services who used their electronic
3 benefit transfer card inappropriately and the current status of
4 each case.

5 Sec. 673. The department shall immediately send notification
6 to a client participating in the state child development and care
7 program and his or her child day care provider if the client's
8 eligibility is reduced or eliminated.

9 Sec. 674. (1) The department shall continue administrative
10 efforts to reduce waste, fraud, and abuse within the child
11 development and care program. Beginning December 31 of the current
12 fiscal year, the department shall report annually to the senate and
13 house appropriations subcommittees for the department budget, the
14 senate and house fiscal agencies and policy offices, and the state
15 budget director on the estimated impact of efforts to reduce
16 inappropriate payments through the child development and care
17 program.

18 (2) The department may contract with a private entity to
19 utilize information technology or other methods of management and
20 oversight of child day care payments to ensure that payments made
21 through the child day care program are accurate and appropriate.

22 Sec. 675. (1) The department shall establish a 1-time basic
23 training requirement for all enrolled child development and care
24 aides and relative care providers. All enrolled providers will be
25 required to complete the basic training requirement in order to be
26 eligible for state child development and care reimbursement
27 payments.

1 (2) The department shall ensure that additional annual
2 training beyond the basic training requirement is available for
3 enrolled providers and shall make enhanced reimbursement payments
4 to enrolled providers who complete at least 10 hours of optional
5 annual training as outlined in subsection (3).

6 (3) From the money appropriated in part 1 for regulated day
7 care services and unregulated day care services, the department
8 shall make payments to child care providers in accordance with the
9 provisions of this subsection. The maximum hourly rates paid to
10 child care providers shall vary depending upon provider type and
11 the age of the child in care as outlined below:

12 (a) For children up to 2-1/2 years old, the maximum hourly
13 rate shall be as follows:

14 (i) For child care centers, \$3.75.

15 (ii) For family child care homes and group child care homes,
16 \$2.90.

17 (iii) For enrolled providers who complete 10 hours of annual
18 training, \$1.85.

19 (iv) For enrolled providers who do not complete 10 hours of
20 annual training, \$1.60.

21 (b) For children over the age of 2-1/2 years, the maximum
22 hourly rate shall be as follows:

23 (i) For child care centers, \$2.50.

24 (ii) For family child care homes and group child care homes,
25 \$2.40.

26 (iii) For enrolled providers who complete 10 hours of annual
27 training, \$1.85.

1 (iv) For enrolled providers who do not complete 10 hours of
2 annual training, \$1.60.

3 (4) The department shall establish policies and rules for
4 determining eligibility for the enhanced reimbursement payments to
5 enrolled providers who complete 10 hours of annual training and
6 shall ensure that the policies and rules are communicated to all
7 enrolled providers that receive state reimbursement payments.

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

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

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

27 Sec. 677. The department shall establish a state goal for the

1 percentage of family independence program (FIP) cases involved in
2 employment activities. The percentage established shall not be less
3 than 50%. On a monthly basis, the department shall report to the
4 senate and house appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies and policy offices,
6 and the state budget director on the current percentage of FIP
7 cases involved in JET employment activities and an estimate of the
8 current percentage of FIP cases that meet federal work
9 participation requirements. If the FIP case percentage is below the
10 goal for more than 2 consecutive quarters, the department shall
11 develop a plan to increase the percentage of FIP cases involved in
12 employment-related activities. The department shall deliver the
13 plan during the next annual budget presentation to the senate and
14 house appropriations subcommittees on the department budget.

15 Sec. 678. (1) The department shall provide the house and
16 senate appropriations subcommittees on the department budget with
17 an annual report on the activities of the early childhood
18 investment corporation (ECIC). The report is due by February 15 of
19 each year and shall contain at least the following information:

- 20 (a) Detail of the amounts of grants awarded.
21 (b) The grant recipients.
22 (c) The activities funded by each grant.
23 (d) An analysis of each grant recipient's success in
24 addressing the development of a comprehensive system of early
25 childhood services and supports.

26 (2) All ECIC contracts for comprehensive systems planning
27 shall be bid out through a statewide request-for-proposal process.

1 Sec. 679. If money becomes available, the department shall
2 provide \$250,000.00 to the boys and girls club of Michigan from the
3 day care grants and contracts line in part 1.

4 Sec. 683. (1) From the funds appropriated in part 1 for SSI
5 advocacy, \$300,000.00 shall be paid to the Michigan state bar
6 foundation for SSI advocacy services provided by the legal services
7 association of Michigan. A payment of \$400.00 shall be made for
8 each case referred to the legal services association of Michigan,
9 with a final payment of \$250.00 on case completion.

10 (2) The department shall not provide payment to the legal
11 services association of Michigan for assisting a recipient to
12 submit a frivolous appeal or application or for assisting a
13 recipient who has submitted multiple applications that have been
14 denied regarding the same disability, unless the legal services
15 association of Michigan determines that there is a valid reason to
16 pursue an appeal.

17 Sec. 685. (1) Not later than March 1 of the current fiscal
18 year, the department shall report to the senate and house
19 appropriations subcommittees with jurisdiction over the department
20 budget, and to the senate and house appropriations subcommittees
21 with jurisdiction over the department of community health budget,
22 on the number of recipients that applied for Medicaid coverage, the
23 number of recipients that were approved for Medicaid coverage, and
24 the number of recipients that were denied Medicaid coverage. The
25 report shall describe these statistics comparing the current and
26 previous fiscal years and summarize department programs to assist
27 persons in applying for Medicaid.

1 (2) Not later than March 1 of the current fiscal year, the
2 department shall report to the senate and house appropriations
3 subcommittees with jurisdiction over the department budget, and to
4 the senate and house subcommittees with jurisdiction over the
5 department of community health budget, on the number of applicants
6 for home help services. The department shall give a summary report
7 on the number of approved applications, denied applications,
8 pending applications, and the number of applications in which the
9 applicant was eligible for nursing home services.

10 Sec. 686. (1) The department shall ensure that program policy
11 requires caseworkers to confirm that individuals presenting
12 personal identification issued by another state seeking assistance
13 through the family independence program, food assistance program,
14 state disability assistance program, or medical assistance program
15 are not receiving benefits from any other state.

16 (2) The department shall explore changes in program policies
17 to ensure that caseworkers confirm the address provided by any
18 individual seeking family independence program benefits or state
19 disability assistance benefits.

20 (3) The department shall explore changes in program policy
21 that would ensure that individuals with property assets assessed at
22 a value higher than \$500,000.00 would not be able to access
23 assistance through department-administered programs.

24 (4) The department shall modify program policy to ensure that
25 caseworkers request an up-to-date telephone number during the
26 eligibility determination or redetermination process for
27 individuals seeking medical assistance benefits. On a monthly

1 basis, the department shall provide the department of community
2 health an updated list of telephone numbers for medical assistance
3 recipients.

4 Sec. 688. The department in conjunction with Michigan works!
5 shall examine and report on the incidence of reported barriers
6 among families terminated from the family independence program
7 because of noncompliance with work-related requirements. The report
8 shall be submitted to the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, the house and senate policy offices, and the state budget
11 director by April 1 of the current fiscal year.

12 Sec. 691. The department shall not distribute public
13 assistance or subsidies to the parent or parents of school-age
14 children if that parent or those parents have not signed a parent,
15 student, teacher compact outlining the role of each party in the
16 educational success of the student as required by the federal no
17 child left behind act of 2001, Public Law 107-110.

18 Sec. 695. The funds appropriated in part 1 for food assistance
19 program benefits (ARRA) that are financed by federal funds
20 designated as ARRA funding represent federal funds associated with
21 the ARRA. These federal funds are temporary in nature.

22 Sec. 696. From the money appropriated in part 1, the
23 department shall allocate \$100.00 to the Chaldean community
24 foundation. This money shall be utilized to provide translation
25 services, health care services, youth tutoring and mentoring
26 programs, and refugee resettlement services.

1 **JUVENILE JUSTICE SERVICES**

2 Sec. 705. (1) The department, in conjunction with private
3 juvenile justice residential programs, shall develop a methodology
4 for measuring goals, objectives, and performance standards for the
5 delivery of juvenile justice residential programs based on national
6 standards and best practices. The department will provide a unified
7 data collection mechanism to ensure consistent reporting of
8 aggregate case information from the courts. These goals,
9 objectives, and performance standards shall apply to both public
10 and private delivery of juvenile justice residential programs, and
11 data shall be collected from both private and public juvenile
12 justice residential programs that can be used to evaluate
13 performance achievements, including, but not limited to, the
14 following:

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

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

19 (c) Program outcomes including recidivism rates for youth
20 served by the facility.

21 (d) Trends in census and population demographics.

22 (e) Staff and resident safety.

23 (f) Facility profile.

24 (2) The department during the annual budget presentation shall
25 outline the progress of the development of the goals, objectives,
26 and performance standards, as well as the information collected
27 through the implementation of the performance measurement program.

1 The presentation shall include all of the following:

2 (a) Actual cost and actual days of care by facility for the
3 most recently completed fiscal year. This report shall also include
4 the actual number of youth served as well as demographic
5 information.

6 (b) Actual cost per day per youth by facility for the most
7 recently completed fiscal year.

8 (c) An analysis of the variance between the estimated cost and
9 days of care assumed in the original appropriation and the figures
10 in subdivisions (a) and (b).

11 (d) Both the number of authorized FTE positions for each
12 facility and the number of actual on-board FTE positions for the
13 most recently completed fiscal year.

14 Sec. 706. Counties shall be subject to 50% chargeback for the
15 use of alternative regional detention services, if those detention
16 services do not fall under the basic provision of section 117e of
17 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
18 operates those detention services programs primarily with
19 professional rather than volunteer staff.

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

26 Sec. 708. As a condition of receiving money appropriated in
27 part 1 for the child care fund line item, counties shall have an

1 approved service spending plan for the current fiscal year.
2 Counties must submit the service spending plan to the department by
3 December 15 of the current fiscal year for approval. The department
4 shall approve within 30 calendar days after receipt a properly
5 completed service spending plan that complies with the requirements
6 of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

7 Sec. 717. If money becomes available, the department shall
8 contract with a public university in this state to conduct a
9 behavioral health study of juvenile justice facilities operated or
10 contracted for by this state. The study shall utilize diagnostic
11 clinical interviews with and records reviews for a representative
12 random sample of juvenile justice system detainees to develop a
13 report that includes all of the following:

14 (a) An estimate of the proportion of juvenile justice
15 detainees with a primary diagnosis of emotional disorder or
16 addiction disorder.

17 (b) The proportion of juvenile justice detainees with a
18 primary diagnosis of emotional disorder or addiction disorder who
19 are receiving mental health or substance abuse treatment services.

20 (c) The percentage of juvenile detainees that have previously
21 received services in a state psychiatric hospital or through a
22 community mental health agency or a substance abuse coordinating
23 agency.

24 (d) Data classifying the types of offenses historically
25 committed by juvenile justice detainees with a primary diagnosis of
26 emotional disorder or addiction disorder.

27 Sec. 719. The department shall notify the legislature at least

1 30 days before closing or making any change in the status,
2 including the licensed bed capacity and operating bed capacity, of
3 a state juvenile justice facility.

4 Sec. 720. (1) The department shall implement the
5 recommendations on a methodology for measuring goals, objectives,
6 and performance standards developed in conjunction with private
7 providers of juvenile justice residential programs required in
8 section 705 of 2004 PA 344.

9 (2) The department shall allocate money to public and private
10 providers of juvenile justice services based on their ability to
11 demonstrate results in all of the following:

12 (a) Lower recidivism rates.

13 (b) Higher school completion rates or GED completion rates.

14 (c) Shorter average stays in a residential facility.

15 (d) Lower average actual cost per resident.

16 (e) Availability of appropriate services to residents.

17 (3) The department shall comply with section 115o of the
18 social welfare act, 1939 PA 280, MCL 400.115o, regarding placement
19 of juvenile offenders, and shall refer to that statutory
20 requirement in making referral recommendations to courts for secure
21 residential programs.

22 Sec. 721. The department shall report to the house and senate
23 appropriations subcommittees on the department budget by October 1
24 of the current fiscal year on the placement of juvenile offenders
25 who need services in community-based or privately operated
26 facilities.

27 Sec. 723. A private provider of juvenile services may receive

1 funding for both secure and nonsecure services if the provider has
2 appropriate services for each security level and adequate measures
3 to physically separate residents of each security level.

4 Sec. 726. (1) Beginning October 1, 2007, from the money
5 appropriated in part 1 for foster care payments and child care
6 fund, the department shall not enter into or maintain a contract
7 with a for-profit provider of residential services for juvenile
8 justice and abused or neglected youth, or with a nonprofit provider
9 of residential services for juvenile justice and abused or
10 neglected youth that uses a for-profit management group or
11 contracts with a for-profit organization for its management, unless
12 the provider was licensed on or before August 1, 2007 and, if the
13 provider is a nonprofit provider of residential services for
14 juvenile justice and abused or neglected youth that uses a for-
15 profit management group or contracts with a for-profit organization
16 for its management, the contract between the provider and the for-
17 profit group or organization existed prior to August 1, 2007.

18 (2) From the money appropriated in part 1 for foster care
19 payments and child care fund, the department shall increase the
20 daily rates paid to providers of residential services for juvenile
21 justice and abused or neglected youth in recognition of increased
22 requirements resulting from the children's rights settlement
23 agreement. The daily rates for each individual provider shall be
24 increased by \$7.00 over the daily rate paid to that provider as of
25 January 1, 2010. A provider shall not receive a daily rate below
26 \$137.00. Revenue from the rate increase shall not be used by
27 providers to increase compensation for executive staff.

1 Sec. 730. The department shall review and may adjust daily per
2 diem rates to private providers of juvenile justice services in
3 recognition of added complex services.

4 LOCAL OFFICE SERVICES

5 Sec. 750. The department shall maintain out-stationed
6 eligibility specialists in community-based organizations, nursing
7 homes, and hospitals.

8 Sec. 751. (1) From the funds appropriated in part 1, the
9 department may implement school-based family resource centers based
10 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 department budget, the senate and house fiscal
20 agencies and policy offices, and the state budget office of family
21 resource center expansion efforts and shall provide all of the
22 following at the beginning of the selection process or no later
23 than 5 days after eligible schools receive opportunity
24 notification:

25 (a) A list of eligible schools.

26 (b) The selection criteria to be used.

1 (c) The projected number to be opened.

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

4 Sec. 752. If sufficient funding becomes available from local
5 sources, the department shall support the operation of 2 additional
6 family resource centers in Genesee County, 3 additional family
7 resource centers in Kent County, and 1 additional family resource
8 center in Ingham County.

9 Sec. 753. The department shall implement the recommendations
10 of the 2004 public private partnership initiative's training
11 committee to define, design, and implement a train-the-trainer
12 program to certify private agency staff to deliver child welfare
13 staff training, explore the use of e-learning technologies, and
14 include consumers in the design and implementation of training. The
15 intent of the legislature is to reduce training and travel costs
16 for both the department and the private agencies. The department
17 shall report no later than December 1 of the current fiscal year on
18 each specific policy change made to implement enacted legislation
19 and the plans to implement the recommendations, including
20 timelines, to the senate and house appropriations subcommittees on
21 the department budget, the senate and house standing committees on
22 human services matters, the senate and house fiscal agencies and
23 policy offices, and the state budget director.

24 Sec. 754. From the money appropriated in part 1, the
25 department shall provide \$850,000.00 to establish a customer
26 service resource center. The center will assist in screening calls
27 to county offices to allow caseworkers to devote more time to

1 eligibility determination and case management activities. Staff
2 duties at the call center shall include answering routine inquiries
3 from clients and applicants and providing application assistance.

4 **DISABILITY DETERMINATION SERVICES**

5 Sec. 801. The department disability determination services in
6 agreement with the DTMB office of retirement systems will develop
7 the medical information and make recommendations for medical
8 disability retirement for state employees, state police, judges,
9 and schoolteachers.

10 **CHILD SUPPORT ENFORCEMENT**

11 Sec. 901. (1) The appropriations in part 1 assume a total
12 federal child support incentive payment of \$26,500,000.00.

13 (2) From the federal money received for child support
14 incentive payments, \$12,000,000.00 shall be retained by the state
15 and expended for child support program expenses.

16 (3) From the federal money received for child support
17 incentive payments, \$14,500,000.00 shall be paid to the counties
18 based on each county's performance level for each of the federal
19 performance measures as established in 45 CFR 305.2.

20 (4) If the child support incentive payment to the state from
21 the federal government is greater than \$26,500,000.00, then 100% of
22 the excess shall be retained by the state and is appropriated until
23 the total retained by the state reaches \$15,397,400.00.

24 (5) If the child support incentive payment to the state from
25 the federal government is greater than the amount needed to satisfy

1 the provisions identified in subsections (1), (2), (3), and (4),
2 the additional funds shall be subject to appropriation by the
3 legislature.

4 (6) If the child support incentive payment to the state from
5 the federal government is less than \$26,500,000.00, then the state
6 and county share shall each be reduced by 50% of the shortfall.

7 Sec. 902. (1) The department shall continue its work to fix
8 and improve the child support computer system using the funding
9 carried forward from prior fiscal years.

10 (2) The department shall consult with the department of
11 treasury and any outside consultant with collections expertise
12 under contract with the department of treasury to develop a plan to
13 maximize the collection of child support and child support
14 arrearage settlement for the purposes of this section.

15 (3) The department, through the child support leadership
16 group, shall provide semiannual reports to the legislature
17 concerning money expended and improvements made as a result of this
18 section.

19 Sec. 903. The department may facilitate with the department of
20 community health a program under which the departments
21 independently or jointly contract with local friend of the court
22 offices to update and maintain the child support statewide database
23 with health insurance information in cases in which the court has
24 ordered a party to the case to maintain health insurance coverage
25 for the minor child or children involved in the case and to assist
26 in the recovery of money paid by the state for health care costs
27 that are otherwise recoverable from a party to the case. The

1 program shall be in addition to a program or programs under
2 existing contract between either or both of the departments with a
3 private entity on September 1 of the current fiscal year. The
4 program shall be entirely funded with state and federal funds from
5 money first recovered or through costs that are avoided by charging
6 the insurance coverage for minor children from state programs to
7 private insurance.

8 Sec. 904. The department is prohibited from charging back to
9 the counties any of the fees paid that are charged by the internal
10 revenue service or the department of treasury related to the tax
11 intercept and offset programs. The state share of those fees shall
12 be paid from money otherwise provided for office of child support
13 programs.

14 Sec. 907. The office of child support in cooperation with the
15 state court administrative office shall establish a pilot program
16 to examine the effectiveness of contracting with a public or
17 private collection agency as authorized under section 10 of the
18 office of child support act, 1971 PA 174, MCL 400.240. The pilot
19 program shall be implemented during the current fiscal year. Any
20 restricted revenue collected pursuant to this section shall not be
21 expended until the department and representatives from counties and
22 the friends of the court meet and agree upon recommendations for
23 use of the revenue. The revenue is subject to appropriation by the
24 legislature.

25 Sec. 909. (1) If statewide retained child support collections
26 exceed \$38,300,000.00, 75% of the amount in excess of
27 \$38,300,000.00 is appropriated to legal support contracts. This

1 excess appropriation may be distributed to eligible counties to
2 supplement and not supplant county title IV-D funding.

3 (2) Each county whose retained child support collections in
4 the current fiscal year exceed its fiscal year 2004-2005 retained
5 child support collections, excluding tax offset and financial
6 institution data match collections in both the current year and
7 fiscal year 2004-2005, shall receive its proportional share of the
8 75% excess.

9 (3) Payments to counties participating in projects pursuant to
10 section 907 shall be reduced by the amount paid to the vendor. This
11 authorization adjustment shall be made upon notification of the
12 chairs of the house and senate appropriations subcommittees on the
13 department budget, the house and senate fiscal agencies, and the
14 state budget director.

15 Sec. 910. (1) If title IV-D-related child support collections
16 are escheated, the state budget director is authorized to adjust
17 the sources of financing for the funds appropriated in part 1 for
18 legal support contracts to reduce federal authorization by 66% of
19 the escheated amount and increase general fund/general purpose
20 authorization by the same amount. This budget adjustment is
21 required to offset the loss of federal revenue due to the escheated
22 amount being counted as title IV-D program income in accordance
23 with federal regulations at 45 CFR 304.50.

24 (2) The department shall notify the chairs of the house and
25 senate appropriations subcommittees on the department budget and
26 the house and senate fiscal agencies within 15 days of the
27 authorization adjustment in subsection (1).

1 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

2 Sec. 1101. Not later than September 30 of each year, the
3 department shall submit for public hearing to the chairpersons of
4 the house and senate appropriations subcommittees dealing with
5 appropriations for the department budget the proposed use and
6 distribution plan for community services block grant funds
7 appropriated in part 1 for the succeeding fiscal year.

8 Sec. 1102. The department shall develop a plan based on
9 recommendations from the department of civil rights and from Native
10 American organizations to assure that the community services block
11 grant funds are equitably distributed. The plan must be developed
12 by October 31 of the current fiscal year, and the plan shall be
13 delivered to the appropriations subcommittees on the department
14 budget in the senate and house, the senate and house fiscal
15 agencies, and the state budget director.

16 Sec. 1104. The department shall award up to \$500,000.00 in
17 competitive grants to organizations based on their education and
18 outreach with the earned income tax credit (EITC). Organizations
19 shall be given preference based on their emphasis on clients who
20 have never filed for the EITC, clients with children, and clients
21 for whom receipt of the EITC will make it easier for them to move
22 off public assistance.

23 Sec. 1105. The department shall report quarterly to the house
24 and senate appropriations subcommittees on the department budget,
25 the house and senate fiscal agencies, the house and senate policy
26 offices, and the state budget office by February 1, May 1, August

1 1, and November 1 of each fiscal year on the number of homes
2 weatherized through the appropriations in section 104 during the
3 preceding quarter of the calendar year.