

## FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 192, entitled

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

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Bruce Caswell

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Peter MacGregor

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Roger Kahn

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Michael D. McCready

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Vincent Gregory

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Rashida Tlaib

Conferees for the Senate

Conferees for the House



## SUBSTITUTE FOR

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

**1** PART 1

## 2 LINE-ITEM APPROPRIATIONS

3           Sec. 101. There is appropriated for the department of human  
4   services for the fiscal year ending September 30, 2014, from the  
5   following funds:

6 DEPARTMENT OF HUMAN SERVICES

## 7 APPROPRIATION SUMMARY

8	Full-time equated classified positions.....	12,144.5
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1	Full-time equated unclassified positions.....	6.0	
2	Total full-time equated positions.....	12,150.5	
3	GROSS APPROPRIATION.....		\$ 6,018,383,400
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers .....		18,127,100
7	ADJUSTED GROSS APPROPRIATION.....		\$ 6,000,256,300
8	Federal revenues:		
9	Federal - supplemental nutrition assistance revenues		
10	(ARRA) .....		35,846,200
11	Social security act, temporary assistance for needy		
12	families .....		546,239,200
13	Federal supplemental security income.....		8,543,100
14	Total other federal revenues.....		4,223,889,400
15	Special revenue funds:		
16	Total private revenues.....		11,582,800
17	Total local revenues.....		35,685,600
18	Total other state restricted revenues.....		135,470,000
19	State general fund/general purpose.....		\$ 1,003,000,000
20	State general fund/general purpose schedule:		
21	Ongoing state general fund/general		
22	purpose .....	1,000,960,400	
23	One-time state general fund/general		
24	purpose .....	2,039,600	
25	<b>Sec. 102. EXECUTIVE OPERATIONS</b>		
26	Total full-time equated positions.....	673.7	
27	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions.....	667.7	
2	Unclassified salaries--6.0 FTE positions.....		\$ 707,000
3	Salaries and wages--270.7 FTE positions.....		16,223,900
4	Contractual services, supplies, and materials.....		12,115,400
5	Demonstration projects--7.0 FTE positions.....		6,796,000
6	Inspector general salaries and wages--132.0 FTE		
7	positions .....		7,495,100
8	Electronic benefit transfer EBT.....		9,509,000
9	Michigan community service commission--15.0 FTE		
10	positions .....		11,382,900
11	AFC, children's welfare and day care licensure--243.0		
12	FTE positions .....		25,237,400
13	State office of administrative hearings and rules ....		<u>7,351,400</u>
14	GROSS APPROPRIATION.....		\$ 96,818,100
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of education.....		8,100,700
18	Federal revenues:		
19	Social security act, temporary assistance for needy		
20	families .....		10,149,200
21	Total other federal revenues.....		45,714,100
22	Special revenue funds:		
23	Total private revenues.....		3,845,800
24	Total local revenues.....		16,400
25	Total other state restricted revenues.....		5,400
26	State general fund/general purpose.....		\$ 28,986,500
27	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>		

1	Full-time equated classified positions.....	191.7	
2	Child support enforcement operations--185.7 FTE		
3	positions .....		\$ 21,697,200
4	Legal support contracts.....		113,253,600
5	Child support incentive payments.....		32,409,600
6	State disbursement unit--6.0 FTE positions.....		<u>11,315,400</u>
7	GROSS APPROPRIATION.....		\$ 178,675,800
8	Appropriated from:		
9	Federal revenues:		
10	Total federal revenues.....		155,489,700
11	State general fund/general purpose.....		\$ 23,186,100
12	<b>Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY</b>		
13	Full-time equated classified positions.....	16.0	
14	Bureau of community action and economic opportunity		
15	operations--16.0 FTE positions.....		\$ 2,044,200
16	Community services block grant.....		25,840,000
17	Weatherization assistance.....		<u>16,340,000</u>
18	GROSS APPROPRIATION.....		\$ 44,224,200
19	Appropriated from:		
20	Federal revenues:		
21	Social security act, temporary assistance for needy		
22	families .....		500
23	Total other federal revenues.....		44,223,700
24	State general fund/general purpose.....		\$ 0
25	<b>Sec. 105. ADULT AND FAMILY SERVICES</b>		
26	Full-time equated classified positions.....	594.7	
27	Executive direction and support--4.0 FTE positions ...		\$ 379,400

1	Guardian contract.....	490,200
2	Adult services policy and administration--7.0 FTE	
3	positions .....	819,100
4	Office of program policy--31.7 FTE positions .....	4,151,200
5	Michigan rehabilitation services--550.0 FTE positions	138,275,900
6	Independent living.....	5,988,600
7	Employment and training support services.....	4,819,100
8	Wage employment verification reporting.....	547,300
9	Nutrition education--2.0 FTE positions .....	30,034,200
10	Elder law of Michigan MiCAFE contract .....	175,000
11	Elder abuse prosecuting attorney.....	<u>300,000</u>
12	GROSS APPROPRIATION.....	\$ 185,980,000
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from department of education.....	13,200
16	Federal revenues:	
17	Social security act, temporary assistance for needy	
18	families .....	4,869,700
19	Federal supplemental security income.....	8,543,100
20	Total other federal revenues.....	141,040,800
21	Special revenue funds:	
22	Total private revenues.....	1,935,000
23	Local vocational rehabilitation match.....	6,500,000
24	Second injury fund.....	148,400
25	Rehabilitation service fees.....	1,434,300
26	State general fund/general purpose.....	\$ 21,495,500
27	<b>Sec. 106. CHILDREN'S SERVICES</b>	

1	Full-time equated classified positions.....	120.8	
2	Salaries and wages--58.2 FTE positions .....		\$ 2,848,900
3	Contractual services, supplies, and materials .....		1,143,000
4	Interstate compact .....		179,600
5	Families first .....		17,244,500
6	Strong families/safe children .....		12,350,100
7	Child protection and permanency--23.0 FTE positions ..		13,184,000
8	Family reunification program .....		3,977,100
9	Family preservation and prevention services		
10	administration--11.0 FTE positions .....		1,408,300
11	Children's trust fund administration--12.0 FTE		
12	positions .....		787,600
13	Children's trust fund grants .....		2,325,100
14	Attorney general contract .....		3,939,000
15	Prosecuting attorney contracts .....		2,561,700
16	Child protection .....		673,900
17	Domestic violence prevention and treatment--14.6 FTE		
18	positions .....		15,205,800
19	Rape prevention and services--0.5 FTE positions .....		5,072,300
20	Child advocacy centers--0.5 FTE positions .....		2,000,000
21	Child abuse and neglect - children's justice act--1.0		
22	FTE positions .....		817,700
23	Family preservation and prevention services programs .		<u>2,500,000</u>
24	GROSS APPROPRIATION .....		\$ 88,218,600
25	Appropriated from:		
26	Federal revenues:		
27	Social security act, temporary assistance for needy		

1	families .....	44,643,400
2	Total other federal revenues .....	30,881,100
3	Special revenue funds:	
4	Compulsive gaming prevention fund .....	1,040,000
5	Sexual assault victims' prevention and treatment fund	3,000,000
6	Child advocacy centers fund .....	2,000,000
7	Children's trust fund .....	2,070,100
8	State general fund/general purpose .....	\$ 4,584,000
9	<b>Sec. 107. CHILD WELFARE SERVICES</b>	
10	Full-time equated classified positions..... 3,997.2	
11	Children's services administration--97.0 FTE positions \$	6,892,600
12	Title IV-E compliance and accountability office--4.0	
13	FTE positions .....	506,900
14	Child welfare institute--45.0 FTE positions .....	8,010,900
15	Child welfare field staff - caseload compliance--	
16	2,511.0 FTE positions .....	119,472,400
17	Child welfare field staff - noncaseload compliance--	
18	330.0 FTE positions .....	17,250,000
19	Education planners--15.0 FTE positions .....	807,700
20	Permanency planning conference coordinators--56.0 FTE	
21	positions .....	3,366,500
22	Child welfare first line supervisors--585.0 FTE	
23	positions .....	39,776,300
24	Administrative support workers--243.0 FTE positions ..	10,175,400
25	Second line supervisors and technical staff--59.0 FTE	
26	positions .....	4,584,600
27	Permanency resource managers--30.5 FTE positions .....	1,864,400

1	Contractual services, supplies, and materials .....	8,920,400
2	Settlement monitor.....	1,625,800
3	Foster care payments.....	187,703,500
4	Serious emotional disturbance - waiver program.....	3,275,800
5	Serious emotional disturbance - nonwaiver program....	2,932,000
6	Guardianship assistance program.....	5,862,900
7	Child care fund.....	171,036,600
8	Child care fund administration--6.2 FTE positions....	828,200
9	Adoption subsidies.....	244,074,500
10	Adoption support services--10.0 FTE positions .....	24,696,700
11	Youth in transition--5.5 FTE positions .....	14,443,600
12	Child welfare medical/psychiatric evaluations .....	6,607,500
13	Psychotropic oversight contracts.....	<u>1,118,200</u>
14	GROSS APPROPRIATION.....	\$ 885,833,400
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from department of education.....	138,700
18	Federal revenues:	
19	Social security act, temporary assistance for needy	
20	families .....	202,330,600
21	Total other federal revenues.....	305,175,100
22	Special revenue funds:	
23	Private - collections.....	3,200,900
24	Local funds - county chargeback.....	14,494,000
25	State general fund/general purpose.....	\$ 360,494,100
26	<b>Sec. 108. JUVENILE JUSTICE SERVICES</b>	
27	Full-time equated classified positions.....	182.0

1	W.J. Maxey training school--69.0 FTE positions .....	\$	10,592,400
2	Bay pines center--42.0 FTE positions .....		4,769,000
3	Shawono center--42.0 FTE positions .....		4,851,500
4	County juvenile officers .....		3,904,300
5	Community support services--2.0 FTE positions .....		1,295,200
6	Juvenile justice administration and maintenance--24.0		
7	FTE positions .....		4,044,700
8	Juvenile accountability block grant--0.5 FTE positions		1,281,300
9	Committee on juvenile justice administration--2.5 FTE		
10	positions .....		340,300
11	Committee on juvenile justice grants .....		3,000,000
12	In-home community care .....		1,000,000
13	Juvenile justice behavioral health study .....		<u>250,000</u>
14	GROSS APPROPRIATION .....	\$	35,328,700
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues .....		5,107,500
18	Special revenue funds:		
19	Local funds - state share education funds .....		2,168,100
20	Local funds - county chargeback .....		9,158,000
21	State general fund/general purpose .....	\$	18,895,100
22	<b>Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS</b>		
23	Full-time equated classified positions .....		5,790.0
24	Field staff, salaries and wages--5,548.0 FTE positions	\$	295,152,500
25	Contractual services, supplies, and materials .....		13,404,800
26	Medical/psychiatric evaluations .....		1,420,100
27	Donated funds positions--208.0 FTE positions .....		13,757,600

1	Training and program support--24.0 FTE positions .....	2,441,300
2	Volunteer services and reimbursement .....	1,142,400
3	SSI advocates--10.0 FTE positions .....	<u>786,400</u>
4	GROSS APPROPRIATION .....	\$ 328,105,100
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from department of corrections .....	100,000
8	IDG from department of education .....	4,574,600
9	Federal revenues:	
10	Social security act, temporary assistance for needy	
11	families .....	65,310,100
12	Total other federal revenues .....	121,004,200
13	Special revenue funds:	
14	Local funds .....	3,349,100
15	Private funds - donated funds .....	2,601,100
16	Supplemental security income recoveries .....	786,400
17	State general fund/general purpose .....	\$ 130,379,600
18	<b>Sec. 110. DISABILITY DETERMINATION SERVICES</b>	
19	Full-time equated classified positions.....	576.4
20	Disability determination operations--546.9 FTE	
21	positions .....	\$ 85,975,200
22	Medical consultation program--25.4 FTE positions .....	3,316,500
23	Retirement disability determination--4.1 FTE positions .....	<u>423,900</u>
24	GROSS APPROPRIATION .....	\$ 89,715,600
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from DTMB - office of retirement services .....	536,100

1	Federal revenues:	
2	Total federal revenues.....	85,423,900
3	State general fund/general purpose.....	\$ 3,755,600
4	<b>Sec. 111. CENTRAL SUPPORT ACCOUNTS</b>	
5	Rent.....	\$ 45,568,100
6	Occupancy charge.....	10,203,400
7	Travel.....	8,288,000
8	Equipment.....	62,600
9	Worker's compensation.....	1,727,100
10	Payroll taxes and fringe benefits.....	<u>427,618,100</u>
11	GROSS APPROPRIATION.....	\$ 493,467,300
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from department of education.....	3,529,000
15	Federal revenues:	
16	Social security act, temporary assistance for needy	
17	families .....	116,624,800
18	Total other federal revenues.....	201,266,400
19	State general fund/general purpose.....	\$ 172,047,100
20	<b>Sec. 112. PUBLIC ASSISTANCE</b>	
21	Full-time equated classified positions..... 8.0	
22	Family independence program.....	\$ 214,316,000
23	State disability assistance payments.....	20,831,800
24	Food assistance program benefits.....	2,798,081,200
25	Food assistance program benefits (ARRA) .....	35,846,200
26	State supplementation.....	62,535,000
27	State supplementation administration.....	2,381,100

1	Low-income home energy assistance program.....	149,951,600
2	Michigan energy assistance program--1.0 FTE positions	60,000,000
3	Food bank funding.....	1,795,000
4	Homeless programs.....	15,721,900
5	Chaldean community foundation.....	1,000,000
6	Multicultural integration funding.....	2,015,500
7	Indigent burial.....	4,300,000
8	Emergency services local office allocations.....	13,608,500
9	Refugee assistance program--7.0 FTE positions.....	27,955,900
10	Energy self-sufficiency program.....	<u>25,000,000</u>
11	GROSS APPROPRIATION.....	\$ 3,435,339,700
12	Appropriated from:	
13	Federal revenues:	
14	Federal supplemental nutrition assistance revenues	
15	(ARRA) .....	35,846,200
16	Social security act, temporary assistance for needy	
17	families .....	85,966,700
18	Total other federal revenues.....	2,998,121,100
19	Special revenue funds:	
20	Child support collections.....	17,257,800
21	Low-income home energy assistance fund.....	60,000,000
22	Supplemental security income recoveries.....	10,617,600
23	Merit award trust fund.....	30,100,000
24	Public assistance recoupment revenue.....	7,010,000
25	State general fund/general purpose.....	\$ 190,420,300
26	<b>Sec. 113. INFORMATION TECHNOLOGY</b>	
27	Information technology services and projects.....	\$ 114,559,200

1	Child support automation.....	<u>42,117,700</u>
2	GROSS APPROPRIATION.....	\$ 156,676,900
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from department of education.....	1,134,800
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families .....	16,344,200
9	Total other federal revenues.....	88,981,400
10	State general fund/general purpose.....	\$ 50,216,500
11	<b>Sec. 114. ONE-TIME BASIS ONLY</b>	
12	Information technology services and projects.....	\$ 2,000,000
13	Demonstration projects.....	<u>1,500,000</u>
14	GROSS APPROPRIATION.....	\$ 3,500,000
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues.....	1,460,400
18	State general fund/general purpose.....	\$ 2,039,600
19	<b>Sec. 115. BUDGETARY SAVINGS</b>	
20	Staffing reductions.....	\$ <u>(3,500,000)</u>
21	GROSS APPROPRIATION.....	\$ (3,500,000)
22	Appropriated from:	
23	State general fund/general purpose.....	\$ (3,500,000)

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

## FOR FISCAL YEAR 2013-2014

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2013-2014 is \$1,138,470,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$92,153,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

Child care fund.....	\$	85,118,900
County juvenile officers.....		3,656,500
State disability assistance payments.....		976,400
Legal support contracts.....		2,341,000
Family independence program.....		<u>60,600</u>
TOTAL.....	\$	92,153,400

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

Sec. 203. As used in this act:

(a) "AFC" means adult foster care.

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

(c) "Current fiscal year" means the fiscal year ending September 30, 2014.

(d) "Department" means the department of human services.

(e) "Director" means the director of the department of human

1 services.

2 (f) "FTE" means full-time equated.

3 (g) "IDG" means interdepartmental grant.

4 (h) "MiCAFE" means Michigan's coordinated access to food for  
5 the elderly.

6 (i) "Previous fiscal year" means the fiscal year ending  
7 September 30, 2013.

8 (j) "Settlement" means the settlement agreement entered in the  
9 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United  
10 States district court for the eastern district of Michigan.

11 (k) "SSI" means supplemental security income.

12 (l) "Temporary assistance for needy families" or "TANF" or  
13 "title IV-A" means part A of title IV of the social security act,  
14 42 USC 601 to 619.

15 (m) "Title IV-D" means part D of title IV of the social  
16 security act, 42 USC 651 to 669b.

17 (n) "Title IV-E" means part E of title IV of the social  
18 security act, 42 USC 670 to 679c.

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

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

1           (2) Neither the department nor private service providers or  
2 licensees shall be granted preferential treatment or considered  
3 automatically to be in compliance with administrative rules based  
4 on whether they have collective bargaining agreements with direct  
5 care workers. Private service providers or licensees without  
6 collective bargaining agreements shall not be subjected to  
7 additional requirements or conditions of licensure based on their  
8 lack of collective bargaining agreements.

9           Sec. 208. Unless otherwise specified, the department shall use  
10 the Internet to fulfill the reporting requirements of this act.  
11 This requirement shall include transmission of reports via  
12 electronic mail to the recipients identified for each reporting  
13 requirement, and it shall include placement of reports on the  
14 Internet.

15           Sec. 209. Funds appropriated in part 1 shall not be used for  
16 the purchase of foreign goods or services, or both, if  
17 competitively priced and of comparable quality American goods or  
18 services, or both, are available. Preference should be given to  
19 goods or services, or both, manufactured or provided by Michigan  
20 businesses, if they are competitively priced and of comparable  
21 quality. In addition, preference should be given to goods or  
22 services, or both, that are manufactured or provided by Michigan  
23 businesses owned and operated by veterans, if they are  
24 competitively priced and of comparable quality.

25           Sec. 211. Funds appropriated in part 1 shall not be used by a  
26 principal executive department, state agency, or authority to hire  
27 a person to provide legal services that are the responsibility of

1 the attorney general. This prohibition does not apply to legal  
2 services for bonding activities and for those outside services that  
3 the attorney general authorizes.

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

11 (2) The department's ability to satisfy appropriation fund  
12 sources in part 1 shall not be limited to collections and accruals  
13 pertaining to services provided in the current fiscal year, but  
14 shall also include reimbursements, refunds, adjustments, and  
15 settlements from prior years.

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

24 Sec. 214. On a bimonthly basis, the department shall report on  
25 the number of FTEs in pay status by type of staff.

26 Sec. 215. If a legislative objective of this act or of a bill  
27 or amendment to a bill to amend the social welfare act, 1939 PA

1 280, MCL 400.1 to 400.119b, cannot be implemented because  
2 implementation would conflict with or violate federal regulations,  
3 the department shall notify the state budget director, the house  
4 and senate appropriations committees, and the house and senate  
5 fiscal agencies and policy offices of that fact.

6 Sec. 217. The departments and agencies receiving  
7 appropriations in part 1 shall prepare a report on out-of-state  
8 travel expenses not later than January 1 of each year. The travel  
9 report shall be a listing of all travel by classified and  
10 unclassified employees outside this state in the immediately  
11 preceding fiscal year that was funded in whole or in part with  
12 funds appropriated in the department's budget. The report shall be  
13 submitted to the house and senate appropriations committees, the  
14 house and senate fiscal agencies, and the state budget director.  
15 The report shall include the following information:

16 (a) The dates of each travel occurrence.

17 (b) The total transportation and related costs of each travel  
18 occurrence, including the proportion funded with state general  
19 fund/general purpose revenues, the proportion funded with state  
20 restricted revenues, the proportion funded with federal revenues,  
21 and the proportion funded with other revenues.

22 Sec. 219. The department shall cooperate with the department  
23 of technology, management, and budget to maintain a searchable  
24 website accessible by the public at no cost that includes, but is  
25 not limited to, all of the following for each department or agency:

26 (a) Fiscal year-to-date expenditures by category.

27 (b) Fiscal year-to-date expenditures by appropriation unit.

1 (c) Fiscal year-to-date payments to a selected vendor,  
2 including the vendor name, payment date, payment amount, and  
3 payment description.

4 (d) The number of active department employees by job  
5 classification.

6 (e) Job specifications and wage rates.

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

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

18 (2) The department shall provide a report on the amount of  
19 each revenue stream to be carried forward, as well as the  
20 cumulative amount, for the closing fiscal year by October 30 of the  
21 current fiscal year to the senate and house appropriations  
22 subcommittees on the department budget, the senate and house  
23 standing committees on families and human services, and the senate  
24 and house fiscal agencies and policy offices.

25 Sec. 222. (1) The department shall provide written  
26 notification to the chairpersons of the senate and house  
27 appropriations subcommittees on the budget for the department of

1 any policy changes at least 30 days before the implementation date.

2 (2) The department shall make the entire policy and procedures  
3 manual available and accessible to the public via the department  
4 website.

5 (3) The department shall report no later than April 1 of the  
6 current fiscal year on each specific policy change made to  
7 implement a public act affecting the department that took effect  
8 during the prior calendar year to the house and senate  
9 appropriations subcommittees on the budget for the department, the  
10 joint committee on administrative rules, and the senate and house  
11 fiscal agencies. The department shall attach each policy bulletin  
12 issued during the prior calendar year to this report.

13 Sec. 225. The department may hire physicians to be part of the  
14 medical review team (MRT) on a temporary basis if Medicaid  
15 applications are backlogged more than 2,000. The temporary  
16 physicians shall be retained until the backlog has dropped below  
17 2,000 for 2 consecutive months. The role of the physicians will be  
18 to obtain medical evidence from and grant medical determinations to  
19 applicants.

20 Sec. 226. The department shall not approve any contract for  
21 new services, programs, or concepts in excess of \$1,000,000.00  
22 unless both of the following requirements have been met:

23 (a) The department has issued and received a request for  
24 information (RFI) or a request for qualification (RFQ) before  
25 issuing a request for proposal for the contract. The request for  
26 information or request for qualification will enable the department  
27 to learn more about the market for the products or services that

1 are the subject of the future request for proposal.

2 (b) The department has provided the legislature with the  
3 results of the request for information or request for qualification  
4 and posted a summary of the results of the request for information  
5 or request for qualification on the department's webpage.

6 Sec. 240. The department shall notify the house and senate  
7 appropriations committees and the house and senate fiscal agencies  
8 of any changes to a child welfare master contract that results in  
9 increased rates or increased spending on services not less than 30  
10 days before the change takes effect.

11 Sec. 250. Amounts appropriated in part 1 for information  
12 technology may be designated as work projects and carried forward  
13 to support technology projects under the direction of the  
14 department of technology, management, and budget. Funds designated  
15 in this manner are not available for expenditure until approved as  
16 work projects under section 451a of the management and budget act,  
17 1984 PA 431, MCL 18.1451a.

18 Sec. 251. The department and agencies receiving appropriations  
19 in part 1 shall receive and retain copies of all reports funded  
20 from appropriations in part 1. Federal and state guidelines for  
21 short-term and long-term retention of records shall be followed.  
22 The department may electronically retain copies of reports unless  
23 otherwise required by federal and state guidelines.

24 Sec. 252. (1) It is the intent of the legislature that the  
25 department shall allocate funds appropriated in part 1 for an  
26 addition of 4.0 FTEs for medical review team staff as 1-time  
27 funding and the staff shall be hired as limited-term staff.

1           (2) It is the intent of the legislature that the department  
2 shall allocate funds appropriated in part 1 for a juvenile justice  
3 behavioral study as 1-time funding.

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

7           Sec. 265. Within 14 days after the release of the executive  
8 budget recommendation, the department shall provide the state  
9 budget director, the senate and house appropriations chairs, the  
10 senate and house appropriations subcommittees on the department  
11 budget, respectively, and the senate and house fiscal agencies with  
12 an annual report on estimated state restricted fund balances, state  
13 restricted fund projected revenues, and state restricted fund  
14 expenditures for the fiscal years ending September 30, 2013 and  
15 September 30, 2014.

16          Sec. 274. (1) The department, in collaboration with the state  
17 budget office, shall submit to the house and senate appropriations  
18 subcommittees on the department budget, the house and senate fiscal  
19 agencies, and the house and senate policy offices on the day the  
20 governor submits to the legislature the budget for the ensuing  
21 fiscal year a report on spending and revenue projections for each  
22 of the capped federal funds listed below. The report shall contain  
23 actual spending and revenue in the previous fiscal year, spending  
24 and revenue projections for the current fiscal year as enacted, and  
25 spending and revenue projections within the executive budget  
26 proposal for the fiscal year beginning October 1, 2014 for each  
27 individual line item for the department budget. The report shall

1 also include federal funds transferred to other departments. The  
2 capped federal funds shall include, but not be limited to, all of  
3 the following:

4 (a) TANF.

5 (b) Title XX social services block grant.

6 (c) Title IV-B part I child welfare services block grant.

7 (d) Title IV-B part II promoting safe and stable families  
8 funds.

9 (e) Low-income home energy assistance program.

10 (2) By February 15 of the current fiscal year, the department  
11 shall prepare an annual report of its efforts to identify  
12 additional TANF maintenance of effort sources and rationale for any  
13 increases or decreases from all of the following, but not limited  
14 to:

15 (a) Other departments.

16 (b) Local units of government.

17 (c) Private sources.

18 Sec. 275. (1) The negative appropriation in the staffing  
19 reductions line in part 1 shall be offset only through FTE  
20 reductions. The line item shall not be offset through cuts to  
21 programs, benefits, caseload savings, or policy changes.

22 (2) The department shall provide monthly reports on the  
23 savings realized under subsection (1) to the chairpersons of the  
24 senate and house appropriations subcommittees on the department  
25 budget, the senate and house fiscal agencies, and the senate and  
26 house policy offices.

27 (3) The staffing reductions line shall achieve a zero balance

1 by the close of the current fiscal year.

2 (4) Funds to offset the staffing reductions line shall be made  
3 available through the legislative transfer process provided by  
4 section 393(2) of the management and budget act, 1984 PA 431, MCL  
5 18.1393.

6 Sec. 279. (1) All master contracts relating to human services  
7 shall be performance-based contracts that employ a client-centered  
8 results-oriented process that is based on measurable performance  
9 indicators and desired outcomes and includes the annual assessment  
10 of the quality of services provided.

11 (2) By February 1 of the current fiscal year, the department  
12 shall provide the senate and house appropriations subcommittees on  
13 the department budget and the senate and house fiscal agencies and  
14 policy offices a report detailing measurable performance  
15 indicators, desired outcomes, and an assessment of the quality of  
16 services provided by the department during the previous fiscal  
17 year.

18 Sec. 284. (1) In addition to the funds appropriated in part 1,  
19 there is appropriated an amount not to exceed \$200,000,000.00 for  
20 federal contingency funds. These funds are not available for  
21 expenditure until they have been transferred to another line item  
22 in this act under section 393(2) of the management and budget act,  
23 1984 PA 431, MCL 18.1393. These funds shall not be made available  
24 to increase TANF authorization.

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

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

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

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

16 Sec. 290. Any public advertisement for state assistance shall  
17 also inform the public of the welfare fraud hotline operated by the  
18 department.

19 Sec. 291. (1) The department shall verify, using the e-verify  
20 system, that all new department employees, and new hire employees  
21 of contractors and subcontractors paid from funds appropriated in  
22 part 1, are legally present in the United States. The department  
23 may verify this information directly or may require contractors and  
24 subcontractors to verify the information and submit a certification  
25 to the department.

26 (2) By February 15 of the current fiscal year, the department  
27 shall submit to the house and senate appropriations subcommittees

1 on the department budget, the house and senate fiscal agencies, and  
2 the house and senate policy offices a report on the number of new  
3 department employees and new hire employees of contractors and  
4 subcontractors that were found to not be legally present in the  
5 United States.

6       Sec. 293. The department may use funds from the funds  
7 appropriated in part 1 to strengthen marriage and family relations  
8 through the practice of marriage and family therapy for  
9 individuals, families, couples, or groups. The goal of the therapy  
10 shall be strengthening families by helping them avoid, eliminate,  
11 relieve, manage, or resolve marital or family conflict or discord.

12       Sec. 295. If the department fails to provide to the  
13 legislature reports and other data required by this act or other  
14 statute within 30 days after the date the information is due, the  
15 state money appropriated in part 1 for salaries and wages  
16 responsible for preparing and submitting the report shall be  
17 reduced by \$150,000.00.

18       Sec. 296. Not later than November 30, the state budget office  
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 prior fiscal year. This report shall summarize the  
22 projected year-end general fund/general purpose appropriation  
23 lapses by major departmental program or program areas. The report  
24 shall be transmitted to the office of the state budget, the  
25 chairpersons of the senate and house appropriations committees, and  
26 the senate and house fiscal agencies.

27       Sec. 298. By March 1 of the current fiscal year, the

1 department shall provide to the senate and house appropriations  
2 subcommittees on the department budget, the senate and house fiscal  
3 agencies, and the senate and house policy offices an annual report  
4 on the supervisor-to-staff ratio by department divisions and  
5 subdivisions.

6 Sec. 299. The department shall maintain, on a publicly  
7 accessible website, a department scorecard that identifies, tracks,  
8 and regularly updates key metrics that are used to monitor and  
9 improve the department's performance.

#### 10 **EXECUTIVE OPERATIONS**

11 Sec. 307. (1) From the funds appropriated in part 1 for  
12 demonstration projects, \$400,000.00 shall be distributed as  
13 provided in subsection (2). The amount distributed under this  
14 subsection shall not exceed 50% of the total operating expenses of  
15 the program described in subsection (2), with the remaining 50%  
16 paid by local United Way organizations and other nonprofit  
17 organizations and foundations.

18 (2) Funds distributed under subsection (1) shall be  
19 distributed to Michigan 2-1-1, a nonprofit corporation organized  
20 under the laws of this state that is exempt from federal income tax  
21 under section 501(c)(3) of the internal revenue code, 26 USC  
22 501(c)(3), and whose mission is to coordinate and support a  
23 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to  
24 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
25 in January 2005.

26 (3) Michigan 2-1-1 shall refer to the department any calls

1 received reporting fraud, waste, or abuse of state-administered  
2 public assistance.

3 (4) Michigan 2-1-1 shall report annually to the department and  
4 the house and senate standing committees with primary jurisdiction  
5 over matters relating to human services and telecommunications on  
6 2-1-1 system performance, including, but not limited to, call  
7 volume by community health and human service needs and unmet needs  
8 identified through caller data and customer satisfaction metrics.

9 **ADULT AND FAMILY SERVICES**

10 Sec. 401. All funds appropriated in part 1 for independent  
11 living shall be used to support centers for independent living in  
12 compliance with federal rules and regulations for those centers, by  
13 existing centers for independent living to serve underserved areas,  
14 and for projects to build capacity of centers for independent  
15 living to deliver independent living services. Applications for the  
16 funds shall be reviewed in accordance with criteria and procedures  
17 established by the department. Funds shall be used in a manner  
18 consistent with the state plan for independent living.

19 Sec. 402. The Michigan rehabilitation services shall work  
20 collaboratively with the Michigan commission for the blind, service  
21 organizations, and government entities to identify qualified match  
22 dollars to maximize use of available federal vocational  
23 rehabilitation funds.

24 Sec. 403. (1) It is the intent of the legislature that the  
25 funds appropriated in part 1 for Michigan rehabilitation services,  
26 and any future funds appropriated for that purpose, shall not be

1 spent unless Michigan rehabilitation services addresses, works to  
2 remedy, and accounts for the deficiencies found in Michigan  
3 rehabilitation services as detailed in the most recent auditor  
4 general report of Michigan rehabilitation services.

5 (2) Beginning October 1, 2013, the department shall provide  
6 quarterly status reports to the house and senate appropriations  
7 subcommittees on the department budget, the house and senate fiscal  
8 agencies, and house and senate policy offices on Michigan  
9 rehabilitation services that include all of the following items:

10 (a) Reductions and changes in administration costs and  
11 staffing.

12 (b) Service delivery plans and implementation steps achieved.

13 (c) Reorganization plans and implementation steps achieved.

14 (d) Plans to integrate Michigan rehabilitative services  
15 programs into other services provided by the department.

16 (e) Quarterly expenditures by major spending category.

17 Sec. 404. From the funds appropriated in part 1 for  
18 independent living, the department shall allocate \$1,500,000.00 to  
19 Michigan's centers for independent living to pilot guide services  
20 to develop accessible, comprehensive, and integrated services for  
21 persons with disabilities. The pilot guide services shall also  
22 assist persons with disabilities and their families in navigating  
23 state systems when accessing public assistance to become  
24 financially self-sufficient.

25 Sec. 405. It is the intent of the legislature that Michigan  
26 rehabilitation services shall not implement an order of selection  
27 for vocational and rehabilitative services.

1       Sec. 415. (1) If funds become available in part 1, the  
2 department may contract with independent contractors from various  
3 counties, including, but not limited to, faith-based and nonprofit  
4 organizations. Preference shall be given to independent contractors  
5 that provide at least 10% in matching funds, through any  
6 combination of local, state, or federal funds or in-kind or other  
7 donations. However, an independent contractor that cannot secure  
8 matching funds shall not be excluded from consideration for the  
9 fatherhood program.

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

16       (3) A fatherhood initiative program established under this  
17 section shall minimally include at least 3 of the following  
18 components: promoting responsible, caring, and effective parenting  
19 through counseling; mentoring and parental education; enhancing the  
20 abilities and commitment of unemployed or low-income fathers to  
21 provide material support for their families and to avoid or leave  
22 welfare programs by assisting them to take advantage of job search  
23 programs, job training, and education to improve their work habits  
24 and work skills; improving fathers' ability to effectively manage  
25 family business affairs by means such as education, counseling, and  
26 mentoring in household matters; infant care; effective  
27 communication and respect; anger management; children's financial

1 support; and drug-free lifestyle.

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

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

10 Sec. 416. (1) If funds become available in part 1, the  
11 department may contract with independent contractors from various  
12 counties, including, but not limited to, faith-based and nonprofit  
13 organizations. Preference shall be given to independent contractors  
14 that provide at least 10% in matching funds, through any  
15 combination of local, state, or federal funds or in-kind or other  
16 donations. However, an independent contractor that cannot secure  
17 matching funds shall not be excluded from consideration for a  
18 marriage initiative program.

19 (2) The department may choose providers to work with counties  
20 that will work to support and strengthen marriages of those  
21 eligible under the TANF guidelines. The areas of work may include,  
22 but are not limited to, marital counseling, domestic violence  
23 counseling, family counseling, effective communication, and anger  
24 management as well as parenting skills to improve the family  
25 structure.

26 (3) A marriage initiative program established under this  
27 section may include, but is not limited to, 1 or more of the

1 following: public advertising campaigns on the value of marriage  
2 and the skills needed to increase marital stability and health;  
3 education in high schools on the value of marriage, relationship  
4 skills, and budgeting; premarital, marital, family, and domestic  
5 violence counseling; effective communication; marriage mentoring  
6 programs which use married couples as role models and mentors in  
7 at-risk communities; anger management; and parenting skills to  
8 improve the family structure.

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

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

17 Sec. 420. (1) From the funds appropriated in part 1, the  
18 department shall contract with the prosecuting attorneys  
19 association of Michigan for 2 elder abuse resource prosecuting  
20 attorneys positions to provide the support and services necessary  
21 to increase the capability of the state's prosecutors, adult  
22 protective service system, and criminal justice system to  
23 effectively identify, investigate, and prosecute elder abuse and  
24 financial exploitation.

25 (2) By March 1 of the current fiscal year, the prosecuting  
26 attorneys association shall provide a report on the efficacy of the  
27 contract to the state budget office, the house and senate

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

4       Sec. 423. From the funds appropriated in part 1 for elder law  
5 of Michigan MiCAFE contract, the department shall allocate not less  
6 than \$175,000.00 to the elder law of Michigan MiCAFE to assist this  
7 state's elderly population to participate in the food assistance  
8 program. The funds may be used as state matching funds to acquire  
9 available United States department of agriculture funding to  
10 provide outreach program activities, such as eligibility screen and  
11 information services, as part of a statewide food stamp hotline.

12       Sec. 424. The department may enter into a contract with a  
13 nonprofit entity that operates throughout this state to provide  
14 vehicle purchases and vehicle repairs for all low-income  
15 individuals who the department determines are eligible. The  
16 department shall work in conjunction with the nonprofit entity to  
17 ensure that the barriers to self-sufficiency are removed for each  
18 individual.

19       Sec. 425. (1) From the funds appropriated in part 1, the  
20 department shall provide individuals not more than \$500.00 for  
21 vehicle repairs, including any repairs done in the previous 12  
22 months. However, the department may in its discretion pay for  
23 repairs up to \$900.00. Payments under this section shall include  
24 the combined total of payments made by the department and work  
25 participation program.

26       (2) By November 30 of the current fiscal year, the department  
27 shall provide to the senate and house appropriations subcommittees

1 on the department budget, the senate and house fiscal agencies, and  
2 the senate and house policy offices a report detailing the total  
3 number of payments for repairs, the number of payments for repairs  
4 that exceeded \$500.00, the number of payments for repairs that cost  
5 exactly \$500.00, and the number of payments for repairs that cost  
6 exactly \$900.00 in the previous fiscal year.

7 **CHILDREN'S SERVICES**

8       Sec. 501. A goal is established that not more than 31% of all  
9 children in foster care at any given time during the current fiscal  
10 year will have been in foster care for 24 months or more. During  
11 the annual budget presentation, the department shall provide a  
12 report describing the steps that will be taken to achieve the  
13 specific goal established in this section.

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

19       Sec. 503. The department, in conjunction with members from  
20 both the house of representatives and senate, shall carry out a  
21 workgroup to review the feasibility of establishing performance-  
22 based funding for all public and private child welfare services  
23 providers. By March 1, 2014, the department shall provide a report  
24 on the findings of the workgroup to the senate and house  
25 appropriations subcommittees on the department budget, the senate  
26 and house standing committees on families and human services, and

1 the senate and house fiscal agencies and policy offices.

2       Sec. 505. By March 1 of the current fiscal year, the  
3 department and Wayne County shall provide to the senate and house  
4 appropriations committees on the department budget and the senate  
5 and house fiscal agencies and policy offices a report for youth  
6 served in the previous fiscal year and in the first quarter of the  
7 current fiscal year outlining the number of youth served within  
8 each juvenile justice system, the type of setting for each youth,  
9 performance outcomes, and financial costs or savings.

10       Sec. 506. The department shall submit a report by February 15  
11 of the current fiscal year on the number of foster children under  
12 department supervision who did not receive Medicaid coverage and  
13 the number of foster children under department supervision that  
14 experienced a break in Medicaid coverage during the previous fiscal  
15 year to the house and senate appropriations subcommittees on the  
16 department budget, the house and senate fiscal agencies, and the  
17 house and senate policy offices.

18       Sec. 507. The department's ability to satisfy appropriation  
19 deducts in part 1 for foster care private collections shall not be  
20 limited to collections and accruals pertaining to services provided  
21 only in the current fiscal year but may include revenues collected  
22 during the current fiscal year for services provided in prior  
23 fiscal years.

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

1           (2) The department and the child abuse neglect and prevention  
2 board shall collaborate to ensure that administrative delays are  
3 avoided and the local grant recipients and direct service providers  
4 receive money in an expeditious manner. The department and board  
5 shall seek to have the children's trust fund grants distributed no  
6 later than November 30 of the current fiscal year.

7           Sec. 509. (1) From the funds appropriated in part 1 for the  
8 child welfare training institute, the department shall use up to  
9 \$100,000.00 to enter into a contract for a pilot program for gentle  
10 teaching methods.

11           (2) The department shall report to the senate and house  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, the senate and house policy offices, and  
14 the state budget office by March 1, 2014 on the results of the  
15 pilot program, including the number of participants, actual costs  
16 of the pilot program, and a cost estimate to make the gentle  
17 teaching method a required training component for all new and  
18 existing field staff workers by March 1, 2015.

19           Sec. 510. By March 1 of the current fiscal year, the  
20 department shall provide to the senate and house appropriations  
21 subcommittees on the department budget, the senate and house  
22 standing committees on families and human services, and the senate  
23 and house fiscal agencies and policy offices a report on the  
24 implementation of the workgroup findings described in section 510  
25 of article X of 2012 PA 200.

26           Sec. 511. The department shall provide quarterly reports to  
27 the senate and house appropriations subcommittees on the department

1 budget, the senate and house standing committees on families and  
2 human services, and the senate and house fiscal agencies and policy  
3 offices on the number and percentage of children who received  
4 timely health examinations after entry into foster care and the  
5 number and percentage of children entering foster care who received  
6 a required mental health examination after entry into foster care.

7       Sec. 513. (1) The department shall not expend funds  
8 appropriated in part 1 to pay for the direct placement by the  
9 department of a child in an out-of-state facility unless all of the  
10 following conditions are met:

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

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

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

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

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

24       (2) The department shall not expend money for a child placed  
25 in an out-of-state facility without approval of the deputy director  
26 for children's services. The department shall notify the  
27 appropriate state agency in that state including the name of the

1 out-of-state provider who accepted the placement.

2 (3) The department shall submit quarterly reports to the state  
3 court administrative office, the house and senate appropriations  
4 subcommittees on the department budget, the house and senate fiscal  
5 agencies, and the house and senate policy offices on the number of  
6 Michigan children residing in out-of-state facilities at the time  
7 of the report, the total cost and average per diem cost of these  
8 out-of-state placements to this state, and a list of each such  
9 placement arranged by the Michigan county of residence for each  
10 child.

11 (4) The department shall submit an annual report by February  
12 15 of the current fiscal year on per diem costs of each residential  
13 care provider that has an established state rate and is located or  
14 doing business in this state.

15 (5) It is the intent of the legislature that the department  
16 shall work in conjunction with the courts and the state court  
17 administrative office to identify data needed to calculate  
18 statewide recidivism rates for adjudicated youth placed in either  
19 residential secure or nonsecure facilities, defined at 6 months  
20 after a youth is released from placement.

21 (6) By March 1 of the current fiscal year, the department  
22 shall notify the legislature on the status of efforts to accomplish  
23 the intent of subsection (5).

24 Sec. 514. The department shall make a comprehensive report  
25 concerning children's protective services (CPS) to the legislature,  
26 including the senate and house policy offices and the state budget  
27 director, by January 1 of the current fiscal year, that shall

1 include all of the following:

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

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

9 (ii) Characteristics of perpetrators of abuse or neglect and  
10 the child victims, such as age, relationship, race, and ethnicity  
11 and whether the perpetrator exposed the child victim to drug  
12 activity, including the manufacture of illicit drugs, that exposed  
13 the child victim to substance abuse, a drug house, or  
14 methamphetamine.

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

19 (iv) The number of cases that resulted in the separation of the  
20 child from the parent or guardian and the period of time of that  
21 separation, up to and including termination of parental rights.

22 (v) For the reported complaints of abuse or neglect by  
23 teachers, school administrators, and school counselors, the number  
24 of cases classified under category I or category II and the number  
25 of cases classified under category III, category IV, or category V.

26 (vi) For the reported complaints of abuse or neglect by  
27 teachers, school administrators, and school counselors, the number

1 of cases that resulted in separation of the child from the parent  
2 or guardian and the period of time of that separation, up to and  
3 including termination of parental rights.

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

8 (c) The information contained in the report required under  
9 section 8d(5) of the child protection law, 1975 PA 238, MCL  
10 722.628d, on cases classified under category III.

11 (d) The department policy, or changes to the department  
12 policy, regarding children who have been exposed to the production  
13 or manufacture of methamphetamines.

14 Sec. 515. The department, in conjunction with court and county  
15 personnel and representatives of the private child welfare agencies  
16 operating in Kent County, shall privatize foster care and adoption  
17 services, except for child protective services, in Kent County by  
18 October 1, 2014 based on workgroup findings.

19 Sec. 519. The department shall permit any private agency that  
20 has an existing contract with this state to provide foster care  
21 services to be also eligible to provide treatment foster care  
22 services.

23 Sec. 520. The department shall post a request for information  
24 for a contract for foster family group homes by December 31 of the  
25 current fiscal year.

26 Sec. 522. From the funds appropriated in part 1 for youth in  
27 transition programs, the department shall allocate \$750,000.00 to

1 the campus coaches program to provide college scholarships to  
2 youths who are transitioning from the foster care system and are  
3 attending a college located in this state. Of the funds  
4 appropriated, 100% shall be used to fund scholarships for the  
5 youths described in this section.

6 Sec. 523. (1) By February 15 of the current fiscal year, the  
7 department shall report on the families first, family  
8 reunification, and families together building solutions family  
9 preservation programs to the senate and house appropriations  
10 subcommittees on the department budget, the senate and house fiscal  
11 agencies, and the senate and house policy offices. The report shall  
12 contain all of the following for each program:

13 (a) The average cost per recipient served.

14 (b) Measurable performance indicators.

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

18 (d) Monitored results.

19 (e) Innovations that may include savings or reductions in  
20 administrative costs.

21 (2) If money becomes available in part 1 for youth in  
22 transition and domestic violence prevention and treatment, the  
23 department is authorized to make allocations of TANF funds only to  
24 agencies that report necessary data to the department for the  
25 purpose of meeting TANF eligibility reporting requirements.

26 Sec. 524. As a condition of receiving funds appropriated in  
27 part 1 for strong families/safe children, counties must submit the

1 service spending plan to the department by October 1 of the current  
2 fiscal year for approval. The department shall approve the service  
3 spending plan within 30 calendar days after receipt of a properly  
4 completed service spending plan.

5 Sec. 525. The department shall implement the same on-site  
6 evaluation processes for privately operated child welfare and  
7 juvenile justice residential facilities as is used to evaluate  
8 state-operated facilities. Penalties for noncompliance shall be the  
9 same for privately operated child welfare and juvenile justice  
10 residential facilities and state-operated facilities.

11 Sec. 526. From the funds appropriated in part 1 for foster  
12 care payments and related administrative costs, the department may  
13 implement the federally approved title IV-E child welfare waiver  
14 demonstration project. As required under the waiver, any savings  
15 resulting from the demonstration project must be quantified and  
16 reinvested into child welfare programming.

17 Sec. 532. (1) The department, in collaboration with  
18 representatives of private child and family agencies, shall revise  
19 and improve the annual licensing review process and the annual  
20 contract compliance review process for child placing agencies and  
21 child caring institutions. The improvement goals shall be safety  
22 and care for children. Improvements to the review process shall be  
23 directed toward alleviating administrative burdens so that agency  
24 resources may be focused on children. The revision shall include  
25 identification of duplicative staff activities and information  
26 sought from child placing agencies and child caring institutions in  
27 the annual review process. The department shall report to the

1 senate and house appropriations subcommittees on the department  
2 budget, the senate and house fiscal agencies and policy offices,  
3 and the state budget director on or before January 15 of the  
4 current fiscal year on the findings of the annual licensing review.

5 (2) The department shall conduct licensing reviews no more  
6 than once every 2 years for child placing agencies and child caring  
7 institutions that are nationally accredited and have no outstanding  
8 violations.

9 Sec. 533. (1) The department shall make payments to child  
10 placing facilities for in-home and out-of-home care services and  
11 adoption services within 30 days of receiving all necessary  
12 documentation from those agencies.

13 (2) The department shall provide a report on the status of the  
14 implementation and operation of this section by February 15 of the  
15 current fiscal year.

16 Sec. 534. The department shall report to the senate and house  
17 appropriations subcommittees on the department budget, the senate  
18 and house fiscal agencies, the senate and house policy offices, and  
19 the state budget office by March 1 of the current fiscal year a  
20 report on the implementation of the statewide automated child  
21 welfare information system. The report shall include, but not be  
22 limited to, all of the following:

23 (a) Areas where implementation went as planned.

24 (b) The number of known issues.

25 (c) The average number of help tickets submitted per day.

26 (d) Any additional overtime or other staffing costs to address  
27 known issues and volume of help tickets.

1 (e) Any contract revisions to address known issues and volume  
2 of help tickets.

3 (f) Other strategies undertaken to improve implementation.

4 Sec. 537. The department, in collaboration with child placing  
5 agencies, shall develop a strategy to implement section 1150 of the  
6 social welfare act, 1939 PA 280, MCL 400.1150. The strategy shall  
7 include a requirement that a department caseworker responsible for  
8 preparing a recommendation to a court concerning a juvenile  
9 placement shall provide, as part of the recommendation, information  
10 regarding the requirements of section 1150 of the social welfare  
11 act, 1939 PA 280, MCL 400.1150.

12 Sec. 540. If a physician or psychiatrist who is providing  
13 services to state or court wards placed in a residential facility  
14 submits a formal request to the department to change the  
15 psychotropic medication of a ward, the department shall, if the  
16 ward is a state ward, make a determination on the proposed change  
17 within 30 days after the request or, if the ward is a temporary  
18 court ward, seek parental consent within 7 business days after the  
19 request.

20 Sec. 546. (1) From the funds appropriated in part 1 for foster  
21 care payments and from child care fund, the department shall pay  
22 providers of foster care services not less than a \$37.00  
23 administrative rate.

24 (2) From the funds appropriated in part 1 for foster care  
25 payments and from child care fund, the department shall pay  
26 providers of general independent living services not less than a  
27 \$28.00 administrative rate.

1           (3) From the funds appropriated in part 1, the department  
2 shall reinstate the specialized independent living services  
3 administrative rate to levels that were in place for the fiscal  
4 year ending September 30, 2011.

5           (4) From the funds appropriated in part 1, the department  
6 shall pay providers of foster care services an additional \$3.00  
7 administrative rate, provided that section 117a of the social  
8 welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the  
9 county match rate for the additional administrative rate provided  
10 in this subsection.

11           (5) If required by the federal government to meet title IV-E  
12 requirements, providers of foster care services shall submit  
13 quarterly expenditure reports to the department to identify actual  
14 costs of providing foster care services.

15           Sec. 547. From the funds appropriated in part 1 for the  
16 guardianship assistance program, the department shall pay a minimum  
17 rate that is not less than the approved age-appropriate payment  
18 rates for youth placed in family foster care.

19           Sec. 556. No later than February 1 for the previous fiscal  
20 year, the department shall provide an annual report to the  
21 subcommittees of the senate and house appropriations committees on  
22 the department budget with the number of complaints filed by  
23 adoptive parents who were not notified that their adopted child had  
24 special needs.

25           Sec. 557. From the funds appropriated in part 1, the  
26 department may provide reimbursement for nonrecurring expenses  
27 related to an adoption in excess of the limit described in section

1 115/ of the social welfare act, 1939 PA 280, MCL 400.115/.

2 Sec. 574. (1) From the funds appropriated in part 1 for foster  
3 care payments, \$2,500,000.00 is allocated to support contracts with  
4 child placing agencies to facilitate the licensure of relative  
5 caregivers as foster parents. Agencies shall receive \$2,300.00 for  
6 each facilitated licensure. The agency facilitating the licensure  
7 would retain the placement and continue to provide case management  
8 services for at least 50% of the newly licensed cases for which the  
9 placement was appropriate to the agency. Up to 50% of the newly  
10 licensed cases would have direct foster care services provided by  
11 the department.

12 (2) From the funds appropriated for foster care payments,  
13 \$375,000.00 is allocated to support family incentive grants to  
14 private and community-based foster care service providers to assist  
15 with home improvements or payment for physical exams for applicants  
16 needed by foster families to accommodate foster children.

17 Sec. 583. By February 1 of the current fiscal year, the  
18 department shall provide to the senate and house appropriations  
19 subcommittees on the department budget, the senate and house  
20 standing committees on families and human services, and the senate  
21 and house fiscal agencies and policy offices a report that  
22 includes:

23 (a) The number and percentage of foster parents that dropped  
24 out of the program in the previous fiscal year and the reasons the  
25 foster parents left the program and how those figures compare to  
26 prior fiscal years.

27 (b) The number and percentage of foster parents successfully

1 retained in the previous fiscal year and how those figures compare  
2 to prior fiscal years.

3 Sec. 585. The department shall make available at least 1 pre-  
4 service training class each month in which new caseworkers for  
5 private foster care and adoption agencies can enroll.

6 Sec. 587. From the funds appropriated in part 1 to in-home  
7 community care programs, \$1,000,000.00 shall be used to expand or  
8 create new in-home care and community-based juvenile justice  
9 services to rural counties through a grant-making process. By March  
10 1 of the current fiscal year, the department shall submit a report  
11 that describes the program expansion and expenditures in detail to  
12 the senate and house appropriations subcommittees on the department  
13 budget, the senate and house fiscal agencies, and the senate and  
14 house policy offices.

15 Sec. 588. (1) Concurrently with public release, the department  
16 shall transmit all reports from the court-appointed settlement  
17 monitor, including, but not limited to, the needs assessment and  
18 period outcome reporting, to the state budget office, the senate  
19 and house appropriations subcommittees on the department budget,  
20 and the senate and house fiscal agencies, without revision.

21 (2) The department shall report quarterly to the state budget  
22 office, the senate and house appropriations subcommittees on the  
23 department budget, and the senate and house fiscal agencies, on the  
24 number of children enrolled in the guardianship assistance and  
25 foster care - children with serious emotional disturbance waiver  
26 programs.

27 Sec. 589. (1) The department shall not transfer any foster

1 care cases that require a county contribution to the private agency  
2 administrative rate unless it is agreed to by the county.

3 (2) On a monthly basis, the department shall report on the  
4 number of all foster care cases administered by the department and  
5 all foster care cases administered by private providers.

6 Sec. 590. From the funds appropriated in part 1, the  
7 department shall provide \$30,000.00 for the task force on the  
8 prevention of sexual abuse of children defined under section 12b of  
9 the child protection law, 1975 PA 238, MCL 722.632b. Use of funds  
10 shall be limited to providing reimbursements to task force members  
11 for travel costs related to task force operations.

## 12 **PUBLIC ASSISTANCE**

13 Sec. 601. Whenever a client agrees to the release of his or  
14 her name and address to the local housing authority, the department  
15 shall request from the local housing authority information  
16 regarding whether the housing unit for which vendoring has been  
17 requested meets applicable local housing codes. Vendoring shall be  
18 terminated for those units that the local authority indicates in  
19 writing do not meet local housing codes until such time as the  
20 local authority indicates in writing that local housing codes have  
21 been met.

22 Sec. 603. The department shall conduct a workgroup in  
23 conjunction with the department of community health and members  
24 from both the senate and house of representatives to determine how  
25 the state can maximize Medicaid claims for community-based and  
26 outpatient treatment services to foster care children and

1 adjudicated youths who are placed in community-based treatment  
2 programs. The department shall report to the senate and house  
3 appropriations subcommittees on the department budget, the senate  
4 and house fiscal agencies, the senate and house policy offices, and  
5 the state budget office by March 1, 2014 on the findings of the  
6 workgroup.

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

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

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

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

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

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

27       (f) A person receiving special education services through the

1 local intermediate school district.

2 (g) A caretaker of a disabled person who meets the  
3 requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

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

25 Sec. 605. The level of reimbursement provided to state  
26 disability assistance recipients in licensed adult foster care  
27 facilities shall be the same as the prevailing supplemental

1 security income rate under the personal care category.

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

9       Sec. 607. (1) The department's ability to satisfy  
10 appropriation deductions in part 1 for state disability  
11 assistance/supplemental security income recoveries and public  
12 assistance recoupment revenues shall not be limited to recoveries  
13 and accruals pertaining to state disability assistance, or family  
14 independence assistance grant payments provided only in the current  
15 fiscal year, but may include revenues collected during the current  
16 year that are prior year related and not a part of the department's  
17 accrued entries.

18       (2) The department may use supplemental security income  
19 recoveries to satisfy the deduct in any line in which the revenues  
20 are appropriated, regardless of the source from which the revenue  
21 is recovered.

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

1 adult foster care facilities and homes for the aged serving  
2 residents receiving supplemental security income shall not be  
3 prohibited from accepting third-party payments in addition to  
4 supplemental security income provided that the payments are not for  
5 food, clothing, shelter, or result in a reduction in the  
6 recipient's supplemental security income payment.

7       Sec. 609. The state supplementation level under the  
8 supplemental security income program for the personal care/adult  
9 foster care and home for the aged categories shall not be reduced  
10 during the current fiscal year. The legislature shall be notified  
11 not less than 30 days before any proposed reduction in the state  
12 supplementation level.

13       Sec. 610. (1) In developing good cause criteria for the state  
14 emergency relief program, the department shall grant exemptions if  
15 the emergency resulted from unexpected expenses related to  
16 maintaining or securing employment.

17       (2) For purposes of determining housing affordability  
18 eligibility for state emergency relief, a group is considered to  
19 have sufficient income to meet ongoing housing expenses if their  
20 total housing obligation does not exceed 75% of their total net  
21 income.

22       (3) State emergency relief payments shall not be made to  
23 individuals who have been found guilty of fraud in regard to  
24 obtaining public assistance.

25       (4) State emergency relief payments shall not be made  
26 available to persons who are out-of-state residents or illegal  
27 immigrants.

1           (5) State emergency relief payments for rent assistance shall  
2 be distributed directly to landlords and shall not be added to  
3 Michigan bridge cards.

4           Sec. 611. The state supplementation level under the  
5 supplemental security income program for the living independently  
6 or living in the household of another categories shall not exceed  
7 the minimum state supplementation level as required under federal  
8 law or regulations.

9           Sec. 612. The department shall implement an asset test as part  
10 of the eligibility determination for applicants and existing  
11 recipients of the refugee assistance program medical benefits.

12          Sec. 613. The department shall provide reimbursements for the  
13 final disposition of indigent persons. The maximum allowable  
14 reimbursement for the final disposition shall be \$800.00. In  
15 addition, reimbursement for a cremation permit fee of up to \$75.00  
16 and for mileage at the standard rate will also be made available  
17 for an eligible cremation. The reimbursements under this section  
18 shall account for religious preferences that prohibit cremation.

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

26          Sec. 616. The department shall require retailers that  
27 participate in the electronic benefits transfer program to charge

1 no more than \$2.50 in fees for cash back as a condition of  
2 participation.

3 Sec. 617. The department shall prepare a report on the number  
4 and percentage of public assistance recipients, categorized by type  
5 of assistance received, who were no longer eligible for assistance  
6 because of their status in the law enforcement information network  
7 and provide the report by February 15 of the current fiscal year to  
8 the senate and house appropriations subcommittees on the department  
9 budget, the senate and house standing committees on families and  
10 human services, and the senate and house fiscal agencies and policy  
11 offices.

12 Sec. 619. (1) Subject to subsection (2), the department shall  
13 exempt from the denial of title IV-A assistance and food assistance  
14 benefits under 21 USC 862a any individual who has been convicted of  
15 a felony that included the possession, use, or distribution of a  
16 controlled substance, after August 22, 1996, provided that the  
17 individual is not in violation of his or her probation or parole  
18 requirements. Benefits shall be provided to such individuals as  
19 follows:

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

22 (b) An authorized representative shall be required for food  
23 assistance receipt.

24 (2) Subject to federal approval, an individual is not entitled  
25 to the exemption in this section if the individual was convicted in  
26 2 or more separate cases of a felony that included the possession,  
27 use, or distribution of a controlled substance after August 22,

1 1996.

2       Sec. 620. (1) The department shall make a determination of  
3 Medicaid eligibility not later than 60 days after all information  
4 to make the determination is received from the applicant if  
5 disability is an eligibility factor. For all other Medicaid  
6 applicants, including patients of a nursing home, the department  
7 shall make a determination of Medicaid eligibility within 45 days  
8 of application.

9       (2) Not later than October 1, 2013, the department shall  
10 provide a report to the senate and house appropriations  
11 subcommittees on the department budget, the senate and house  
12 standing committees on families and human services, and the senate  
13 and house fiscal agencies and policy offices detailing the outcomes  
14 of the LEAN process, the department's progress in achieving the  
15 eligibility standard of promptness at the 2 local offices, and the  
16 department's plan for implementing efficiency standards identified  
17 in the LEAN process statewide.

18       Sec. 621. (1) From the funds appropriated in part 1 from the  
19 federal low-income home energy assistance program for the energy  
20 self-sufficiency program, the department shall fund energy  
21 assistance services that comply with all of the following  
22 guidelines:

23       (a) The department shall distribute the funds described in  
24 this subsection for energy assistance and may use a portion of the  
25 funds for necessary administrative expenses. Necessary  
26 administrative expenses shall be calculated using an established  
27 cost allocation methodology.

1 (b) Energy assistance must include services that will enable  
2 participants to become self-sufficient or move toward becoming  
3 self-sufficient, including assisting participants in paying their  
4 energy bills on time, assisting participants in budgeting for and  
5 contributing to their ability to provide for energy expenses, and  
6 assisting participants in utilizing energy services to optimize on  
7 energy efficiency. By September 30, 2014, each entity that carries  
8 out a contract with the department under this section shall provide  
9 or coordinate these services. The department shall attempt to  
10 coordinate its efforts with the efforts of other state departments  
11 or agencies to assist low-income households in becoming self-  
12 sufficient or moving toward becoming self-sufficient.

13 (c) The department shall develop a simplified, single  
14 application for all applicants to use to apply for energy  
15 assistance under the program. The single application shall be made  
16 available to all entities that contract with the department to  
17 provide services under the program.

18 (d) The department, in consultation with the Michigan public  
19 service commission, may contract with different public or private  
20 entities or local units of government to provide energy assistance.

21 (e) The department shall include clear performance metrics in  
22 any contract with an entity under this section.

23 (f) An entity with which the department contracts under  
24 subdivision (d) shall use not less than 92% of the funds received  
25 from the department for energy assistance. An entity with which the  
26 department contracts under subdivision (d) may, upon approval from  
27 the department, use less than 92% but not less than 90% of the

1 funds received for the program for energy assistance.

2 (2) Not later than December 1, 2014, and annually after that,  
3 the department shall provide a report to the legislature, the  
4 senate and house appropriations subcommittees on the department  
5 budget, the senate and house committees on issues relating to  
6 energy, and the senate and house fiscal agencies on how funds from  
7 the energy self-sufficiency program were distributed.

8 (3) The department shall include the energy self-sufficiency  
9 program in the state plan for the federal low-income home energy  
10 assistance program.

11 (4) Any federal low-income home energy assistance program  
12 funds that are provided to the state in excess of the amount  
13 appropriated in the current year enacted budget shall be allocated  
14 to the energy self-sufficiency program line item and subject to the  
15 provisions in this section.

16 (5) This section does not apply if the allocation of funds  
17 described in this section does not comply with federal statute and  
18 regulations on the low-income home energy assistance program. If  
19 this section does not comply with federal statute or regulations,  
20 the department shall present a report with an alternative proposal  
21 to the chairpersons of the senate and house appropriations  
22 subcommittees on the department budget within 30 days after the  
23 department becomes aware that the section does not comply with  
24 federal statute or regulations.

25 (6) If this section conflicts with a current state statute or  
26 a state statute enacted subsequent to this act, the state statute  
27 controls.

1           (7) Funds appropriated in part 1 for the energy self-  
2   sufficiency program line item shall be permitted to transfer to the  
3   low-income home energy assistance program line item under section  
4   393(2) of the management and budget act, 1984 PA 431, MCL 18.1393,  
5   if legislation is enacted to provide a funding mechanism for the  
6   Michigan energy assistance program established under section 3 of  
7   the Michigan energy assistance act, 2012 PA 615, MCL 400.1233.

8           Sec. 622. Subject to federal rules and regulations, the  
9   department shall implement a 1-page application for disability  
10   redetermination for all disability redetermination applications and  
11   cases no later than November 1, 2013.

12          Sec. 643. As a condition of receipt of federal TANF funds,  
13   homeless shelters and human services agencies shall collaborate  
14   with the department to obtain necessary TANF eligibility  
15   information on families as soon as possible after admitting a  
16   family to the homeless shelter. From the funds appropriated in part  
17   1 for homeless programs, the department is authorized to make  
18   allocations of TANF funds only to the agencies that report  
19   necessary data to the department for the purpose of meeting TANF  
20   eligibility reporting requirements. Homeless shelters or human  
21   services agencies that do not report necessary data to the  
22   department for the purpose of meeting TANF eligibility reporting  
23   requirements will not receive reimbursements which exceed the per  
24   diem amount they received in fiscal year 2000. The use of TANF  
25   funds under this section should not be considered an ongoing  
26   commitment of funding.

27          Sec. 645. An individual or family is considered homeless, for

1 purposes of eligibility for state emergency relief, if living  
2 temporarily with others in order to escape domestic violence. For  
3 purposes of this section, domestic violence is defined and verified  
4 in the same manner as in the department's policies on good cause  
5 for not cooperating with child support and paternity requirements.

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

12       Sec. 655. Within 14 days after the spending plan for low-  
13 income home energy assistance program is approved by the state  
14 budget office, the department shall provide the spending plan,  
15 including itemized projected expenditures, to the chairpersons of  
16 the senate and house appropriations subcommittees on the department  
17 budget, the senate and house fiscal agencies, and the senate and  
18 house policy offices.

19       Sec. 657. The department shall notify persons eligible for  
20 extended family independence program benefits under section 57s of  
21 the social welfare act, 1939 PA 280, MCL 400.57s, that receiving  
22 extended family independence program benefits will count toward the  
23 federal and state lifetime limits.

24       Sec. 660. From the funds appropriated in part 1 for food bank  
25 funding, the department is authorized to make allocations of TANF  
26 funds only to the agencies that report necessary data to the  
27 department for the purpose of meeting TANF eligibility reporting

1 requirements. The agencies that do not report necessary data to the  
2 department for the purpose of meeting TANF eligibility reporting  
3 requirements will not receive allocations in excess of those  
4 received in fiscal year 2000. The use of TANF funds under this  
5 section should not be considered an ongoing commitment of funding.

6       Sec. 669. The department shall allocate \$2,880,000.00 for the  
7 annual clothing allowance. The allowance shall be granted to all  
8 eligible children in a family independence program group that does  
9 not include an adult.

10       Sec. 672. (1) The department's office of inspector general  
11 shall report to the senate and house of representatives  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, and the senate and house policy offices  
14 by February 15 of the current fiscal year on department efforts to  
15 reduce inappropriate use of Michigan bridge cards. The department  
16 shall provide information on the number of recipients of services  
17 who used their electronic benefit transfer card inappropriately and  
18 the current status of each case, the number of recipients whose  
19 benefits were revoked, whether permanently or temporarily, as a  
20 result of inappropriate use, and the number of retailers that were  
21 fined or removed from the electronic benefit transfer program for  
22 permitting inappropriate use of the cards.

23       (2) As used in this section, "inappropriate use" means not  
24 used to meet a family's ongoing basic needs, including food,  
25 clothing, shelter, utilities, household goods, personal care items,  
26 and general incidentals.

27       Sec. 677. (1) The department shall establish a state goal for

1 the percentage of family independence program cases involved in  
2 employment activities. The percentage established shall not be less  
3 than 50%. The goal for long-term employment shall be 15% of cases  
4 for 6 months or more.

5 (2) On a monthly basis, the department shall report to the  
6 senate and house appropriations subcommittees on the department  
7 budget, the senate and house fiscal agencies and policy offices,  
8 and the state budget director on the current percentage of family  
9 independence program cases involved in partnership accountability  
10 training hope (PATH) employment activities and an estimate of the  
11 current percentage of family independence program cases that meet  
12 federal work participation requirements.

13 (3) The department in conjunction with members from both the  
14 senate and house of representatives shall conduct a workgroup to  
15 determine how to run a job readiness and employment program for  
16 recipients of family independence program assistance that is based  
17 on performance-based objectives, and to examine contracting with  
18 nonprofit or private agencies to operate the program. The workgroup  
19 shall also determine any statutory changes needed to implement a  
20 performance-based job readiness program. Performance objectives in  
21 this subsection shall include, but not be limited to, all of the  
22 following:

23 (a) The number and percentage of nonexempt family independence  
24 program recipients who are employed.

25 (b) The average and range of wages of employed family  
26 independence program recipients.

27 (c) The number and percentage of employed family independence

1 program recipients who remain employed for 6 months or more.

2 (4) Contracts with a provider of the job readiness and  
3 employment program described in subsection (3) shall be for a  
4 minimum of 3 years unless the provider is not meeting the  
5 performance objectives described under subsection (3), in which  
6 case the department may terminate the contract at any time. If the  
7 provider is meeting the performance objectives described in  
8 subsection (3), the contract shall be maintained for a minimum of 3  
9 years, and shall have a 1-year renewal option every year in which  
10 it maintains the performance objectives described in subsection (3)  
11 after that.

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

18 (2) The department shall require caseworkers to confirm the  
19 address provided by any individual seeking family independence  
20 program benefits or state disability assistance benefits.

21 (3) The department shall prohibit individuals with property  
22 assets assessed at a value higher than \$250,000.00 from accessing  
23 assistance through department-administered programs, unless such a  
24 prohibition would violate federal rules and guidelines.

25 (4) The department shall require caseworkers to obtain an up-  
26 to-date telephone number during the eligibility determination or  
27 redetermination process for individuals seeking medical assistance

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

4 Sec. 687. (1) Beginning January 1, 2014, on a quarterly basis,  
5 the department shall compile and make available on its website all  
6 of the following information about the family independence program,  
7 state disability assistance, the food assistance program, Medicaid,  
8 and state emergency relief:

9 (a) The number of applications received.

10 (b) The number of applications approved.

11 (c) The number of applications denied.

12 (d) The number of applications pending and neither approved  
13 nor denied.

14 (e) The number of cases closed.

15 (2) The information provided under subsection (1) shall be  
16 compiled and made available for the state as a whole and for each  
17 county and reported separately for each program listed in  
18 subsection (1).

19 (3) Beginning April 1, 2014, on a quarterly basis, the  
20 department shall compile and make available on its website the  
21 family independence program information listed as follows:

22 (a) The number of new applicants who successfully met the  
23 requirements of the 21-day assessment period for partnership  
24 accountability training hope.

25 (b) The number of new applicants who did not meet the  
26 requirements of the 21-day assessment period for partnership  
27 accountability training hope.

1 (c) The number of cases sanctioned because of the school  
2 truancy policy.

3 (d) The number of cases closed because of the 48-month and 60-  
4 month lifetime limits.

5 (e) The number of first-, second-, and third-time sanctions.

6 (f) The number of children ages 0-5 living in FIP-sanctioned  
7 households.

8 (4) The department shall notify the senate and house  
9 appropriations subcommittees on the department budget, the senate  
10 and house fiscal agencies, and the senate and house policy offices  
11 when the reports required in this section are made available on the  
12 department's website.

13 Sec. 695. From the funds appropriated in part 1 for  
14 multicultural integration funding, the department shall allocate  
15 \$500,000.00 to the Jewish federation of metropolitan Detroit. Funds  
16 appropriated shall be used to assist low-income individuals achieve  
17 self-sufficiency.

18 Sec. 696. From the funds appropriated in part 1, the  
19 department shall allocate \$1,000,000.00 to the Chaldean community  
20 foundation. This money shall be utilized to provide translation  
21 services, health care services, youth tutoring and mentoring  
22 programs, and refugee resettlement services.

### 23 JUVENILE JUSTICE SERVICES

24 Sec. 706. Counties shall be subject to 50% chargeback for the  
25 use of alternative regional detention services, if those detention  
26 services do not fall under the basic provision of section 117e of

1 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county  
2 operates those detention services programs primarily with  
3 professional rather than volunteer staff.

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

10 Sec. 708. (1) As a condition of receiving funds appropriated  
11 in part 1 for the child care fund line item, by December 15 of the  
12 current fiscal year, counties shall have an approved service  
13 spending plan for the current fiscal year. Counties must submit the  
14 service spending plan to the department by October 1 of the current  
15 fiscal year for approval. The department shall approve within 30  
16 calendar days after receipt a properly completed service plan that  
17 complies with the requirements of the social welfare act, 1939 PA  
18 280, MCL 400.1 to 400.119b, and shall notify a county within 30  
19 days after approval that its service plan was approved.

20 (2) The department shall submit a report to the house and  
21 senate appropriations subcommittees on the department budget, the  
22 house and senate fiscal agencies, and the house and senate policy  
23 offices by February 15 of the current fiscal year on the number of  
24 counties that fail to submit a service spending plan by October 1  
25 and the number of service spending plans not approved by December  
26 15.

27 Sec. 709. (1) The department shall conduct annual financial

1 reviews of the expenditures claimed by the counties in the child  
2 care fund and shall not reimburse counties for ineligible claims.

3 (2) The department shall report to the senate and house  
4 appropriations subcommittees on the department budget, the senate  
5 and house fiscal agencies, the senate and house policy offices, and  
6 the state budget office by March 1 of the current fiscal year on  
7 the total number of items disallowed in the county child care fund  
8 spending plans by county.

9 Sec. 710. (1) The department, in conjunction with members from  
10 the department of education, the house and senate appropriations  
11 subcommittees on the department budget, and the house and senate  
12 appropriations subcommittees on the department of education budget,  
13 shall convene a workgroup by October 15 of the current fiscal year  
14 to study the feasibility of a public school academy providing a  
15 residential program including lodging, meals, and other essential  
16 wraparound services for at-risk youth.

17 (2) The workgroup study shall include, but not be limited to,  
18 all of the following:

19 (a) Eligibility requirements.

20 (b) Estimated service needs of the youth.

21 (c) Anticipated costs and possible fund sources.

22 (d) Metrics and data needed to determine a successful program.

23 (e) Potential increases in student achievement.

24 (3) By March 15, 2014, the department shall submit to the  
25 house and senate appropriations subcommittees on the department  
26 budget and the house and senate appropriations subcommittees on the  
27 department of education budget a report detailing the workgroup

1 findings.

2       Sec. 711. (1) From the funds appropriated in part 1, the  
3 department shall allocate \$250,000.00 to continue an existing  
4 contract with a state university or outside research entity to  
5 conduct a behavioral health study of juvenile justice facilities  
6 operated or contracted for by the state. The study shall utilize  
7 diagnostic clinical interviews with and records reviews for a  
8 representative random sample of juvenile justice system detainees  
9 to develop a report on each of the following:

10       (a) The proportion of juvenile justice detainees with a  
11 primary diagnosis of emotional disorder, the percentage of those  
12 detainees considered to currently require mental health treatment,  
13 and the proportion of those detainees currently receiving mental  
14 health services, including a description and breakdown,  
15 encompassing, at a minimum, the categories of inpatient,  
16 residential, and outpatient care, of the type of mental health  
17 services provided to those detainees.

18       (b) The proportion of juvenile justice detainees with a  
19 primary diagnosis of addiction disorder, the percentage of those  
20 detainees considered to currently require substance abuse  
21 treatment, and the proportion of those detainees currently  
22 receiving substance abuse services, including a description and  
23 breakdown, encompassing, at a minimum, the categories of  
24 residential and outpatient care, of the type of substance abuse  
25 services provided to those detainees.

26       (c) The proportion of juvenile justice detainees with a dual  
27 diagnosis of emotional disorder and addiction disorder, the

1 percentage of those detainees considered to currently require  
2 treatment for their condition, and the proportion of those  
3 detainees currently receiving that treatment, including a  
4 description and breakdown, encompassing, at a minimum, the  
5 categories of mental health inpatient, mental health residential,  
6 mental health outpatient, substance abuse residential, and  
7 substance abuse outpatient, of the type of treatment provided to  
8 those detainees.

9 (d) Data indicating whether juvenile justice detainees with a  
10 primary diagnosis of emotional disorder, a primary diagnosis of  
11 addiction disorder, and a dual diagnosis of emotional disorder and  
12 addiction disorder were previously hospitalized in a state  
13 psychiatric hospital for persons with mental illness. These data  
14 shall be broken down according to each of these 3 respective  
15 categories.

16 (e) Data indicating whether and with what frequency juvenile  
17 justice detainees with a primary diagnosis of emotional disorder, a  
18 primary diagnosis of addiction disorder, and a dual diagnosis of  
19 emotional disorder and addiction disorder have been detained  
20 previously. These data shall be broken down according to each of  
21 these 3 respective categories.

22 (f) Data classifying the types of offenses historically  
23 committed by juvenile justice detainees with a primary diagnosis of  
24 emotional disorder, a primary diagnosis of addiction disorder, and  
25 a dual diagnosis of emotional disorder and addiction disorder.  
26 These data shall be broken down according to each of these 3  
27 respective categories.

1 (g) Data indicating whether juvenile justice detainees have  
2 previously received services managed by a community mental health  
3 program or substance abuse coordinating agency. These data shall be  
4 broken down according to the respective categories of detainees  
5 with a primary diagnosis of emotional disorder, a primary diagnosis  
6 of addiction disorder, and a dual diagnosis of emotional disorder  
7 and addiction disorder.

8 (2) The report referenced under subsection (1) would be  
9 provided not later than June 30 of the current fiscal year to the  
10 senate and house appropriations subcommittees on human services,  
11 the senate and house fiscal agencies and policy offices, and the  
12 state budget director.

13 (3) The department may carry forward any unused portion of the  
14 funding allocated in part 1 for the project defined in this section  
15 into fiscal year 2014-2015.

16 Sec. 719. The department shall notify the legislature at least  
17 30 days before closing or making any change in the status,  
18 including the licensed bed capacity and operating bed capacity, of  
19 a state juvenile justice facility.

20 Sec. 721. If the demand for placements at state-operated  
21 juvenile justice residential facilities exceeds capacity, the  
22 department shall not increase the available occupancy or services  
23 at the facilities, and shall post a request for proposals for a  
24 contract with not less than 1 private provider of residential  
25 services for juvenile justice youth to be a residential facility of  
26 last resort.

1    **LOCAL OFFICE SERVICES**

2           Sec. 750. The department shall maintain out-stationed  
3   eligibility specialists in community-based organizations, community  
4   mental health agencies, nursing homes, and hospitals unless a  
5   community-based organization, community mental health agency,  
6   nursing home, or hospital requests that the program be discontinued  
7   at its facility.

8    **CHILD SUPPORT ENFORCEMENT**

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

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

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

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

22          (5) If the child support incentive payment to the state from  
23   the federal government is greater than the amount needed to satisfy  
24   the provisions identified in subsections (1), (2), (3), and (4),  
25   the additional funds shall be subject to appropriation by the  
26   legislature.

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

4           Sec. 909. (1) If statewide retained child support collections  
5 exceed \$38,300,000.00, 75% of the amount in excess of  
6 \$38,300,000.00 is appropriated to legal support contracts. This  
7 excess appropriation may be distributed to eligible counties to  
8 supplement and not supplant county title IV-D funding.

9           (2) Each county whose retained child support collections in  
10 the current fiscal year exceed its fiscal year 2004-2005 retained  
11 child support collections, excluding tax offset and financial  
12 institution data match collections in both the current year and  
13 fiscal year 2004-2005, shall receive its proportional share of the  
14 75% excess.

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).

**INFORMATION TECHNOLOGY**

Sec. 1001. The department shall reduce the number of computers used by staff and receiving technical support from the department of management, technology, and budget by 3,000 no later than November 1, 2013.

**COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

Sec. 1105. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of homes, the approximate value of each home, whether the home is a single-family or multifamily home, and the square footage of each home weatherized through the appropriations in section 104 during the preceding quarter of the calendar year.

**ONE-TIME BASIS ONLY**

Sec. 1201. From the funds appropriated in part 1, the department shall allocate \$1,500,000.00 for biometric fraud detection technology that will improve the office of inspector general's efforts to reduce waste, fraud, and abuse.

**PART 2A****PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS****FOR FISCAL YEAR 2014-2015****GENERAL SECTIONS**

1       Sec. 1301. (1) It is the intent of the legislature to provide  
2 appropriations for the fiscal year ending on September 30, 2015 for  
3 the line items listed in part 1. The fiscal year 2014-2015  
4 appropriations are anticipated to be the same as those for fiscal  
5 year 2013-2014, except that the line items will be adjusted for  
6 changes in caseload and related costs, federal fund match rates,  
7 economic factors, and available revenue. These adjustments will be  
8 determined after the January 2014 consensus revenue estimating  
9 conference.

10       (2) It is the intent of the legislature that the department  
11 identify the amounts for normal retirement costs and legacy  
12 retirement costs for the fiscal year ending on September 30, 2015  
13 for the line items listed in part 1.