

1 **DEPARTMENT OF HUMAN SERVICES**

2 **EXECUTIVE BUDGET BILL**

3  
4 A BILL to make appropriations for the department of human  
5 services and certain state purposes related to public welfare  
6 services for the fiscal year ending September 30, 2011; to provide  
7 for the expenditure of the appropriations; to create funds; to  
8 provide for the imposition of fees; to provide for reports; to  
9 provide for the disposition of fees and other income received by  
10 the state agency; and to provide for the powers and duties of  
11 certain individuals, local governments, and state departments,  
12 agencies, and officers.

13  
14 **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

15 PART 1

16 LINE-ITEM APPROPRIATIONS

17 Sec. 101. Subject to the conditions set forth in this act, the  
18 amounts listed in this part are appropriated for the department of  
19 human services for the fiscal year ending September 30, 2011, from  
20 the funds indicated in this part. The following is a summary of the  
21 appropriations in this part:

22 **DEPARTMENT OF HUMAN SERVICES**

23 APPROPRIATION SUMMARY

24 Full-time equated classified positions .....11,761.5

25 Unclassified positions .....6.0

26 Total full-time equated positions .....11,767.5

27 GROSS APPROPRIATION..... \$ 7,004,335,700

28 Interdepartmental grant revenues:

29 Total interdepartmental grants and intradepartmental

1	transfers .....	1,130,300
2	ADJUSTED GROSS APPROPRIATION.....	\$ 7,003,205,400
3	Federal revenues:	
4	Total federal revenues.....	5,134,298,100
5	Federal - FMAP stimulus.....	13,467,500
6	Federal - other ARRA revenues.....	785,712,400
7	Special revenue funds:	
8	Total local revenues.....	35,251,800
9	Total private revenues.....	9,491,500
10	Total other state restricted revenues.....	65,778,800
11	State general fund/general purpose.....	\$ 959,205,300
12	<b>Sec. 102. EXECUTIVE OPERATIONS</b>	
13	Full-time equated unclassified positions .....6.0	
14	Full-time equated classified positions .....625.7	
15	Unclassified salaries--6.0 FTE positions.....	\$ 647,900
16	Salaries and wages--274.7 FTE positions.....	17,670,800
17	Contractual services, supplies, and materials.....	10,148,500
18	Demonstration projects--9.0 FTE positions.....	8,892,100
19	Inspector general salaries and wages--99.0 FTE	
20	positions .....	6,044,000
21	Electronic benefit transfer EBT.....	13,009,000
22	Michigan community service commission--15.0 FTE	
23	positions .....	9,159,100
24	AFC, children's welfare and day care	
25	licensure--228.0 FTE positions .....	25,329,700
26	State office of administrative hearings and rules.....	<u>5,808,000</u>
27	GROSS APPROPRIATION.....	\$ 96,709,100
28	Appropriated from:	
29	Federal revenues:	

1	Total federal revenues.....	63,116,000
2	Special revenue funds:	
3	Total local revenues.....	175,000
4	Total private revenues.....	3,211,100
5	Licensing fees.....	541,100
6	Health systems fees and collections.....	216,100
7	Total other state restricted revenues.....	25,000
8	State general fund/general purpose.....	\$ 29,424,800
9	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>	
10	Full-time equated classified positions .....198.7	
11	Child support enforcement operations--192.7 FTE	
12	positions .....	\$ 23,345,100
13	Legal support contracts.....	138,753,600
14	Child support incentive payments.....	32,409,600
15	State disbursement unit--6.0 FTE positions.....	<u>17,554,400</u>
16	GROSS APPROPRIATION.....	\$ 212,062,700
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	195,519,800
20	Special revenue funds:	
21	Total local revenues.....	340,000
22	Total other state restricted revenues.....	3,395,000
23	State general fund/general purpose.....	\$ 12,807,900
24	<b>Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY</b>	
25	Full-time equated classified positions .....20.0	
26	Bureau of community action and economic	
27	opportunity--20.0 FTE positions .....	\$ 2,327,900
28	Community services block grant.....	25,650,000
29	Weatherization assistance.....	<u>27,400,000</u>

1	GROSS APPROPRIATION.....	\$	55,377,900
2	Appropriated from:		
3	Federal revenues:		
4	Total federal revenues.....		55,377,900
5	Special revenue funds:		
6	State general fund/general purpose.....	\$	0
7	<b>Sec. 105. ADULT AND FAMILY SERVICES</b>		
8	Full-time equated classified positions .....		44.7
9	Executive direction and support--5.0 FTE positions....	\$	551,100
10	Guardian contract.....		600,000
11	Adult services policy and administration--6.0 FTE		
12	positions .....		663,300
13	Office of program policy--33.7 FTE positions.....		5,570,500
14	Employment and training support services.....		14,735,000
15	JET Plus.....		20,000,000
16	Wage employment verification reporting.....		848,700
17	Urban and rural empowerment/enterprise zones.....		100
18	Nutrition education.....		30,000,000
19	Crisis prevention and elder law of Michigan food for		
20	the elderly project .....		<u>100,000</u>
21	GROSS APPROPRIATION.....	\$	73,068,700
22	Appropriated from:		
23	Federal revenues:		
24	Total federal revenues.....		43,252,500
25	Federal - emergency TANF contingency fund revenues		
26	(ARRA) .....		20,000,000
27	Special revenue funds:		
28	Total private revenues.....		25,000
29	State general fund/general purpose.....	\$	9,791,200

1	<b>Sec. 106. CHILDREN'S SERVICES</b>	
2	Full-time equated classified positions .....	235.0
3	Salaries and wages--93.2 FTE positions.....	\$ 6,845,900
4	Contractual services, supplies, and materials.....	2,892,700
5	Foster care payments.....	174,581,800
6	Foster care - children with serious emotional	
7	disturbance waiver .....	1,769,000
8	Adoption subsidies.....	230,783,700
9	Adoption support services--7.2 FTE positions.....	19,825,600
10	Youth in transition--2.0 FTE positions.....	16,393,700
11	Interstate compact.....	231,600
12	Children's benefit fund donations.....	21,000
13	Families first.....	18,450,700
14	Strong families/safe children--3.0 FTE positions.....	16,580,600
15	Child protection and permanency--37.5 FTE positions...	19,030,900
16	Zero to three.....	3,843,800
17	Family reunification program.....	3,977,100
18	Family preservation and prevention services	
19	administration--14.5 FTE positions .....	2,121,900
20	Children's trust fund administration--12.0 FTE	
21	positions .....	1,055,400
22	Children's trust fund grants.....	3,825,100
23	ECIC, early childhood investment corporation.....	14,623,000
24	Attorney general contract.....	3,559,000
25	Prosecuting attorney contracts.....	2,561,700
26	Child protection--5.0 FTE positions.....	838,300
27	Subsidized guardianship program.....	4,773,000
28	Domestic violence prevention and treatment--14.6 FTE	
29	positions .....	14,871,200

1	Rape prevention and services--0.5 FTE position.....	3,300,000
2	Title IV-E compliance and accountability office--5.0	
3	FTE positions .....	429,800
4	Child welfare institute--40.0 FTE positions.....	6,631,100
5	Transitional supportive housing (ARRA).....	2,000,000
6	Child advocacy centers--0.5 FTE position.....	<u>1,000,000</u>
7	GROSS APPROPRIATION.....	\$ 576,817,600
8	Appropriated from:	
9	Federal revenues:	
10	Federal - FMAP stimulus.....	12,602,800
11	Child care and development block grant (ARRA).....	1,960,600
12	Federal - transitional supportive housing revenues	
13	(ARRA) .....	2,000,000
14	Total other federal revenues.....	358,823,500
15	Special revenue funds:	
16	Local funds - county chargeback.....	19,426,200
17	Private - children's benefit fund donations.....	21,000
18	Private - collections.....	2,300,000
19	Compulsive gambling prevention fund.....	1,040,000
20	Children's trust fund.....	3,824,100
21	Sexual assault victims' prevention and treatment	
22	fund .....	1,000,000
23	Child advocacy centers fund.....	1,000,000
24	State general fund/general purpose.....	\$ 172,819,400
25	<b>Sec. 107. JUVENILE JUSTICE SERVICES</b>	
26	Full-time equated classified positions .....248.5	
27	Secure juvenile services--204.0 FTE positions.....	\$ 25,304,500
28	Child care fund.....	226,947,700
29	Child care fund administration--5.8 FTE positions.....	806,000

1	County juvenile officers.....	3,904,300
2	Community support services--2.0 FTE positions.....	1,400,700
3	Juvenile justice, administration and maintenance--31.7	
4	FTE positions .....	4,431,800
5	W.J. Maxey memorial fund.....	45,000
6	Juvenile accountability block grant--1.0 FTE position.	1,306,600
7	Committee on juvenile justice administration--4.0	
8	FTE positions .....	547,600
9	Committee on juvenile justice grants.....	<u>5,000,000</u>
10	GROSS APPROPRIATION.....	\$ 269,694,200
11	Appropriated from:	
12	Federal revenues:	
13	Total federal revenues.....	133,355,100
14	Special revenue funds:	
15	Local funds - state share education funds.....	1,526,200
16	Local funds - county chargeback.....	11,141,200
17	Total private revenues.....	45,000
18	State general fund/general purpose.....	\$ 123,626,700
19	<b>Sec. 108. LOCAL OFFICE STAFF AND OPERATIONS</b>	
20	Full-time equated classified positions .....	9,614.5
21	Field staff, salaries and wages--9,416.5 FTE positions \$	491,250,500
22	Contractual services, supplies, and materials.....	17,039,100
23	Medical/psychiatric evaluations.....	6,831,900
24	Donated funds positions--156.0 FTE positions.....	12,862,900
25	Training and program support--23.0 FTE positions.....	3,297,900
26	Wayne County gifts and bequests.....	100,000
27	Volunteer services and reimbursement.....	1,036,100
28	Volunteer services and reimbursement (ARRA)--2.0 FTE	
29	positions .....	250,000

1	SSI advocates--17.0 FTE positions.....	<u>1,575,200</u>
2	GROSS APPROPRIATION.....	\$ 534,243,600
3	Appropriated from:	
4	Federal revenues:	
5	Federal - FMAP stimulus.....	537,300
6	Federal - faith-based grant revenues (ARRA).....	250,000
7	Total other federal revenues.....	333,455,700
8	Special revenue funds:	
9	Local funds.....	2,643,200
10	Private funds - donated funds.....	859,700
11	Private funds - Wayne County gifts.....	100,000
12	Private funds - hospital contributions.....	2,929,700
13	Supplemental security income recoveries.....	728,200
14	State general fund/general purpose.....	\$ 192,739,800
15	<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>	
16	Full-time equated classified positions .....747.4	
17	Disability determination operations--721.9 FTE	
18	positions .....	\$ 107,738,500
19	Medical consultation program--21.4 FTE positions.....	3,038,900
20	Retirement disability determination--4.1 FTE positions	<u>836,800</u>
21	GROSS APPROPRIATION.....	\$ 111,614,200
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from DTMB - office of retirement systems.....	1,130,300
25	ADJUSTED GROSS APPROPRIATION.....	\$ 110,483,900
26	Appropriated from:	
27	Federal revenues:	
28	Total federal revenues.....	107,604,300
29	Special revenue funds:	

1	State general fund/general purpose.....	\$	2,879,600
2	<b>Sec. 110. CENTRAL SUPPORT ACCOUNTS</b>		
3	Rent and facilities.....	\$	45,469,600
4	Occupancy charge.....		8,260,500
5	Travel.....		6,487,100
6	Equipment.....		227,300
7	Worker's compensation.....		3,525,900
8	Advisory commissions.....		17,900
9	Payroll taxes and fringe benefits.....		<u>328,036,200</u>
10	GROSS APPROPRIATION.....	\$	392,024,500
11	Appropriated from:		
12	Federal revenues:		
13	Federal - emergency TANF contingency fund revenues		
14	(ARRA) .....		4,068,400
15	Federal - FMAP stimulus.....		327,400
16	Total other federal revenues.....		247,027,800
17	Special revenue funds:		
18	State general fund/general purpose.....	\$	140,600,900
19	<b>Sec. 111. PUBLIC ASSISTANCE</b>		
20	Full-time equated classified positions .....27.0		
21	Family independence program.....	\$	441,112,500
22	State disability assistance payments.....		37,311,800
23	Food assistance program benefits.....		3,026,343,500
24	Food assistance program benefits (ARRA).....		566,785,600
25	State supplementation.....		59,263,800
26	State supplementation administration.....		2,601,000
27	Low-income home energy assistance program.....		116,451,600
28	Food bank funding.....		1,345,000
29	Homeless programs.....		11,646,700

1	Multicultural integration funding.....	1,815,500
2	Indigent burial.....	4,209,200
3	Emergency services local office allocations.....	21,615,500
4	Child development and care.....	223,018,300
5	Day care training, technology, and oversight--20.0	
6	FTE positions .....	2,590,900
7	Refugee assistance program--7.0 FTE positions.....	<u>24,258,200</u>
8	GROSS APPROPRIATION.....	\$ 4,540,369,100
9	Appropriated from:	
10	Federal revenues:	
11	Federal - emergency TANF contingency fund revenues	
12	(ARRA) .....	190,647,800
13	Federal supplemental nutrition assistance revenues	
14	(ARRA) .....	566,785,600
15	Total federal revenues.....	3,493,421,500
16	Special revenue funds:	
17	Child support collections.....	29,531,700
18	Supplemental security income recoveries.....	17,467,600
19	Public assistance recoupment revenue.....	7,010,000
20	State general fund/general purpose.....	\$ 235,504,900
21	<b>Sec. 112. INFORMATION TECHNOLOGY</b>	
22	Information technology services and projects.....	\$ 96,723,100
23	Child support automation.....	<u>45,631,000</u>
24	GROSS APPROPRIATION.....	\$ 142,354,100
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues.....	103,344,000
28	Special revenue funds:	
29	State general fund/general purpose.....	\$ 39,010,100

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PART 2  
PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$1,024,984,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$111,792,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

Child care fund.....	\$	102,777,800
County juvenile officers.....		3,658,800
Legal support contracts.....		2,486,100
State disability assistance payments.....		2,286,600
Child support enforcement operations.....	\$	<u>583,200</u>
TOTAL.....	\$	111,792,500

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

Sec. 203. As used in this bill:

- (a) "AFC" means adult foster care.
- (b) "ARRA" means the American recovery and reinvestment act of 2009, Public Law 111-5.
- (c) "CFSR" means child and family services review.
- (d) "Children's rights settlement agreement" means the settlement agreement entered in the case of Dwayne B. vs. Granholm,

1 docket no. 2:06-cv-13548 in the United States district court for  
2 the eastern district of Michigan.

3 (e) "Current fiscal year" means fiscal year ending September  
4 30, 2011.

5 (f) "Department" means the department of human services.

6 (g) "Director" means the director of the department of human  
7 services.

8 (h) "DTMB" means the department of technology, management, and  
9 budget.

10 (i) "ECIC" means early childhood investment corporation.

11 (j) "FMAP" means federal medical assistance percentage.

12 (k) "FTE" means full-time equated.

13 (l) "IDG" means interdepartmental grant.

14 (m) "JET" means jobs, education, and training program.

15 (n) "Previous fiscal year" means fiscal year ending September  
16 30, 2010.

17 (o) "RSDI" means retirement survivors disability insurance.

18 (p) "SSI" means supplemental security income.

19 (q) "Temporary assistance for needy families" or "TANF" or  
20 "title IV-A" means part A of title IV of the social security act,  
21 42 USC 601 to 604, 605 to 608, and 609 to 619.

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

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

26 (t) "VA" means veterans affairs.

27 Sec. 204. The civil service commission shall bill the  
28 department and agencies at the end of the first fiscal quarter for  
29 the charges authorized by section 5 of article XI of the state

1 constitution of 1963. Payments shall be made for the total amount  
2 of the billing by the end of the second fiscal quarter.

3       Sec. 208. The department receiving appropriations in part 1  
4 shall use the Internet to fulfill the reporting requirements of  
5 this bill. This requirement may include transmission of reports via  
6 electronic mail to the recipients identified for each reporting  
7 requirement, or it may include placement of reports on an Internet  
8 or Intranet site.

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

19       Sec. 210. The director shall take all reasonable steps to  
20 ensure businesses in deprived and depressed communities compete for  
21 and perform contracts to provide services or supplies, or both.  
22 Each director shall strongly encourage firms with which the  
23 department contracts to subcontract with certified businesses in  
24 depressed and deprived communities for services, supplies, or both.

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  
28 the attorney general. This prohibition does not apply to legal

1 services for bonding activities and for those activities that the  
2 attorney general authorizes.

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

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

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

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

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

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

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

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

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

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

20 Sec. 217. (1) Due to the current budgetary problems in this  
21 state, out-of-state travel shall be limited to situations in which  
22 1 or more of the following conditions apply:

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

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

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

4 (d) The travel is necessary to comply with federal  
5 requirements.

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

8 (f) The travel is financed entirely by federal or nonstate  
9 funds.

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

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

21 (b) The destination of each travel occurrence.

22 (c) The dates of each travel occurrence.

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

25 (e) The transportation and related costs of each travel  
26 occurrence, including the proportion funded with state general  
27 fund/general purpose revenues, the proportion funded with state  
28 restricted revenues, the proportion funded with federal revenues,  
29 and the proportion funded with other revenues.

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

3 Sec. 218. By February 15 of the current fiscal year, the  
4 department shall prepare an annual report on the TANF federal block  
5 grant. The report shall include projected expenditures for the  
6 current fiscal year, an accounting of any previous year funds  
7 carried forward, and a summary of all interdepartmental or  
8 interagency agreements relating to the use of TANF funds. The  
9 report shall be forwarded to the state budget director and the  
10 house and senate appropriations subcommittees on the department  
11 budget and the house and senate fiscal agencies and policy offices.

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

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

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

1 subcommittees on the department budget and house and senate fiscal  
2 agencies, and shall not produce an increase or decrease in any  
3 line-item expenditure authorization.

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

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

16       Sec. 283. From the funds appropriated in part 1, the  
17 department shall not enter into a contract with a non-profit  
18 organization whose chief executive officer or other employee  
19 receives financial compensation that is greater than 150% of the  
20 Governor's salary and wages. This section shall apply to all new  
21 contracts and contract extensions with non-profit organizations on  
22 or after October 1, 2010.

23       Sec. 284. (1) In addition to the funds appropriated in part 1,  
24 there is appropriated an amount not to exceed \$200,000,000.00 for  
25 federal contingency funds. These funds are not available for  
26 expenditure until they have been transferred to another line item  
27 in this bill under section 393(2) of the management and budget act,  
28 1984 PA 431, MCL 18.1393.

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

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

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

19           Sec. 287. The department shall work collaboratively with the  
20 child death review board and court system to improve communication  
21 and coordination between entities on the review and examination of  
22 child death in Michigan.

23           Sec 298. From the money appropriated in part 1 for 200  
24 limited-term eligibility full-time employees, the department shall  
25 inform all employees hired with these funds that their employment  
26 is temporary and should not be considered permanent. Any temporary  
27 employee hired may be given preference by the department for hiring  
28 if a suitable full-time permanent position becomes available within  
29 the department.

1 **EXECUTIVE OPERATIONS**

2           Sec. 307. (1) Of the money appropriated in part 1 for  
3 demonstration projects, \$500,000.00 shall be distributed as  
4 provided in subsection (2). The amount distributed under this  
5 subsection shall not exceed 50% of the total operating expenses of  
6 the program described in subsection (2), with the remaining 50%  
7 paid by local United Way organizations and other nonprofit  
8 organizations and foundations.

9           (2) Money distributed under subsection (1) shall be  
10 distributed to Michigan 2-1-1, a nonprofit corporation organized  
11 under the laws of this state that is exempt from federal income tax  
12 under section 501(c)(3) of the internal revenue code, 26 USC  
13 501(c)(3), and whose mission is to coordinate and support a  
14 statewide 2-1-1 system. Michigan 2-1-1 shall use the money only to  
15 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
16 in January 2005.

17           (3) Michigan 2-1-1 shall report annually to the department and  
18 the house and senate standing committees with primary jurisdiction  
19 over matters relating to human services and telecommunications on  
20 2-1-1 system performance, including, but not limited to, call  
21 volume by community health and human service needs and unmet needs  
22 identified through caller data and customer satisfaction metrics.

23           Sec. 309. The department shall assess fees in the licensing  
24 and regulation of child care organizations as defined in 1973 PA  
25 116, MCL 722.111 to 722.128, and adult foster care facilities as  
26 defined in the adult foster care facility licensing act, 1979 PA  
27 218, MCL 400.701 to 400.737. Fees collected by the department shall  
28 be used exclusively for the purpose of licensing and regulating  
29 child care organizations and adult foster care facilities.

1           Sec. 310. The department shall furnish the clerk of the house,  
2 the secretary of the senate, the senate and house fiscal agencies  
3 and policy offices, the state budget office, and all members of the  
4 house and senate appropriations committees with a summary of any  
5 evaluation reports and subsequent approvals or disapprovals of  
6 juvenile residential facilities operated by the department, as  
7 required by section 6 of 1973 PA 116, MCL 722.116. If no  
8 evaluations are conducted during the fiscal year, the department  
9 shall notify the fiscal agencies and all members of the appropriate  
10 subcommittees of the house and senate appropriations committees.

11 **CHILDREN'S SERVICES**

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

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

20           (a) Has not yet graduated from high school or passed a high  
21 school equivalency examination.

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

23           (c) For a child adopted before the age of 16, has not yet  
24 reached his or her nineteenth birthday.

25           (d) For a child adopted at or after the age of 16, has not yet  
26 reached his or her twentieth birthday.

27           (e) Is not eligible for federal supplemental security income  
28 (SSI) payments.

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

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

14           (3) The department may collaborate with the state child abuse  
15 and neglect prevention board to develop recommendations on how to  
16 best incorporate child abuse prevention strategies and practices  
17 into suggested changes in state statute and department policy. The  
18 department shall provide any recommendations developed with the  
19 state child abuse and prevention board to the senate and house  
20 standing committees on human services and appropriations  
21 subcommittees on the department budget not later than March 1 of  
22 the current fiscal year.

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

28           (5) The department and the child abuse neglect and prevention  
29 board shall collaborate to ensure that administrative delays are

1 avoided and the local grant recipients and direct service providers  
2 receive money in an expeditious manner. The department and board  
3 shall seek to have the children's trust fund grants distributed no  
4 later than October 31 of the current fiscal year.

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

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

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

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

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

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

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

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

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

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

9 (2) The department shall not expend money for a child placed  
10 in an out-of-state facility without approval of the department  
11 interstate compact office. The department shall notify the  
12 appropriate state agency in that state including the name of the  
13 out-of-state provider who accepted the placement.

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

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

26 (a) Statistical information including, at a minimum, all of  
27 the following:

28 (i) The total number of reports of abuse or neglect  
29 investigated under the child protection law, 1975 PA 238, MCL

1 722.621 to 722.638, and the number of cases classified under  
2 category I or category II and the number of cases classified under  
3 category III, category IV, or category V.

4 (ii) Characteristics of perpetrators of abuse or neglect and  
5 the child victims, such as age, relationship, race, and ethnicity  
6 and whether the perpetrator exposed the child victim to drug  
7 activity, including the manufacture of illicit drugs, that exposed  
8 the child victim to substance abuse, a drug house, or  
9 methamphetamine.

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

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

18 (c) The information contained in the report required under  
19 section 8d(5) of the child protection law, 1975 PA 238, MCL  
20 722.628d, on cases classified under category III.

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

26 (e) The department policy, or changes to the department  
27 policy, regarding children who have been exposed to the production  
28 or manufacture of methamphetamines.

1           Sec. 515. The department shall use performance-based models  
2 for all foster care services. The goal of these models shall be to  
3 ensure that foster care services are provided in a manner that  
4 increases the state's compliance with CFSR and children's rights  
5 settlement agreement goals. Not later than March 30 of the current  
6 fiscal year, the department shall provide an update to the senate  
7 and house appropriations subcommittees on the department budget,  
8 the senate and house fiscal agencies and policy offices, and the  
9 office of the state budget on benchmarks developed in conjunction  
10 with private providers for this performance model, results the  
11 department or agencies have achieved in improving permanency  
12 placements, and recommendations for further improvements for foster  
13 care services across the entire state.

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

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

23           (a) Foster positive parenting skills especially for parents of  
24 children ages 0 to 3.

25           (b) Improve parent/child interaction.

26           (c) Promote access to needed community services.

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

28           (e) Improve school readiness.

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

3 (3) Projects funded through the appropriation provided for in  
4 subsection (2) shall provide a 25% local match of which not more  
5 than 10% is in-kind goods or services unless the maximum percentage  
6 is waived by the department.

7 Sec. 523. From the money appropriated in part 1 for youth in  
8 transition and domestic violence prevention and treatment, the  
9 department is authorized to make allocations of TANF funds only to  
10 agencies that report necessary data to the department for the  
11 purpose of meeting TANF eligibility reporting requirements.

12 Sec. 537. The department, in collaboration with child placing  
13 agencies, shall develop a strategy to implement section 115o of the  
14 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall  
15 include a requirement that a department caseworker responsible for  
16 preparing a recommendation to a court concerning a juvenile  
17 placement shall provide, as part of the recommendation, information  
18 regarding the requirements of section 115o of the social welfare  
19 act, 1939 PA 280, MCL 400.115o.

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

28 Sec. 570. (1) From the money appropriated in part 1 for the  
29 subsidized guardianship program, the department shall provide

1 subsidies under this program to children who are wards of the court  
2 under section 2(b) of chapter XIIIA of the probate code of 1939,  
3 1939 PA 288, MCL 712A.2.

4 (2) The department shall report during the annual budget  
5 presentation to the senate and house appropriations subcommittees  
6 on the department budget the number of guardianship subsidies and  
7 recommendations for any modifications in the subsidized  
8 guardianship program.

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

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

20 Sec. 578. The department and child placing agencies shall  
21 utilize a standardized assessment tool to measure the mental health  
22 treatment needs of every child supervised by the department. The  
23 department shall use the results of this assessment process to  
24 determine what services are to be provided to the child while under  
25 department supervision.

26 Sec. 582. On the first working day of October and April, for  
27 the preceding six months, the department shall submit a  
28 comprehensive child welfare improvement report, compiling material  
29 required by each section of this bill related to child welfare.

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

15       Sec. 586. (1) Concurrent with public release, the department  
16 shall transmit all reports from the court-appointed settlement  
17 monitor, including, but not limited to, the needs assessment and  
18 period outcome reporting, to the state budget office, the senate  
19 and house appropriations subcommittees on the department budget,  
20 and the senate and house fiscal agencies, without revision.

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

## 27 **PUBLIC ASSISTANCE**

28       Sec. 601. (1) The department may terminate a vendor payment  
29 for shelter upon written notice from the appropriate local unit of

1 government that a recipient's rental unit is not in compliance with  
2 applicable local housing codes or when the landlord is delinquent  
3 on property tax payments. A landlord shall be considered to be in  
4 compliance with local housing codes when the department receives  
5 from the landlord a signed statement stating that the rental unit  
6 is in compliance with local housing codes and that statement is not  
7 contradicted by the recipient and the local housing authority. The  
8 department shall terminate vendor payments if a taxing authority  
9 notifies the department that taxes are delinquent.

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

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

23 Sec. 603. (1) The department, as it determines is appropriate,  
24 shall enter into agreements with energy providers by which cash  
25 assistance recipients and the energy providers agree to permit the  
26 department to make direct payments to the energy providers on  
27 behalf of the recipient. The payments may include heat and electric  
28 payment requirements from recipient grants and amounts in excess of  
29 the payment requirements.

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

4           (3) The department shall review and adjust the standard  
5 utility allowance for the state food assistance program to ensure  
6 that it reflects current energy costs in the state.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25           Sec. 608. Adult foster care facilities providing domiciliary  
26 care or personal care to residents receiving supplemental security  
27 income or homes for the aged serving residents receiving  
28 supplemental security income shall not require those residents to  
29 reimburse the home or facility for care at rates in excess of those

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

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

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

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

21       Sec. 612. For purposes of determining housing affordability  
22 eligibility for state emergency relief, a group is considered to  
23 have sufficient income to meet ongoing housing expenses if their  
24 total housing obligation does not exceed 75% of their total net  
25 income.

26       Sec. 613. (1) From the money appropriated in part 1 for  
27 indigent burial, the maximum allowable reimbursement limit for  
28 indigent burials shall be \$700.00, which shall be distributed as  
29 follows:

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

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

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

4 Sec. 614. The funds available in part 1 for burial services  
5 shall be available if the deceased was an eligible recipient and an  
6 application for emergency relief funds was made within 10 business  
7 days of the burial or cremation of the deceased person. Each  
8 provider of burial services shall be paid directly by the  
9 department.

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

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

22 Sec. 618. The department may only reduce, terminate, or  
23 suspend assistance provided under the social welfare act, 1939 PA  
24 280, MCL 400.1 to 400.119b, without prior notice in 1 or more of  
25 the following situations:

26 (a) The only eligible recipient has died.

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

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

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

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

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

9 (g) The only eligible recipient in the household has been  
10 incarcerated.

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

12 (i) A recipient is closed on 1 case to be activated on  
13 another.

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

16 (k) A recipient is disqualified for intentional program  
17 violation.

18 (l) When the department's negative action is upheld in an  
19 administrative hearing.

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

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

1 (b) An authorized representative shall be required for food  
2 assistance receipt.

3 Sec. 620. The department with the approval of the state budget  
4 director is authorized to increase federal spending authority for  
5 food assistance program benefits if projected caseload spending  
6 will exceed the spending authority in part 1. This authorization  
7 adjustment shall be made 15 days after notifying the chairs of the  
8 house and senate appropriations subcommittees on the department  
9 budget and house and senate fiscal agencies.

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

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

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

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

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

27 Sec. 635. Within 24 hours of receiving all information  
28 necessary to process an application for payments for child  
29 development and care, the department shall determine whether the

1 child day care provider to whom the payments, if approved, would be  
2 made, is listed on the child abuse and neglect central registry. If  
3 the provider is listed on the central registry, the department  
4 shall immediately send written notice denying the applicant's  
5 request for child day care payments.

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

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

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

28       Sec. 645. An individual or family is considered homeless, for  
29 purposes of eligibility for state emergency relief, if living

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

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

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

20       Sec. 665. The department shall partner with the department of  
21 transportation and may partner with other entities to use TANF and  
22 other sources of available funding to support public transportation  
23 needs of TANF-eligible individuals. This partnership shall place a  
24 priority on transportation needs for employment or seeking  
25 employment or medical or health-related transportation.

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

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

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

7           (3) The department shall take steps to inform family  
8 independence program recipients eligible for the allowance under  
9 subsection (2) that the money is to be used for clothing for  
10 eligible children.

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

15           Sec. 674. The department shall continue administrative efforts  
16 to reduce waste, fraud, and abuse within the child development and  
17 care program. Beginning December 31 of the current fiscal year, the  
18 department shall report annually to the senate and house  
19 appropriations subcommittees for the department budget, the senate  
20 and house fiscal agencies and policy offices, and the state budget  
21 director on the estimated impact of efforts to reduce inappropriate  
22 payments through the child development and care program.

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

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

6           Sec. 677. The department shall establish a state goal for the  
7 percentage of family independence program (FIP) cases involved in  
8 employment activities. The percentage established shall not be less  
9 than 50%. On a quarterly basis, the department shall report to the  
10 senate and house appropriations subcommittees on the department  
11 budget, the senate and house fiscal agencies and policy offices,  
12 and the state budget director on the current percentage of FIP  
13 cases involved in JET employment activities. If the FIP case  
14 percentage is below the goal for more than 2 consecutive quarters,  
15 the department shall develop a plan to increase the percentage of  
16 FIP cases involved in employment-related activities. The department  
17 shall deliver the plan during the next annual budget presentation  
18 to the senate and house appropriations subcommittees on the  
19 department budget.

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

- 25           (a) Detail of the amounts of grants awarded.
- 26           (b) The grant recipients.
- 27           (c) The activities funded by each grant.

1 (d) An analysis of each grant recipient's success in  
2 addressing the development of a comprehensive system of early  
3 childhood services and supports.

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

6 Sec. 695. The funds appropriated in part 1 for food assistance  
7 program benefits (ARRA) that are financed by federal funds  
8 designated as ARRA funding represent federal funds associated with  
9 the American recovery and reinvestment act of 2009, Public Law 111-  
10 5. These federal funds are temporary in nature.

11 **JUVENILE JUSTICE SERVICES**

12 Sec. 705. (1) The department, in conjunction with private  
13 juvenile justice residential programs, shall develop a methodology  
14 for measuring goals, objectives, and performance standards for the  
15 delivery of juvenile justice residential programs based on national  
16 standards and best practices. The department will provide a unified  
17 data collection mechanism to ensure consistent reporting of  
18 aggregate case information from the courts. These goals,  
19 objectives, and performance standards shall apply to both public  
20 and private delivery of juvenile justice residential programs, and  
21 data shall be collected from both private and public juvenile  
22 justice residential programs that can be used to evaluate  
23 performance achievements, including, but not limited to, the  
24 following:

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

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

1 (c) Program outcomes including recidivism rates for youth  
2 served by the facility.

3 (d) Trends in census and population demographics.

4 (e) Staff and resident safety.

5 (f) Facility profile.

6 (2) The department during the annual budget presentation shall  
7 outline the progress of the development of the goals, objectives,  
8 and performance standards, as well as the information collected  
9 through the implementation of the performance measurement program.  
10 The presentation shall include all of the following:

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

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

17 (c) An analysis of the variance between the estimated cost and  
18 days of care assumed in the original appropriation and the figures  
19 in subdivisions (a) and (b).

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

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

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

7           Sec. 708. As a condition of receiving money appropriated in  
8 part 1 for the child care fund line item, by February 15 of the  
9 current fiscal year, counties shall have an approved service  
10 spending plan for the current fiscal year. Counties must submit the  
11 service spending plan to the department by December 15 of the  
12 current fiscal year for approval.

13           Sec. 719. The department shall notify the legislature at least  
14 30 days before closing or making any change in the status,  
15 including the licensed bed capacity and operating bed capacity, of  
16 a state juvenile justice facility.

17           Sec. 723. A private provider of juvenile services may receive  
18 funding for both secure and nonsecure services if the provider has  
19 appropriate services for each security level and adequate measures  
20 to physically separate residents of each security level.

21 **LOCAL OFFICE SERVICES**

22           Sec. 750. The department shall maintain out-stationed  
23 eligibility specialists in community-based organizations, nursing  
24 homes, and hospitals.

25           Sec. 751. (1) From the funds appropriated in part 1, the  
26 department may implement school-based family resource centers based  
27 on the following guidelines:

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

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

4 (c) Notwithstanding subdivision (b), the center shall provide  
5 information regarding crisis pregnancy centers or adoption service  
6 providers in the area.

7 (2) The department shall notify the senate and house  
8 subcommittees on the department budget, the senate and house fiscal  
9 agencies and policy offices, and the state budget office of family  
10 resource center expansion efforts and shall provide all of the  
11 following at the beginning of the selection process or no later  
12 than 5 days after eligible schools receive opportunity  
13 notification:

14 (a) A list of eligible schools.

15 (b) The selection criteria to be used.

16 (c) The projected number to be opened.

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

19 **DISABILITY DETERMINATION SERVICES**

20 Sec. 801. The department disability determination services in  
21 agreement with the department of technology, management and budget  
22 office of retirement systems will develop the medical information  
23 and make recommendations for medical disability retirement for  
24 state employees, state police, judges, and schoolteachers.

25 **CHILD SUPPORT ENFORCEMENT**

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

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

4           (3) From the federal money received for child support  
5 incentive payments, \$14,500,000.00 shall be paid to the counties  
6 based on each county's performance level for each of the federal  
7 performance measures as established in the code of federal  
8 regulations, CFR 45.305.2.

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

13           (5) If the child support incentive payment to the state from  
14 the federal government is greater than the amount needed to satisfy  
15 the provisions identified in subsections (1), (2), (3), and (4),  
16 the additional funds shall be subject to appropriation by the  
17 legislature.

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

21           Sec. 909. (1) If statewide retained child support collections  
22 exceed \$38,300,000.00, 75% of the amount in excess of  
23 \$38,300,000.00 is appropriated to legal support contracts. This  
24 excess appropriation may be distributed to eligible counties to  
25 supplement and not supplant county title IV-D funding.

26           (2) Each county whose retained child support collections in  
27 the current fiscal year exceed its fiscal year 2004-2005 retained  
28 child support collections, excluding tax offset and financial  
29 institution data match collections in both the current year and

1 fiscal year 2004-2005, shall receive its proportional share of the  
2 75% excess.

3 (3) Payments to counties contracting with collection agencies  
4 shall be reduced by the amount paid to the vendor. This  
5 authorization adjustment shall be made upon notification of the  
6 chairs of the house and senate appropriations subcommittees on the  
7 department budget, the house and senate fiscal agencies, and the  
8 state budget director.

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

18 Sec. 911. The department will implement a \$25.00 annual fee  
19 pursuant to title IV-D, section 454(6)(B)(ii), of the social  
20 security act, 42 USC 651. The fee shall be deducted from support  
21 collected on behalf of the individual. Fee revenues shall be used  
22 to administer and operate the child support program under part D of  
23 title IV of the social security act.

24 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

25 Sec. 1101. Not later than September 30 of each year, the  
26 department shall submit for public hearing to the chairpersons of  
27 the house and senate appropriations subcommittees dealing with  
28 appropriations for the department budget the proposed use and

1 distribution plan for community services block grant funds  
2 appropriated in part 1 for the succeeding fiscal year.

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