

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 365**

A bill to make appropriations for the family independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 1999 and for the fiscal year ending September 30, 2000; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2

LINE-ITEM APPROPRIATIONS

3

Sec. 101. Subject to the conditions set forth in this act, the

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amounts listed in this part are appropriated for the family independence

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agency for the fiscal year ending September 30, 2000, from the funds

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For Fiscal Year Ending
September 30, 2000

1 indicated in this part. The following is a summary of the appropriations
2 in this part:

3 FAMILY INDEPENDENCE AGENCY

4	Full-time equated classified positions.....	13,242.3	
5	Full-time equated unclassified positions.....	6.0	
6	Total full-time equated positions.....	13,248.3	
7	GROSS APPROPRIATION.....		\$ [3,570,236,200]
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers.....		\$ 150,000
11	ADJUSTED GROSS APPROPRIATION.....		\$ [3,570,086,200]
12	Federal revenues:		
13	Total federal revenues.....		[2,360,641,900]
14	Special revenue funds:		
15	Total private revenues.....		7,858,100
16	Total local revenues.....		18,536,200
17	Total other state restricted revenues.....		123,565,500
18	State general fund/general purpose.....		\$ 1,059,484,500
19	Sec. 102. EXECUTIVE OPERATIONS:		
20	Total full-time equated positions.....	953.3	
21	Full-time equated unclassified positions.....	6.0	
22	Full-time equated classified positions.....	947.3	
23	Other unclassified salaries--6.0 FTE positions.....		\$ 492,300
24	Salaries and wages--728.3 FTE positions.....		33,990,000
25	Contractual services, supplies, and materials.....		10,330,300
26	Demonstration projects--11.0 FTE positions.....		10,634,600

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1	End user support.....	7,614,500
2	Computer service fees.....	20,076,300
3	ASSIST project--25.0 FTE positions.....	16,963,800
4	Data system enhancement--26.0 FTE positions.....	20,948,500
5	Child support automation--25.0 FTE positions.....	36,042,000
6	Child support distribution computer system.....	7,164,100
7	Supplemental security income advocates, S & W--16.0	
8	FTE positions.....	980,000
9	Commission on disability concerns--8.0 FTE positions.	759,600
10	Commission for the blind--108.0 FTE positions.....	<u>17,309,700</u>
11	GROSS APPROPRIATION.....	\$ 183,305,700
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG-ADP user fees.....	150,000
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues.....	119,518,500
18	Special revenue funds:	
19	Total private revenues.....	1,840,000
20	Total local revenues.....	475,000
21	Total other state restricted revenues.....	477,300
22	State general fund/general purpose.....	\$ 60,844,900
23	Sec. 103. FAMILY INDEPENDENCE SERVICES ADMINISTRATION:	
24	Full-time equated classified positions.....	359.0
25	Salaries and wages--299.0 FTE positions.....	\$ 14,268,100
26	Contractual services, supplies, and materials.....	5,776,500

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1	Child support incentive payments.....	32,409,600
2	Legal support contracts.....	97,496,400
3	State incentive payments.....	4,449,000
4	Employment and training support services.....	27,926,700
5	Food stamp issuance.....	5,374,400
6	High school completion project--5.0 FTE positions....	363,400
7	Wage employment verification reporting--2.0 FTE	
8	positions.....	5,171,000
9	Urban and rural empowerment/enterprise zones.....	100
10	Training and staff development--53.0 FTE positions...	9,587,300
11	Community services block grants.....	18,100,000
12	Friend of the court non Title IV-D funding.....	<u>100</u>
13	GROSS APPROPRIATION.....	\$ 220,922,600
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues.....	193,759,600
19	Special revenue funds:	
20	Total local revenues.....	340,000
21	State general fund/general purpose.....	\$ 26,823,000
22	Sec. 104. CHILD AND FAMILY SERVICES:	
23	Full-time equated classified positions.....104.3	
24	Salaries and wages--53.3 FTE positions.....	\$ 2,747,200
25	Contractual services, supplies, and materials.....	1,782,000
26	Refugee assistance program--9.0 FTE positions.....	7,377,100

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1	Foster care payments.....	218,756,900
2	Adoption subsidies.....	137,633,200
3	Youth in transition--20.0 FTE positions.....	9,896,900
4	Interstate compact.....	300,000
5	Children's benefit fund donations.....	21,000
6	Domestic violence prevention and treatment--1.0 FTE	
7	positions.....	8,662,200
8	Teenage parent counseling--3.0 FTE positions.....	3,405,200
9	Family preservation and prevention services--13.0 FTE	
10	positions.....	68,114,000
11	Black child and family institute.....	100,000
12	Rape prevention and services.....	1,100,000
13	Children's trust fund administration--4.0 FTE	
14	positions.....	330,300
15	Children's trust fund grants.....	3,615,000
16	Attorney general contract.....	1,708,700
17	Guardian contract.....	600,000
18	County shelters.....	200,000
19	Prosecuting attorney contracts--1.0 FTE positions....	<u>1,061,700</u>
20	GROSS APPROPRIATION.....	\$ 467,411,400
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	Appropriated from:	
24	Federal revenues:	
25	Total federal revenues.....	284,783,600
26	Special revenue funds:	

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1	Private-children's benefit fund donations.....	21,000
2	Private-collections.....	4,101,300
3	Local funds - county payback.....	2,672,800
4	Children's trust fund.....	2,070,300
5	State general fund/general purpose.....	\$ 173,762,400
6	Sec. 105. JUVENILE JUSTICE SERVICES:	
7	Full-time equated classified positions.....	1,081.4
8	Personnel payroll costs--863.0 FTE positions.....	\$ 45,063,100
9	County juvenile officers.....	3,551,000
10	Child care fund.....	56,752,900
11	Delinquency services operations.....	15,901,000
12	Residential care centers--45.0 FTE positions.....	2,623,600
13	Genesee valley and Detroit detention centers--133.7	
14	FTE positions.....	8,876,800
15	Federally funded activities--26.1 FTE positions.....	1,802,200
16	W.J. Maxey memorial fund.....	45,000
17	Regional detention services--10.6 FTE positions.....	1,207,300
18	Juvenile accountability incentive block grant.....	6,482,000
19	Juvenile boot camp program.....	2,300,000
20	Committee on juvenile justice administration--3.0 FTE	
21	positions.....	269,300
22	Committee on juvenile justice grants.....	7,000,000
23	Wayne County block grant.....	<u>64,516,900</u>
24	GROSS APPROPRIATION.....	\$ 216,391,100
25	Appropriated from:	
26	Federal revenues:	

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1	Total federal revenues.....	36,205,200
2	Special revenue funds:	
3	Wayne County block grant revenue.....	38,610,200
4	Total private revenues.....	45,000
5	Local funds - county payback.....	14,550,900
6	State general fund/general purpose..... \$	126,979,800
7	Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS:	
8	Full-time equated classified positions.....10,103.6	
9	Field staff, salaries and wages--7,278.6 FTE	
10	positions..... \$	286,919,200
11	Children and adult services, salaries and	
12	wages--2,704.5 FTE positions.....	111,170,000
13	Contractual services, supplies, and materials.....	25,042,900
14	Outstationed eligibility workers--30.0 FTE positions.	3,552,900
15	Wayne County gifts and bequests.....	100,000
16	Volunteer services and reimbursement--90.5 FTE	
17	positions.....	<u>7,065,500</u>
18	GROSS APPROPRIATION..... \$	433,850,500
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	271,458,300
22	Special revenue funds:	
23	Local funds - donated funds.....	193,100
24	Private funds - Wayne County gifts.....	100,000
25	Private funds - hospital contributions.....	1,750,800
26	State general fund/general purpose..... \$	160,348,300

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1	Sec. 107. DISABILITY DETERMINATION SERVICES:		
2	Full-time equated classified positions.....	623.0	
3	Disability determination operations--	623.0 FTE	
4	positions.....		\$ <u>68,990,000</u>
5	GROSS APPROPRIATION.....		\$ 68,990,000
6	Appropriated from:		
7	Federal revenues:		
8	Total federal revenues.....		68,152,000
9	State general fund/general purpose.....		\$ 838,000
10	Sec. 108. CENTRAL SUPPORT ACCOUNTS:		
11	Rent.....		\$ 49,521,100
12	Occupancy charge.....		5,378,900
13	Travel.....		7,859,500
14	Equipment.....		3,022,900
15	Workers' compensation.....		4,577,000
16	Advisory commissions.....		17,900
17	Payroll taxes and fringe benefits.....		<u>152,030,600</u>
18	GROSS APPROPRIATION.....		\$ 222,407,900
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues.....		126,696,900
22	Special revenue funds:		
23	Departmentwide lapse revenue.....		8,024,200
24	Local funds - county payback.....		304,400
25	State general fund/general purpose.....		\$ 87,382,400
26	Sec. 109. PUBLIC ASSISTANCE:		

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1	Full-time equated classified positions.....	23.7	
2	Family independence program.....		\$ [348,960,400]
3	State disability assistance payments.....		22,341,700
4	Food stamp program benefits.....		600,000,000
5	State supplementation.....		60,180,300
6	State supplementation administration.....		1,960,000
7	Low-income energy assistance program--21.7 FTE		
8	positions.....		60,000,000
9	State emergency relief--2.0 FTE positions.....		38,310,000
10	Weatherization assistance.....		10,900,000
11	Day care services.....		<u>614,304,600</u>
12	GROSS APPROPRIATION.....		\$ [1,756,957,000]
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues.....		[1,260,067,800]
18	Special revenue funds:		
19	Child support collections.....		66,943,400
20	Supplemental security income recoveries.....		4,440,000
21	Public assistance recoupment revenue.....		3,000,100
22	State general fund/general purpose.....		\$ 422,505,700

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PART 1A

4

LINE-ITEM APPROPRIATIONS

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Sec. 151. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the family independence agency for the fiscal year ending September 30, 1999 from the funds indicated in this part. The following is a summary of the appropriation in this part:

10 FAMILY INDEPENDENCE AGENCY

11 GROSS APPROPRIATION..... \$ 1,000

12 Interdepartmental grant revenues:

13 Total interdepartmental grants and intradepartmental

14 transfers..... \$ 0

15 ADJUSTED GROSS APPROPRIATION..... \$ 1,000

16 Federal revenues:

17 Total federal revenues..... 1,000

18 Special revenue funds:

19 Total private revenues..... 0

20 Total local revenues..... 0

21 Total other state restricted revenues..... 0

22 State general fund/general purpose..... \$ 0

23 Sec. 152. CHILD AND FAMILY SERVICES

24 Foster care payments..... \$ 1,000

25 GROSS APPROPRIATION..... \$ 1,000

26 Appropriated from:

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1	Federal revenues:	
2	Total federal revenues.....	1,000
3	Special revenue funds:	
4	Private-children's benefit fund donations.....	0
5	Private-collections.....	0
6	Local funds - county payback.....	0
7	Children's trust fund.....	0
8	State general fund/general purpose..... \$	0

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11 PART 2

12 PROVISIONS CONCERNING APPROPRIATIONS

13 GENERAL SECTIONS

14 Sec. 201. (1) Pursuant to section 30 of article IX of the state
15 constitution of 1963, total state spending from state sources for fiscal
16 year 1999-2000 is estimated at \$1,183,050,000.00 in this act and state
17 spending from state sources paid to local units of government for fiscal
18 year 1999-2000 is estimated at \$170,991,300.00. The itemized statement
19 below identifies appropriations from which spending to units of local
20 government will occur:

21 FAMILY INDEPENDENCE AGENCY

22 CHILD AND FAMILY SERVICES

23 Adoption subsidies..... \$ 56,783,200

24 JUVENILE JUSTICE SERVICES

25 Child care fund..... 51,352,900

26 County juvenile officers..... 2,452,300

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1	Wayne County block grant.....	59,244,200
2	PUBLIC ASSISTANCE	
3	State disability program.....	<u>1,158,700</u>
4	TOTAL.....	\$ 170,991,300

5 (2) If it appears to the principal executive officer of a department
6 or branch that state spending to local units of government will be less
7 than the amount that was projected to be expended under subsection (1),
8 the principal executive officer shall immediately give notice of the
9 approximate shortfall to the state budget director, the house and senate
10 appropriations committees, and the house and senate fiscal agencies.

11 Sec. 202. The department may receive and expend advances or reim-
12 bursements from the department of state police for the administration of
13 the individual and family grant disaster assistance program. An account
14 shall be established in the department for this purpose when a disaster
15 is declared. The authorization and allotment for the account shall be in
16 the amount advanced or reimbursed from the department of state police.

17 Sec. 203. The state budget director may make administrative trans-
18 fers of appropriations for the department to adjust amounts between the
19 local funds - county payback line items in part 1. Such transfers shall
20 be made in compliance with section 393(1) of the management and budget
21 act, 1984 PA 431, MCL 18.1393.

22 Sec. 204. In addition to funds appropriated in part 1 for all pro-
23 grams and services, there is appropriated for write-offs of accounts
24 receivable, deferrals, and for prior year obligations in excess of appli-
25 cable prior year appropriations, an amount equal to total write-offs and
26 prior year obligations, but not to exceed amounts available in prior year

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1 revenues or current year revenues that are in excess of the authorized
2 amount.

3 Sec. 205. The appropriations made and the expenditures authorized
4 under this act and the departments, agencies, commissions, boards,
5 offices, and programs for which an appropriation is made under this act
6 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
7 18.1594.

8 Sec. 206. The department may retain all of the state's share of
9 food stamp overissuance collections as an offset to general fund/general
10 purpose costs. Retained collections shall be applied against federal
11 funds deductions in all appropriation units where department costs
12 related to the investigation and recoupment of food stamp overissuances
13 are incurred. Retained collections in excess of such costs shall be
14 applied against the federal funds deducted in the executive operations
15 appropriation unit.

16 Sec. 207. (1) The department shall submit a report to the chair-
17 persons of the senate and house appropriations subcommittees on the
18 family independence agency budget and to the senate and house fiscal
19 agencies on the details of allocations within program budgeting line
20 items and within the salaries and wages line items in the field services
21 appropriation unit. The report shall include a listing, by account,
22 dollar amount, and fund source, of salaries and wages; longevity and
23 insurance; retirement; contractual services, supplies, and materials;
24 equipment; travel; and grants within each program line item appropriated
25 for the fiscal year ending September 30, 2000.

26 (2) On a monthly basis, the department shall report on the number of
27 FTEs in pay status by type of staff.

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1 Sec. 208. As used in this act:

2 (a) "ADP" means automated data processing.

3 (b) "ASSIST" means automated social services information system.

4 (c) "Department" means the family independence agency.

5 (d) "FTE" means full-time equated position.

6 (e) "IDG" means interdepartmental grant.

7 (f) "Temporary assistance for needy families" (TANF) or "title IV"
8 means title IV of the social security act, chapter 531, 49 Stat. 620, 42
9 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660, 663
10 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

11 (g) "Title XX" means title XX of the social security act, chapter
12 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397f.

13 Sec. 209. If a legislative objective of this act or the social wel-
14 fare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented with-
15 out loss of federal financial participation because implementation would
16 conflict with or violate federal regulations, the department shall notify
17 the house and senate appropriations committees and the house and senate
18 fiscal agencies of that fact. Upon receipt of the notification, a joint
19 house and senate committee made up of the members of the house and senate
20 appropriations subcommittees dealing with appropriations for the family
21 independence agency may be appointed to meet with the director of the
22 department to review the substantive, procedural, and legal ramifications
23 of the legislative objective and to develop a plan to attain that legis-
24 lative objective.

25 Sec. 210. Funds appropriated in part 1 shall not be used for the
26 purchase of foreign goods or services when competitively priced and of
27 comparable quality American goods or services are available.

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1 Sec. 211. A department or agency billed by the department of civil
2 service for the 1% charges authorized by section 5 of article XI of the
3 state constitution of 1963 by the end of the first fiscal quarter shall
4 pay the total amount of the billing by the end of the second fiscal
5 quarter.

6 Sec. 212. In compliance with governmental accounting standards
7 board (GASB) statement no. 24, accounting and financial reporting for
8 certain grants and other financial assistance, such as federal food stamp
9 distributions via coupons or electronic benefits systems, are hereby
10 appropriated and shall be recognized as general fund - special purpose
11 expenditures in the state's accounting records and financial reports.
12 The level of appropriations under this section shall coincide with antic-
13 ipated federal food stamps revenues for the fiscal year ending
14 September 30, 2000.

15 Sec. 213. (1) Beginning October 1, a hiring freeze is imposed on
16 the state classified civil service. State departments and agencies are
17 prohibited from hiring any new full-time state classified civil service
18 employees and prohibited from filling any vacant state classified civil
19 service positions. This hiring freeze does not apply to internal trans-
20 fers of classified employees from 1 position to another within a depart-
21 ment or to positions that are funded 80% or more from federal or
22 restricted funds.

23 (2) The state budget director shall grant exceptions to this hiring
24 freeze when the state budget director believes that the hiring freeze
25 will result in rendering a state department or agency unable to deliver
26 basic services. The state budget director shall report by the fifteenth
27 of each month to the chairpersons of the senate and house of

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1 representatives standing committees on appropriations the number of
2 exceptions to the hiring freeze approved during the previous month and
3 the reasons to justify the exception.

4 Sec. 214. (1) The director shall take all reasonable steps to
5 ensure businesses in deprived and depressed communities compete for and
6 perform contracts to provide services or supplies, or both, for the
7 department.

8 (2) The director shall strongly encourage firms with which the
9 department contracts to subcontract with certified businesses in
10 depressed and deprived communities for services or supplies, or both.

11 Sec. 215. (1) The department shall submit to the department of man-
12 agement and budget, the house and senate appropriations committees, the
13 house and senate fiscal agencies, and the house and senate standing com-
14 mittees having jurisdiction over technology issues, monthly reports due
15 on October 15, 1999, November 15, 1999, and December 15, 1999 and quar-
16 terly reports thereafter on the department's efforts to change the
17 department's computer software and hardware as necessary to perform prop-
18 erly in the year 2000 and beyond. These reports shall identify actual
19 progress in comparison to the department's approved work plan for these
20 efforts.

21 (2) Beginning with the report on April 1, 2000, the department shall
22 submit to the department of management and budget, the senate and house
23 of representatives standing committees on appropriations, the senate and
24 house fiscal agencies, and the senate and house standing committees
25 having jurisdiction over technology issues quarterly reports identifying
26 for the immediately preceding quarter any problems with information
27 systems, any occurrences of information system failure as a result of

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1 noncompliance with year 2000 standards, and any previously unidentified
2 area of impact. These reports shall identify all systems needing correc-
3 tive action and the contractual obligations of all accountable parties.
4 These reports shall give the status of the progress made in repairing and
5 testing applications, the status of all vendor-supplied solutions to
6 problems, information on the activation of manual or contract processes
7 used to correct problems, and an itemization of the additional costs
8 incurred.

9 (3) The department may present progress billings to the department
10 of management and budget for the costs incurred in changing computer
11 software and hardware as necessary to perform properly in the year 2000
12 and beyond and for costs incurred as a result of initiating corrective
13 actions. At the time progress billings are presented for reimbursement,
14 the department shall identify the funding sources that should support the
15 work performed, and the department of management and budget shall forward
16 the appropriate funding.

17 Sec. 216. The department shall receive and retain copies of all
18 reports funded from part 1 appropriations. Federal and state guidelines
19 for short-term and long-term retention of records shall be followed.

20 Sec. 217. (1) The department shall prepare a semiannual report on
21 the temporary assistance for needy families (TANF) federal block grant.
22 The report shall include projected expenditures for the current fiscal
23 year, an accounting of any previous year funds carried forward, and a
24 summary of all interdepartmental or interagency agreements relating to
25 the use of TANF funds. The report shall be forwarded to the house and
26 senate appropriations subcommittees on the family independence agency
27 budget on or before October 15, 1999 and April 15, 2000.

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1 (2) The state budget director shall give prior written notice to the
2 members of the house and senate appropriations subcommittees for the
3 family independence agency and to the house and senate fiscal agencies of
4 any proposed changes in utilization or distribution of TANF funding or
5 the distribution of TANF maintenance of effort spending relative to the
6 amounts reflected in the annual appropriations acts of all state agencies
7 where TANF funding is appropriated.

8 Sec. 218. The department shall include in its quality control
9 reporting the number of veterans receiving food stamps, family indepen-
10 dence program assistance, and Medicaid.

11 Sec. 219. (1) In contracting with faith-based organizations for
12 mentoring or supportive services, and in all contracts for services, the
13 department shall ensure that no funds provided directly to institutions
14 or organizations to provide services and administer programs shall be
15 used or expended for any sectarian activity, including sectarian worship,
16 instruction, or proselytization.

17 (2) If an individual requests the service and has an objection to
18 the religious character of the institution or organization from which the
19 individual receives or would receive services or assistance, the depart-
20 ment shall provide the individual within a reasonable time after the date
21 of the objection with assistance or services and which are substantially
22 the same as the service the individual would have received from the
23 organization.

24 (3) Notwithstanding subsections (1) and (2), the department shall
25 cooperate with faith-based organizations so that they are able to compete
26 on the same basis as any other private organization for contracts to
27 provide services to recipients of department services, including, but not

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1 limited to, mentoring or supportive services. The department shall not
2 discriminate against an organization that applies to become a contractor
3 on the basis that the organization has a religious character.

4 Sec. 220. Within 10 working days after formal presentation of the
5 executive budget, the state budget director shall report to the members
6 of the senate and house appropriations committees and the senate and
7 house fiscal agencies on the amounts and sources of all capped federal
8 funds, special revenue funds as defined in the state of Michigan's com-
9 prehensive annual financial report, and the healthy Michigan fund, and an
10 accounting of the state departments or agencies in which the executive
11 budget proposed to spend the funds.

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

16 Sec. 222. Sixty days before beginning any effort to privatize, the
17 department shall submit a complete project plan to the appropriate house
18 and senate appropriations subcommittees and the house and senate fiscal
19 agencies. The plan shall include the criteria under which the privatiza-
20 tion initiative will be evaluated. The evaluation shall be completed and
21 submitted to the appropriate house and senate appropriations subcommit-
22 tees and the house and senate fiscal agencies [30 days prior to renewing
the contract or extending the privatization initiative. No
privatization program shall extend beyond 36 months unless the
department has determined, in writing, that the program has
demonstrated at least measurable savings and has maintained quality
of service or has documented a measurable improvement in the quality
of the product delivered or service performed. If the term of the
privatization program is less than 36 months, but longer than 12
months, the department shall make this determination before
extending the contract or initiative beyond its term.]

23 Sec. 223. (1) The department of management and budget and each
24 principal executive department and agency shall provide to the senate and
25 house of representatives standing committees on appropriations and the
26 senate and house fiscal agencies a monthly report on all personal service

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1 contracts awarded without competitive bidding, pricing, or rate setting.

2 The notification shall include all of the following:

3 (a) The total dollar amount of the contract.

4 (b) The duration of the contract.

5 (c) The name of the vendor.

6 (d) The type of service to be provided.

7 (2) For personal service contracts of \$100,000.00 or more, the
8 department of management and budget shall provide a monthly report on all
9 of the following:

10 (a) The total dollar amount of the contract.

11 (b) The duration of the contract.

12 (c) The name of the vendor.

13 (d) The type of service to be provided.

14 (3) The department of management and budget shall provide a monthly
15 listing of all bid requests or requests for proposal that were issued.

16 (4) Each principal executive department and agency shall provide a
17 monthly summary listing of information that identifies any authorizations
18 for personal service contracts that are provided to the department of
19 civil service pursuant to delegated authority granted to each principal
20 executive department and agency related to personal service contracts.

21 Sec. 224. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$200,000,000.00 for federal
23 contingency funds. These funds are not available for expenditure until
24 they have been transferred to another line item in this act pursuant to
25 section 393(2) of the management and budget act, 1984 PA 431,
26 MCL 18.1393.

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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 restricted
3 contingency funds. These funds are not available for expenditure until
4 they have been transferred to another line item in this act pursuant to
5 section 393(2) of the management and budget act, 1984 PA 431,
6 MCL 18.1393.

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

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

17 Sec. 225. All reports required in this act may be made available to
18 the public primarily through Internet access, unless a printed version is
19 requested. The department shall continue to provide written notification
20 to all legislative offices for specific reports requested by the legisla-
21 ture, and may provide electronic notification as well.

22 Sec. 226. The department shall provide a report prepared by the
23 department's internal auditor on the activities of the internal auditor
24 for the prior fiscal year. This report shall include a listing of each
25 audit or investigation performed by the internal auditor pursuant to sec-
26 tions 486(4) and 487 of the management and budget act, 1984 PA 431,
27 MCL 18.1486 and 18.1487. The report shall identify the proportion of

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1 time spent on each of the statutory responsibilities listed in sections
2 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431,
3 MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activ-
4 ities performed in the internal audit function. The first report shall
5 be due on March 1, 2000 and biennially thereafter beginning on May 1,
6 2001 and shall be submitted to the governor, auditor general, the senate
7 and house appropriations committees, the senate and house fiscal agen-
8 cies, and the director.

9 EXECUTIVE OPERATIONS

10 Sec. 301. The department may receive local funds to be applied
11 toward the purchase of local office automation equipment. Local office
12 automation equipment shall only be purchased through appropriate depar-
13 tmentwide automated data processing equipment contracts and shall be the
14 property of the department.

15 Sec. 302. The department may distribute cash assistance to recip-
16 ients electronically by using debit cards.

17 Sec. 303. The appropriation in section 102 for the Michigan commis-
18 sion for the blind includes funds for case services. These funds may be
19 used for tuition payments for blind clients for the school year beginning
20 September 1999.

21 Sec. 304. The appropriation in section 102 for commissions and
22 boards may be used for per diem payments to members of commissions or
23 boards for a full day of committee work at which a quorum is present for
24 performing official business as authorized by each respective commission

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1 or board. The per diem payment for the Michigan commission for the blind
2 shall be at a rate of \$50.00 per day.

3 FAMILY INDEPENDENCE SERVICES ADMINISTRATION

4 Sec. 401. (1) From the federal money received for child support
5 incentive payments, up to \$4,365,200.00 shall be retained by the state
6 and expended for legal support contracts, state incentive payments, and
7 salaries and wages for office of child support staff.

8 (2) At the end of the current fiscal year, the department may, when
9 it is cost beneficial to the state and counties, withhold from submitting
10 to the federal office of child support administrative expenses eligible
11 for federal financial participation. The department may recoup earned
12 but unclaimed federal funds from the resulting increased federal child
13 support incentive. The recoupment by the department shall be made prior
14 to distribution of the increased incentive to the counties. Any incen-
15 tive funds retained by the state under this section shall be separate and
16 apart from incentive funds retained in any other section of this act.

17 (3) A local friend of the court office shall not be required to pay
18 any penalty nor shall the department reduce the amount of funds paid to a
19 local friend of the court office due to the state's failure to be in com-
20 pliance with federal child support enforcement system requirements pro-
21 vided that the local friend of the court and the department have signed a
22 letter of agreement that outlines the friend of the court's intent to
23 participate in the federally required child support enforcement system
24 and the friend of the court's timeline for completion.

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1 Sec. 402. From the funds appropriated in section 103 for legal
2 support contracts and child support incentive payments, the department
3 may fund demonstration projects to enhance friend of the court child sup-
4 port collections efforts for public assistance recipients. Funding shall
5 be from federal title IV-D and federal child support incentives earned.
6 The projects shall be implemented in no more than 3 counties. Priority
7 shall be given to counties with federal title IV-D aid to families with
8 dependent children collections exceeding \$5,000,000.00 in fiscal year
9 1992.

10 Sec. 403. Not later than September 30 of each year, the department
11 shall submit for public hearing to the chairpersons of the house and
12 senate appropriations subcommittees dealing with appropriations for the
13 family independence agency the proposed use and distribution plan for
14 community services block grant funds appropriated in section 103 for the
15 succeeding fiscal year.

16 Sec. 404. The department shall develop plans jointly with the
17 Indian affairs commission for the implementation of programs and the dis-
18 tribution of funds for recognized tribal groups and organizations under
19 the block grant programs that are established by the community services
20 block grant act, subtitle B of title VI of the omnibus budget reconcilia-
21 tion act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9910a, 9910c, and
22 9911 to 9912, and that are administered by that bureau. The plans shall
23 comply with the regulations issued by the United States department of
24 health and human services.

25 Sec. 405. The state general fund/general purpose contribution
26 related to the Wayne County third circuit court cooperative reimbursement
27 contract resides in the judiciary budget. There are no general

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1 fund/general purpose funds appropriated for this purpose in the family
2 independence agency budget.

3 Sec. 406. Any unencumbered balances included in the training and
4 staff development line for child welfare education shall not lapse and
5 shall be carried forward to fiscal year 2001.

6 Sec. 408. (1) The family independence agency shall work jointly
7 with the department of career development to implement the enhanced tech-
8 nical vocational training program that shall meet all of the following
9 criteria:

10 (a) The training program shall be available statewide.

11 (b) Eligible participants shall include family independence program
12 recipients, work first clients, and child day care recipients referred by
13 the family independence agency.

14 (c) Training shall be limited to not longer than 12 months in
15 duration.

16 (d) Training shall be directed to achieving or gaining skills that
17 will lead to a career for the participant.

18 (e) Training shall be reasonably calculated to lead to full-time,
19 skilled employment.

20 (f) Participants shall receive any additional support needed to
21 facilitate participation in the training program within reasonable param-
22 eters established by the department of career development including, but
23 not limited to, all of the following:

24 (i) Child day care, including evening or nighttime care if
25 appropriate.

26 (ii) Transportation.

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1 (iii) Transitional Medicaid.

2 (2) Eligible family independence program recipients, work first
3 clients, and child day care recipients that commence training will be
4 allowed to complete training, as long as all enhanced technical voca-
5 tional training program participation requirements are being met.

6 Sec. 409. (1) From the funds appropriated in part 1, the family
7 independence agency in conjunction with the department of career develop-
8 ment shall conduct a study of the effect of the enhanced technical voca-
9 tional program and report the results of the study to the house and
10 senate appropriations subcommittees of the family independence agency no
11 later than August 31, 2000. The study shall examine all of the following
12 about the participants and former participants in the program:

13 (a) Whether they have obtained jobs.

14 (b) What kind of jobs they have obtained.

15 (c) How long they have retained those jobs and if they have had more
16 than 1 job, how long were they at each job.

17 (d) Current hourly wages.

18 (e) Whether they are receiving basic health care benefits, tuition
19 reimbursement, or training from their employers.

20 (f) Whether they continue to receive any type of public assistance.

21 (g) Any other information specifically impacting on children that
22 the department considers relevant.

23 (2) The 2 departments may retain a third party to conduct the study
24 under this section.

25 Sec. 410. From the funds appropriated in section 103 for employment
26 and training support services, \$3,000,000.00 shall be spent to develop
27 project zero services in counties or districts not currently

1 participating in project zero with a priority to counties or districts
2 not meeting minimum federal work participation requirements.

3 Sec. 411. (1) The family independence agency together with the
4 department of career development or the designee of the department of
5 career development shall ensure that each individual's job readiness and
6 any barriers to work of the individual including, but not limited to,
7 household members' child care needs, health status, work and school
8 schedules, domestic violence issues, education deficits or learning dis-
9 abilities, lack of job skills, lack of transportation, and any other fac-
10 tors are assessed.

11 (2) A work first client must be informed of his or her right to
12 request a face-to-face meeting with both his or her work first and family
13 independence agency caseworkers if the client meets either of the follow-
14 ing criteria:

15 (a) The client has been negatively terminated from work first at
16 least once, has at least 1 child who has a severe physical or mental dis-
17 ability, and is likely to need publicly supported child care in order to
18 maintain employment.

19 (b) The client has been negatively terminated from work first
20 employment more than 3 times.

[Sec. 412. The family independence agency shall submit a
report to the house and senate appropriations subcommittees on the
family independence agency budget no later than September 30, 2000
that includes all of the following:

(a) Information detailing the outreach efforts of the family
independence agency regarding the high school completion project.

(b) The number of family independence agency personnel
involved in the outreach efforts detailed in subdivision (a).

(c) The effectiveness of the outreach efforts of the family
independence agency detailed in subdivision (a).]

21 **CHILD AND FAMILY SERVICES**

22 Sec. 501. The following goal is established by state law. During
23 the fiscal year ending September 30, 2000, not more than 3,150 children
24 supervised by the department shall remain in foster care longer than 24

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1 months. The department shall give priority to reducing the number of
2 children under 1 year of age in foster care.

3 Sec. 502. From the funds appropriated in section 104 for foster
4 care, the department shall provide 50% reimbursement to Indian tribal
5 governments for foster care expenditures for children who are under the
6 jurisdiction of Indian tribal courts and who are not otherwise eligible
7 for federal foster care cost sharing.

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

11 (a) Has not yet graduated from high school or passed a high school
12 equivalency examination.

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

14 (c) Has not yet reached his or her twenty-first birthday.

15 Sec. 504. The department's ability to satisfy appropriation deducts
16 in section 104 for foster care private collections shall not be limited
17 to collections and accruals pertaining to services provided in the cur-
18 rent fiscal year but shall include revenues collected in excess of the
19 amount specified in section 104.

20 Sec. 505. Counties shall be subject to 50% charge back for the use
21 of alternative regional detention services, except for those counties
22 receiving a delinquency block grant, if those detention services do not
23 fall under the basic provision of section 117e of the social welfare act,
24 1939 PA 280, MCL 400.117e, or if a county operates those detention serv-
25 ices programs primarily with professional rather than volunteer staff.

26 Sec. 506. (1) In order to promote continuity of service for
27 children and families, the department shall, to the maximum extent

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1 possible, enter into multiyear contracts for child welfare and juvenile
2 justice services.

3 (2) The bid specifications and contract award determinations for
4 child welfare and juvenile justice services shall include criteria rela-
5 tive to provider experience, placing emphasis on total years of
6 experience in providing child welfare and juvenile justice services, pro-
7 vision of services to persons of similar characteristics as the target
8 clientele, quality of prior child welfare and juvenile justice services,
9 length of service in the targeted geographic area, and the adequacy of
10 the provider's plan for coordinating the provision of services in the
11 targeted geographic area.

12 Sec. 507. Funds appropriated in part 1 for the child care fund may
13 be used as local match for the purchase of families first services for
14 clients referred by juvenile courts except for delinquent children in
15 counties receiving a delinquency block grant. For local offices and
16 courts choosing this option, the in-home portion of the county child care
17 fund plan must authorize the transfer of funds from the state child care
18 fund account designated for that county to a local funds - county payback
19 deduct account associated with the family preservation services
20 appropriation.

21 Sec. 508. (1) In addition to the amount appropriated in
22 section 104, money granted or money received as gifts or donations to the
23 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is
24 appropriated for expenditure in an amount not to exceed \$800,000.00.

25 (2) The state child abuse and neglect prevention board may initiate
26 a joint project with another state agency to the extent that the project
27 supports the programmatic goals of both the state child abuse and neglect

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1 prevention board and the state agency. The department may invoice the
2 state agency for shared costs of a joint project in an amount authorized
3 by the state agency, and the state child abuse and neglect prevention
4 board may receive and expend funds for shared costs of a joint project in
5 addition to those authorized by section 104.

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

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

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

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

21 Sec. 510. The department shall not be required to put up for bids
22 contracts with service providers if currently only 1 provider in the
23 service area exists. Existing runaway service contracts and contractors
24 serving homeless youth shall be exempt from the bid process.

25 Sec. 511. In order to be reimbursed for child care fund expendi-
26 tures, counties are required to submit department developed reports to
27 enable the department to document potential federally claimable

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1 expenditures. This requirement is in accordance with the reporting
2 requirements specified in section 117a(7) of the social welfare act, 1939
3 PA 280, MCL 400.117a.

4 Sec. 512. From the funds appropriated in section 104 for foster
5 care payments, the department may expend up to \$500,000.00 for foster
6 care pilot projects that include ways to increase foster parent recruit-
7 ment, improve foster parent retention, and increase delivery of training
8 and supportive services to foster parents.

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

12 (a) There is no appropriate placement available in this state.

13 (b) The out-of-state facility meets all of the licensing standards
14 of this state for a comparable facility.

15 (c) The out-of-state facility meets all of the applicable licensing
16 standards of the state in which it is located.

17 (d) The department has done an on-site visit to the out-of-state
18 facility, reviewed the facility records, and reviewed licensing records
19 and reports on the facility and believes that the facility is an appro-
20 priate placement for the child.

21 Sec. 514. The department shall make a comprehensive report concern-
22 ing children's protective services (CPS) to the legislature by January 1,
23 2000, that shall include all of the following:

24 (a) Statistical information including, at a minimum, all of the
25 following:

26 (i) The total number of reports of abuse or neglect investigated
27 under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and

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1 the number of cases that were substantiated and the number that were
2 unsubstantiated.

3 (ii) Characteristics of perpetrators of abuse or neglect and the
4 child victims, such as age, relationship, socioeconomic status, race, and
5 ethnicity.

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

10 (b) New policies related to children's protective services includ-
11 ing, but not limited to, major policy changes and court decisions affect-
12 ing the children's protective services system during the immediately pre-
13 ceding 12-month period.

14 Sec. 515. From the funds appropriated in part 1 for foster care
15 payments and related administrative costs, the department may implement
16 the federally approved title IV-E child welfare waiver managed care
17 demonstration project.

18 Sec. 516. (1) The department, with the involvement of private non-
19 profit agencies providing adoption services for special needs children
20 through contracts with the department, shall design and conduct a study
21 of the administration of the public and private agency special needs
22 adoption services and the payment systems to private nonprofit agencies
23 providing adoption services. The study shall include, at a minimum, all
24 of the following:

25 (a) For each private nonprofit agency contract, and in aggregate,
26 the number and percentage of adoptions in each of the payment categories

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1 specified in contracts with the department for calendar years 1998 and
2 1999.

3 (b) The number of special needs children for calendar years 1998 and
4 1999 who have been awaiting adoptive placement for 12 months or longer
5 from the date of placement on the Michigan adoption resource exchange,
6 including an identification of those served by public agencies and those
7 served by private nonprofit agencies and an assessment of the reasons
8 these children have not been adopted and identification of financial and
9 administrative resources necessary to increase timely adoptions for these
10 children.

11 (c) A review of the administrative procedures for authorizing and
12 processing payments to private nonprofit agencies for provision of adop-
13 tion services including an assessment and identification of methods to
14 simplify and expedite those procedures.

15 (d) A review of the effectiveness of programs that provide postadop-
16 tion services including, but not limited to, services to families in need
17 of support in caring for special needs children.

18 (2) Based on the study required in subsection (1), the department
19 shall by June 1, 2000 prepare a comprehensive report addressing its find-
20 ings, any actions taken as a result of its review, and any recommenda-
21 tions for changes in the administration of this program including finan-
22 cial and administrative resources necessary to increase timely adoptions
23 for these children. The report shall be submitted to the house and
24 senate standing committees dealing with human services and the house and
25 senate appropriations subcommittees dealing with appropriations for the
26 family independence agency.

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1 Sec. 517. (1) From the funds appropriated in section 104 for family
2 preservation and prevention services, the department is authorized to
3 allocate funds to multipurpose collaborative bodies to address issues
4 raised in the Binsfeld children's commission report issued in July 1996.
5 Priority for activities and services will be given to at-risk children
6 and families in unsubstantiated child protective services cases or
7 low-risk substantiated cases.

8 (2) From the funds appropriated in section 104 for family preserva-
9 tion and prevention services, up to \$2,000,000.00 may be used to fund
10 community based collaborative prevention services designed to do any of
11 the following:

12 (a) Foster positive parenting skills especially for parents of chil-
13 dren under 3 years of age.

14 (b) Improve parent/child interaction.

15 (c) Promote access to needed community services.

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

17 (e) Improve school readiness.

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

20 (3) The appropriation provided for in subsection (2) is to fund sec-
21 ondary prevention programs as defined in the children's trust fund's
22 pre-application materials for fiscal year 1999-2000 direct services
23 grants.

24 (4) Projects funded through the appropriation provided for in sub-
25 section (2) shall meet all of the following criteria:

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1 (a) Be awarded through a joint request for proposal process
2 established by the department in conjunction with the children's trust
3 fund and the state human services directors.

4 (b) Be secondary prevention initiatives. Funds are not intended to
5 be expended in cases in which neglect or abuse has been substantiated.

6 (c) Demonstrate that the planned services are part of a community's
7 integrated comprehensive family support strategy endorsed by the local
8 multipurpose collaborative body.

9 (d) Provide a 25% local match of which not more than 10% is in-kind
10 goods or services unless the maximum percentage is waived by the state
11 human services directors.

12 (5) As used in this section, "state human services directors" means
13 the director of the department of community health, the director of the
14 department of education, and the director of the family independence
15 agency.

16 Sec. 518. (1) It is the intent of the legislature that the funds
17 appropriated in section 104 for family preservation and prevention serv-
18 ices in the 1999-2000 fiscal year reflect strong families/safe children
19 allocations to local multipurpose collaborative bodies that are no less
20 than the allocations in effect on April 1, 1997.

21 (2) In order to maintain this level of funding, the department may
22 use up to \$8,000,000.00 in TANF funds provided that the local multipur-
23 pose collaborative bodies submit data to the department that will enable
24 the department to document potential federal claimable expenditures.

25 (3) No later than March 1, 2000, each local multipurpose collaborat-
26 ive body shall submit a report to the department that includes the number
27 of people receiving strong families/safe children services, the local

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1 goals for this program, and a measure of the effectiveness in meeting
2 these goals.

3 Sec. 519. (1) From the funds appropriated in part 1 for youth in
4 transition, delinquency services operations, or foster care payments, the
5 department shall develop community-based alternatives to public and pri-
6 vate residential placements for delinquent youth who are adjudicated for
7 class 4 misdemeanors and class 5 status offenses. The following criteria
8 should be considered in developing new programs:

9 (a) The percentage of female class 4 and class 5 offenders placed in
10 residential settings should be reduced and a priority shall be placed on
11 removing female status offenders from residential placements.

12 (b) New programs should emphasize reducing recidivism.

13 (c) New programs should not jeopardize public safety.

14 (d) The number of male and female class 4 and class 5 offenders
15 placed in residential settings should decline as community-based alterna-
16 tives are developed.

17 (2) The department shall annually update the legislature on efforts
18 to develop new community placement options and alternatives to residen-
19 tial placements. The report shall include, but not be limited to, all of
20 the following information:

21 (a) An update of the department status in implementing the recommen-
22 dations proposed in the report, "A Study of Residential Placements of
23 Females in the Juvenile Justice System" commissioned under section 520 of
24 1997 PA 109.

25 (b) The number of female delinquents currently in residential care.

26 (c) The number of new community alternatives developed during the
27 previous fiscal year.

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1 (d) Any proposed plans for moving away from reliance on residential
2 placements.

3 (3) The report required by this section shall be submitted to the
4 house and senate appropriations subcommittees on the family independence
5 agency budget before January 1, 2000.

6 Sec. 520. From the funds appropriated in section 104 for foster
7 care payments and adoption subsidies, the department shall increase the
8 rate of payments for foster parents, parents receiving adoption subsi-
9 dies, and agencies' administrative rate by 1%. The 1% increase described
10 in this section shall be paid to all private foster care providers who
11 contract with the family independence agency.

12 Sec. 521. Upon the request of a private licensed adoption agency
13 with a contract with the department for the adoption of a special needs
14 child, the department shall review documentation provided by the private
15 agency demonstrating that administrative delays in achieving an adoptive
16 placement were attributable to local courts or local FIA offices and not
17 in the control of the private adoption agency. Upon review, if the
18 department finds the time period attributable to that delay was not in
19 the control of the private licensed adoption agency, the department shall
20 not include that time period when calculating the incentive payment peri-
21 ods established in the contract.

[Sec. 522. The family independence agency shall work with private foster care providers to ensure timely foster care payments. The family independence agency shall prepare a report on the foster care payments made to private foster care providers for the period from October 1, 1999 to July 1, 2000. The report shall contain the total number and amount of payments made to each foster care provider and the number of occasions payments of 80% or less than the amount billed were made to each foster care provider. The family independence agency shall submit the report to the house and senate appropriations subcommittees on the family independence agency budget by September 30, 2000.]

22 PUBLIC ASSISTANCE

23 Sec. 601. (1) The department may terminate a vendor payment for
24 shelter upon written notice from the appropriate local unit of government
25 that a recipient's rental unit is not in compliance with applicable local

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

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

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

21 Sec. 602. The department, together with other agencies, may estab-
22 lish special projects to provide special needs shelter payment levels for
23 the family independence program that will support the development of
24 transitional shelter facilities for homeless families. These facilities
25 are to provide supportive services to families and to support the devel-
26 opment of permanent low-income housing.

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1 Sec. 603. (1) The department, as it determines is appropriate,
2 shall enter into agreements with energy providers by which cash
3 assistance recipients and the energy providers agree to permit the
4 department to make direct payments to the energy providers on behalf of
5 the recipient. The payments may include heat and electric payment
6 requirements from recipient grants and amounts in excess of the payment
7 requirements.

8 (2) The department shall establish caps for natural gas, wood, elec-
9 tric heat service, deliverable fuel heat services, and for electric serv-
10 ice based on available federal funds.

11 (3) The department shall negotiate with positive billing utility
12 companies to develop extended payment plans. Such plans shall allow cli-
13 ents who terminate from positive billing due to increased income to make
14 monthly payments in order to gradually liquidate utility arrears.

15 Sec. 604. (1) The department shall operate a state disability
16 assistance program. Except as provided in subsection (3), persons eligi-
17 ble for this program shall include needy citizens of the United States or
18 aliens exempted from the supplemental security income citizenship
19 requirement who are at least 18 years of age or emancipated minors meet-
20 ing 1 or more of the following requirements:

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

23 (b) A person with a physical or mental impairment which meets fed-
24 eral supplemental security income disability standards, except that the
25 minimum duration of the disability shall be 90 days. Substance abuse
26 alone is not defined as a basis for eligibility.

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

3 (d) A person receiving 30-day postresidential substance abuse
4 treatment.

5 (e) A person diagnosed as having acquired immunodeficiency
6 syndrome.

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

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

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

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

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

17 (3) Except for a person described in subsection (1)(c) or (d), a
18 person is not disabled for purposes of this section if his or her drug
19 addiction or alcoholism is a contributing factor material to the determi-
20 nation of disability. "Material to the determination of disability"
21 means that, if the person stopped using drugs or alcohol, his or her
22 remaining physical or mental limitations would not be disabling. If his
23 or her remaining physical or mental limitations would be disabling, then
24 the drug addiction or alcoholism is not material to the determination of
25 disability and the person may receive state disability assistance. Such
26 a person must actively participate in a substance abuse treatment
27 program, and the assistance must be paid to a third party or through

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1 vendor payments. For purposes of this section, substance abuse treatment
2 includes receipt of inpatient or outpatient services or participation in
3 alcoholics anonymous or a similar program.

4 (4) A refugee or asylee who loses his or her eligibility for the
5 federal supplemental security income program by virtue of exceeding the
6 maximum time limit for eligibility as delineated in section 402 of
7 title IV of the personal responsibility and work opportunity reconcilia-
8 tion act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who otherwise
9 meets the eligibility criteria under this section shall be eligible to
10 receive benefits under the state disability assistance program.

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

15 Sec. 606. County family independence agencies shall require each
16 recipient of state disability assistance who has applied with the social
17 security administration for supplemental security income to sign a con-
18 tract to repay any assistance rendered through the state disability
19 assistance program upon receipt of retroactive supplemental security
20 income benefits.

21 Sec. 607. The department's ability to satisfy appropriation deduc-
22 tions in section 109 for state disability assistance/supplemental secur-
23 ity income recoveries and public assistance recoupment revenues shall not
24 be limited to recoveries and accruals pertaining to state disability
25 assistance, or family independence assistance grant payments provided
26 only in the current fiscal year, but shall include all related net
27 recoveries received during the current fiscal year.

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1 Sec. 608. Adult foster care facilities providing domiciliary care
2 or personal care to residents receiving supplemental security income or
3 homes for the aged serving residents receiving supplemental security
4 income shall not require those residents to reimburse the home or facil-
5 ity for care at rates in excess of those legislatively authorized. To
6 the extent permitted by federal law, adult foster care facilities and
7 homes for the aged serving residents receiving supplemental security
8 income shall not be prohibited from accepting third-party payments in
9 addition to supplemental security income provided that the payments are
10 not for food, clothing, shelter, or result in a reduction in the
11 recipient's supplemental security income payment.

12 Sec. 609. The state supplementation level under the supplemental
13 security income program for the personal care/adult foster care and home
14 for the aged categories shall not be reduced during the fiscal year
15 beginning October 1, 1999 and ending September 30, 2000.

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

20 Sec. 611. (1) The department shall not require providers of burial
21 services to accept state payment for indigent burials as payments in
22 full. Providers shall be permitted to collect additional payment, not to
23 exceed \$2,300.00, from relatives or other persons on behalf of the
24 deceased.

25 (2) Of the additional payments collected in subsection (1), 75%
26 shall be distributed to funeral directors and 25% to cemeteries or
27 crematoriums if cemeteries provide the vaults.

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1 (3) Any additional payment collected pursuant to subsection (1)
2 shall not increase the maximum charge limit for state payment as estab-
3 lished by law.

4 Sec. 612. For purposes of determining housing affordability eligi-
5 bility for state emergency relief, a group is considered to have suffi-
6 cient income to meet ongoing housing expenses if their total housing
7 obligation does not exceed 75% of their total net income.

8 Sec. 613. From the funds appropriated in section 109 for state
9 emergency relief, the maximum allowable charge limit for indigent burials
10 shall be \$1,440.00. It is the intent of the legislature that this charge
11 limit reflect a maximum payment to funeral directors of \$910.00 for
12 funeral goods and services and a maximum payment to cemeteries or crema-
13 toriums of \$330.00 for cemetery goods and services. In addition, a maxi-
14 mum payment of \$200.00 shall be distributed to either the funeral direc-
15 tor or cemetery, whoever provides the burial vault.

16 Sec. 614. The funds available pursuant to this section shall be
17 available if the deceased was an eligible recipient and an application
18 for emergency relief funds was made within 10 days of the burial or cre-
19 mation of the deceased person. Each provider of burial services shall be
20 paid directly by the department.

21 Sec. 615. Except as required by federal law or regulations, funds
22 appropriated in section 109 shall not be used to provide public assist-
23 ance to a person who is an illegal alien. This section shall not pro-
24 hibit the department from entering into contracts with food banks or
25 emergency shelter providers who may, as a normal part of doing business,
26 provide food or emergency shelter to individuals.

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1 Sec. 616. (1) The appropriation in section 109 for the
2 weatherization program shall be expended in such a manner that at least
3 25% of the households weatherized under the program shall be households
4 of families receiving family independence assistance, state disability
5 assistance, or supplemental security income.

6 (2) Any unencumbered balances of the weatherization program shall
7 not lapse and may be carried forward to fiscal year 2001.

8 Sec. 617. In operating the family independence program with funds
9 appropriated in section 109, the department shall not approve as a minor
10 parent's adult supervised household a living arrangement in which the
11 minor parent lives with his or her partner as the supervising adult.

12 Sec. 618. (1) Except as otherwise provided in subsection (2), the
13 department shall provide not less than 10 days' notice before reducing,
14 terminating, or suspending assistance provided under the social welfare
15 act, 1939 PA 280, MCL 400.1 to 400.122.

16 (2) The department may reduce, terminate, or suspend assistance pro-
17 vided under the social welfare act, 1939 PA 280, MCL 400.1 to 400.122,
18 without prior notice in 1 or more of the following situations:

19 (a) The only eligible recipient has died.

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

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

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

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1 (e) A recipient has intentionally violated 1 or more of the
2 requirements of the social welfare act, 1939 PA 280, MCL 400.1 to
3 400.122.

4 (f) A recipient has been approved to receive assistance in another
5 state.

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

8 (3) If a recipient appeals the department's determination to reduce,
9 terminate, or suspend his or her assistance within 10 days from the mail-
10 ing of the notice of negative action, the department shall not reduce,
11 terminate, or suspend that assistance until there is a final determina-
12 tion of that appeal upholding the department's determination to reduce,
13 terminate, or suspend that assistance.

14 Sec. 619. The department shall exempt from the denial of title IV-A
15 assistance and food stamp benefits, contained in section 115 of title I
16 of the personal responsibility and work opportunity reconciliation act of
17 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has been
18 convicted of a felony that included the possession, use, or distribution
19 of a controlled substance, after August 22, 1996, provided that the indi-
20 vidual is not in violation of his or her probation or parole
21 requirements. Benefits shall be provided to such individuals as
22 follows:

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

25 (b) An authorized representative shall be required for food stamp
26 receipt.

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1 Sec. 621. The department shall conduct a feasibility study and
2 develop a plan for the state to implement a vehicle donation program. As
3 part of the feasibility study, the department shall review similar pro-
4 grams implemented in other states. It is the intent of the legislature
5 that the vehicle donation program provide a transportation option to
6 family independence program recipients to alleviate a barrier to
7 employment.

8 Sec. 624. (1) The department shall ensure that all family indepen-
9 dence agency clients are informed in writing of additional programs for
10 which they may potentially be eligible. Notification of programs should
11 at a minimum include information on transitional Medicaid, LIF Medicaid,
12 Healthy Kids, and MIChild, transitional child day care services, extended
13 payment plans with positive billing utility companies as negotiated under
14 section 603(3) of this bill including emergency assistance with utility
15 arrearages, tax credits available to low income households, opportunities
16 for skills development, training and education, training programs admin-
17 istered by the department of career development, individual development
18 account opportunities, and instructions on the application process for
19 each program benefit.

20 (2) At the client's discretion, the department shall grant an exit
21 interview to discuss issues pertaining to self-sufficiency including all
22 of the information outlined in subsection (1). Clients shall be notified
23 of their right to an exit interview.

24 Sec. 625. Funds appropriated in part 1 may be used to support mul-
25 ticultural assimilation and support services. Providers of these serv-
26 ices with offices in multiple counties shall receive the majority of
27 these funds.

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1 Sec. 626. (1) The family independence agency in conjunction with
2 the department of career development shall study the outcomes for recip-
3 ients who have participated in work first 90 days, 1 year, and 3 years
4 following their completion of the program and shall submit semiannual
5 reports on the progress and findings of the study to the house and senate
6 subcommittees dealing with appropriations for the family independence
7 agency and for regulatory services and to the standing committees dealing
8 with human services beginning November 1, 1999. The study shall examine
9 all of the following:

10 (a) Whether the former participants have obtained jobs.

11 (b) The kind of jobs they have obtained.

12 (c) How long they have retained those jobs.

13 (d) Current hourly wages.

14 (e) Whether they are receiving basic health care benefits, tuition
15 reimbursement, or training from their employers.

16 (f) Whether they continue to receive other types of public
17 assistance.

18 (g) Any other information the departments consider relevant.

19 (2) The 2 departments may retain a third party to conduct the study
20 under this section.

21 Sec. 627. The department shall permit a recipient to perform
22 non-campaign-related volunteer work in the offices of the executive,
23 judicial, and legislative branches of state government to meet his or her
24 qualifying work activities under the federal food stamp program. Each
25 family independence agency county office shall compile and maintain a
26 list of legislative and executive branch offices willing to accept

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1 volunteers. This list shall be made available to public assistance
2 clients to assist them in selecting their social contract activity.

3 Sec. 628. The family independence agency shall ensure that family
4 independence specialists and eligibility specialists are knowledgeable of
5 the enhanced technical vocational training program administered by the
6 department of career development. The family independence agency shall
7 ensure that family independence specialists and eligibility specialists
8 inform all potentially eligible FIA benefits recipients of the program's
9 availability and the availability of support services, including, but not
10 limited to, child day care and transportation, to participants in the
11 program.

12 Sec. 629. From the funds appropriated in section 109, \$100,000.00
13 shall be used to leverage additional funds and to promote private or non-
14 profit sector matching funds in individual development accounts for
15 family independence program recipients pursuant to the personal responsi-
16 bility and work opportunity reconciliation act of 1996, Public Law
17 104-193, 110 Stat. 2105. These funds may be used to support individual
18 development accounts for both home purchase and education.

19 Sec. 630. The department shall maintain a plan to provide for the
20 implementation of individual development accounts pursuant to section 57k
21 of the social welfare act, 1939 PA 280, MCL 400.57k, by individuals who
22 apply for or receive public assistance from the department.

23 Sec. 631. (1) From the funds appropriated in section 109, the
24 department, in collaboration with the center on urban affairs at Michigan
25 State University, the Michigan credit unions league, and the national
26 federation of community development credit unions, shall begin the work
27 of implementing individual development account programs in the growing

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1 number of low-income designated credit unions (i.e., CDCUs) located in
2 Michigan's poorest communities. This will include:

3 (a) Development and testing of training and technical assistance
4 initiatives and related materials, and other capacity building services
5 to Michigan CDCUs.

6 (b) Funding for a 2-year VISTA volunteer program to staff each of 20
7 sites.

8 (c) Other related supports to assist CDCUs to become self-supporting
9 institutions to assist impoverished Michigan residents to become economi-
10 cally independent.

11 (2) Eligible participants shall meet 1 of the following criteria:

12 (a) Make less than 80% of the average for all wage earners as estab-
13 lished by the bureau of labor statistics.

14 (b) Have annual household income that falls at or below 80% of the
15 median household income for the nation as established by the census
16 bureau.

17 (c) Meet the definition of low-income members as determined by order
18 of the national credit union association (NCUA) board.

19 Sec. 632. (1) From the funds appropriated in section 106, the
20 department shall increase the allocation for family independence special-
21 ists or services workers by 30 FTEs to do all of the following:

22 (a) Increase the department's ability to efficiently implement wel-
23 fare reform initiatives with a priority placed on the processing of child
24 day care payments.

25 (b) Substitute for FIS workers who attend training with an emphasis
26 on providing support for FIS workers attending training on providing
27 services to clients.

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1 (c) Other regular job functions of an FIS worker.

2 (2) It is the intent of the legislature that 10 FTEs be hired effec-
3 tive October 1, 1999 and 10 FTEs be hired effective April 1, 2000.

4 Sec. 633. In operating the family independence program, the depart-
5 ment shall include in the social contract, as defined in section 57 of
6 the social welfare act, 1939 PA 280, MCL 400.57, the responsibilities of
7 both the department and the client, including support services that may
8 be available to the client, the penalties for failure to comply with the
9 social contract, and a statement of the client's right to hearing. The
10 social contract shall provide for signatures of the client and the
11 caseworker.

12 Sec. 634. (1) The department shall enter into a contract with the
13 Salvation Army to provide shelter for homeless persons.

14 (2) The family independence agency shall report the following annu-
15 ally to the house and senate appropriations subcommittees on the family
16 independence agency budget:

17 (a) The Salvation Army's progress monitoring the shelter program,
18 corrective action plans implemented or required, and revision of the
19 basic standards for emergency shelters.

20 (b) The names and addresses of all Salvation Army shelters and of
21 all shelters for homeless persons with which the Salvation Army enters
22 into contracts pursuant to the contract under subsection (1). The names
23 and addresses of domestic violence shelters are excluded from the
24 requirements of this subdivision.

25 Sec. 635. From the funds appropriated in section 109 for state
26 emergency relief that are distributed to the Salvation Army, the
27 department shall do all of the following:

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1 (a) Maintain an outreach program to provide a link between the
2 department, persons who are homeless, and the work first program.

3 (b) Designate 1 person at each local family independence agency
4 office to act as a contact between the department and the shelter provid-
5 ers to facilitate coordination of services.

6 Sec. 636. From the funds appropriated in section 109 for state
7 emergency relief, the department shall fund a pilot project instituting a
8 program that would allow indigent persons to secure a birth certificate
9 or a state identification card at no cost to the individual.

10 Sec. 637. From funds appropriated in part 1, the department may
11 provide 1-time grants to local providers to meet the needs of homeless
12 programs.

13 Sec. 638. From the funds appropriated in section 109 for day care
14 services, the department shall expend \$315,000.00 to contract with the
15 Michigan community coordinated child care association for additional
16 resource and referral services and technical assistance to day care cen-
17 ters seeking accreditation.

18 Sec. 639. (1) From the funds appropriated in section 109 for day
19 care services, the department shall expend \$800,000.00 to expand day care
20 provider training programs administered under contract with the Michigan
21 community coordinated child care association. Training shall be made
22 available to all day care providers including those who work out of cen-
23 ters, group homes, family homes, and the homes of relatives, and in-home
24 aides.

25 (2) From the funds appropriated in subsection (1), the Michigan com-
26 munity coordinated child care association shall administer a training
27 pilot project targeting in-home aides and persons providing child care to

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1 relatives. Providers who verify that they have received day care
2 payments for at least 3 months from the department and who successfully
3 complete at least 15 hours of approved child care training shall be eli-
4 gible to receive a 1-time lump sum payment of up to \$150.00 for training
5 received after October 1, 1999. The total paid in lump sum payments
6 shall not exceed \$300,000.00. Approved training may include programs
7 operated by the Michigan community coordinated child care association,
8 the Michigan association for the education of young children, community
9 colleges, universities, or university extension programs.

10 (3) On or before March 1, 2000, the department shall provide the
11 house and senate appropriations subcommittees on the family independence
12 agency budget a progress report on the pilot project authorized in sub-
13 section (2).

14 Sec. 640. From the funds appropriated in section 109 for day care
15 services, the department shall contract with the Michigan community coor-
16 dinated child care association to administer an amount not to exceed
17 \$900,000.00 to expand the "enhance quality improvement program" (EQUIP)
18 grants. A priority for the expenditure of EQUIP funds shall be given to
19 providers to expand access to child care, specifically 24-hour care and
20 weekend care. A child care program shall not be eligible for an EQUIP
21 grant unless 25% or more of its clients receive day care payments from
22 the department.

23 Sec. 641. (1) From the funds appropriated in part 1, \$100,000.00
24 shall be used to leverage and match additional funds for the purpose of
25 following up on the "Ready to Learn" leadership summit that was conducted
26 in 1999 utilizing funding appropriated to the department in the 1998-1999
27 fiscal year. This follow-up shall be known as the "Ready to Learn

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1 Dialogue with Michigan". The Ready to Learn Dialogue with Michigan,
2 consistent with findings and calls to action provided at the 1999 "Ready
3 to Learn" leadership summit, shall continue to explore the development of
4 an early childhood education and care system that meets the needs of
5 every child prior to kindergarten entry. The Ready to Learn Dialogue
6 with Michigan shall bring together leaders from Michigan's legislature,
7 the governor and leaders in the administration, leaders from Michigan's
8 large business corporations and from shall businesses, economists, par-
9 ents and faith-based entities, experts in early childhood education and
10 care, legal scholars, law enforcement officials, leaders from Michigan
11 universities, and others selected by the planning committee established
12 under subsection (4).

13 (2) The Ready to Learn Dialogue with Michigan shall examine how
14 Michigan can develop a system that assures that every child in Michigan
15 has a good opportunity to enter kindergarten ready to learn. The Ready
16 to Learn Dialogue with Michigan shall address at least the following
17 topics:

18 (a) Helping parents obtain high quality early childhood education
19 and care.

20 (b) Protecting children by assuring that early childhood education
21 and care occurs in safe and healthy places.

22 (c) Helping parents obtain early childhood education and care when
23 they work nontraditional hours or have special needs because their chil-
24 dren have disabilities or are sick.

25 (d) Developing an early childhood education and care system that
26 recognizes the diversity of Michigan's parents with respect to ethnic,
27 religious, income, and philosophical differences.

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1 (e) Taking the next steps toward a comprehensive early childhood
2 education and care system.

3 (3) The Ready to Learn Dialogue with Michigan shall do at least the
4 following:

5 (a) Conduct at least 1 post-summit meeting that brings together
6 leaders who attended the Ready to Learn leadership summit in the
7 1998-1999 fiscal year, representatives from diverse parts of the early
8 childhood education and care field, and other parties as appropriate to
9 plan ways of implementing the calls to action produced at the 1999
10 summit.

11 (b) Examine outstanding early childhood education and care practices
12 implemented in places within and outside of Michigan for purposes of
13 bringing to the legislature and governor early childhood education and
14 care proposals for their consideration.

15 (c) Hold community forums across the state to bring the Ready to
16 Learn Dialogue with Michigan to a broad cross-section of the people and
17 to report to the legislature and governor the range of community concerns
18 about early childhood education and care.

19 (d) Consult with leaders in the sectors of business, education,
20 faith, health, labor, media, politics, philanthropy, and other sectors as
21 appropriate to garner their support in helping all children enter kinder-
22 garten ready to learn and informing the legislature and governor about
23 early childhood education and care policies they might consider.

24 (4) Organizational leadership for planning and conducting the Ready
25 to Learn Dialogue with Michigan shall rest with a planning committee com-
26 posed of people from the Michigan child care task force operating under
27 the direction of the task force's legislative sponsors. This committee

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1 shall consult with the governor's office, the Michigan senate and house,
2 business leaders, and Michigan foundations in planning and conducting the
3 Ready to Learn Dialogue with Michigan. The planning committee may expend
4 funds to consult with and hire people and organizations considered neces-
5 sary for implementing this section. The committee shall provide the
6 house and senate appropriations committees a full accounting of its
7 expenditures incurred under this section.

8 (5) The Ready to Learn Dialogue with Michigan shall conduct the
9 activities set out in subsection (3) no later than August 31, 2000, and
10 the planning committee shall submit a report on the business conducted
11 and recommendations made during the Ready to Learn Dialogue with Michigan
12 to the house and senate appropriations committees no later than September
13 30, 2000.

14 Sec. 642. From the funds appropriated in part 1, \$700,000.00 is
15 appropriated for the department to establish citizenship assistance pro-
16 grams to assist refugees, asylees, and legal immigrants residing in
17 Michigan to become citizens of the Unites States. The program shall be
18 administered by community-based organizations to the maximum extent pos-
19 sible as determined by the department.

20 Sec. 643. The family independence agency in conjunction with the
21 Michigan department of career development shall issue a quarterly report
22 on the number of noncustodial parents enrolled in the work first program
23 for noncustodial parents administered by the Michigan department of
24 career development. The first quarterly report shall be issued in
25 November 1999. The quarterly report shall be distributed to the house
26 and senate subcommittees on the family independence agency budget and the
27 department of career development and shall include all of the following:

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1 (a) The number of current and former participants in the work first
2 program for noncustodial parents.

3 (b) The number of participants placed in jobs who continue to work
4 for at least 90 days.

5 (c) Current hourly wages of current and former participants who have
6 obtained jobs.

7 (d) Whether current or former participants are receiving basic
8 health care benefits.

9 (e) The number of participants who make child support payments.

10 (f) Any other information the family independence agency or depart-
11 ment of career development considers relevant.

12 Sec. 644. (1) From the funds appropriated in part 1, up to
13 \$275,000.00 shall be utilized by the family independence agency to con-
14 tract with Goodwill Industries, Michigan Businesses, Partners in Public
15 Education, Family Guidance Center, and businesses including medical pro-
16 viders, manufacturing industries, and human services and hospitality pro-
17 viders to initiate a career tracked approach to employment of individuals
18 receiving TANF. Career training will include but not be limited to cer-
19 tified nurse aide training, child care provision, and manufacturing and
20 retail and service industries. The following criteria will be met:

21 (a) The program shall be implemented as a pilot program.

22 (b) The program shall be developed through community partnerships
23 with businesses that shall agree to provide jobs related to the training
24 at the end of the training period.

25 (c) Eligible participants shall include family independence program
26 recipients and work first clients referred by the family independence
27 agency.

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1 (d) Training shall be limited to not longer than 6 months in
2 duration.

3 (e) Training shall be directed to achieving or gaining skills that
4 will lead to significant skilled employment for the participants such as
5 a certification as a nurse's aide.

6 (f) Training shall be reasonably calculated to lead to full-time
7 skilled employment.

8 (g) Participants shall receive any additional support needed to
9 facilitate participation in the training program within reasonable param-
10 eters established by the department of career development including, but
11 not limited to, both of the following:

12 (i) Child day care, including evening or nighttime care if
13 appropriate.

14 (ii) Transportation.

15 (h) Eligible family independence program recipients and work first
16 clients who commence training will be allowed to complete training, as
17 long as all program participation requirements are being met.

18 (2) It is the intent of this section that all program participants
19 satisfy the state work requirements.

20 Sec. 645. (1) From the funds appropriated in part 1 for day care
21 services, the family independence agency, in consultation with the chair-
22 persons and vice-chairpersons of the house and senate appropriations sub-
23 committees on the family independence agency budget and the house and
24 senate fiscal agencies, shall conduct an evaluation of child day care
25 funding and submit a report to the house and senate appropriations sub-
26 committees on the family independence agency budget and the house and

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1 senate fiscal agencies on or before November 15, 1999, that includes all
2 of the following:

3 (a) An assessment and regrouping of counties by shelter areas,
4 including any impact on market rate survey cost projections.

5 (b) An assessment and breakdown of costs of child day care by age
6 group and by provider type.

7 (c) A listing of opportunities or recommendations to leverage public
8 funding with private funding to increase access to or quality of child
9 day care services that includes, but is not limited to, the following:

10 (i) Tax credit for employer supported child day care.

11 (ii) Providing consultation resources for the development of private
12 sector programs and facilities.

13 (iii) Creating partnerships to fund the following:

14 (A) Recruitment and training of new quality child day care
15 providers.

16 (B) Subsidies for low income working families for quality child day
17 care.

18 (C) Increased access to sick baby, infant, nontraditional hour, and
19 quality special needs child day care.

20 (d) An analysis of costs to vary child day care eligibility to no
21 more than 200% of poverty and no less than 100% of poverty, and including
22 tiered reimbursement payments.

23 (e) An analysis of strategies used by other states to avoid child
24 day care waiting lists.

25 (f) A review of existing studies regarding the cost avoidance to the
26 state in such areas as juvenile justice, corrections, school readiness,
27 etc., arising from investment in quality child day care and education.

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1 (g) Consideration for funding priorities if the legislature
2 authorizes additional spending.

3 (2) The family independence agency may retain a third party to con-
4 duct the evaluation required under this section. The third party may be
5 retained through a sole source contract if necessary.

6 (3) This section, being considered of immediate importance, is
7 effective upon enactment.

8 Sec. 646. (1) The department and the Michigan department of career
9 development shall establish clear joint guidelines on the eligibility of
10 work first participants for post-employment training support and on how
11 training and education hours can be applied toward federal work
12 [participation]
13 requirements. These guidelines shall be developed in a manner that bal-
14 ances the ability of participants to obtain training and subsequent
15 long-term, high-wage employment with the need to connect participants
16 with the workplace. [Any and all training/education, with the exception of
17 high school completion and GED preparation, must be occupationally
18 relevant and in demand in the labor market as determined by the workforce
19 development board. Participants must make satisfactory progress while in
20 training/education. The department shall submit these guidelines to the
21 house and senate appropriations subcommittees with jurisdiction over the
22 department, over the department of career development, and to the house
23 and senate fiscal agencies by October 1, 1999.

24 (2) Work first participants may meet the work participation
25 requirement by combining a minimum of 10 hours per week of work with
training/education, as determined in subsection (1). Training/education
may last up to 12 months and the calculated hours may include actual
classroom seat time up to 10 hours per week plus up to 1 hour of study time
for each hour of classroom seat time. The combined work and
training/education hours must equal the minimum number of hours required to
meet the federal work participation requirements which are 30 hours per
week for a single parent, 35 hours per week for 2-parent families, 55 hours
if utilizing federally funded day care, and 20 hours per week for single
parents with a child under the age of 6. Work first participants may
enroll in additional hours of classroom seat time beyond the 10 hours,
however, these hours and the related study time will not count toward the
work participation requirement. The training may be no longer than a 1-
year program, which may include the final year of a 2- or 4-year
undergraduate program which is designed to lead to immediate labor force
attachment, as determined in subsection (1).

(3) Work first participants may meet the federal work participation
requirement through enrollment in a short-term vocational program, as
determined in subsection (1), requiring 30 hours of classroom seat time per
week for a period not to exceed 6 months, or by enrollment in full-time
internships, practicums, or clinicals required by an academic or training
institution for licensure, professional certification, or degree
completion, as determined in subsection (1), without an additional work
requirement. Two-parent families who receive federally funded day care
must work an additional 25 hours per week to meet the federal work
participation requirement.

(4) Work first participants who lack a high school diploma or GED
and who enroll in high school completion or classes to obtain a GED may
count up to 10 hours of classroom seat time, combined with a minimum of
number of hours of work per week, to meet their federal work participation
requirement. There shall be no time limit on high school completion. GED
preparation shall be limited to 6 months.]

26 [(5)] The department and the Michigan department of career development
27 shall develop a procedure to ensure that the guidelines established under

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1 [this section] are effectively communicated to all possible participants
2 of the post-employment training and education program.

3 Sec. 647. From the funds appropriated in part 1 for day care serv-
4 ices, the family independence agency may use up to \$5,000,000.00 in TANF
5 or federal child care development funds to fund early childhood education
6 and care programs through a competitive grant process that shall be
7 developed through a collaborative effort between the family independence
8 agency and the department of education. The program shall expand exist-
9 ing Michigan school readiness programs or head start programs to increase
10 the operation of full day programs.

11 Sec. 648. The department shall maintain policies and procedures in
12 compliance with section 402(a)(7) of part A of title IV of the social
13 security act, chapter 531, 110 Stat. 2113, 42 U.S.C. 602, to achieve all
14 of the following:

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

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

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

26 Sec. 649. The department shall calculate the food stamp allotment
27 for applicants who are United States citizens and who live in a household

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1 with legal immigrants in a manner that maximizes the food stamps
2 available to these United States citizens under federal law.

3 Sec. 650. (1) From the funds appropriated in part 1 for day care
4 services, the department shall expend up to \$33,000,000.00 to increase
5 the child day care payment rates for children from birth to 2-1/2 years
6 of age made to day care centers, family and group homes, and relatives
7 and aides. The payment rate increase will reflect the results of the
8 market rate survey completed in calendar year 1999.

9 (2) The 1-time funding source for this rate increase is federal TANF
10 dollars. The funding source shall be reevaluated and adjusted based on
11 future available TANF resources.

12 Sec. 651. (1) From the funds appropriated in part 1 for the family
13 independence program, the family independence agency shall expend up to
14 \$250,000.00 to develop and fund a parenting skills and career development
15 pilot program that meets all of the following criteria:

16 (a) Identification of single parents eligible for cash assistance
17 having children up to 3 years old.

18 (b) Referral of persons identified under subdivision (a) to a local
19 collaborative program responsible for the development and supervision of
20 a comprehensive parenting skills and career development plan for each
21 referred client.

22 (c) Each referred client shall participate in 30 hours a week of
23 parenting skills training that is a formal professional program with
24 either a trainer or facilitator and career development activities as
25 detailed in his or her comprehensive plan and monitored by the local col-
26 laborative program.

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1 (d) Participation in the above activities for the hours specified
2 would satisfy cash assistance work requirements.

3 (e) The program must not place the state of Michigan in violation of
4 work requirements as defined in the federal personal responsibility and
5 work opportunity reconciliation act of 1996, Public Law 104-193.

6 (2) The local collaborative program shall provide the department
7 with a report not later than September 30, 2000 that includes all of the
8 following:

9 (a) The number of participants served.

10 (b) The family size of participants served.

11 (c) Participants' rate of compliance with their comprehensive
12 plans.

13 (d) The number of participants attending postsecondary education or
14 vocational training programs.

15 (e) Parenting skills training outcomes.

16 (f) The number of participants working at the time the report is
17 completed.

18 (g) The average cost per participant of the program.

19 (h) Any other information that the department considers relevant.

20 Sec. 652. In conjunction with the department of career development,
21 the family independence agency shall conduct a study of the cost savings
22 to the state in terms of reduced medical assistance costs and reduced
23 costs in other health insurance programs as a result of former medical
24 assistance recipients obtaining employment with health care benefits.
25 Findings of this study must be reported to the legislature by
26 September 30, 2000.

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1 Sec. 653. From the funds appropriated in part 1, up to \$100,000.00
2 may be utilized by the family independence agency to contract with
3 Saginaw service career paths, a program under development in Saginaw to
4 assist low income persons in developing their economic potential by com-
5 bining mentoring and training with actual work experience.

6 Sec. 654. Within 10 business days of receiving all information nec-
7 essary to process an application for payments for child day care, the
8 family independence agency shall determine whether the child day care
9 provider to whom the payments, if approved, would be made, is listed on
10 the child abuse and neglect central registry. If the provider is listed
11 on the central registry, the family independence agency shall immediately
12 send written notice denying the applicant's request for child day care
13 payments.

14 Sec. 655. The department shall pay interest at the rate specified
15 in section 3902(a) of title 31 of the United States Code, 31 U.S.C. 3902,
16 on child day care payments that are made more than 15 business days after
17 the bill has been received by the department, determined to be complete
18 and accurate, and authorized for payment.

[Sec. 656. The department shall submit a report to the house and senate appropriations committees and the house and senate standing committees having jurisdiction over human services matters by March 1, 2000 on the subject of late payments to child day care providers for the year of 1999. The report shall include at a minimum at least all of the following:

- (a) The total number of late child day care payments made to providers for the year.
- (b) The total number of child day care payments made 15 days or less after the date the payment was due.
- (c) The total number of child day care payments made 16 days or more after the payment was due.

Sec. 657. The department and the department of career development shall work together to develop a program to provide employment services to former family independence program recipients and to recipients of noncash public assistance benefits, such as child day care, medicaid, or food stamp benefits. This program shall not be construed to be an entitlement to services.]

19 JUVENILE JUSTICE SERVICES

20 Sec. 701. The department shall expend up to \$1,150,000.00 of the
21 federal juvenile accountability incentive block grant to support the boot
22 camp program. The remainder of the state allocation of the juvenile
23 accountability incentive block grant shall be used to provide funding to
24 enable juvenile courts, juvenile probation offices, and community-based
25 programs to be more effective and efficient in holding juvenile offenders

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1 accountable and reducing recidivism, treating substance abuse problems,
2 and developing community-based alternatives for female offenders and the
3 following:

4 (a) To better address gang, drug, and youth violence.

5 (b) For training, equipment, and technology.

6 (c) For the establishment of programs that protect students and
7 school personnel from drug, gang, and youth violence.

8 Sec. 703. Expansion of facilities funded under section 105 for
9 juvenile justice services shall not be authorized by the joint capital
10 outlay subcommittee of the appropriations committees until the department
11 has held a public hearing in the community where the facility proposed to
12 be expanded is located.

13 Sec. 705. (1) The Wayne County block grant amount appropriated in
14 part 1 is reduced by an amount calculated by subtracting the following
15 amount determined under subdivision (a) from the following amount deter-
16 mined under subdivision (b) and multiplying the result by 50% of the
17 projected per-child cost for educational services to state wards in state
18 operated training schools and treatment and detention facilities for the
19 state fiscal year beginning October 1, 1998:

20 (a) The estimated average daily population of public wards from
21 Wayne County in state operated training schools and treatment and deten-
22 tion facilities for the 1999-2000 state fiscal year.

23 (b) The actual average daily population of public wards from Wayne
24 County in state operated training schools and treatment and detention
25 facilities for the 1997-1998 state fiscal year.

26 (2) The state budget director shall review the reductions made under
27 this section during the third quarter of the 1999-2000 state fiscal year

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1 based on actual data from the first 2 quarters of the 1999-2000 state
2 fiscal year and make recommendations to the legislature regarding appro-
3 priate fourth quarter adjustments.

4 Sec. 706. (1) As a condition of receiving funding under the Wayne
5 County block grant contract, Wayne County shall submit a report to the
6 department, the house and senate appropriations subcommittees on the
7 family independence agency budget, and the house and senate fiscal agen-
8 cies no later than October 1, 1999 that includes all of the following
9 related to the Wayne County block grant:

10 (a) Implementation plan.

11 (b) Service goals for fiscal year 2000.

12 (c) An outline of measures for effectiveness.

13 (2) As a condition of receiving funding under the Wayne County block
14 grant contract, no later than September 30, 2000, Wayne County shall
15 submit a report to the department, the house and senate appropriations
16 subcommittees on the family independence agency budget, and the house and
17 senate fiscal agencies that includes all of the following related to the
18 Wayne County block grant:

19 (a) Implementation status.

20 (b) Service outcomes.

21 (c) Program effectiveness based upon measures described in this
22 section.

23 (d) How the Wayne County block grant was expended.

24 (e) Any other information required to meet federal requirements.

25 (3) No later than September 30, 2000, the auditor general shall
26 implement an audit on the implementation of delinquency programs funded
27 with the Wayne County block grant.

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1 Sec. 707. (1) Wayne County and the family independence agency may
2 enter into an agreement under which the family independence agency will
3 provide juvenile justice services to juvenile public wards committed to
4 Wayne County. If Wayne County and the family independence agency enter
5 into an agreement under this subsection, Wayne County shall authorize the
6 family independence agency to utilize the funds appropriated in section
7 105 for the Wayne County block grant to pay for costs incurred by the
8 family independence agency during the 1999-2000 state fiscal year to pro-
9 vide those juvenile justice services to juvenile public wards committed
10 to Wayne County.

11 (2) Costs authorized under subsection (1) shall be calculated as
12 follows:

13 (a) The cost of care provided in residential facilities operated by
14 the family independence agency shall be determined by multiplying the
15 number of days of care provided by the applicable per diem rate charged
16 by the family independence agency to all counties for the same type of
17 care.

18 (b) The cost of care provided in residential facilities not operated
19 by the family independence agency shall be determined by multiplying the
20 number of days of care provided by the actual per diem rate specified in
21 the family independence agency's contract with the providers of the
22 care.

23 (c) All other costs that the family independence agency incurs at
24 the request of Wayne County shall be on an actual cost basis as deter-
25 mined by the family independence agency.

26 (3) Quarterly payments of the amount appropriated for the Wayne
27 County block grant in section 105 shall be adjusted based on the costs

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1 incurred by the family independence agency and authorized under
2 subsection (1).

3 (4) If the costs authorized under subsection (1) and incurred by the
4 family independence agency exceed the amount available under section 105
5 for the Wayne County block grant, the family independence agency shall
6 request payment of that excess amount from Wayne County. Wayne County
7 shall pay the amount requested under this subsection within 30 days of
8 the request.

9 Sec. 708. (1) The department shall provide all local law enforce-
10 ment agencies in all counties, cities, villages, and townships in this
11 state on a quarterly basis both of the following:

12 (a) Notification of the placement during the quarter of juvenile
13 delinquents released from state training schools and placed within the
14 local law enforcement agency's jurisdiction.

15 (b) Confirmation of the address of juvenile delinquents identified
16 under subdivision (a) placed within the local law enforcement agency's
17 jurisdiction during any previous quarter who continue to be within the
18 local law enforcement agency's jurisdiction.

19 (2) All records shall remain confidential and shall not be made
20 public.

21 Sec. 709. A juvenile adjudicated and placed in a state operated
22 maximum security program funded under section 105 for [juvenile justice] serv-
23 ices shall not be allowed to leave the property of the maximum security
24 facility at which the program is located except when required to leave
25 the property for medical treatment, court appearances, or other good
26 cause approved by the facility director. For purposes of this section,

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1 "juvenile" means that term as defined in section 115n of the social
2 welfare act, 1939 PA 280, MCL 400.115n.

3 Sec. 710. [New facilities] funded under section 105 for [juvenile
4 justice] serv-

5 ices shall not be located within 1,500 feet of property in use for a K-12
educational program.