

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5505**

A bill to amend 1979 PA 218, entitled
"Adult foster care facility licensing act,"
by amending sections 3, 4, 5, 7, 13, 13a, 14, 15, and 22 (MCL
400.703, 400.704, 400.705, 400.707, 400.713, 400.713a, 400.714,
400.715, and 400.722), sections 3 and 4 as amended by 2016 PA
525, section 5 as amended by 2010 PA 380, section 7 as amended by
1986 PA 257, section 13 as amended by 2012 PA 52, section 13a as
amended by 2004 PA 285, section 15 as amended by 1984 PA 40, and
section 22 as amended by 2004 PA 59, and by adding sections 22a
and 22c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1** Sec. 3. (1) "Adult" means:
- 2** (a) A person 18 years of age or older.
- 3** (b) A person who is placed in an adult foster care family

home or an adult foster care small group home according to section 5(6) or (8) of 1973 PA 116, MCL 722.115.

(2) "Adult foster care camp" or "adult camp" means an adult foster care facility with the approved capacity to receive more than 4 adults to be provided foster care. An adult foster care camp is a facility located in a natural or rural environment.

(3) "Adult foster care congregate facility" means an adult foster care facility with the approved capacity to receive more than 20 adults to be provided with foster care.

(4) "Adult foster care facility" means a ~~governmental or nongovernmental establishment~~ **HOME OR FACILITY** that provides foster care to adults. Subject to section 26a(1), adult foster care facility includes facilities and foster care family homes for adults who are aged, mentally ill, developmentally disabled, or physically disabled who require supervision on an ongoing basis but who do not require continuous nursing care. Adult foster care facility does not include any of the following:

(a) A nursing home licensed under ~~article 17~~ **PART 217** of the public health code, 1978 PA 368, MCL ~~333.20101 to 333.22260~~ **333.21701 TO 333.21799E**.

(b) A home for the aged licensed under ~~article 17~~ **PART 213** of the public health code, 1978 PA 368, MCL ~~333.20101 to 333.22260~~ **333.21301 TO 333.21335**.

(c) A hospital licensed under ~~article 17~~ **PART 215** of the public health code, 1978 PA 368, MCL ~~333.20101 to 333.22260~~ **333.21501 TO 333.21571**.

(d) A hospital for the mentally ill or a facility for the

1 developmentally disabled operated by the department of health and
2 human services under the mental health code, 1974 PA 258, MCL
3 330.1001 to 330.2106.

4 (e) A county infirmary operated by a county department of
5 health and human services under section 55 of the social welfare
6 act, 1939 PA 280, MCL 400.55.

7 (f) A child caring institution, children's camp, foster
8 family home, or foster family group home licensed or approved
9 under 1973 PA 116, MCL 722.111 to 722.128, if the number of
10 residents who become 18 years of age while residing in the
11 institution, camp, or home does not exceed the following:

12 (i) Two, if the total number of residents is 10 or fewer.

13 (ii) Three, if the total number of residents is not less than
14 11 and not more than 14.

15 (iii) Four, if the total number of residents is not less than
16 15 and not more than 20.

17 (iv) Five, if the total number of residents is 21 or more.

18 (g) A foster family home licensed or approved under 1973 PA
19 116, MCL 722.111 to 722.128, that has a person who is 18 years of
20 age or older placed in the foster family home under section 5(7)
21 of 1973 PA 116, MCL 722.115.

22 (h) An establishment commonly described as an alcohol or a
23 substance use disorder rehabilitation center, **EXCEPT IF LICENSED**
24 **AS BOTH A SUBSTANCE USE DISORDER PROGRAM AND AN ADULT FOSTER CARE**
25 **FACILITY AND APPROVED AS A CO-OCCURRING ENHANCED CRISIS**
26 **RESIDENTIAL PROGRAM**, a residential facility for persons released
27 from or assigned to adult correctional institutions, a maternity

1 home, or a hotel or rooming house that does not provide or offer
2 to provide foster care.

3 (i) A facility created by 1885 PA 152, MCL 36.1 to 36.12.

4 (j) An area excluded from the definition of adult foster
5 care facility under section 17(3) of the continuing care
6 community disclosure act, 2014 PA 448, MCL 554.917.

7 **(K) A PRIVATE RESIDENCE WITH THE CAPACITY TO RECEIVE AT**
8 **LEAST 1 BUT NOT MORE THAN 4 ADULTS WHO ALL RECEIVE BENEFITS FROM**
9 **A COMMUNITY MENTAL HEALTH SERVICES PROGRAM IF THE LOCAL COMMUNITY**
10 **MENTAL HEALTH SERVICES PROGRAM MONITORS THE SERVICES BEING**
11 **DELIVERED IN THE RESIDENTIAL SETTING.**

12 (5) "Adult foster care family home" means a private
13 residence with the approved capacity to receive **AT LEAST 3 BUT**
14 **NOT MORE THAN 6** ~~or fewer~~ adults to be provided with foster care.
15 ~~for 5 or more days a week and for 2 or more consecutive weeks.~~
16 The adult foster care family home licensee ~~shall~~ **MUST** be a member
17 of the household ~~7~~ and an occupant of the residence.

18 (6) "Adult foster care large group home" means an adult
19 foster care facility with the approved capacity to receive at
20 least 13 but not more than 20 adults to be provided with foster
21 care.

22 (7) "Adult foster care small group home" means an adult
23 foster care facility with the approved capacity to receive **AT**
24 **LEAST 3 BUT NOT MORE THAN 12** ~~or fewer~~ adults to be provided with
25 foster care.

26 (8) "Aged" means an adult whose chronological age is 60
27 years of age or older or whose biological age, as determined by a

1 physician, is 60 years of age or older.

2 (9) "Assessment plan" means a written statement prepared in
3 cooperation with a responsible agency or person that identifies
4 the specific care and maintenance, services, and resident
5 activities appropriate for each individual resident's physical
6 and behavioral needs and well-being and the methods of providing
7 the care and services taking into account the preferences and
8 competency of the individual.

9 (10) "BOARD" MEANS FOOD SERVICE PROVIDED AT THE ADULT FOSTER
10 CARE FACILITY.

11 Sec. 4. (1) "CO-OCCURRING ENHANCED CRISIS RESIDENTIAL
12 PROGRAM" MEANS A PROGRAM APPROVED BY THE DEPARTMENT OF HEALTH AND
13 HUMAN SERVICES FOR PROVIDING SHORT-TERM INTENSIVE MENTAL HEALTH
14 AND SUBSTANCE USE DISORDER SERVICES THAT IS ABLE TO ADDRESS THE
15 MENTAL HEALTH NEEDS, SUBSTANCE USE DISORDER NEEDS, OR BOTH OF AN
16 INDIVIDUAL THROUGH ENHANCED PROGRAMMING AND STAFFING PATTERNS
17 THAT ARE REVIEWED AND APPROVED BY THE DEPARTMENT OF HEALTH AND
18 HUMAN SERVICES.

19 (2) ~~(1)~~ "Council" means the adult foster care licensing
20 advisory council created in section 8.

21 (3) ~~(2)~~ "Department" means the department of licensing and
22 regulatory affairs.

23 (4) ~~(3)~~ "Developmental disability" means that term as
24 defined in section 100a of the mental health code, 1974 PA 258,
25 MCL 330.1100a.

26 (5) ~~(4)~~ "Direct access" means access to a resident or to a
27 resident's property, financial information, medical records,

1 treatment information, or any other identifying information.

2 (6) ~~(5)~~—"Director" means the director of the department.

3 (7) ~~(6)~~—"Do-not-resuscitate order" means a document executed
 4 under the Michigan do-not-resuscitate procedure act, 1996 PA 193,
 5 MCL 333.1051 to 333.1067, directing that, in the event a resident
 6 suffers cessation of both spontaneous respiration and
 7 circulation, no resuscitation will be initiated.

8 (8) ~~(7)~~—"Foster care" means the provision of supervision,
 9 personal care, and protection in addition to room and board, for
 10 24 hours a day, 5 or more days a week, and for 2 or more
 11 consecutive weeks for compensation **PROVIDED AT A SINGLE ADDRESS.**
 12 **PROVIDING ROOM UNDER A LANDLORD AND TENANT ARRANGEMENT DOES NOT,**
 13 **BY ITSELF, EXCLUDE A PERSON FROM THE LICENSURE REQUIREMENT UNDER**
 14 **THIS ACT.**

15 Sec. 5. (1) "Good moral character" means good moral
 16 character as defined in 1974 PA 381, MCL 338.41 to 338.47.

17 (2) "Licensed hospice program" means a health care program
 18 that provides a coordinated set of services rendered at home or
 19 in an outpatient or institutional setting for individuals
 20 suffering from a disease or condition with a terminal prognosis
 21 and that is licensed under article 17 of the public health code,
 22 1978 PA 368, MCL 333.20101 to 333.22260.

23 (3) "Licensee" means the agency, association, corporation,
 24 organization, person, or department or agency of the state,
 25 county, city, or other political subdivision, that has been
 26 issued a license to operate an adult foster care facility.

27 (4) "Licensee designee" means the individual designated in

writing by the owner or person with legal authority to act on behalf of the company or organization on licensing matters. **THE**

LICENSEE DESIGNEE MUST MEET THE LICENSEE QUALIFICATION

REQUIREMENTS OF THIS ACT AND RULES PROMULGATED UNDER THIS ACT.

The licensee designee who is not an owner, partner, or director of the applicant shall not sign the original license application or amendments to the application.

(5) "Mental illness" means a substantial disorder of thought or mood that significantly impairs judgment, behavior, capacity to recognize reality, or ability to cope with the ordinary demands of life.

(6) "New construction" means a newly constructed facility or a facility that has been completely renovated for use as an adult foster care facility.

Sec. 7. (1) "Regular license" means a license issued to an adult foster care facility ~~which~~**THAT** is in compliance with this act and the rules promulgated under this act.

(2) "Related" means any of the following relationships by marriage, blood, or adoption: spouse, child, parent, brother, sister, grandparent, **GRANDCHILD**, aunt, uncle, stepparent, stepbrother, stepsister, or cousin.

(3) "Short-term operation" means an adult foster care facility ~~which~~**THAT** operates for a period of time less than 6 months within a calendar year.

(4) "Special license" means a license issued for the duration of the operation of an adult foster care facility if the licensee is a short-term operation.

(5) "Specialized program" means a program of services or treatment provided in an adult foster care facility licensed under this act that is designed to meet the unique programmatic needs of the residents of that home as set forth in the assessment plan for each resident and for which the facility receives special compensation.

(6) "Special compensation" means payment to an adult foster care facility to ensure the provision of a specialized program in addition to the basic payment for adult foster care. Special compensation does not include payment received by the adult foster care facility directly from the ~~medicaid~~ **MEDICAID** program for personal care services for a resident, or payment received under the supplemental security income program under title XVI of the social security act, 42 ~~U.S.C. 1381 to 1383e.~~ **USC 1381 TO 1383F.**

(7) "Supervision" means guidance of a resident in the activities of daily living, including ~~all~~ **1 OR MORE** of the following:

(a) Reminding a resident to maintain his or her medication schedule, as directed by the resident's physician.

(b) Reminding a resident of important activities to be carried out.

(c) Assisting a resident in keeping appointments.

(d) Being aware of a resident's general whereabouts even though the resident may travel independently about the community.

(8) "Temporary license" means a license issued to a facility ~~which~~ **THAT** has not previously been licensed ~~pursuant to~~ **UNDER**

1 this act or ~~to former Act No. 287 of the Public Acts of~~
2 ~~1972.~~ **UNDER FORMER 1972 PA 287.**

3 Sec. 13. (1) A person, partnership, corporation,
4 association, or a department or agency of the state, county,
5 city, or other political subdivision shall not establish or
6 maintain an adult foster care facility unless licensed by the
7 department.

8 (2) Application for a license shall be made on forms
9 provided and in the manner prescribed by the department. The
10 application shall be accompanied by the fee prescribed in section
11 13a.

12 (3) Before issuing or renewing a license, the department
13 shall investigate the activities and standards of care of the
14 applicant and shall make an on-site evaluation of the facility.
15 On-site inspections conducted in response to the application may
16 be conducted without prior notice to the applicant. **ON-SITE**
17 **INSPECTIONS CONDUCTED FOR RENEWING A LICENSE MAY BE CONDUCTED**
18 **WITHIN 12 MONTHS BEFORE THE EXPIRATION DATE OF THE CURRENT**
19 **LICENSE WITHOUT IMPACT ON THE LICENSE RENEWAL DATE OR THE LICENSE**
20 **FEE.** Subject to subsections (9), (10), and (11), the department
21 shall issue or renew a license if satisfied as to all of the
22 following:

23 (a) The financial stability of the facility.

24 (b) The applicant's compliance with this act and rules
25 promulgated under this act.

26 (c) The good moral character of the applicant, or owners,
27 partners, or directors of the facility, if other than an

1 individual. Each of these persons shall be not less than 18 years
2 of age.

3 (d) The physical and emotional ability of the applicant, and
4 the person responsible for the daily operation of the facility to
5 operate an adult foster care facility.

6 (e) The good moral character of the ~~person responsible for~~
7 ~~the daily operations of the facility and all employees of the~~
8 ~~facility.~~ **LICENSEE OR LICENSEE DESIGNEE, OWNER, PARTNER,**

9 **DIRECTOR, AND PERSON RESPONSIBLE FOR THE DAILY OPERATION OF THE**
10 **FACILITY.** The applicant ~~shall be~~ **IS** responsible for assessing the
11 good moral character of the employees of the facility. The person
12 responsible for the daily operation of the facility shall be not
13 less than 18 years of age.

14 (4) The department shall require an applicant or a licensee
15 to disclose the names, addresses, and official positions of all
16 persons who have an ownership interest in the adult foster care
17 facility. If the adult foster care facility is located on or in
18 real estate that is leased, the applicant or licensee shall
19 disclose the name of the lessor of the real estate and any direct
20 or indirect interest that the applicant or licensee has in the
21 lease other than as lessee.

22 (5) Each license shall state the maximum number of persons
23 to be received for foster care at 1 time.

24 (6) If applicable, a license shall state the type of
25 specialized program for which certification has been received
26 from the department.

27 (7) A license shall be issued to a specific person for a

1 facility at a specific location ~~AND~~ is nontransferable. ~~and~~
2 ~~remains the property of the department. The prohibition against~~
3 ~~transfer of a license to another location does not apply if a~~
4 ~~licensee's adult foster care facility or home is closed as a~~
5 ~~result of eminent domain proceedings, if the facility or home, as~~
6 ~~relocated, otherwise meets the requirements of this act and the~~
7 ~~rules promulgated under this act.~~

8 (8) An applicant or licensee proposing a sale of an adult
9 foster care facility or home to another owner shall provide the
10 department with advance notice of the proposed sale in writing.
11 The applicant or licensee and other parties to the sale shall
12 arrange to meet with specified department representatives and
13 shall obtain before the sale a determination of the items of
14 noncompliance with applicable law and rules that shall be
15 corrected. The department shall notify the respective parties of
16 the items of noncompliance before the change of ownership, shall
17 indicate that the items of noncompliance shall be corrected as a
18 condition of issuance of a license to the new owner, and shall
19 notify the prospective purchaser of all licensure requirements.

20 (9) The department shall not issue a license to or renew the
21 license of an owner, partner, or director of the applicant, who
22 has regular direct access to residents or who has on-site
23 facility operational responsibilities, or an applicant or the
24 licensee designee, if any of those individuals have been
25 convicted of 1 or more of the following:

26 (a) A felony under this act or under chapter XXA of the
27 Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r.

1 (b) A misdemeanor under this act or under chapter XXA of the
2 Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r,
3 within the 10 years immediately preceding the application.

4 (c) A misdemeanor involving abuse, neglect, assault,
5 battery, or criminal sexual conduct or involving fraud or theft
6 against a vulnerable adult as that term is defined in section
7 145m of the Michigan penal code, 1931 PA 328, MCL 750.145m, or a
8 state or federal crime that is substantially similar to a
9 misdemeanor described in this subdivision within the 10 years
10 immediately preceding the application.

11 (10) If the department has revoked, suspended, or refused to
12 renew a person's license, **OR DENIED AN APPLICATION FOR A LICENSE,**
13 for an adult foster care facility according to section 22, the
14 department may refuse to issue a license to or renew a license of
15 that person for a period of 5 years after the suspension,
16 revocation, or nonrenewal of the license, **OR DENIAL OF THE**
17 **APPLICATION.**

18 (11) The department may refuse to issue a license to or
19 renew the license of an applicant if the department determines
20 that the applicant has a relationship with a former licensee
21 whose license under this act has been suspended, revoked, or
22 nonrenewed under subsection (9) or section 22 or a convicted
23 person to whom a license has been denied under subsection (9).
24 This subsection applies for 5 years after the suspension,
25 revocation, or nonrenewal of the former licensee's license or the
26 denial of the convicted person's license. For purposes of this
27 subsection, an applicant has a relationship with a former

1 licensee or convicted person if the former licensee or convicted
2 person is involved with the facility in 1 or more of the
3 following ways:

4 (a) Participates in the administration or operation of the
5 facility.

6 (b) Has a financial interest in the operation of the
7 facility.

8 (c) Provides care to residents of the facility.

9 (d) Has contact with residents or staff on the premises of
10 the facility.

11 (e) Is employed by the facility.

12 (f) Resides in the facility.

13 (12) If the department determines that an unlicensed
14 facility is an adult foster care facility, the department shall
15 notify the owner or operator of the facility that it is required
16 to be licensed under this act. A person receiving the
17 notification required under this section who does not apply for a
18 license within 30 days is subject to the penalties described in
19 subsection (13).

20 (13) Subject to subsection (12), a person who violates
21 subsection (1) is guilty of a misdemeanor, punishable by
22 imprisonment for not more than 2 years or a fine of not more than
23 \$50,000.00, or both. A person who has been convicted of a
24 violation of subsection (1) who commits a second or subsequent
25 violation is guilty of a felony, punishable by imprisonment for
26 not more than 5 years or a fine of not more than \$75,000.00, or
27 both.

1 (14) The department shall issue an initial or renewal
2 license not later than 6 months after the applicant files a
3 completed application. Receipt of the application is considered
4 the date the application is received by ~~any~~**AN** agency or
5 department of this state. If the application is considered
6 incomplete by the department, the department shall notify the
7 applicant in writing or make notice electronically available
8 within 30 days after receipt of the incomplete application,
9 describing the deficiency and requesting additional information.
10 If the department identifies a deficiency or requires the
11 fulfillment of a corrective action plan, the 6-month period is
12 tolled until either of the following occurs:

13 (a) Upon notification by the department of a deficiency,
14 until the date the requested information is received by the
15 department.

16 (b) Upon notification by the department that a corrective
17 action plan is required, until the date the department determines
18 the requirements of the corrective action plan have been met.

19 (15) The determination of the completeness of an application
20 does not operate as an approval of the application for the
21 license and does not confer eligibility of an applicant
22 determined otherwise ineligible for issuance of a license.

23 (16) If the department fails to issue or deny a license
24 within the time required by this section, the department shall
25 return the license fee and shall reduce the license fee for the
26 applicant's next renewal application, if any, by 15%. Failure to
27 issue or deny a license within the time period required under

1 this section does not allow the department to otherwise delay
2 processing an application. The completed application shall be
3 placed in sequence with other completed applications received at
4 that same time. The department shall not discriminate against an
5 applicant in the processing of an application based on the fact
6 that the application fee was refunded or discounted under this
7 subsection.

8 (17) If, on a continual basis, inspections performed by a
9 local health department delay the department in issuing or
10 denying licenses under this act within the 6-month period, the
11 department may use department staff to complete the inspections
12 instead of the local health department causing the delays.

13 (18) The department director shall submit a report by
14 December 1 of each year to the standing committees and
15 appropriations subcommittees of the senate and house of
16 representatives concerned with human services issues. The
17 department director shall include all of the following
18 information in the report concerning the preceding fiscal year:

19 (a) The number of initial and renewal applications the
20 department received and completed within the 6-month time period
21 described in subsection (14).

22 (b) The number of applications requiring a request for
23 additional information.

24 (c) The number of applications rejected.

25 (d) The number of licenses not issued within the 6-month
26 period.

27 (e) The average processing time for initial and renewal

licenses granted after the 6-month period.

(19) An applicant, if an individual, **OR AN OWNER, PARTNER, OR DIRECTOR OF THE APPLICANT WHO HAS REGULAR DIRECT ACCESS TO RESIDENTS OR WHO HAS ON-SITE FACILITY OPERATIONAL RESPONSIBILITIES** shall give written consent at the time of original license application and a licensee designee shall give written consent at the time of appointment for the department of state police to conduct both of the following:

(a) A criminal history check.

(b) A criminal records check through the ~~federal bureau of investigation~~. **FEDERAL BUREAU OF INVESTIGATION.**

~~(20) Unless already submitted under subsection (19), an AN owner, partner, or director of the applicant who has regular direct access to residents or who has on-site facility operational responsibilities shall give written consent at the time of original license application for the department of state police to conduct both of the following:~~

~~—— (a) A criminal history check.~~

~~—— (b) A criminal records check through the federal bureau of investigation.~~ **IS EXEMPT FROM THE REQUIREMENTS OF SUBSECTION (19)**

IF HE OR SHE HAS ALREADY SUBMITTED CONSENT DESCRIBED IN SUBSECTION (19) AND WERE CONTINUOUSLY AFFILIATED WITH A LICENSED ADULT FOSTER CARE FACILITY AS AN APPLICANT, OWNER, PARTNER, OR DIRECTOR.

(21) The department shall require the applicant, if an individual, the licensee designee, owner, partner, or director of the applicant who has regular direct access to residents or who

1 has on-site facility operational responsibilities to submit his
2 or her fingerprints to the department of state police for the
3 criminal history check and criminal records check described in
4 ~~subsections~~ **SUBSECTION** (19). ~~and (20).~~

5 (22) The department shall request a criminal history check
6 and criminal records check required under this section in the
7 manner prescribed by the department of state police. The
8 department of state police shall conduct the criminal history
9 check and provide a report of the results to the licensing or
10 regulatory bureau of the department. The report shall contain any
11 criminal history information on the person maintained by the
12 department of state police and the results of the criminal
13 records check from the ~~federal bureau of investigation.~~ **FEDERAL**
14 **BUREAU OF INVESTIGATION.** The department of state police may
15 charge the person on whom the criminal history check and criminal
16 records check are performed under this section a fee that does
17 not exceed the actual and reasonable cost of conducting the
18 checks.

19 ~~—— (23) Not later than 1 year after the effective date of the~~
20 ~~2012 amendatory act that amended this subsection, all licensees~~
21 ~~and licensee designees of facilities licensed on the effective~~
22 ~~date of the 2012 amendatory act that amended this subsection and~~
23 ~~all persons described in subsection (20) shall comply with the~~
24 ~~requirements of this section.~~

25 **(23)** ~~(24)~~ Beginning the effective date of the 2012
26 ~~amendatory act that amended this subsection,~~ **MARCH 13, 2012,** if
27 an applicant or licensee designee or person described in

1 subsection (20) applies for a license or to renew a license to
2 operate an adult foster care facility and he or she or the
3 licensee designee previously underwent a criminal history check
4 and criminal records check required under subsection (19) ~~or (20)~~
5 or under section 134a of the mental health code, 1974 PA 258, MCL
6 330.1134a, and has remained continuously licensed or continuously
7 employed under section 34b or under section 20173a of the public
8 health code, 1978 PA 368, MCL 333.20173a, after the criminal
9 history check and criminal records check have been performed,
10 that person is not required to submit to another criminal history
11 check or criminal records check upon renewal of the license
12 obtained under subsection (3).

13 **(24)** ~~(25)~~—The department of state police shall store and
14 maintain all fingerprints submitted under this act in an
15 automated fingerprint identification system database that
16 provides for an automatic notification at the time of a
17 subsequent criminal arrest fingerprint card submitted into the
18 system that matches a set of fingerprints previously submitted in
19 accordance with this act. Upon notification, the department of
20 state police shall immediately notify the department and the
21 department shall take the appropriate action.

22 **(25)** ~~(26)~~—A licensee, licensee designee, owner, partner, or
23 director of the licensee shall not be permitted on the premises
24 of an adult foster care facility **OR HAVE DIRECT ACCESS TO**
25 **RESIDENTS OR RESIDENT RECORDS** if he or she has been convicted of
26 any of the following: adult abuse, neglect, or financial
27 exploitation; or listed offenses as defined in section 2 of the

sex offenders registration act, 1994 PA 295, MCL 28.722.

(26) AN ADULT FOSTER FAMILY CARE HOME OR AN ADULT FOSTER CARE GROUP HOME SHALL NOT BE CONCURRENTLY LICENSED AS A GROUP CHILD CARE HOME OR A FAMILY CHILD CARE HOME.

(27) As used in this section, "completed application" means an application complete on its face **WITH ALL REQUESTED INFORMATION PROVIDED AND ANSWERS TO ALL QUESTIONS PROVIDED** and submitted with any applicable licensing fees as well as any other information, records, approval, security, or similar item required by law or rule from a local unit of government, a federal agency, or a private entity but not from another department or agency of this state. A completed application does not include a health inspection performed by a local health department.

Sec. 13a. (1) ~~Application~~ **UNTIL DECEMBER 31, 2019,** **APPLICATION** fees for an individual, partnership, firm, corporation, association, governmental organization, or nongovernmental organization licensed or seeking licensure under this act are as follows:

(a) Application fee for a temporary license:

(i)	Family home.....	\$ 65.00
(ii)	Small group home (1-6).....	105.00
(iii)	Small group home (7-12).....	135.00
(iv)	Large group home.....	170.00
(v)	Congregate facility.....	220.00
(vi)	Camp.....	40.00

(b) Application fee for subsequent licenses:

(i)	Family home.....	\$ 25.00
(ii)	Small group home (1-6).....	25.00
(iii)	Small group home (7-12).....	60.00
(iv)	Large group home.....	100.00
(v)	Congregate facility.....	150.00
(vi)	Camp.....	25.00

(2) ~~Fees~~ **UNTIL DECEMBER 31, 2019, FEES** collected under this act shall be credited to the general fund of the state to be appropriated by the legislature to the department for the enforcement of this act.

~~(3) The department shall use a portion of the fees collected to inspect new adult foster care facilities for fiscal year 1991-~~

~~1992.~~ **APPLICATION FEES FOR AN INDIVIDUAL, PARTNERSHIP, FIRM, CORPORATION, ASSOCIATION, GOVERNMENTAL ORGANIZATION, OR NONGOVERNMENTAL ORGANIZATION LICENSED OR SEEKING LICENSURE UNDER THIS ACT FOR A TEMPORARY OR RENEWAL LICENSE ARE AS FOLLOWS:**

(A) BEGINNING JANUARY 1, 2020, AS FOLLOWS:

(i)	FAMILY HOME (3-6).....	\$ 85.00
(ii)	SMALL GROUP HOME (3-6).....	130.00
(iii)	SMALL GROUP HOME (7-12).....	170.00
(iv)	LARGE GROUP HOME.....	320.00
(v)	CONGREGATE FACILITY (RENEWAL ONLY).....	360.00
(vi)	CAMP.....	120.00

(B) BEGINNING JANUARY 1, 2022, AS FOLLOWS:

1	(i)	FAMILY HOME.....	\$ 100.00
2	(ii)	SMALL GROUP HOME (3-6).....	150.00
3	(iii)	SMALL GROUP HOME (7-12).....	200.00
4	(iv)	LARGE GROUP HOME.....	500.00
5	(v)	CONGREGATE FACILITY (RENEWAL ONLY).....	500.00
6	(vi)	CAMP.....	200.00

7 Sec. 14. (1) A temporary license shall be issued to an adult
8 foster care facility for the first 6 months of operation. ~~if the~~
9 ~~adult foster care facility has not previously been licensed as an~~
10 ~~adult foster care facility.~~ At the end of the first 6 months of
11 operation, the department shall **EITHER** issue a regular license,
12 issue a provisional license, or refuse to issue a license in the
13 manner provided for in section 22. A temporary license shall not
14 be renewed.

15 (2) Before issuing a temporary license, the department may
16 require an adult foster care facility to submit to the department
17 an acceptable plan of correction for the adult foster care
18 facility. The adult foster care facility shall implement the plan
19 of correction within the time limitations of the temporary
20 license period.

21 Sec. 15. ~~(1)~~ The department shall not issue a temporary
22 license to an adult foster care congregate facility, except a
23 ~~facility which is to replace an adult foster care~~ **EXISTING ADULT**
24 **FOSTER CARE** congregate facility. ~~licensed on March 27, 1984 and~~
25 ~~is a~~ **THE** new construction ~~;~~ ~~satisfies~~ **MUST SATISFY** all applicable
26 state construction code requirements and the fire safety

requirements prescribed by section 20; and the bed capacity ~~does~~
MUST not exceed that of the licensed facility ~~which~~ **THAT** it
 replaces.

Sec. 22. (1) The department may deny, suspend, revoke, or
 refuse to renew a license, or modify a regular license to a
 provisional license, if the licensee falsifies information on the
 application for license or willfully and substantially violates
 this act, the rules promulgated under this act, or the terms of
 the license.

(2) The department may **DENY**, suspend, revoke, or modify a
~~license of an applicant~~ **APPLICATION FOR LICENSURE OR A LICENSE OF**
A LICENSEE if the department determines that the applicant **OR**
LICENSEE has a relationship with a former **APPLICANT WHOSE**
APPLICATION UNDER THIS ACT HAS BEEN DENIED OR A FORMER licensee
 whose license under this act has been suspended, revoked, or
~~nonrenewed~~ **REFUSED RENEWAL** under this section or section 13(9) or
 a convicted person to whom a license has been denied under
 section 13(9). This subsection applies for 10 years after the
 suspension, revocation, or ~~nonrenewal~~ **REFUSED RENEWAL** of the
 former licensee's license, **THE DENIAL OF THE FORMER APPLICANT'S**
APPLICATION FOR LICENSURE, or the denial of the convicted
 person's ~~license~~ **APPLICATION FOR LICENSURE**. As used in this
 subsection, an applicant has a relationship with a former
 licensee or convicted person if the former **APPLICANT**, licensee,
 or convicted person is involved with the facility in 1 or more of
 the following ways:

(a) Participates in the administration or operation of the

1 facility.

2 (b) Has a financial interest in the operation of the
3 facility.

4 (c) Provides care to residents of the facility.

5 (d) Has contact with residents or staff on the premises of
6 the facility.

7 (e) Is employed by the facility.

8 (f) Resides in the facility.

9 (3) THE DEPARTMENT MAY DENY AN APPLICATION FOR LICENSURE
10 BASED ON A PRIOR SETTLEMENT AGREEMENT THAT PROHIBITS A PERSON
11 FROM PROVIDING ADULT FOSTER CARE.

12 (4) AN APPLICATION FOR LICENSURE SHALL NOT BE DENIED, A
13 LICENSE SHALL NOT BE REVOKED, A RENEWAL SHALL NOT BE REFUSED, AND
14 A REGULAR LICENSE SHALL NOT BE MODIFIED TO A PROVISIONAL LICENSE
15 UNLESS THE DEPARTMENT GIVES THE APPLICANT OR LICENSEE WRITTEN
16 NOTICE OF THE GROUNDS FOR THE PROPOSED DENIAL, REVOCATION,
17 REFUSAL TO RENEW, OR MODIFICATION. IF THE PROPOSED DENIAL,
18 REVOCATION, REFUSAL TO RENEW, OR MODIFICATION IS NOT APPEALED
19 WITHIN 30 DAYS AFTER RECEIPT, THE DEPARTMENT SHALL DENY, REVOKE,
20 REFUSE TO RENEW, OR MODIFY THE APPLICATION OR LICENSE. THE
21 APPLICANT OR LICENSEE MUST APPEAL IN WRITING TO THE DEPARTMENT
22 DIRECTOR, OR THE DIRECTOR'S DESIGNEE, A PROPOSED DENIAL,
23 REVOCATION, REFUSAL TO RENEW, OR MODIFICATION WITHIN 30 DAYS
24 AFTER RECEIPT OF THE WRITTEN NOTICE. UPON RECEIPT OF THE WRITTEN
25 REQUEST FOR APPEAL, THE DIRECTOR OR THE DIRECTOR'S DESIGNEE MUST
26 CONDUCT A CONTESTED CASE HEARING UNDER THE ADMINISTRATIVE
27 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.301 TO 24.328. NOTICE

1 OF THE HEARING MUST BE GIVEN TO THE APPLICANT OR LICENSEE BY
2 PERSONAL SERVICE OR DELIVERY TO THE PROPER ADDRESS BY REGISTERED
3 MAIL NOT LESS THAN 2 WEEKS BEFORE THE DATE OF THE HEARING. THE
4 DECISION OF THE DIRECTOR OR HIS OR HER DESIGNEE SHALL BE ISSUED
5 AS SOON AS PRACTICABLE AFTER THE HEARING AND FORWARDED TO THE
6 PROTESTING PARTY BY REGISTERED MAIL. THE FORMAL NOTICE AND
7 HEARING REQUIREMENT IN THIS SUBSECTION DOES NOT APPLY IF THE
8 LICENSEE AND THE DEPARTMENT COMPLY WITH SECTION 22A.

9 (5) ~~(3)~~—A license shall not be denied, suspended, or
10 revoked, a renewal shall not be refused, and a regular license
11 shall not be modified to a provisional license unless the
12 department gives the licensee or applicant written notice of the
13 grounds of the proposed denial, revocation, refusal to renew, or
14 modification. If the licensee or applicant appeals the denial,
15 revocation, refusal to renew, or modification by filing a written
16 appeal with the director within 30 days after receipt of the
17 written notice, the director or the director's designated
18 representative shall conduct a **CONTESTED CASE** hearing at which
19 the licensee or applicant may present testimony and confront
20 witnesses. Notice of the hearing shall be given to the licensee
21 or applicant by personal service or delivery to the proper
22 address by registered mail not less than 2 weeks before the date
23 of the hearing. The decision of the director shall be made and
24 forwarded to the protesting party by registered mail not more
25 than 30 days after the hearing. If the proposed denial,
26 revocation, refusal to renew, or modification is not protested
27 within 30 days, the license shall be denied, revoked, refused, or

1 modified.

2 (6) ~~(4)~~—If the department has revoked, suspended, or refused
3 to renew a license, the former licensee shall not receive or
4 maintain in that facility an adult who requires foster care. A
5 person who violates this subsection is guilty of a felony,
6 punishable by imprisonment for not more than 5 years or a fine of
7 not more than \$75,000.00, or both.

8 (7) ~~(5)~~—If the department has revoked, suspended, or refused
9 to renew a license, relocation services shall be provided to
10 adults who were being served by the formerly licensed facility,
11 upon the department's determination that the adult or his or her
12 designated representative is unable to relocate the adult in
13 another facility without assistance. The relocation services
14 shall be provided by the responsible agency, as defined in
15 administrative rules, or, if the adult has no agency designated
16 as responsible, by the department **OF HEALTH AND HUMAN SERVICES**.

17 ~~—— (6) In the case of facilities that are operated under lease~~
18 ~~with a state department or a community mental health services~~
19 ~~board, the department may issue an emergency license for a 90-day~~
20 ~~period to avoid relocation of residents following the revocation,~~
21 ~~suspension, or nonrenewal of a license, if all of the following~~
22 ~~requirements are met:~~

23 ~~—— (a) The leased physical plant is in substantial compliance~~
24 ~~with all licensing requirements.~~

25 ~~—— (b) The applicant for the emergency license is a licensee~~
26 ~~who is in compliance with all applicable regulations under this~~
27 ~~act and under contract with a state department or a community~~

1 ~~mental health services board to operate the leased physical plant~~
2 ~~temporarily.~~

3 ~~—— (c) The former licensee's access to the facility according~~
4 ~~to a lease, sublease, or contract has been lawfully terminated by~~
5 ~~the owner or lessee of the facility.~~

6 SEC. 22A. THE DEPARTMENT MAY IMMEDIATELY SUSPEND, REVOKE,
7 MODIFY, OR REFUSE TO RENEW A LICENSE OR DENY AN APPLICATION FOR A
8 LICENSE WITHOUT PROVIDING WRITTEN NOTICE OF THE GROUNDS FOR THE
9 PROPOSED ACTION OR GIVING THE LICENSEE OR APPLICANT 30 DAYS TO
10 APPEAL IF THE LICENSEE OR APPLICANT AGREES IN WRITING TO DO ALL
11 OF THE FOLLOWING:

12 (A) WAIVE THE REQUIREMENT THAT THE DEPARTMENT PROVIDE
13 WRITTEN NOTICE OF THE GROUNDS FOR THE PROPOSED ACTION.

14 (B) WAIVE THE 30-DAY TIME FRAME IN WHICH TO SUBMIT A WRITTEN
15 APPEAL TO THE PROPOSED ACTION.

16 (C) WAIVE THE RIGHT TO A CONTESTED CASE HEARING UNDER THE
17 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.301 TO
18 24.328.

19 SEC. 22C. WHEN THE DEPARTMENT ISSUES A SUMMARY SUSPENSION
20 ORDER FOR CLOSURE OF AN ADULT FOSTER CARE FACILITY, OR WHEN AN
21 ADULT FOSTER CARE FACILITY CANNOT PROVIDE ADEQUATE RESIDENT CARE,
22 THE DEPARTMENT MUST DO THE FOLLOWING:

23 (A) ENSURE THAT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES
24 HAS BEEN NOTIFIED TO MAKE ARRANGEMENTS FOR THE ORDERLY AND SAFE
25 DISCHARGE AND TRANSFER OF THE RESIDENTS TO ANOTHER FACILITY OR
26 APPROPRIATE SETTING.

27 (B) DETERMINE WHETHER A REPRESENTATIVE OF THE DEPARTMENT

1 MUST BE PLACED IN A FACILITY ON A DAILY BASIS TO MONITOR THE
2 DELIVERY OF SERVICES DURING THE DISCHARGE OF RESIDENTS TO ANOTHER
3 FACILITY OR LOCATION.

4 (C) DETERMINE IF THE APPOINTMENT OF A TEMPORARY
5 ADMINISTRATIVE ADVISOR OR A TEMPORARY CLINICAL ADVISOR, OR BOTH,
6 IS NECESSARY, WITH AUTHORITY AND DUTIES SPECIFIED BY THE
7 DEPARTMENT TO ASSIST THE FACILITY MANAGEMENT AND STAFF TO OVERSEE
8 THE ORDERLY CLOSURE OF THE FACILITY. THE LICENSEE MUST PAY THE
9 EXPENSE OF THE PERSON APPOINTED.

10 Enacting section 1. This amendatory act takes effect 90 days
11 after the date it is enacted into law.

12 Enacting section 2. This amendatory act does not take effect
13 unless House Bill No. 5506 of the 99th Legislature is enacted
14 into law.