

Act No. 516  
Public Acts of 1998  
Approved by the Governor  
January 12, 1999  
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STATE OF MICHIGAN  
89TH LEGISLATURE  
REGULAR SESSION OF 1998

Introduced by Senator Geake

# ENROLLED SENATE BILL No. 1183

AN ACT to amend 1939 PA 280, entitled "An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates," by amending sections 55, 115b, 116, 117a, and 117c (MCL 400.55, 400.115b, 400.116, 400.117a, and 400.117c), section 55 as amended by 1987 PA 266, sections 115b and 117a as amended by 1988 PA 75, and section 117c as amended by 1988 PA 223, and by adding sections 115o and 117g.

*The People of the State of Michigan enact:*

Sec. 55. The county department shall administer a public welfare program, as follows:

(a) To grant general assistance, including medical care as defined in this section and care in the county medical care facility, but not including hospitalization and infirmary care except for care in the county medical care facility or a county infirmary existing on January 1, 1981, to any person domiciled in the county who has a legal settlement in this state. General assistance may also be granted to a person who has a legal settlement in this state but no domicile in the county and a recoupment may be made when appropriate in the manner provided in cases of emergency hospitalization under this act. In a temporary emergency, general assistance may be given to indigents without a settlement in this state as the county department considers necessary, including, if other funds are not available for the purpose, all necessary expenses in transporting an indigent to his or her domicile in this state, or in another state or nation, when information reasonably tends to show that the person has a home available in his or her place of domicile in this state or a legal residence in another state or nation. A legal settlement in this state is acquired by an emancipated person who has lived continuously in this state for 1 year with the intent to make it his or her home and who, during the 1-year period has not received public assistance, other than assistance received during and as a direct result of a civil defense emergency, or support from relatives. Time spent in a public institution shall not be counted in determining settlement. A legal settlement shall be lost by remaining away from this state for an uninterrupted period of 1 year except that absence from this state for labor or other special or temporary purpose shall not occasion loss of settlement.

(b) To administer categorical assistance including medical care.

(c) To supervise and be responsible for the operation of the county infirmary and county medical care facility. In a county having a population of 1,000,000 or more which maintains a county infirmary or county hospital or a joint infirmary and hospital providing for mental patients, the institution and the admissions to the institution shall be subject to

the control of a board to be known as the board of county institutions. The board shall consist of 5 members appointed by the county board of commissioners, except that in a county having a board of county auditors, 3 members of the board of county institutions shall be appointed by the county board of commissioners and 2 members shall be appointed by the board of county auditors. Each member of the board shall hold office for a term and receive compensation as the county board of commissioners provides by ordinance. In relation to the administration of the institutions the board shall have and succeed to all powers and duties formerly vested by law, general, local or special, in the superintendents of the poor in the county and the board of county institutions as constituted on April 13, 1943. The board of county institutions of the county may also maintain outpatient facilities for the treatment of needy persons suffering from mental disorders. The board shall also have the same powers as are given to the county board in section 78.

(d) To furnish in all cases, insofar as practicable, care and treatment which will tend to restore needy persons to a condition of financial and social independence.

(e) To require that each applicant shall furnish proof satisfactory to the county board that the applicant is entitled to the aid, assistance, or benefit sought.

(f) To investigate, in respect to each application for any form of public aid or assistance, the circumstances of the applicant, both at the time of application and periodically during the receipt of aid or assistance.

(g) To maintain adequate social and financial records pertaining to each recipient of aid or assistance and so far as is practicable engage in the prevention of social disabilities.

(h) Except as otherwise provided in this subdivision, to investigate, when requested by the probate court or the family division of circuit court, matters pertaining to dependent, neglected, and delinquent children and wayward minors under the court's jurisdiction, to provide supervision and foster care as provided by court order, and to furnish the court, on request, investigational service in respect to the hospitalization of children under the program of services for crippled children established under part 58 of the public health code, 1978 PA 368, MCL 333.5801 to 333.5879, which services shall include the follow-up investigation and continuing observations. If the county is a county juvenile agency as defined in section 2 of the county juvenile agency act, the county department's obligations under this subdivision are limited to public wards within the county's jurisdiction under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309, and county juvenile agency services as defined in section 117a.

(i) To assist other departments, agencies, and institutions of the federal, state, and county governments, when so requested, in performing services in conformity with the purposes of this act.

(j) To assist in the development of sound programs and standards of child welfare, and promote programs and policies looking toward the prevention of dependency, neglect, and delinquency and other conditions affecting adversely the welfare of families and children.

(k) To create within the county department a division of medical care. The county board may appoint a properly qualified and licensed doctor of medicine as the head of the division and an advisory committee. The advisory committee shall consist of 1 doctor of medicine, nominated by the county medical society; 1 dentist, nominated by the district dental society; and 1 pharmacist, nominated by the district pharmaceutical association, to assist in formulating policies of medical care and auditing and reviewing bills. "Medical care" as used in this act means medical care rendered under the supervision of a licensed physician in an organized out-patient department of a hospital licensed by the department of public health under article 17 of the public health code, 1978 PA 368, MCL 333.20101 to 333.22260, or home and office attendance by a physician, osteopathic physician and surgeon, or podiatrist licensed under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838; and when prescribed by the physician, osteopathic physician and surgeon, or podiatrist, diagnostic services requiring the use of equipment not available in his or her offices, if the services do not require overnight care, dental service, optometric service, bedside nursing service in the home, or pharmaceutical service. The private physician-patient relationship shall be maintained. The normal relationships between the recipients of dental, optometric, nursing, and pharmaceutical services, and the services furnished by a physician, osteopathic physician and surgeon, podiatrist, or a chiropractor licensed under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838, and the persons furnishing these services shall be maintained. This section shall not affect the office of a city physician or city pharmacist established under a city charter, a county health officer, or the medical superintendent of a county hospital. This section shall permit the use of a case management system, a patient care management system, or other alternative system for providing medical care.

(l) To cause to be suitably buried the body of a deceased indigent person who has a domicile in the county, when requested by the person's relative or friend, or of a stranger, when requested by a public official following an inquest.

(m) To administer additional welfare functions as are vested in the department, including hospitalization.

(n) To act as an agent for the state department in matters requested by the state department under the rules of the state department.

(o) To provide temporary general assistance for each family found ineligible for aid to dependent children assistance by reason of unsuitable family home as provided in section 56.

Sec. 115b. (1) The department shall assume responsibility for all children committed to it by the juvenile division of the probate court, the family division of circuit court, or the court of general criminal jurisdiction under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309, and 1935 PA 220, MCL 400.201 to 400.214. The department may provide institutional care, supervision in the community, boarding care, halfway house care, and other chil-

dren and youth services and programs necessary to meet the needs of those children or may obtain appropriate services from other state agencies, local public agencies, or private agencies, subject to section 115o. If the program of another state agency is considered to best serve the needs of the child, the other state agency shall give priority to the child.

(2) The department shall study and act upon a request for service as to, or a report received of, neglect, exploitation, abuse, cruelty, or abandonment of a child by a parent, guardian, custodian, or person serving in loco parentis, or a report concerning a child in need of protection. On the basis of the findings of the study, the department shall assure, if necessary, the provision of appropriate social services to the child, parent, guardian, custodian, or person serving in loco parentis, to reinforce and supplement the parental capabilities, so that the behavior or situation causing the problem is corrected or the child is otherwise protected. In assuring the provision of services and providing the services, the department shall encourage participation by other existing governmental units or licensed agencies and may contract with those agencies for the purchase of any service within the scope of this subsection. The department shall initiate action in an appropriate court if the conduct of a parent, guardian, or custodian requires. The department shall promulgate rules necessary for implementing the services authorized in this subsection. The rules shall include provision for local citizen participation in the program to assure local understanding, coordination, and cooperative action with other community resources. In the provision of services, there shall be maximum utilization of other public, private, and voluntary resources available within a community.

(3) When an agency or organization proposes to place for adoption, with a person domiciled in this state, a child who is a citizen of or resides in, a country other than the United States or Canada, the department shall conduct, within 180 days after receipt of the request from the agency or organization, the investigation prescribed by section 46 of chapter X of 1939 PA 288, MCL 710.46. In a county in which the department determines it to be more feasible both geographically and economically, the department may purchase the adoption services up to the actual cost of providing those services. The department shall charge parent fees prescribed by the legislature.

(4) The office shall be responsible for the development, interpretation, and dissemination of policy regarding departmental investigations requested or ordered by the probate court under section 55(h) and the provision of foster care services authorized by this act. Foster care services shall include foster care of state wards, aid to dependent children foster care, foster care of wards of the family division of circuit court placed under the care and supervision of the department by order of the court, and voluntary parental placement of children in foster care.

Sec. 115o. (1) Both of the following apply to residential care bed space for juveniles who are within or likely to come within the court's jurisdiction under section 2(a) or (d) of chapter XIIA of 1939 PA 288, MCL 712A.2, or committed to the department under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309:

(a) If 1 or more appropriate juvenile residential care providers located or doing business in this state have bed space available, the department shall use that space rather than a space available by a provider located or doing business in another state. This requirement does not apply if the provider located or doing business in another state offers a specialized program that is not available in this state.

(b) If an excess of bed spaces is available within a security level, the department shall use the bed spaces of private providers with whom it has contracted and allow state owned bed spaces to go unused first. However, in applying this subdivision, a bed space that is available because a facility refused to accept a juvenile does not count toward a surplus.

(2) As used in this section, "appropriate juvenile residential care provider" means a private nonprofit entity domiciled in this state that is licensed by the department of consumer and industry services and that entered into 1 or more contracts with the family independence agency to provide residential care services for juveniles on or before the effective date of the amendatory act that added this section.

Sec. 116. (1) With respect to juvenile court probation staff in a county that is not a county juvenile agency, the department shall do all of the following:

(a) Develop and recommend to the supreme court standards and qualifications for employment and other criteria designed to develop an adequate career service.

(b) Maintain information as to court employment needs and assist in recruiting qualified personnel.

(c) Provide, with legislative approval, a statewide system of preservice and inservice training, which may include full or part-time scholarships.

(d) Develop recommendations regarding the functions of the office of county juvenile officer.

(2) The department may provide consultation and assistance services to the juvenile probation service of the court in a county that is not a county juvenile agency.

(3) The department shall develop a plan that permits the voluntary transfer of county juvenile court probation staff in a county that is not a county juvenile agency to the department by the joint concurrence of the county board of commissioners or county executive, as applicable, and the chief judge of the family division of circuit court. The plan shall include procedures for negotiations between the state, as represented by the department, and the affected county board of commissioners or county executive, the county family independence agency board, and the chief judge of the family division of circuit court for that county. The plan shall afford juvenile court probation staff transferred under the plan the opportunity to be employed in the state classified civil service in compliance with procedures established by the Michigan civil service commission. The plan shall enable the court to maintain sufficient staff to enforce court orders

and to perform the preliminary inquiry and monitoring of court wards required by chapter XIIA of 1939 PA 288, MCL 712A.1 to 712A.32. The plan shall be submitted to the legislature not later than 18 months after the effective date of this subsection.

(4) As used in this section, "county juvenile agency" means that term as defined in section 2 of the county juvenile agency act.

Sec. 117a. (1) As used in sections 117a to 117g:

(a) "County juvenile agency" means that term as defined in section 2 of the county juvenile agency act.

(b) "County juvenile agency services" means all juvenile justice services for a juvenile who is within the court's jurisdiction under section 2(a) or (d) of chapter XIIA of 1939 PA 288, MCL 712A.2, or within the jurisdiction of the court of general jurisdiction under section 606 of the revised judicature act of 1961, 1961 PA 236, MCL 600.606, if that court commits the juvenile to a county or court juvenile facility under section 27a of chapter IV of the code of criminal procedure, 1927 PA 175, MCL 764.27a. If a juvenile who comes within the court's jurisdiction under section 2(a) or (d) of chapter XIIA of 1939 PA 288, MCL 712A.2, is at that time subject to a court order in connection with a proceeding for which the court acquired jurisdiction under section 2(b) or (c) of chapter XIIA of 1939 PA 288, MCL 712A.2, juvenile justice services provided to the juvenile before the court enters an order in the subsequent proceeding are not county juvenile agency services, except for juvenile justice services related to detention.

(c) "Juvenile justice service" means a service, exclusive of judicial functions, provided by a county for juveniles who are within or likely to come within the court's jurisdiction under section 2 of chapter XIIA of 1939 PA 288, MCL 712A.2, or within the jurisdiction of the court of general criminal jurisdiction under section 606 of the revised judicature act of 1961, 1961 PA 236, MCL 600.606, if that court commits the juvenile to a county or court juvenile facility under section 27a of chapter IV of the code of criminal procedure, 1927 PA 175, MCL 764.27a. A service includes intake, detention, detention alternatives, probation, foster care, diagnostic evaluation and treatment, shelter care, or any other service approved by the office or county juvenile agency, as applicable, including preventive, diversionary, or protective care services. A juvenile justice service approved by the office or county juvenile agency must meet all applicable state and local government licensing standards.

(2) A juvenile justice funding system for counties that are not county juvenile agencies, including a child care fund, is established and shall be administered under the department's superintending control.

(3) The department shall promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to monitor juvenile justice services money and to prescribe child care fund accounting, reporting, and authorization controls and procedures and child care fund expenditure classifications. For counties required to have a child care fund, the department shall fund services that conform to the child care rules promulgated under this act.

(4) The department shall provide for the distribution of money appropriated by the legislature to counties for the cost of juvenile justice services as follows:

(a) For a county that is not a county juvenile agency, the amount distributed shall equal 50% of the annual expenditures from the child care fund of the county established under section 117c, except that expenditures under section 117c(3) and expenditures that exceed the amount of a budget approved under section 117c shall not be included. A distribution under this subdivision shall not be made to a county that does not comply with the requirements of this act. The department may reduce the amount distributed to a county by the amount owed to the state for care received in a state operated facility or for care received under 1935 PA 220, MCL 400.201 to 400.214, or under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309. The distribution may be reduced by the amount of uncontested liability.

(b) For a county that is a county juvenile agency, the county's block grant amount as determined under section 117g in equal distributions on October 1, January 1, April 1, and July 1 of each state fiscal year.

(5) The department is liable for the costs of all juvenile justice services in a county that is a county juvenile agency other than county juvenile agency services.

(6) The department shall establish guidelines for the development of county juvenile justice service plans in counties that are not county juvenile agencies.

(7) A county that is not a county juvenile agency and receives state funds for in-home or out-of-home care of children shall submit reports to the department at least quarterly or as the department otherwise requires. The reports shall be submitted on forms provided by the executive director and shall include the number of children receiving foster care services and the number of days of care provided.

(8) The department shall develop a reporting system providing that reimbursement under subsection (4)(a) shall be made only on submission of billings based on care given to a specific, individual child. The system shall be implemented not later than October 1, 1982.

Sec. 117c. (1) The county treasurer is designated as the custodian of all money provided for the use of the county family independence agency, the family division of circuit court, and the agency designated by the county board of commissioners or, if a county has a county executive, chief administrative officer, or county manager, that individual to provide juvenile justice services. The county treasurer shall create and maintain a child care fund. The following money shall be deposited in the child care fund:

(a) All money raised by the county for the use of the county family independence agency for the foster care of children with respect to whom the family division of circuit court has not taken jurisdiction.

(b) Money for the foster care of children under the jurisdiction of the family division of circuit court raised by the county with the view of receiving supplementary funds for this purpose from the state government as provided in section 117a.

(c) All funds made available by the state government for foster care of children.

(d) All payments made in respect to support orders issued by the family division of circuit court for the reimbursement of government for expenditures made or to be made from the child care fund for the foster care of children.

(e) All prepayments and refunds for reimbursement of county family independence agencies for the foster care of children.

(f) All funds made available to the county for the foster care of children from any other source, except gifts that are conditioned on a different disposition or reimbursements of the general fund.

(g) Money for the foster care of children under the jurisdiction of the court of general criminal jurisdiction committed to a county facility or a court facility for juveniles in the county in which the court of general criminal jurisdiction is located.

(h) All payments made in respect to support orders issued by the court of general criminal jurisdiction for the reimbursement of government for expenditures made or to be made from the child care fund for the foster care of children.

(2) The child care fund shall be used for the costs of providing foster care for children under sections 18c and 117a and under the jurisdiction of the family division of circuit court or court of general criminal jurisdiction.

(3) The child care fund may be used to pay the county's share of the cost of maintaining children at the Michigan children's institute under 1935 PA 220, MCL 400.201 to 400.214, or public wards under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(4) The account for the child care fund shall be maintained separate and apart from all other accounts of county funds. The fund shall be used exclusively for carrying out the purposes authorized by this act. The county board of commissioners shall distinguish in its appropriations for the child care fund the sums of money to be used by the family division of circuit court, the county family independence agency, and the agency designated by the county board of commissioners or the county executive to provide juvenile justice services. The county treasurer shall keep these segregated in proper subaccounts.

(5) A county annually shall develop and submit a plan and budget for the funding of foster care services to the office for approval. Funds shall not be distributed under section 117a except for reimbursement of expenditures made under an approved plan and budget. The office shall not approve plans and budget that exceed the amount appropriated by the legislature.

(6) A county shall make and preserve accurate records of its juvenile justice services and expenditures. Upon the department's request, the information contained in the records shall be available to the office.

(7) This section does not apply to a county that is a county juvenile agency.

Sec. 117g. (1) The base amount of the block grant for a county that is a county juvenile agency equals the amount determined under subdivision (a) minus the amount determined under subdivision (b):

(a) The total of all distributions or expenditures from state or federal funds for the state fiscal year beginning October 1, 1997 for that county related to county juvenile agency services, including the following:

(i) That portion of the distribution to the county under section 117a for county juvenile agency services calculated without regard to any exclusion of expenditure on the basis that the expenditure exceeded the amount of a budget approved under section 117c.

(ii) Detention and assessment costs.

(iii) Community-based programs, including halfway house or day treatment.

(iv) Staff costs, including salaries and fringe benefits, for all employees employed to administer or deliver programs providing county juvenile agency services, including county juvenile officers, delinquency or service workers, and related supervisory, clerical, and administrative staff support. The staff costs of state employees shall be calculated using staff levels on March 30, 1997 as the staff levels for the entire state fiscal year.

(v) Operational expenses related to programs providing county juvenile agency services, including supplies, equipment, buildings, rent, training costs, and costs of the management information system.

(vi) The total cost of care for public wards under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(b) One-half of the amount of state and county expenditures charged to the county's child care fund for juvenile justice services provided in the state fiscal year beginning October 1, 1997 that were not county juvenile agency services, without regard to any exclusion of expenditure on the basis that the expenditure exceeded the amount of a budget approved under section 117c.

(2) For the state fiscal year beginning October 1, 1999, the base amount for a county shall be adjusted by both of the multipliers calculated under subsection (3) to determine the block grant amount for that state fiscal year. The block grant amount for each subsequent state fiscal year is calculated by adjusting the block grant amount for the previous state fiscal year by the multipliers calculated under subsection (3).

(3) For each state fiscal year, the following multipliers shall be calculated:

(a) The percentage change appropriated in that state fiscal year to change the rate of payments to vendors providing placements for juveniles for that state fiscal year from the previous state fiscal year.

(b) The percentage change in the county's juvenile population from the county's juvenile population for the previous fiscal year as determined from the United States decennial census or projections by the United States census bureau. As used in this subdivision, "county's juvenile population" means the number of individuals residing in the county who are 10 or more years of age but less than 18 years of age.

(4) The calculations under subsections (2) and (3) apply regardless of the state fiscal year in which a county becomes a county juvenile agency.

(5) A block grant for a county determined under subsections (1) to (4) for a state fiscal year shall be reduced by the amount calculated by subtracting the amount determined under subdivision (a) from the amount determined under subdivision (b) and multiplying that difference by 50% of the per-child cost for educational services to state wards in state operated training schools and treatment and detention facilities during the state fiscal year beginning October 1, 1998:

(a) The average daily population of public wards in state operated training schools and treatment and detention facilities for whom the county has assumed responsibility as a county juvenile agency.

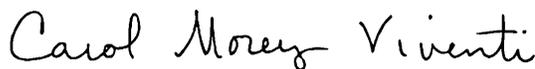
(b) The average daily population of public wards for the county.

(6) Fifty percent of the amount of block grant funds expended during the state fiscal year for educational services to public wards for whom the county has assumed responsibility as a county juvenile agency shall be deducted from the amount calculated under subsection (5).

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 89th Legislature are enacted into law:

- (a) Senate Bill No. 1184.
- (b) Senate Bill No. 1185.
- (c) Senate Bill No. 1186.
- (d) Senate Bill No. 1187.
- (e) Senate Bill No. 1196.
- (f) Senate Bill No. 1197.

This act is ordered to take immediate effect.



Secretary of the Senate.



Clerk of the House of Representatives.

Approved \_\_\_\_\_

\_\_\_\_\_  
Governor.