

FIRST CONFERENCE REPORT

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

Senate Bill No. 769, entitled

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2015; 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, 2015; and to provide for the expenditure of the appropriations.

Bruce Caswell

Peter MacGregor

Roger Kahn

Joe Haveman

Vincent Gregory

Rashida Tlaib

Conferees for the Senate

Conferees for the House

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2015; and to provide for the expenditure of the appropriations.

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LINE-ITEM APPROPRIATIONS

DEPARTMENT OF HUMAN SERVICES

Full-time equated classified positions..... 12,221.5
Unclassified positions 6.0

1	Total full-time equated positions.....	12,227.5	
2	GROSS APPROPRIATION.....		\$ 5,755,174,700
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers	21,545,900	
6	ADJUSTED GROSS APPROPRIATION.....		\$ 5,733,628,800
7	Federal revenues:		
8	Social security act, temporary assistance for needy		
9	families	530,006,000	
10	Capped federal revenues.....	611,479,900	
11	Federal supplemental security income.....	8,594,600	
12	Total other federal revenues.....	3,401,194,700	
13	Special revenue funds:		
14	Total private revenues.....	20,299,300	
15	Total local revenues.....	40,364,300	
16	Total other state restricted revenues.....	126,237,400	
17	State general fund/general purpose.....		\$ 995,452,600
18	State general fund/general purpose schedule:		
19	Ongoing state general fund/general		
20	purpose	990,302,600	
21	One-time state general fund/general		
22	purpose	5,150,000	
23	Sec. 102. EXECUTIVE OPERATIONS		
24	Total full-time equated positions.....	681.7	
25	Full-time equated unclassified positions.....	6.0	
26	Full-time equated classified positions.....	675.7	
27	Unclassified salaries--6.0 FTE positions.....		\$ 724,600

1	Salaries and wages--285.7 FTE positions	17,469,700
2	Contractual services, supplies, and materials	13,453,600
3	Demonstration projects--7.0 FTE positions	6,805,100
4	Inspector general salaries and wages--131.0 FTE	
5	positions	7,540,200
6	Electronic benefit transfer EBT.....	8,509,000
7	Michigan community service commission--15.0 FTE	
8	positions	11,597,800
9	AFC, children's welfare and day care	
10	licensure--237.0 FTE positions.....	28,907,100
11	State office of administrative hearings and rules	<u>7,535,900</u>
12	GROSS APPROPRIATION.....	\$ 102,543,000
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from department of education.....	8,222,600
16	ADJUSTED GROSS APPROPRIATION.....	\$ 94,320,400
17	Appropriated from:	
18	Federal revenues:	
19	Social security act, temporary assistance for needy	
20	families	10,155,700
21	Capped federal revenues.....	29,722,900
22	Total other federal revenues.....	20,804,500
23	Special revenue funds:	
24	Total private revenues.....	3,850,900
25	Total local revenues.....	16,400
26	Total other state restricted revenues.....	5,400
27	State general fund/general purpose.....	\$ 29,764,600

1	Sec. 103. CHILD SUPPORT ENFORCEMENT		
2	Full-time equated classified positions.....	190.7	
3	Child support enforcement operations--184.7 FTE		
4	positions		\$ 22,254,500
5	Legal support contracts.....		113,359,100
6	Child support incentive payments.....		24,409,600
7	State disbursement unit--6.0 FTE positions.....		<u>9,028,300</u>
8	GROSS APPROPRIATION.....		\$ 169,051,500
9	Appropriated from:		
10	Federal revenues:		
11	Capped federal revenues.....		1,700,000
12	Total other federal revenues.....		144,366,200
13	State general fund/general purpose.....		\$ 22,985,300
14	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY		
15	Full-time equated classified positions.....	16.0	
16	Bureau of community action and economic		
17	opportunity--16.0 FTE positions.....		\$ 2,068,700
18	Community services block grant.....		25,840,000
19	Weatherization assistance.....		16,340,000
20	School success partnership program.....		<u>300,000</u>
21	GROSS APPROPRIATION.....		\$ 44,548,700
22	Appropriated from:		
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families		500
26	Capped federal revenues.....		44,248,200
27	State general fund/general purpose.....		\$ 300,000

1	Sec. 105. ADULT AND FAMILY SERVICES		
2	Full-time equated classified positions.....	564.7	
3	Guardian contract.....	\$	490,200
4	Adult services policy and administration--8.0 FTE		
5	positions		925,000
6	Office of program policy--28.7 FTE positions		3,652,900
7	Employment and training support services		4,219,100
8	Wage employment verification reporting		547,300
9	Nutrition education--2.0 FTE positions		23,038,000
10	Elder law of Michigan MiCAFE contract		350,000
11	Elder abuse prosecuting attorney		300,000
12	Michigan rehabilitation services--526.0 FTE positions		150,589,700
13	Independent living.....		<u>6,488,600</u>
14	GROSS APPROPRIATION.....	\$	190,600,800
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of corrections		3,000,000
18	IDG from department of education		13,300
19	ADJUSTED GROSS APPROPRIATION.....	\$	187,587,500
20	Appropriated from:		
21	Federal revenues:		
22	Social security act, temporary assistance for needy		
23	families		4,667,900
24	Capped federal revenues		115,450,000
25	Federal supplemental security income		8,594,600
26	Total other federal revenues		27,570,900
27	Special revenue funds:		

1	Private - gifts, bequests, and donations	1,946,000
2	Local vocational rehabilitation match	6,539,100
3	Second injury fund	149,400
4	Rehabilitation service fees	1,442,900
5	State general fund/general purpose	\$ 21,226,700
6	Sec. 106. CHILDREN'S SERVICES	
7	Full-time equated classified positions	116.3
8	Salaries and wages--53.7 FTE positions	\$ 2,461,900
9	Contractual services, supplies, and materials	1,129,000
10	Interstate compact	179,600
11	Families first	16,944,500
12	Strong families/safe children	12,350,100
13	Child protection and permanency--23.0 FTE positions ..	12,892,500
14	Family reunification program	3,977,100
15	Family preservation and prevention services	
16	administration--11.0 FTE positions	1,426,800
17	Children's trust fund administration--12.0 FTE	
18	positions	978,300
19	Children's trust fund grants	2,325,100
20	Attorney general contract	4,226,400
21	Prosecuting attorney contracts	2,561,700
22	Child protection	873,900
23	Domestic violence prevention and treatment--14.6 FTE	
24	positions	15,730,000
25	Rape prevention and services--0.5 FTE position	5,072,300
26	Child advocacy centers--0.5 FTE position	2,000,000
27	Child abuse and neglect - children's justice	

1	act--1.0 FTE position	619,000
2	Family preservation and prevention services programs .	<u>2,500,000</u>
3	GROSS APPROPRIATION.....	\$ 88,248,200
4	Appropriated from:	
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families	43,924,200
8	Capped federal revenues.....	24,762,800
9	Total other federal revenues.....	6,274,300
10	Special revenue funds:	
11	Compulsive gambling prevention fund.....	1,040,700
12	Children's trust fund.....	2,078,000
13	Sexual assault victims' prevention and treatment fund	3,000,000
14	Child advocacy centers fund.....	2,000,000
15	State general fund/general purpose.....	\$ 5,168,200
16	Sec. 107. CHILD WELFARE SERVICES	
17	Full-time equated classified positions.....	3,992.2
18	Children's services administration--95.0 FTE positions	\$ 6,756,900
19	Title IV-E compliance and accountability office--4.0	
20	FTE positions	413,500
21	Child welfare institute--45.0 FTE positions	8,142,900
22	Child welfare field staff - caseload	
23	compliance--2,511.0 FTE positions.....	121,626,500
24	Child welfare field staff - noncaseload	
25	compliance--330.0 FTE positions.....	17,561,000
26	Education planners--15.0 FTE positions	822,200
27	Peer coaches--56.0 FTE positions	3,427,200

1	Child welfare first line supervisors--585.0 FTE	
2	positions	40,493,500
3	Administrative support workers--243.0 FTE positions ..	8,303,800
4	Second line supervisors and technical staff--55.0	
5	FTE positions	4,346,800
6	Permanency resource managers--28.5 FTE positions	1,736,900
7	Contractual services, supplies, and materials	8,145,000
8	Settlement monitor.....	1,625,800
9	Foster care payments.....	192,240,200
10	Serious emotional disturbance - waiver program.....	3,351,600
11	Serious emotional disturbance - nonwaiver program....	2,999,900
12	Guardianship assistance program.....	7,846,000
13	Child care fund.....	182,206,400
14	Child care fund administration--6.2 FTE positions	790,100
15	Adoption subsidies.....	247,723,200
16	Adoption support services--10.0 FTE positions	27,396,600
17	Youth in transition--5.5 FTE positions	15,053,500
18	Child welfare medical/psychiatric evaluations	8,735,500
19	Psychotropic oversight.....	618,200
20	Performance based funding implementation--3.0 FTE	
21	positions	<u>1,272,100</u>
22	GROSS APPROPRIATION.....	\$ 913,635,300
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from department of education.....	140,200
26	ADJUSTED GROSS APPROPRIATION.....	\$ 913,495,100
27	Appropriated from:	

1	Federal revenues:		
2	Social security act, temporary assistance for needy		
3	families	217,273,400	
4	Capped federal revenues	65,848,400	
5	Total other federal revenues	233,815,500	
6	Special revenue funds:		
7	Private - collections	3,244,100	
8	Local funds - county chargeback	14,689,700	
9	State general fund/general purpose	\$ 378,624,000	
10	Sec. 108. JUVENILE JUSTICE SERVICES		
11	Full-time equated classified positions.....	182.0	
12	W.J. Maxey training school--69.0 FTE positions	\$ 10,324,500	
13	Bay pines center--42.0 FTE positions	4,836,500	
14	Shawono center--42.0 FTE positions	4,920,900	
15	County juvenile officers	3,904,300	
16	Community support services--3.0 FTE positions	2,098,500	
17	Juvenile justice, administration and		
18	maintenance--23.0 FTE positions	3,951,500	
19	Juvenile accountability block grant--0.5 FTE position	1,281,300	
20	Committee on juvenile justice administration--2.5		
21	FTE positions	343,900	
22	Committee on juvenile justice grants	3,000,000	
23	In-home community care	1,000,000	
24	Juvenile justice vision 20/20	<u>1,000,000</u>	
25	GROSS APPROPRIATION	\$ 36,661,400	
26	Appropriated from:		
27	Federal revenues:		

1	Capped federal revenues.....	5,142,900
2	Total other federal revenues.....	601,900
3	Special revenue funds:	
4	Local funds - state share education funds.....	2,195,500
5	Local funds - county chargeback.....	9,279,300
6	State general fund/general purpose.....	\$ 19,441,800
7	Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS	
8	Full-time equated classified positions.....	5,904.5
9	Field staff, salaries and wages--5,535.5 FTE positions	\$ 297,934,600
10	Contractual services, supplies, and materials.....	17,386,300
11	Healthy Michigan plan administration.....	19,536,300
12	Medical/psychiatric evaluations.....	1,420,100
13	Donated funds positions--338.0 FTE positions.....	39,690,800
14	Training and program support--23.0 FTE positions.....	2,310,300
15	Volunteer services and reimbursement.....	942,400
16	SSI advocates--8.0 FTE positions.....	<u>797,400</u>
17	GROSS APPROPRIATION.....	\$ 380,018,200
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from department of corrections.....	100,000
21	IDG from department of education.....	4,654,100
22	ADJUSTED GROSS APPROPRIATION.....	\$ 375,264,100
23	Appropriated from:	
24	Federal revenues:	
25	Social security act, temporary assistance for needy	
26	families	66,135,100
27	Capped federal revenues.....	32,252,800

1	Total other federal revenues	115,614,100
2	Special revenue funds:	
3	Local funds	7,644,300
4	Private funds - donated funds	11,258,300
5	Supplemental security income recoveries	797,400
6	State general fund/general purpose	\$ 141,562,100
7	Sec. 110. DISABILITY DETERMINATION SERVICES	
8	Full-time equated classified positions..... 571.4	
9	Disability determination operations--545.9 FTE	
10	positions	\$ 107,284,100
11	Medical consultation program--21.4 FTE positions	2,542,200
12	Retirement disability determination--4.1 FTE positions	<u>506,100</u>
13	GROSS APPROPRIATION	\$ 110,332,400
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from DTMB - office of retirement services	679,400
17	ADJUSTED GROSS APPROPRIATION	\$ 109,653,000
18	Appropriated from:	
19	Federal revenues:	
20	Total other federal revenues	105,988,900
21	State general fund/general purpose	\$ 3,664,100
22	Sec. 111. CENTRAL SUPPORT ACCOUNTS	
23	Rent	\$ 41,006,400
24	Occupancy charge	10,582,400
25	Travel	9,281,600
26	Equipment	62,600
27	Worker's compensation	2,497,600

1	Payroll taxes and fringe benefits.....	<u>434,135,600</u>
2	GROSS APPROPRIATION.....	\$ 497,566,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from department of education.....	3,601,500
6	ADJUSTED GROSS APPROPRIATION.....	\$ 493,964,700
7	Appropriated from:	
8	Federal revenues:	
9	Social security act, temporary assistance for needy	
10	families	116,475,800
11	Capped federal revenues.....	65,425,400
12	Total other federal revenues.....	133,710,900
13	State general fund/general purpose.....	\$ 178,352,600
14	Sec. 112. PUBLIC ASSISTANCE	
15	Full-time equated classified positions..... 8.0	
16	Family independence program.....	\$ 146,603,000
17	State disability assistance payments.....	14,373,000
18	Food assistance program benefits.....	2,547,185,600
19	State supplementation.....	62,504,100
20	State supplementation administration.....	2,381,100
21	Low-income home energy assistance program.....	174,951,600
22	Food bank funding.....	1,795,000
23	Homeless programs.....	15,721,900
24	Multicultural integration funding.....	3,015,500
25	Indigent burial.....	4,300,000
26	Emergency services local office allocations.....	11,508,500
27	Michigan energy assistance program--1.0 FTE position.	50,000,000

1	Refugee assistance program--7.0 FTE positions	<u>27,969,000</u>
2	GROSS APPROPRIATION.....	\$ 3,062,308,300
3	Appropriated from:	
4	Federal revenues:	
5	Social security act, temporary assistance for needy	
6	families	55,029,200
7	Capped federal revenues.....	205,543,000
8	Total other federal revenues.....	2,541,695,600
9	Special revenue funds:	
10	Child support collections.....	17,996,000
11	Supplemental security income recoveries.....	10,617,600
12	Public assistance recoupment revenue.....	7,010,000
13	Low-income energy assistance fund.....	50,000,000
14	Michigan merit award trust fund.....	30,100,000
15	State general fund/general purpose.....	\$ 144,316,900
16	Sec. 113. INFORMATION TECHNOLOGY	
17	Data center operations.....	\$ 8,426,000
18	Telecommunications.....	8,530,100
19	Support services.....	13,523,300
20	Staff support.....	34,328,100
21	Direct agency charges.....	48,891,600
22	Administration and Internet.....	6,398,500
23	Child support automation.....	<u>41,913,100</u>
24	GROSS APPROPRIATION.....	\$ 162,010,700
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from department of education.....	1,134,800

1	ADJUSTED GROSS APPROPRIATION.....	\$	160,875,900
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families		16,344,200
6	Capped federal revenues.....		21,383,500
7	Total other federal revenues.....		70,751,900
8	State general fund/general purpose.....	\$	52,396,300
9	Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS		
10	Child support enforcement operations.....	\$	394,500
11	Legal support contracts.....		105,500
12	Michigan rehabilitation services.....		2,600,000
13	Flint Catholic charities: center for hope.....		250,000
14	Performance based funding implementation.....		100,000
15	Private child welfare information technology services		300,000
16	Fostering futures endowment fund.....		500,000
17	Juvenile justice in-home community care grants.....		250,000
18	Food bank funding.....		100,000
19	Michigan reading corps.....		350,000
20	Parent-to-parent adoption support services.....		<u>200,000</u>
21	GROSS APPROPRIATION.....	\$	5,150,000
22	Appropriated from:		
23	State general fund/general purpose.....	\$	5,150,000
24	Sec. 115. BUDGETARY SAVINGS		
25	Staffing reductions.....	\$	<u>(7,500,000)</u>
26	GROSS APPROPRIATION.....	\$	(7,500,000)
27	Appropriated from:		

1 State general fund/general purpose \$ (7,500,000)

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 FOR FISCAL YEAR 2014-2015

5 GENERAL SECTIONS

6 Sec. 201. Pursuant to section 30 of article IX of the state
 7 constitution of 1963, total state spending from state resources
 8 under part 1 for fiscal year 2014-2015 is \$1,121,690,000.00 and
 9 state spending from state resources to be paid to local units of
 10 government for fiscal year 2014-2015 is \$97,343,300.00. The
 11 itemized statement below identifies appropriations from which
 12 spending to local units of government will occur:

13 DEPARTMENT OF HUMAN SERVICES

14	Child care fund.....	\$	92,937,300
15	County juvenile officers.....		3,656,500
16	State disability assistance payments.....		726,700
17	Family independence program.....		<u>22,800</u>
18	TOTAL.....	\$	97,343,300

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

22 Sec. 203. As used in this part and part 1:

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

24 (b) "Current fiscal year" means the fiscal year ending
 25 September 30, 2015.

1 (c) "Department" means the department of human services.

2 (d) "Director" means the director of the department of human
3 services.

4 (e) "FTE" means full-time equated.

5 (f) "IDG" means interdepartmental grant.

6 (g) "MiCAFE" means Michigan's coordinated access to food for
7 the elderly.

8 (h) "Previous fiscal year" means the fiscal year ending
9 September 30, 2014.

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

13 (j) "SSI" means supplemental security income.

14 (k) "Temporary assistance for needy families" or "TANF" or
15 "title IV-A" means part A of title IV of the social security act,
16 42 USC 601 to 619.

17 (l) "Title IV-D" means part D of title IV of the social
18 security act, 42 USC 651 to 669b.

19 (m) "Title IV-E" means part E of title IV of the social
20 security act, 42 USC 670 to 679c.

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

26 Sec. 205. Pursuant to section 1b of the social welfare act,
27 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this

1 part as a time-limited addendum to the social welfare act, 1939 PA
2 280, MCL 400.1 to 400.119b.

3 Sec. 206. (1) For each new program or program expansion for
4 which funds in excess of \$500,000.00 are appropriated in part 1,
5 the department shall identify specific benchmarks intended to
6 measure the performance or return on taxpayer investment of the
7 program and its associated expenditures. Both of the following
8 apply to the benchmarks:

9 (a) By November 1, 2014, the department shall report the
10 proposed benchmarks to the house and senate appropriations
11 subcommittees on the department budget, the house and senate fiscal
12 agencies, and the state budget director.

13 (b) The department shall provide an update on its progress in
14 achieving the benchmarks at an appropriations subcommittee meeting
15 called for the purpose of discussing benchmarks and their status.

16 (2) It is the intent of the legislature that, beginning with
17 the budget for the fiscal year ending September 30, 2016, any
18 proposal for a new program or an expansion of an existing program
19 in excess of \$500,000.00 initiated by the executive branch or the
20 legislature will include, as part of the original proposal or
21 budget request, a list of benchmarks intended to measure the
22 performance or return on taxpayer investment of the program or
23 spending increase.

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 part.
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 part 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 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. 227. (1) The department shall conduct a workgroup in
7 conjunction with the department of community health, the state
8 transportation department, the department of corrections, the
9 strategic fund in the department of treasury, and members from both
10 the senate and house of representatives to determine how the state
11 can maximize its services and funding for transportation for low-
12 income, elderly, and disabled individuals through consolidating all
13 of the current transportation services for these populations under
14 1 department.

15 (2) The department shall submit to the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, the senate and house policy offices, and
18 the state budget office by March 1 of the current fiscal year a
19 report on the findings of the workgroup on the items described in
20 subsection (1).

21 Sec. 228. The department shall submit to the department of
22 technology, management, and budget all of the information that is
23 required from the department to finalize the request for
24 information process for all bids that are included in the current
25 fiscal year enacted budget for the department by October 1 of the
26 current fiscal year. The department shall submit to the department
27 of technology, management, and budget all of the information

1 required from the department to finalize the request for proposal
2 process by January 1 of the current fiscal year. Requests for
3 proposals shall remain open on the state website and available for
4 bids for at least 30 days.

5 Sec. 229. (1) The department shall conduct a workgroup with
6 the department of treasury and members from both the senate and
7 house of representatives to determine how the state can align the
8 spending on Michigan Works! job readiness programs with the
9 declining family independence program caseload. The workgroup shall
10 investigate possible reductions in the amount of TANF funding that
11 is provided to Michigan Works!

12 (2) The department shall submit to the senate and house
13 appropriations subcommittees on the department budget, the senate
14 and house fiscal agencies, the senate and house policy offices, and
15 the state budget office by March 1 of the current fiscal year a
16 report on the recommendations of the workgroup on the items
17 described in subsection (1), including, but not limited to, the
18 proposed amount of TANF funding provided to Michigan Works!

19 Sec. 230. The department shall issue a request for proposal
20 for the income verification contract for public assistance
21 eligibility determination. The request for proposal process shall
22 be completed no later than February 1, 2015.

23 Sec. 234. The department shall include specific outcome and
24 performance reporting requirements in the interagency agreement
25 with the Michigan strategic fund for TANF funding to provide job
26 readiness and welfare-to-work programming. TANF funding provided to
27 the Michigan strategic fund in the current fiscal year is

1 contingent on compliance with the data and reporting requirements
2 described in this section. The interagency agreement must require
3 the Michigan strategic fund to provide all of the following items
4 by December 1 of the current fiscal year for the previous year:

5 (a) An itemized spending report on TANF funding, including all
6 of the following:

7 (i) Direct services to clients.

8 (ii) Administrative expenditures.

9 (b) The number of family independence program (FIP) clients
10 served through the TANF funding, including all of the following:

11 (i) The number and percentage who obtained employment through
12 Michigan Works!

13 (ii) The number and percentage who fulfilled their TANF work
14 requirement through other job readiness programming.

15 (iii) Average TANF spending per client.

16 (iv) The number and percentage of clients who were referred to
17 Michigan Works! but did not receive a job or job readiness
18 placement and the reasons why.

19 Sec. 240. The department shall notify the house and senate
20 appropriations committees and the house and senate fiscal agencies
21 of any changes to a child welfare master contract not less than 30
22 days before the change takes effect.

23 Sec. 250. Amounts appropriated in part 1 for information
24 technology may be designated as work projects and carried forward
25 to support technology projects under the direction of the
26 department of technology, management, and budget. Funds designated
27 in this manner are not available for expenditure until approved as

1 work projects under section 451a of the management and budget act,
2 1984 PA 431, MCL 18.1451a.

3 Sec. 251. The department and agencies receiving appropriations
4 in part 1 shall receive and retain copies of all reports funded
5 from appropriations in part 1. Federal and state guidelines for
6 short-term and long-term retention of records shall be followed.
7 The department may electronically retain copies of reports unless
8 otherwise required by federal and state guidelines.

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

12 Sec. 265. Within 14 days after the release of the executive
13 budget recommendation, the department shall cooperate with the
14 state budget office to provide the senate and house appropriations
15 chairs, the senate and house appropriations subcommittee chairs,
16 and the senate and house fiscal agencies with an annual report on
17 estimated state restricted fund balances, state restricted fund
18 projected revenues, and state restricted fund expenditures for the
19 fiscal years ending September 30, 2014 and September 30, 2015.

20 Sec. 274. (1) The department, in collaboration with the state
21 budget office, shall submit to the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, and the house and senate policy offices on the day the
24 governor submits to the legislature the budget for the ensuing
25 fiscal year a report on spending and revenue projections for each
26 of the capped federal funds listed below. The report shall contain
27 actual spending and revenue in the previous fiscal year, spending

1 and revenue projections for the current fiscal year as enacted, and
2 spending and revenue projections within the executive budget
3 proposal for the fiscal year beginning October 1, 2015 for each
4 individual line item for the department budget. The report shall
5 also include federal funds transferred to other departments. The
6 capped federal funds shall include, but not be limited to, all of
7 the following:

8 (a) TANF.

9 (b) Title XX social services block grant.

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

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

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

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

19 (a) Other departments.

20 (b) Local units of government.

21 (c) Private sources.

22 Sec. 275. (1) The negative appropriation in the staffing
23 reductions line in part 1 shall be offset only through FTE
24 reductions. The line item shall not be offset through cuts to
25 programs, benefits, caseload savings, or policy changes. The
26 department may use TANF funds to offset general fund/general
27 purpose funds in order to realize these savings.

1 (2) The department shall provide monthly reports on the
2 savings realized under subsection (1) to the chairpersons of the
3 senate and house appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, and the senate and
5 house policy offices.

6 (3) The staffing reductions line shall achieve a zero balance
7 by the close of the current fiscal year.

8 (4) Funds to offset the staffing reductions line shall be made
9 available through the legislative transfer process provided by
10 section 393(2) of the management and budget act, 1984 PA 431, MCL
11 18.1393.

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

17 (2) By February 1 of the current fiscal year, the department
18 shall provide the senate and house appropriations subcommittees on
19 the department budget and the senate and house fiscal agencies and
20 policy offices a report detailing measurable performance
21 indicators, desired outcomes, and an assessment of the quality of
22 services provided by the department during the previous fiscal
23 year.

24 Sec. 284. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$200,000,000.00 for
26 federal contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

1 in part 1 under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393. These funds shall not be made available
3 to increase TANF authorization.

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

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

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

22 Sec. 290. Any public advertisement for state assistance shall
23 also inform the public of the welfare fraud hotline operated by the
24 department.

25 Sec. 291. (1) The department shall verify, using the e-verify
26 system, that all new department employees, and new hire employees
27 of contractors and subcontractors paid from funds appropriated in

1 part 1, are legally present in the United States. The department
2 may verify this information directly or may require contractors and
3 subcontractors to verify the information and submit a certification
4 to the department.

5 (2) By February 15 of the current fiscal year, the department
6 shall submit to the house and senate appropriations subcommittees
7 on the department budget, the house and senate fiscal agencies, and
8 the house and senate policy offices a report on the number of new
9 department employees and new hire employees of contractors and
10 subcontractors that were found to not be legally present in the
11 United States.

12 Sec. 293. The department may use funds from the funds
13 appropriated in part 1 to strengthen marriage and family relations
14 through the practice of marriage and family therapy for
15 individuals, families, couples, or groups. The goal of the therapy
16 shall be strengthening families by helping them avoid, eliminate,
17 relieve, manage, or resolve marital or family conflict or discord.

18 Sec. 295. If the department fails to provide to the
19 legislature reports and other data required by this part or other
20 statute within 30 days after the date the information is due, the
21 state money appropriated in part 1 for salaries and wages
22 responsible for preparing and submitting the report shall be
23 reduced by \$150,000.00.

24 Sec. 296. Not later than November 30, the state budget office
25 shall prepare and transmit a report that provides for estimates of
26 the total general fund/general purpose appropriation lapses at the
27 close of the prior fiscal year. This report shall summarize the

1 projected year-end general fund/general purpose appropriation
2 lapses by major departmental program or program areas. The report
3 shall be transmitted to the chairpersons of the senate and house
4 appropriations committees and the senate and house fiscal agencies.

5 Sec. 297. Total authorized appropriations from all sources
6 under part 1 for legacy costs for the fiscal year ending September
7 30, 2015 is \$283,394,300.00. From this amount, total agency
8 appropriations for pension-related legacy costs are estimated at
9 \$159,146,200.00. Total agency appropriations for retiree health
10 care legacy costs are estimated at \$124,248,100.00.

11 Sec. 298. By March 1 of the current fiscal year, the
12 department shall provide to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal
14 agencies, and the senate and house policy offices an annual report
15 on the supervisor-to-staff ratio by department divisions and
16 subdivisions.

17 Sec. 299. The department shall maintain, on a publicly
18 accessible website, a department scorecard that identifies, tracks,
19 and regularly updates key metrics that are used to monitor and
20 improve the department's performance.

21 **EXECUTIVE OPERATIONS**

22 Sec. 307. (1) From the funds appropriated in part 1 for
23 demonstration projects, \$400,000.00 shall be distributed as
24 provided in subsection (2). The amount distributed under this
25 subsection shall not exceed 50% of the total operating expenses of
26 the program described in subsection (2), with the remaining 50%

1 paid by local United Way organizations and other nonprofit
2 organizations and foundations.

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

11 (3) Michigan 2-1-1 shall refer to the department any calls
12 received reporting fraud, waste, or abuse of state-administered
13 public assistance.

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

20 Sec. 310. It is the intent of the legislature that the
21 department shall work with youth-oriented nonprofit organizations
22 to provide mentoring programming for children of incarcerated
23 parents and other at-risk children.

24 Sec. 315. The department, in conjunction with the department
25 of community health, organizations representing disabled and
26 elderly adults, representatives of assisted living facilities, and
27 the legislature, shall conduct a workgroup that explores licensing

1 standards and practices and performance measures for facilities
2 providing adult assisted living services in order to ensure safe,
3 adequately supervised, and protective environments for those
4 individuals and families seeking assisted living services.

5 **ADULT AND FAMILY SERVICES**

6 Sec. 401. (1) All funds appropriated in part 1 for independent
7 living shall be used to support centers for independent living in
8 delivering mandated independent living core services in compliance
9 with federal rules and regulations for the centers, by existing
10 centers for independent living to serve underserved areas, and for
11 projects to build the capacity of centers for independent living to
12 deliver independent living services. Applications for the funds
13 shall be reviewed in accordance with criteria and procedures
14 established by the department. Funds shall be used in a manner
15 consistent with the state plan for independent living. Services
16 provided should assist people with disabilities to move toward
17 self-sufficiency, including support for accessing transportation
18 and health care, obtaining employment, community living, nursing
19 home transition, information and referral services, education,
20 youth transition services, veterans, and stigma reduction
21 activities.

22 (2) The Michigan centers for independent living shall provide
23 a report by March 1 of the current fiscal year to the house and
24 senate appropriations subcommittees on the department budget, the
25 house and senate fiscal agencies, the house and senate policy
26 offices, and the state budget office on direct customer and system

1 outcomes and performance measures.

2 Sec. 402. The Michigan rehabilitation services shall work
3 collaboratively with the bureau of services for blind persons,
4 service organizations, and government entities to identify
5 qualified match dollars to maximize use of available federal
6 vocational rehabilitation funds.

7 Sec. 403. (1) It is the intent of the legislature that the
8 funds appropriated in part 1 for Michigan rehabilitation services,
9 and any future funds appropriated for that purpose, shall not be
10 spent unless Michigan rehabilitation services addresses, works to
11 remedy, and accounts for the deficiencies found in Michigan
12 rehabilitation services as detailed in the most recent auditor
13 general report of Michigan rehabilitation services.

14 (2) The department shall provide quarterly status reports by
15 February 1, May 1, August 1, and November 1 to the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and house and senate policy offices on
18 Michigan rehabilitation services that include all of the following
19 items:

20 (a) Reductions and changes in administration costs and
21 staffing.

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

23 (c) Reorganization plans and implementation steps achieved.

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

26 (e) Quarterly expenditures by major spending category.

27 (f) Employment and job retention rates from both Michigan

1 rehabilitation services and its nonprofit partners.

2 (g) Success rate of each district in achieving the program
3 goals.

4 Sec. 404. From the funds appropriated in part 1 for
5 independent living, the department shall allocate \$1,500,000.00 to
6 Michigan's centers for independent living to continue to pilot
7 guide services to develop accessible, comprehensive, and integrated
8 services for persons with disabilities. The guide services shall
9 also assist persons with disabilities and their families in
10 navigating state systems when accessing public assistance to become
11 financially self-sufficient.

12 Sec. 405. It is the intent of the legislature that Michigan
13 rehabilitation services shall not implement an order of selection
14 for vocational and rehabilitative services.

15 Sec. 407. From the funds appropriated in part 1 to Michigan
16 rehabilitation services, the department shall use the
17 interdepartmental grant from the department of corrections to
18 expand the swift and sure sanctions probation program through
19 Michigan rehabilitation services. The department shall allocate up
20 to \$3,000,000.00 as a match for \$11,084,500.00, pending the
21 availability of federal vocational rehabilitation funds, for the
22 purpose described in this section. The department shall establish
23 an interagency agreement with the department of corrections and
24 judicial branch to carry out this purpose. These funds shall be
25 used to assist individuals who have a history of probation or
26 parole violations and exceptional mental health needs and shall not
27 be used for individuals who are currently incarcerated. In order to

1 implement the program described in this section, the department
2 shall contract with accredited, community-based rehabilitation
3 organizations for job placement and other support services for
4 eligible probationers referred from that program. If the amount of
5 available federal funding is less than \$11,084,500.00, the
6 department shall notify the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, the senate and house policy offices, and the state budget
9 office within 30 days of this determination and the reasons for the
10 lower match.

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

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

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

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

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

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

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

1 marriage initiative program.

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

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

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

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

27 Sec. 420. (1) From the funds appropriated in part 1, the

1 department shall contract with the prosecuting attorneys
2 association of Michigan for 2 elder abuse resource prosecuting
3 attorneys positions to provide the support and services necessary
4 to increase the capability of the state's prosecutors, adult
5 protective service system, and criminal justice system to
6 effectively identify, investigate, and prosecute elder abuse and
7 financial exploitation.

8 (2) By March 1 of the current fiscal year, the prosecuting
9 attorneys association shall provide a report on the efficacy of the
10 contract to the state budget office, the house and senate
11 appropriations subcommittees on the department budget, the house
12 and senate fiscal agencies, and the house and senate policy
13 offices.

14 Sec. 423. From the funds appropriated in part 1 for elder law
15 of Michigan MiCAFE contract, the department shall allocate not less
16 than \$350,000.00 to the elder law of Michigan MiCAFE to assist this
17 state's elderly population to participate in the food assistance
18 program. Of the \$350,000.00 allocated under this section, the
19 department shall use \$175,000.00, which are general fund/general
20 purpose funds, as state matching funds for not less than
21 \$175,000.00 in United States department of agriculture funding to
22 provide outreach program activities, such as eligibility screen and
23 information services, as part of a statewide food assistance
24 hotline.

25 Sec. 424. The department may contract with a competitively
26 selected contractor whose service area includes region 2 of the
27 prosperity regions identified and defined by the department of

1 technology, management, and budget. The competitively selected
2 contractor shall be a nonprofit organized and operated exclusively
3 for the tax-exempt purposes set forth in section 501(c)(3) of the
4 United States internal revenue code. Allocated funds shall only be
5 used to defray the operational and capital costs for the workers on
6 wheels program. By January 1 of the current fiscal year, the
7 selected contractor shall provide a report on the number of
8 households served, impact of the recipient's household income,
9 employment status of the recipient, and the number of vehicles
10 awarded through purchase and donation to the house and senate
11 appropriations subcommittees on the department budget, the house
12 and senate fiscal agencies, and the house and senate policy
13 offices.

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

21 (2) By November 30 of the current fiscal year, the department
22 shall provide to the senate and house appropriations subcommittees
23 on the department budget, the senate and house fiscal agencies, and
24 the senate and house policy offices a report detailing the total
25 number of payments for repairs, the number of payments for repairs
26 that exceeded \$500.00, the number of payments for repairs that cost
27 exactly \$500.00, and the number of payments for repairs that cost

1 exactly \$900.00 in the previous fiscal year.

2 **CHILDREN'S SERVICES**

3 Sec. 501. (1) A goal is established that not more than 27% of
4 all children in foster care at any given time during the current
5 fiscal year will have been in foster care for 24 months or more.

6 (2) By March 1 of the current fiscal year, the department
7 shall provide to the senate and house appropriations subcommittees
8 on the department budget, the senate and house fiscal agencies, the
9 senate and house policy offices, and the state budget office a
10 report describing the steps that will be taken to achieve the
11 specific goal established in this section and on the percentage of
12 children who currently are in foster care and who have been in
13 foster care a total of 24 or more months.

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. (1) In accordance with the final report of the
20 Michigan child welfare performance-based funding task force issued
21 in response to section 503 of article X of 2013 PA 59, the
22 department shall issue a request for proposal not later than
23 October 1, 2014 for an independent actuary designated as a fellow
24 of the society of actuaries to recommend actuarially sound case
25 rates for necessary out-of-home child welfare services that achieve
26 permanency by the department and private child placing agencies in

1 a prospective payment system under a performance-based funding
2 model.

3 (2) A prospective rate payment system for private agencies
4 that includes funding for adoption incentive payments is the
5 recommended funding model. The full cost prospective rate payment
6 system will identify and cover contractual costs, paid through the
7 case rate developed by an actuary.

8 (3) By September 30, 2015, the department shall complete a
9 full cost analysis of the performance-based funding model with
10 respect to the current fiscal year, including relevant information
11 on the actuarial rate-setting process and provide a report on the
12 analysis to the senate and house appropriations subcommittees on
13 the department budget.

14 (4) In accordance with the final report of the Michigan child
15 welfare performance-based funding task force issued in response to
16 section 503 of article X of 2013 PA 59, the department shall
17 implement a 5-year independent, third-party evaluation of the
18 performance-based funding model. The evaluator shall be selected
19 through a competitive process by a rating committee that includes,
20 but is not limited to, representatives from the department and
21 private child placing agencies.

22 (5) The department shall create a readiness model with input
23 from private child welfare agencies, counties, and courts that
24 gives direction to self-identified counties and the department
25 regarding county participation before any further expansion of the
26 performance-based funding model.

27 (6) For phase II, the department shall only phase the

1 implementation of the performance-based funding model into
2 additional counties where the department, private child welfare
3 agencies, the county, and the court operating within that county
4 have agreed to implement the performance-based funding model.

5 (7) The department, in conjunction with members from both the
6 house of representatives and senate, private child placing
7 agencies, the courts, and counties shall implement the fiscal year
8 2014-2015 recommendations that are described in the workgroup
9 report that was provided in section 503 of article X of 2013 PA 59
10 to establish a performance-based funding for public and private
11 child welfare services providers. The department shall provide a
12 quarterly report on the status of the performance-based contracting
13 model to the senate and house appropriations subcommittees on the
14 department budget, the senate and house standing committees on
15 families and human services, and the senate and house fiscal
16 agencies and policy offices.

17 Sec. 505. By March 1 of the current fiscal year, the
18 department and Wayne County shall provide to the senate and house
19 appropriations committees on the department budget and the senate
20 and house fiscal agencies and policy offices a report for youth
21 served in the previous fiscal year and in the first quarter of the
22 current fiscal year outlining the number of youth served within
23 each juvenile justice system, the type of setting for each youth,
24 performance outcomes, and financial costs or savings.

25 Sec. 506. The department shall submit a report by February 15
26 of the current fiscal year on the number of foster children under
27 department supervision who did not receive Medicaid coverage and

1 the number of foster children under department supervision that
2 experienced a break in Medicaid coverage during the previous fiscal
3 year to the house and senate appropriations subcommittees on the
4 department budget, the house and senate fiscal agencies, and the
5 house and senate policy offices.

6 Sec. 507. The department's ability to satisfy appropriation
7 deducts in part 1 for foster care private collections shall not be
8 limited to collections and accruals pertaining to services provided
9 only in the current fiscal year but may include revenues collected
10 during the current fiscal year for services provided in prior
11 fiscal years.

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

16 (2) The department and the child abuse neglect and prevention
17 board shall collaborate to ensure that administrative delays are
18 avoided and the local grant recipients and direct service providers
19 receive money in an expeditious manner. The department and board
20 shall make available the children's trust fund contract funds to
21 grantees within 31 days of the start date of the funded project.

22 Sec. 509. (1) From the funds appropriated in part 1 for the
23 child welfare institute, the department shall use up to \$100,000.00
24 to enter into a contract to provide pilot training for public and
25 contracted child welfare staff to address secondary trauma.

26 (2) The department shall report to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office by March 1 of the current fiscal year on
3 the results of the pilot program, including the number of
4 participants, actual costs of the pilot program, and a cost
5 estimate to expand the program statewide.

6 Sec. 511. The department shall provide quarterly reports to
7 the senate and house appropriations subcommittees on the department
8 budget, the senate and house standing committees on families and
9 human services, and the senate and house fiscal agencies and policy
10 offices on the number and percentage of children who received
11 timely health examinations after entry into foster care and the
12 number and percentage of children entering foster care who received
13 a required mental health examination after entry into foster care.

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

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

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

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

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

27 (e) The department has done an on-site visit to the out-of-

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

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

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

18 (4) The department shall submit an annual report by February
19 15 of the current fiscal year on per diem costs of each residential
20 care provider that has an established state rate and is located or
21 doing business in this state.

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

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

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

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

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

16 (ii) Characteristics of perpetrators of child abuse or neglect
17 and the child victims, such as age, relationship, race, and
18 ethnicity and whether the perpetrator exposed the child victim to
19 drug activity, including the manufacture of illicit drugs, that
20 exposed the child victim to substance abuse, a drug house, or
21 methamphetamine.

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

26 (iv) The number of cases that resulted in the separation of the
27 child from the parent or guardian and the period of time of that

1 separation, up to and including termination of parental rights.

2 (v) For the reported complaints of child abuse or neglect by
3 teachers, school administrators, and school counselors, the number
4 of cases classified under category I or category II and the number
5 of cases classified under category III, category IV, or category V.

6 (vi) For the reported complaints of child abuse or neglect by
7 teachers, school administrators, and school counselors, the number
8 of cases that resulted in separation of the child from the parent
9 or guardian and the period of time of that separation, up to and
10 including termination of parental rights.

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

15 (c) The information contained in the report required under
16 section 8d(5) of the child protection law, 1975 PA 238, MCL
17 722.628d, on cases classified under category III.

18 (d) The department policy, or changes to the department
19 policy, regarding children who have been exposed to the production
20 or manufacture of methamphetamines.

21 Sec. 515. (1) By October 1, 2014, the department, in
22 conjunction with court and county personnel and representatives of
23 the private child welfare agencies operating in Kent County, shall
24 transfer all existing foster care cases and pending foster family
25 home licensing applications in Kent County to private child welfare
26 agencies. Beginning on or before October 1, 2014, the department,
27 in conjunction with court and county personnel and representatives

1 of the private child welfare agencies operating in Kent County,
2 shall assign all new foster care cases and new foster family home
3 licensing applications or recertifications in Kent County to
4 private child welfare agencies. The department shall notify in
5 writing the chairs of the house and senate appropriations
6 subcommittees on the department budget within 10 days after all the
7 foster care cases and pending foster family home licensing
8 applications have been transferred to private child welfare
9 agencies in Kent County. Until an actuary who has been designated
10 as a fellow of the society of actuaries has recommended and the
11 department has amended contracts to include case rates for
12 performance-based contracting pursuant to the workgroup findings
13 described in section 503 of article X of 2013 PA 59, the department
14 shall pay providers of foster care services in Kent County the
15 administrative rate established in section 546(1) and (4) of
16 article X of 2013 PA 59. The carrying out of the workgroup or the
17 workgroup findings described in section 503 of article X of 2013 PA
18 59 or any other activities associated with establishing
19 performance-based funding or contracting shall not delay in any way
20 the time deadlines for transferring and assigning foster care cases
21 in Kent County to private child welfare agencies in this section.
22 If the department fails to comply with the requirements of this
23 section, the state money appropriated in part 1 for executive
24 operations shall be reduced by \$25,000.00 for each week of
25 noncompliance.

26 (2) It is the intent of the legislature that the transfers
27 described in this section will not require the children in foster

1 care to be placed into a new foster family home, but that the
2 department will allow the private child welfare agencies to borrow
3 the foster family homes certified through the department.

4 (3) By March 1, 2015, the department shall submit a report to
5 the senate and house appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies, and the senate and
7 house policy offices that provides an update on the privatization
8 of child welfare services in Kent County as described in section
9 515 of article X of 2013 PA 59 and includes all of the following:

10 (a) Costs or savings that resulted from the program.

11 (b) Gaps in funding.

12 (c) Program successes.

13 (d) Challenges and barriers to a successful implementation.

14 Sec. 519. The department shall permit any private agency that
15 has an existing contract with this state to provide foster care
16 services to be also eligible to provide treatment foster care
17 services.

18 Sec. 522. (1) From the funds appropriated in part 1 for youth
19 in transition, the department shall allocate \$750,000.00 for
20 college scholarships through the fostering futures scholarship
21 program in the Michigan education trust to youths who were in
22 foster care because of child abuse or neglect and are attending a
23 college located in this state. Of the funds appropriated, 100%
24 shall be used to fund scholarships for the youths described in this
25 section.

26 (2) Not later than March 1 of the current fiscal year, the
27 department shall provide a report to the house and senate

1 appropriations subcommittees on the department budget, the house
2 and senate fiscal agencies, and the house and senate policy offices
3 that includes the number of youths who received scholarships and
4 the amount of each scholarship, and the total amount of funds spent
5 or encumbered in the current fiscal year.

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 November 1 of the current fiscal year a
20 report on the planning, implementation, and operation, regardless
21 of the current operational status, of the statewide automated child
22 welfare information system. The report shall include, but not be
23 limited to, all of the following:

24 (a) Areas where implementation went as planned.

25 (b) The number of known issues.

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

27 (d) Any additional overtime or other staffing costs to address

1 known issues and volume of help tickets.

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

4 (f) Other strategies undertaken to improve implementation.

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

13 Sec. 540. If a physician or psychiatrist who is providing
14 services to state or court wards placed in a residential facility
15 submits a formal request to the department to change the
16 psychotropic medication of a ward, the department shall, if the
17 ward is a state ward, make a determination on the proposed change
18 within 7 business days after the request or, if the ward is a
19 temporary court ward, seek parental consent within 7 business days
20 after the request. If parental consent is not provided within 7
21 business days, the department shall petition the court on the
22 eighth business day.

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

27 (2) From the funds appropriated in part 1 for foster care

1 payments and from child care fund, the department shall pay
2 providers of general independent living services not less than a
3 \$28.00 administrative rate.

4 (3) From the funds appropriated in part 1, the department
5 shall pay providers of independent living plus services statewide
6 per diem rates for staff-supported housing and host-home housing
7 based on proposals submitted in response to a solicitation for
8 pricing. The independent living plus program provides staff-
9 supported housing and services for foster youth ages 16 through 19
10 who, because of their individual needs and assessments, are not
11 initially appropriate for general independent living foster care.

12 (4) From the funds appropriated in part 1, the department
13 shall pay providers of foster care services an additional \$3.00
14 administrative rate, provided that section 117a of the social
15 welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the
16 county match rate for the additional administrative rate provided
17 in this subsection. Payments under this subsection shall be made,
18 not less than, on a monthly basis.

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

23 (6) From the funds appropriated in part 1, the department
24 shall provide an increase to each private provider of residential
25 services, if section 117a of the social welfare act, 1939 PA 280,
26 MCL 400.117a, is amended to eliminate the county match rate for the
27 additional rate provided in this section.

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

5 Sec. 556. (1) No later than December 1 for the current fiscal
6 year, the department shall provide an annual report to the
7 subcommittees of the senate and house appropriations committees on
8 the department budget, the house and senate fiscal agencies, and
9 the state budget director that includes the following:

10 (a) The number of complaints filed by adoptive parents who
11 were not notified that their adopted child had special needs.

12 (b) The number of cases that received a new or revised
13 determination of care rate as described in subsections (2) and (3),
14 the total expenditures on the program, and the number of cases in
15 each determination of care level of payment.

16 (2) From the funds appropriated in part 1 for the redetermined
17 adoption assistance program and not later than January 1, 2015, the
18 department shall implement a new state-funded program to allow
19 adoptive parents to request a redetermination of their adoption
20 assistance. Redetermined adoption assistance means a payment as
21 determined by a certification that may be justified when
22 extraordinary care or expense is required for a condition that
23 existed or the cause of which existed before the adoption was
24 finalized. A redetermined adoption assistance rate shall be
25 determined in the same manner using the same criteria as the
26 department uses to determine a support subsidy under section
27 115g(2) of the social welfare act, 1939 PA 280, MCL 400.115g. The

1 amount of assistance shall be at least 95% of the maximum amount of
2 assistance the department determines the child is eligible to
3 receive and shall be requested as follows:

4 (a) For adoptive parents with effective adoption assistance
5 agreements signed before January 1, 2015, the adoptive parent may
6 request 1 redetermined adoption assistance certification. If a
7 request for certification under this subdivision is made, it must
8 be requested in writing and received by the department not later
9 than March 31, 2015.

10 (b) For adoptive parents who sign an adoption assistance
11 agreement on or after January 1, 2015, an adoptive parent may only
12 ever request 1 redetermined adoption assistance certification per
13 adoptee placed in the adoptive parent's home.

14 (3) If the department denies or the adoptive parent disagrees
15 with the certification, the adoptive parent may request a hearing
16 through an administrative law judge in a manner consistent with the
17 rules promulgated under the administrative procedures act of 1969,
18 1969 PA 306, MCL 24.201 to 24.328.

19 (4) Not later than October 15, 2014, the department shall
20 notify in writing all adoptive parents with adoption assistance
21 agreements about their ability to request a certification for
22 redetermined adoption assistance between January 1, 2015 and March
23 31, 2015. For all parents entering adoption assistance agreements
24 after this notification, the department shall inform the adoptive
25 parent in writing before the adoption is finalized of his or her
26 right to request 1 certification for a redetermination per adoptee
27 placed in the adoptive parent's home.

1 (5) If this section conflicts with a state statute enacted
2 subsequent to this act, the state statute controls.

3 (6) "Certification" under this section means a determination
4 of eligibility by the department that an adoptee is eligible for
5 redetermined adoption assistance.

6 Sec. 558. The department shall submit to the senate and house
7 appropriations subcommittees on the department budget, the senate
8 and house fiscal agencies, the senate and house policy offices, and
9 the state budget office by March 1 of the current fiscal year a
10 report on the training programs or courses provided through the
11 child welfare training institute and the annual cost for each
12 program or course.

13 Sec. 559. (1) From the funds appropriated in part 1 for
14 adoption support services including the funds designated as 1-time
15 basis only, the department shall allocate \$700,000.00 to the
16 adoptive family support network to operate and expand its adoptive
17 parent mentor program to provide a listening ear, knowledgeable
18 guidance, and community connections to adoptive parents and
19 children who were adopted in this state or another state.

20 (2) The adoptive family support network shall submit to the
21 senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, the senate and house
23 policy offices, and the state budget office by March 1 of the
24 current fiscal year a report on the program described in subsection
25 (1), including, but not limited to, the number of cases served and
26 the number of cases in which the program prevented an out-of-home
27 placement.

1 Sec. 560. The department, in conjunction with the state court
2 administrative office and the foster care review board, shall
3 coordinate a comprehensive training program for court personnel on
4 the importance of parent-child visitations in foster care cases.

5 Sec. 562. The department shall provide time and travel
6 reimbursements for foster parents who transport a foster child to
7 parent-child visitations. As part of the foster care parent
8 contract, the department shall provide written confirmation to
9 foster parents that states that the foster parents have the right
10 to request these reimbursements for all parent-child visitations.
11 The department shall provide these reimbursements within 60 days of
12 receiving a request for eligible reimbursements from a foster
13 parent.

14 Sec. 563. The department shall submit to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, the senate and house policy offices, and
17 the state budget office by March 1 of the current fiscal year a
18 report on the number and percentage of department employees who had
19 a satisfactory performance evaluation and the number and percentage
20 of department employees who had an unsatisfactory performance
21 evaluation.

22 Sec. 564. (1) The department shall develop a clear policy for
23 parent-child visitations. The local county offices, caseworkers,
24 and supervisors shall meet a 50% success rate, after accounting for
25 factors outside of the caseworker's control.

26 (2) Per the court-ordered number of required meetings between
27 caseworkers and parent, the caseworkers shall achieve a success

1 rate of 65%, after accounting for factors outside of the
2 caseworker's control.

3 Sec. 565. The department and private child placing agencies
4 shall provide signed copies of the parent agency treatment plan
5 service agreement, that must include, according to department
6 policy, a written plan for parent-child visitation. The agreement
7 should include a signature from the legal parent, when possible. If
8 the parent does not sign the parent agency treatment plan service
9 agreement, the department and private child placing agencies shall
10 provide documentation as to why the parent did not sign the
11 agreement. The supervisor assigned to a case that does not obtain
12 the parent signature also shall provide documentation as to why the
13 parent did not sign the agreement. The information and
14 documentation described in this section shall be made available to
15 the foster care review board upon request.

16 Sec. 566. For a child who is under court or state supervision,
17 the MiTEAM family team meeting shall include a review of any
18 psychotropic medication the child is currently prescribed, had been
19 prescribed in the past, or had been recommended to take.

20 Sec. 567. (1) The caseworker or supervisor who is assigned to
21 a foster care case is responsible for completing a medical passport
22 for the cases assigned to him or her. If a child in foster care is
23 transferred to a new placement or returned to his or her parent's
24 or guardian's home, the medical passport and any school records in
25 the caseworker's or supervisor's possession must be transferred
26 within 2 weeks from the date of placement or return to the home.

27 (2) The department shall submit to the senate and house

1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, the senate and house policy offices, and
3 the state budget office by March 1 of the current fiscal year a
4 report on the items described in subsection (1), including the
5 following:

6 (a) The percentage of medical passports that were properly
7 filled out.

8 (b) From the total medical passports transferred, the
9 percentage that transferred within 2 weeks from the date of
10 placement or return to the home.

11 (c) From the total school records, the percentage that
12 transferred within 2 weeks from the date of placement or return to
13 the home.

14 Sec. 568. (1) From the funds appropriated in part 1 for
15 adoption subsidies, the department shall pay a minimum adoption
16 subsidy rate that is not less than 95% of the rate that was or
17 would have been provided for the adoptee in family foster care at
18 the time of the adoption. This rate includes the determination of
19 care rate that was paid or would have been paid to the adoptive
20 parent for the adoptee in a family foster care placement, and this
21 amount shall be increased to reflect any increase in the standard
22 age appropriate foster care rate.

23 (2) "Determination of care rate" as described in this section
24 means a supplemental payment to the standard age appropriate foster
25 care rate that may be justified when extraordinary care or expense
26 is required. The supplemental payment is based on 1 or more of the
27 following case situations where additional care is required of the

1 foster care provider or adoptive parent or an additional expense
2 exists:

3 (a) Physically disabled children for whom the adoptive parent
4 must provide measurably greater supervision and care.

5 (b) Children with special psychological or psychiatric needs
6 that require extra time and measurably greater amounts of care and
7 attention by the adoptive parent.

8 (c) Children requiring special diets that are more expensive
9 than a normal diet and that require extra time and effort by the
10 adoptive parent to obtain or prepare.

11 (d) Children whose severe acting-out or antisocial behavior
12 requires a measurably greater amount of care and attention of the
13 adoptive parent.

14 (3) The department shall, on a separate form, allow an
15 adoptive parent to sign a certification that he or she rejects a
16 support subsidy.

17 (4) If this section conflicts with state statute enacted
18 subsequent to this act, the state statute controls.

19 Sec. 569. The department shall reimburse private child placing
20 agencies that complete adoptions at the rate according to the date
21 on which the petition for adoption and required support
22 documentation was accepted by the court and not according to the
23 date the court's order placing for adoption was entered.

24 Sec. 574. (1) From the funds appropriated in part 1 for foster
25 care payments, \$2,500,000.00 is allocated to support performance-
26 based contracts with child placing agencies to facilitate the
27 licensure of relative caregivers as foster parents. Agencies shall

1 receive \$2,300.00 for each facilitated licensure if completed
2 within 180 days after a child's placement or, if a waiver was
3 previously approved, 180 days from the application date. If the
4 facilitated licensure, or approved waiver, is completed after 180
5 days, the agency shall receive up to \$2,300.00. The agency
6 facilitating the licensure would retain the placement and continue
7 to provide case management services for at least 50% of the newly
8 licensed cases for which the placement was appropriate to the
9 agency. Up to 50% of the newly licensed cases would have direct
10 foster care services provided by the department.

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

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

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

26 (b) The number and percentage of foster parents successfully
27 retained in the previous fiscal year and how those figures compare

1 to prior fiscal years.

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

5 Sec. 587. (1) From the funds appropriated in part 1 to in-home
6 community care programs including the funds designated as 1-time
7 basis only, \$1,250,000.00 shall be used to expand or create new in-
8 home care and community-based juvenile justice services to rural
9 counties through a grant-making process. Counties that received
10 funds for the purpose described in section 587 of article X of 2013
11 PA 59 are not eligible to receive the funds in this section. The
12 department shall expend the full amount of funds for the purpose
13 described in this section by September 1 of the current fiscal
14 year.

15 (2) By March 1 of the current fiscal year, the department
16 shall submit a report that describes the program expansion and
17 expenditures in detail to the senate and house appropriations
18 subcommittees on the department budget, the senate and house fiscal
19 agencies, and the senate and house policy offices.

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

26 (2) The department shall report quarterly to the state budget
27 office, the senate and house appropriations subcommittees on the

1 department budget, and the senate and house fiscal agencies, on the
2 number of children enrolled in the guardianship assistance and
3 foster care - children with serious emotional disturbance waiver
4 programs.

5 Sec. 589. (1) From the funds appropriated in part 1 for child
6 care fund, the department shall pay 100% of the administrative rate
7 for all new cases referred to providers of foster care services
8 beginning on October 1, 2013.

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

12 Sec. 590. From the funds appropriated in part 1, the
13 department shall provide \$30,000.00 for the task force on the
14 prevention of sexual abuse of children defined under section 12b of
15 the child protection law, 1975 PA 238, MCL 722.632b. Use of funds
16 shall be limited to providing reimbursements to task force members
17 for mileage and other travel expenses related to task force
18 operations.

19 Sec. 592. (1) The department shall conduct a workgroup to
20 assess the feasibility of reorganizing all child welfare and
21 juvenile justice functions within the department into an autonomous
22 agency through a type I transfer under the executive organization
23 act of 1965, 1965 PA 380, MCL 16.101 to 16.608.

24 (2) By March 1, 2015, the department shall provide a report on
25 the findings of the workgroup described in this section to the
26 senate and house appropriations subcommittees on the department
27 budget, the senate and house fiscal agencies and policy offices,

1 and the state budget director.

2 **PUBLIC ASSISTANCE**

3 Sec. 601. Whenever a client agrees to the release of his or
4 her name and address to the local housing authority, the department
5 shall request from the local housing authority information
6 regarding whether the housing unit for which vendoring has been
7 requested meets applicable local housing codes. Vendoring shall be
8 terminated for those units that the local authority indicates in
9 writing do not meet local housing codes until such time as the
10 local authority indicates in writing that local housing codes have
11 been met.

12 Sec. 602. The department shall establish a policy to conduct a
13 full evaluation of an individual's assistance needs if the
14 individual has applied for disability 2 times within a 1-year
15 period. Subject to federal approval, individuals are not permitted
16 to apply for disability assistance more than 2 times in 1 year.

17 Sec. 603. (1) The department shall conduct a workgroup in
18 conjunction with the department of community health and members
19 from both the senate and house of representatives to determine how
20 the state can maximize Medicaid claims for community-based and
21 outpatient treatment services to foster care children and
22 adjudicated youths who are placed in community-based treatment
23 programs. The workgroup shall address the following questions and
24 develop an action plan to implement the feasible items:

25 (a) Could the department of community health change Medicaid
26 health plan contracts to require the use of the child and

1 adolescent needs and strengths assessment tool?

2 (b) Could the thresholds for the screening tools for children
3 with mild to moderate mental health needs be changed?

4 (c) Could the 20-session limit for children and youths not
5 labeled seriously emotionally disturbed be changed to increase
6 coverage?

7 (d) Could therapeutic interventions such as in-home services
8 or wraparound be substituted for current talk therapy benefits?

9 (e) Could the community mental health services program provide
10 the mild to moderate treatment that the Medicaid health plans
11 currently provide and does federal law permit this change?

12 (f) Regarding assessment of children with serious emotional
13 disturbance, which assessment takes precedence if more than 1 tool
14 was used in an evaluation and the conclusions differ?

15 (g) Could the thresholds to determine serious emotional
16 disturbance be changed, and if so, would a change impact Medicaid
17 eligibility and funding?

18 (h) Is there a cap on the 1915B waiver, and if not, in what
19 ways could this state access additional intervention services for
20 children with serious emotional disturbance?

21 (i) How can the department, the department of community
22 health, and the courts take an active role to ensure that
23 adjudicated youths who remain at home are enrolled in Medicaid, if
24 eligible?

25 (j) What are the needed changes to create a clear policy on
26 suspension or termination of Medicaid for adjudicated youths?

27 (k) What are the needed changes to update Medicaid system

1 changes?

2 (l) What can the department do to train the courts on Medicaid
3 eligibility and policy regarding adjudicated youths?

4 (2) By March 1, 2015, the department shall provide to the
5 senate and house appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies, the senate and house
7 policy offices, and the state budget office a report on the
8 workgroup findings and requirements described in subsection (1).

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

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

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

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

25 (d) A person receiving 30-day postresidential substance abuse
26 treatment.

27 (e) A person diagnosed as having acquired immunodeficiency

1 syndrome.

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

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

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

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

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

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

27 Sec. 605. The level of reimbursement provided to state

1 disability assistance recipients in licensed adult foster care
2 facilities shall be the same as the prevailing supplemental
3 security income rate under the personal care category.

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

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

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

24 Sec. 608. Adult foster care facilities providing domiciliary
25 care or personal care to residents receiving supplemental security
26 income or homes for the aged serving residents receiving
27 supplemental security income shall not require those residents to

1 reimburse the home or facility for care at rates in excess of those
2 legislatively authorized. To the extent permitted by federal law,
3 adult foster care facilities and homes for the aged serving
4 residents receiving supplemental security income shall not be
5 prohibited from accepting third-party payments in addition to
6 supplemental security income provided that the payments are not for
7 food, clothing, shelter, or result in a reduction in the
8 recipient's supplemental security income payment.

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

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

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

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

27 (4) State emergency relief payments shall not be made

1 available to persons who are out-of-state residents or illegal
2 immigrants.

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

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

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

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

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

1 Sec. 616. The department shall require retailers that
2 participate in the electronic benefits transfer program to charge
3 no more than \$2.50 in fees for cash back as a condition of
4 participation.

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

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

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

24 (b) An authorized representative shall be required for food
25 assistance receipt.

26 (2) Subject to federal approval, an individual is not entitled
27 to the exemption in this section if the individual was convicted in

1 2 or more separate cases of a felony that included the possession,
2 use, or distribution of a controlled substance after August 22,
3 1996.

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

11 (2) The department shall report on a quarterly basis by
12 February 1, May 1, August 1, and November 1 to the senate and house
13 appropriations subcommittees on the department budget, the senate
14 and house standing committees on families and human services, and
15 the senate and house fiscal agencies and policy offices on the
16 average Medicaid eligibility standard of promptness for each of the
17 required standards of promptness under subsection (1) and for
18 medical review team reviews achieved statewide and at each local
19 office.

20 Sec. 622. (1) Subject to federal rules and regulations, the
21 department shall implement a 1-page application for disability
22 redetermination for all disability redetermination applications and
23 cases no later than November 1, 2014.

24 (2) If the department is not able to implement the 1-page
25 application described in subsection (1), the department shall
26 submit a waiver request to the United State government to allow the
27 department to implement a 1-page application for disability

1 redeterminations for children and adults who are severely mentally,
2 physically, or developmentally disabled with little or no change of
3 recovery to their chronic condition. The waiver request shall
4 emphasize the expediency, efficiency, and added simplification of a
5 1-page application for disability redetermination.

6 Sec. 625. The department may contract with the legal services
7 association of Michigan to provide assistance to individuals who
8 have applied for or wish to apply for SSI or other federal
9 disability benefits. The legal services association of Michigan
10 shall provide a list of new clients accepted to the department to
11 verify that services have been provided to department clients. The
12 legal services association of Michigan and the department shall
13 work together to develop release forms to share information in
14 appropriate cases. The legal services association of Michigan shall
15 provide quarterly reports indicating cases opened, cases closed,
16 level of services provided on closed cases, and case outcomes on
17 closed cases.

18 Sec. 626. The department shall collaborate with the department
19 of community health to identify any needed funding, accounting, or
20 other changes needed to provide the department of community health
21 with travel data relating to nonemergency medical services
22 transportation, including, but not limited to, methods of travel,
23 number of people served, travel distances, number of trips, and
24 costs of trips.

25 Sec. 643. As a condition of receipt of federal TANF funds,
26 homeless shelters and human services agencies shall collaborate
27 with the department to obtain necessary TANF eligibility

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

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

19 Sec. 653. From the funds appropriated in part 1 for food
20 assistance, an individual who is the victim of domestic violence
21 and does not qualify for any other exemption may be exempt from the
22 3-month in 36-month limit on receiving food assistance under 7 USC
23 2015. This exemption can be extended an additional 3 months upon
24 demonstration of continuing need.

25 Sec. 655. Within 14 days after the spending plan for low-
26 income home energy assistance program is approved by the state
27 budget office, the department shall provide the spending plan,

1 including itemized projected expenditures, to the chairpersons of
2 the senate and house appropriations subcommittees on the department
3 budget, the senate and house fiscal agencies, and the senate and
4 house policy offices.

5 Sec. 657. The department shall notify persons eligible for
6 extended family independence program benefits under section 57s of
7 the social welfare act, 1939 PA 280, MCL 400.57s, that receiving
8 extended family independence program benefits will count toward the
9 federal and state lifetime limits. This notification shall be
10 included in both the public assistance application and the letter
11 or form that notifies a person of eligibility for extended family
12 independence program benefits.

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

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

26 Sec. 672. (1) The department's office of inspector general
27 shall report to the senate and house of representatives

1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, and the senate and house policy offices
3 by February 15 of the current fiscal year on department efforts to
4 reduce inappropriate use of Michigan bridge cards. The department
5 shall provide information on the number of recipients of services
6 who used their electronic benefit transfer card inappropriately and
7 the current status of each case, the number of recipients whose
8 benefits were revoked, whether permanently or temporarily, as a
9 result of inappropriate use, and the number of retailers that were
10 fined or removed from the electronic benefit transfer program for
11 permitting inappropriate use of the cards.

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

16 Sec. 677. (1) The department shall establish a state goal for
17 the percentage of family independence program cases involved in
18 employment activities. The percentage established shall not be less
19 than 50%. The goal for long-term employment shall be 15% of cases
20 for 6 months or more.

21 (2) On a monthly basis, the department shall report to the
22 senate and house appropriations subcommittees on the department
23 budget, the senate and house fiscal agencies and policy offices,
24 and the state budget director on the number of cases referred to
25 partnership. accountability. training. hope. (PATH), the current
26 percentage of family independence program cases involved in PATH
27 employment activities, an estimate of the current percentage of

1 family independence program cases that meet federal work
2 participation requirements on the whole, and an estimate of the
3 current percentage of the family independence program cases that
4 meet federal work participation requirements for those cases
5 referred to PATH.

6 (3) The department shall submit to the senate and house
7 appropriations subcommittees on the department budget, the senate
8 and house fiscal agencies, and the senate and house policy offices
9 a quarterly report that includes all of the following:

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

12 (b) The average and range of wages of employed family
13 independence program recipients.

14 (c) When data become available, the number and percentage of
15 employed family independence program recipients who remain employed
16 for 6 months or more.

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

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

26 (3) The department shall prohibit individuals with property
27 assets assessed at a value higher than \$200,000.00 from accessing

1 assistance through department-administered programs, unless such a
2 prohibition would violate federal rules and guidelines.

3 (4) The department shall require caseworkers to obtain an up-
4 to-date telephone number during the eligibility determination or
5 redetermination process for individuals seeking medical assistance
6 benefits. On a monthly basis, the department shall provide the
7 department of community health an updated list of telephone numbers
8 for medical assistance recipients.

9 Sec. 687. (1) The department shall, on a quarterly basis by
10 February 1, May 1, August 1, and November 1, compile and make
11 available on its website all of the following information about the
12 family independence program, state disability assistance, the food
13 assistance program, Medicaid, and state emergency relief:

14 (a) The number of applications received.

15 (b) The number of applications approved.

16 (c) The number of applications denied.

17 (d) The number of applications pending and neither approved
18 nor denied.

19 (e) The number of cases closed.

20 (2) The information provided under subsection (1) shall be
21 compiled and made available for the state as a whole and for each
22 county and reported separately for each program listed in
23 subsection (1).

24 (3) The department shall, on a quarterly basis by February 1,
25 May 1, August 1, and November 1, compile and make available on its
26 website the family independence program information listed as
27 follows:

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

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

7 (c) The number of cases sanctioned because of the school
8 truancy policy.

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

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

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

14 (4) The department shall notify the state budget office, the
15 senate and house appropriations subcommittees on the department
16 budget, the senate and house fiscal agencies, and the senate and
17 house policy offices when the reports required in this section are
18 made available on the department's website.

19 Sec. 695. (1) From the funds appropriated in part 1 for
20 multicultural integration funding, the department may require each
21 contractor to provide data and information on performance related
22 metrics. These metrics may include, but are not limited to, all of
23 the following:

24 (a) Each contractor or subcontractor shall have a mission that
25 is consistent with the purpose of multicultural integration
26 funding.

27 (b) Each contractor shall validate that any subcontractors

1 utilized within these appropriations share the same mission as the
2 lead agency receiving funding.

3 (c) Each contractor or subcontractor shall demonstrate cost-
4 effectiveness.

5 (d) Each contractor or subcontractor shall ensure their
6 ability to leverage private dollars to strengthen and maximize
7 service provision.

8 (e) Each contractor or subcontractor shall provide timely and
9 accurate reports regarding the number of clients served, units of
10 service provision, and ability to meet their stated goals.

11 (2) The department shall require an annual report from the
12 contractors that receive multicultural integration funding. The
13 annual report, due 60 days following the end of the contract
14 period, shall include specific information on services and programs
15 provided, the client base to which the services and programs were
16 provided, information on any wraparound services provided, and the
17 expenditures for those services. The department shall provide the
18 annual reports to the senate and house appropriations subcommittees
19 on the department budget, the senate and house fiscal agencies, and
20 the state budget office.

21 (3) The department of community health and the department
22 shall convene a workgroup to discuss and make recommendations on
23 including accreditation in the contractor specifications and
24 potentially moving toward competitive bidding. Each contractor
25 required to provide data per this section shall be invited to
26 participate in the workgroup if so convened.

1 **JUVENILE JUSTICE SERVICES**

2 Sec. 701. Unless required from changes to federal or state law
3 or at the request of a provider, the department shall not alter the
4 terms of any signed contract with a private residential facility
5 serving children under state or court supervision without written
6 consent from a representative of the private residential facility.

7 Sec. 702. (1) By December 1, 2014, the department, in
8 conjunction with the department of community health, shall submit a
9 waiver request to the federal government to expand Medicaid
10 coverage to children in need of secure residential treatment in
11 this state. The waiver request must include a plan to provide
12 secure stabilization services, assessment, and treatment. The
13 request must include recommendations to make 1 or more of the
14 public juvenile detention facilities or private secure residential
15 facilities eligible to be Medicaid providers. To the extent
16 feasible, the request must use the Medicaid reimbursement model
17 that is currently in place in Vermont at the Woodside Juvenile
18 Rehabilitation Center.

19 (2) The department shall submit to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, the senate and house policy offices, and
22 the state budget office by December 15 of the current fiscal year a
23 copy of the waiver request described in subsection (1).

24 (3) The department shall submit to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and
27 the state budget office by March 1 of the current fiscal year a

1 report on the status of the Medicaid waiver request described in
2 subsection (1).

3 Sec. 703. (1) From the funds appropriated in part 1 for
4 juvenile justice vision 20/20, the department shall allocate
5 \$1,000,000.00 for the information technology services and projects
6 described in subsection (2). Any unexpended or unencumbered funds
7 appropriated for the services and projects described in subsection
8 (2) are considered work project appropriations and are available
9 for expenditure in the succeeding fiscal year.

10 (2) The department shall use the funds described in subsection
11 (1) to implement a data exchange for use by the department, circuit
12 and probate courts, private juvenile justice agencies, and the
13 state court administrative office under the guidance of appropriate
14 data sharing agreements that tracks statistical and demographic
15 data on juveniles referred to the family division of the circuit
16 court, otherwise known as the juvenile courts after successful
17 implementation and evaluation of the existing pilot database in
18 Ottawa, Kalamazoo, Kent, Ionia, and Berrien Counties. The following
19 is in compliance with section 451a(1) of the management and budget
20 act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project is to implement a new juvenile
22 justice data sharing model that will track data on juveniles
23 referred to the courts.

24 (b) The project will be accomplished by local court staff,
25 state employees, contracts with private vendors, and juvenile
26 justice stakeholders.

27 (c) The total estimated cost of the project is \$5,550,000.00.

1 (d) The tentative completion date is September 30, 2019.

2 (e) The data exchange shall be compatible with MiSACWIS.

3 (3) The department's director of children's services
4 administration or his or her designee shall serve as a juvenile
5 justice vision 20/20 executive team member.

6 (4) The department, in collaboration with the state court
7 administrative office and the department of technology, management,
8 and budget, shall submit to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, the senate and house policy offices, and the state budget
11 office by March 1 of the current fiscal year a report on the status
12 of the implementation items described in subsections (1) and (2).

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

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

25 Sec. 708. (1) As a condition of receiving funds appropriated
26 in part 1 for the child care fund line item, by December 15 of the
27 current fiscal year, counties shall have an approved service

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

8 (2) The department shall submit a report to the house and
9 senate appropriations subcommittees on the department budget, the
10 house and senate fiscal agencies, and the house and senate policy
11 offices by February 15 of the current fiscal year on the number of
12 counties that fail to submit a service spending plan by October 1
13 and the number of service spending plans not approved by December
14 15.

15 Sec. 711. Unless already provided in the previous fiscal year,
16 the department shall submit the behavioral health study of juvenile
17 justice facilities operated or contracted for by the state not
18 later than June 30 of the current fiscal year to the senate and
19 house appropriations subcommittees on human services, the senate
20 and house fiscal agencies and policy offices, and the state budget
21 director.

22 Sec. 719. The department shall notify the legislature at least
23 30 days before closing or making any change in the status,
24 including the licensed bed capacity and operating bed capacity, of
25 a state juvenile justice facility.

26 Sec. 721. If the demand for placements at state-operated
27 juvenile justice residential facilities exceeds capacity, the

1 department shall not increase the available occupancy or services
2 at the facilities, and shall post a request for proposals for a
3 contract with not less than 1 private provider of residential
4 services for juvenile justice youth to be a residential facility of
5 last resort.

6 **LOCAL OFFICE SERVICES**

7 Sec. 750. (1) The department shall maintain out-stationed
8 eligibility specialists in community-based organizations, community
9 mental health agencies, nursing homes, and hospitals unless a
10 community-based organization, community mental health agency,
11 nursing home, or hospital requests that the program be discontinued
12 at its facility.

13 (2) From the funds appropriated in part 1 for donated funds
14 positions, the department shall enter into a contract with any
15 agency that places a request for a donated funds position and is
16 able and eligible under federal law to provide the required
17 matching funds for federal funding, as determined by federal
18 statute and regulations. If the department denies a request, the
19 department shall provide to the agency that made the request the
20 federal statute or regulation that requires the denial. If the
21 department does not provide the statute or regulation to the
22 agency, the department shall grant the request for the donated
23 funds position.

24 (3) A contract for a donated funds position must include, but
25 not be limited to, the following performance metrics:

26 (a) Meeting a standard of promptness for processing

1 applications for Medicaid and other public assistance programs
2 under state law.

3 (b) Meeting required standards for error rates in determining
4 programmatic eligibility as determined by the department.

5 (4) The department shall only fill additional donated funds
6 positions after a new contract has been signed. That position shall
7 also be abolished when the contract expires or is terminated.

8 Sec. 751. (1) From the funds appropriated in part 1 for
9 Healthy Michigan plan administration, the department, in
10 conjunction with the department of community health, shall
11 establish an accounting structure within the Michigan
12 administrative information network that will allow expenditures
13 associated with the administration of the Healthy Michigan plan to
14 be identified. By October 1, 2014, the department shall provide the
15 state budget office and the house and senate fiscal agencies with
16 the relevant accounting structure and associated business objects
17 script and report that groups administrative costs.

18 (2) The department shall submit to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, the senate and house policy offices, and
21 the state budget office a quarterly report on the implementation
22 status of the Healthy Michigan call center that includes all of the
23 following information:

24 (a) Call volume during the prior quarter.

25 (b) Percentage of calls resolved through the Healthy Michigan
26 plan call center.

27 (c) Percentage of calls transferred to a local department,

1 office, or other office for resolution.

2 (d) Number of Medicaid applications completed by the Healthy
3 Michigan call center staff and submitted on behalf of clients.

4 **CHILD SUPPORT ENFORCEMENT**

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

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

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

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

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

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

26 Sec. 909. (1) If statewide retained child support collections

1 exceed \$38,300,000.00, 75% of the amount in excess of
2 \$38,300,000.00 is appropriated to legal support contracts. This
3 excess appropriation may be distributed to eligible counties to
4 supplement and not supplant county title IV-D funding.

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

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

20 (2) The department shall notify the chairs of the house and
21 senate appropriations subcommittees on the department budget and
22 the house and senate fiscal agencies within 15 days of the
23 authorization adjustment in subsection (1).

24 **INFORMATION TECHNOLOGY**

25 Sec. 1001. The department shall reduce the number of computers
26 receiving technical support from the department of technology,

1 management, and budget by 500 no later than November 1, 2014.

2 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

3 Sec. 1105. The department shall report to the house and senate
4 appropriations subcommittees on the department budget, the house
5 and senate fiscal agencies, the house and senate policy offices,
6 and the state budget office by February 15 of the current fiscal
7 year on the number of homes, the approximate value of each home,
8 whether the home is a single-family or multifamily home, and the
9 square footage of each home weatherized through the appropriations
10 in section 104 during the preceding quarter of the calendar year.
11 The report shall also include the percentage of homes weatherized
12 during the preceding quarter of the calendar year that were renter-
13 occupied.

14 Sec. 1106. (1) By November 1, 2014, the department shall work
15 in conjunction with the department of community health, the
16 Michigan community action agency association, and the Michigan
17 state housing development authority to appoint members to a joint
18 task force to review housing rehabilitation, energy and
19 weatherization, and hazard abatement program policies and to make
20 recommendations for integrating and coordinating project delivery
21 with the goals of serving more families and achieving better
22 outcomes by maximizing state and federal resources. The task force
23 shall include a representative of the healthy homes section, lead
24 safe home program, the department of community health, a
25 construction management specialist, community development division,
26 Michigan state housing development authority, an energy and

1 weatherization staff representative from the department, a local
2 weatherization operator, a certified lead professional or a
3 certified lead contractor, and representatives from at least 2
4 community organizations that address harmful housing conditions.
5 The department of community health and the Michigan state housing
6 development authority shall organize the initial meeting of the
7 task force and shall provide administrative support for the task
8 force.

9 (2) By March 1, 2015, the task force described in subsection
10 (1) shall provide to the house and senate chairs of the
11 appropriations subcommittees for the budgets of the department, the
12 department of community health, and the Michigan state housing
13 development authority, the senate and house fiscal agencies, and
14 the senate and house policy offices a report of its findings and
15 recommendations.

16 Sec. 1107. Subject to federal approval, the department and
17 community action agencies shall give first priority for
18 weatherization services to eligible clients who have a child with a
19 documented blood lead level above 5 micrograms per deciliter
20 ($\mu\text{g}/\text{dL}$).

21 Sec. 1108. (1) From the funds appropriated in part 1 for
22 school success partnership program, the department shall allocate
23 \$300,000.00 to support the northeast Michigan community services
24 agency and expand programming to 4 new counties. The department
25 shall require the following performance objectives be measured and
26 reported for the duration of the state funding for the school
27 success partnership program:

1 (a) Increasing school attendance and decreasing chronic
2 absenteeism.

3 (b) Increasing academic performance based on grades with
4 emphasis on math and reading.

5 (c) Identifying barriers to attendance and success and
6 connecting families with resources to reduce these barriers.

7 (d) Increasing parent involvement with the parent's child's
8 school and community.

9 (2) The northeast Michigan community services agency shall
10 provide reports to the department on January 31 and June 30 of the
11 current fiscal year on the number of children and families served
12 and the services that were provided to families to meet the
13 performance objectives identified in this section. The department
14 shall distribute the reports within 1 week after receipt to the
15 house and senate appropriations subcommittees on the department
16 budget, house and senate fiscal agencies, and house and senate
17 policy offices.

18 **ONE-TIME BASIS ONLY APPROPRIATIONS**

19 Sec. 1201. From the funds appropriated in part 1 for
20 performance-based funding implementation, the department shall
21 allocate \$100,000.00 to the County of Kent to allow the Kent County
22 private steering consortia to contract for an independent project
23 manager to provide guidance and technical assistance. The
24 independent project manager shall report directly to the Kent
25 County private steering consortia.

26 Sec. 1202. (1) From the funds appropriated in part 1 for the

1 Flint Catholic charities center for hope, the department shall
2 allocate \$250,000.00 to restore and renovate the building where the
3 center for hope is located and other necessary expenses. The funds
4 shall be used to contribute to the restoring hope campaign for the
5 purpose described in this section.

6 (2) The Flint Catholic charities center for hope shall provide
7 a report by March 1 of the current fiscal year to the senate and
8 house appropriations subcommittees on the department budget, the
9 senate and house fiscal agencies, and the state budget office on
10 the total amount of state funding expended for the items described
11 in subsection (1), including, but not limited to, how the state
12 funding was spent, the current status of the project, and any cost
13 overruns.

14 (3) If the state determines that the Flint Catholic charities
15 center for hope has misused the funds appropriated in this section,
16 the Flint Catholic charities center for hope shall reimburse the
17 state for the amount of state funding misused.

18 Sec. 1203. From the funds appropriated in part 1, the
19 department shall allocate \$300,000.00 to assist private child
20 welfare service providers to meet the implementation requirements
21 of the statewide automated child welfare information system.

22 Sec. 1204. From the funds appropriated in part 1 for fostering
23 futures trust fund, if the foster care trust fund act, 2008 PA 525,
24 MCL 722.1021 to 722.1031, is amended to create the fostering
25 futures trust fund, \$500,000.00 shall be deposited into the fund
26 for use in accordance with that act.

27 Sec. 1205. (1) From the funds appropriated in part 1 for

1 Michigan community services commission, the department shall
2 allocate not less than \$350,000.00 to the Michigan reading corps to
3 provide literacy services and tutors for students in grades K-3 who
4 are identified as being at-risk of reading failure at elementary
5 schools throughout the state.

6 (2) The Michigan reading corps shall provide a report by March
7 1 of the current fiscal year to the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, and the house and senate policy offices on outcomes and
10 performance measures of the Michigan reading corps, including, but
11 not limited to, the following specific performance measures:

12 (a) More than 95% of the K-3 students receiving reading corps
13 services shall demonstrate a positive trend toward reading at grade
14 level.

15 (b) At least 60% of K-3 students receiving reading corps
16 services shall achieve reading at their grade level or gain at
17 least 1-1/2 year's growth.

18 (3) If the state determines that the Michigan reading corps
19 has misused the funds appropriated in this section, the Michigan
20 reading corps shall reimburse the state for the amount of state
21 funding misused.