

HOUSE BILL No. 4306

February 18, 1999, Introduced by Reps. Jansen, Toy, Kukuk, Godchaux, Mead, Caul, Jellema, Byl, Geiger, Pappageorge, Mortimer and Scranton and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

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, 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. There is appropriated for the family independence agency
4 and certain state purposes related to public welfare services for the
5 fiscal year ending September 30, 2000, from the following funds:

1 **FAMILY INDEPENDENCE AGENCY**

2 APPROPRIATIONS SUMMARY:

3	Full-time equated classified positions . . .	13,201.3	
4	Full-time equated unclassified positions . . .	6.0	
5	GROSS APPROPRIATION		\$ 3,508,819,500
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and		
8	intradepartment transfers		150,000
9	ADJUSTED GROSS APPROPRIATION		\$ 3,508,669,500
10	Federal revenues:		
11	Total federal revenues		2,299,925,200
12	Special revenue funds:		
13	Total local revenues		18,536,200
14	Total private revenues		7,858,100
15	Total other state restricted revenues		123,565,500
16	State general fund/general purpose		\$ 1,058,784,500
17	Sec. 102. EXECUTIVE OPERATIONS		
18	Full-time equated unclassified positions . . .	6.0	
19	Full-time equated classified positions . . .	947.3	
20	Unclassified salaries--6.0 FTE positions		\$ 492,300
21	Salaries and wages--728.3 FTE positions		33,990,000
22	Contractual services, supplies, and materials . .		10,330,300
23	Demonstration projects--11.0 FTE positions		10,634,600
24	End user support		7,614,500
25	Computer service fees		20,076,300
26	ASSIST project--25.0 FTE positions		16,963,800
27	Data system enhancement--26.0 FTE positions . . .		20,948,500
28	Child support automation--25.0 FTE positions . . .		34,342,000
29	Child support distribution computer system		7,164,100
30	Supplemental security income advocates, salaries		
31	and wages--16.0 FTE positions		980,000
32	Commission on disability concerns--8.0 FTE		
33	positions		759,600
34	Commission for the blind--108.0 FTE positions . .		<u>17,309,700</u>

1	GROSS APPROPRIATION	\$	181,605,700
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG-ADP user fees		150,000
5	Federal revenues:		
6	Total federal revenues		117,818,500
7	Special revenue funds:		
8	Total local revenues		475,000
9	Total private revenues		1,840,000
10	Total other state restricted revenues		477,300
11	State general fund/general purpose	\$	60,844,900
12	Sec. 103. FAMILY SERVICES ADMINISTRATION		
13	Full-time equated classified positions	359.0	
14	Salaries and wages--299.0 FTE positions	\$	14,268,100
15	Contractual services, supplies, and materials		5,776,500
16	Child support incentive payments		32,409,600
17	Legal support contracts		97,496,400
18	State incentive payments		4,449,000
19	Employment and training support services		27,926,700
20	Food stamp issuance		5,374,400
21	High school completion project--5.0 FTE positions		363,400
22	Wage employment verification reporting--2.0		
23	FTE positions		5,171,000
24	Urban and rural empowerment/enterprise zones		100
25	Training and staff development--53.0 FTE positions		9,587,300
26	Community services block grant		<u>18,100,000</u>
27	GROSS APPROPRIATION	\$	220,922,500
28	Appropriated from:		
29	Federal revenues:		
30	Total federal revenues		193,759,500
31	Special revenue funds:		
32	Local funds - donated funds		340,000
33	State general fund/general purpose	\$	26,823,000
34	Sec. 104. CHILD AND FAMILY SERVICES		

1	Full-time equated classified positions	104.3	
2	Salaries and wages--53.3 FTE positions		\$ 2,747,200
3	Contractual services, supplies, and materials		1,782,000
4	Refugee assistance program--9.0 FTE positions		7,377,100
5	Foster care payments		218,754,900
6	Adoption subsidies		137,632,200
7	Youth in transition--20.0 FTE positions		9,896,900
8	Interstate compact		300,000
9	Children's benefit fund donations		21,000
10	Domestic violence prevention and treatment--1.0		
11	FTE position		8,662,200
12	Teenage parent counseling--3.0 FTE positions		3,405,200
13	Family preservation and prevention		
14	services--13.0 FTE positions		68,114,000
15	Black child and family institute		100,000
16	Rape prevention and services		1,100,000
17	Children's trust fund administration--4.0 FTE		
18	positions		330,300
19	Children's trust fund grants		3,615,000
20	Attorney general contract		1,708,700
21	Guardian contract		600,000
22	County shelters		200,000
23	Prosecuting attorney contract--1.0 FTE position		<u>1,061,700</u>
24	GROSS APPROPRIATION		\$ 467,408,400
25	Appropriated from:		
26	Federal revenues:		
27	Total federal revenues		284,780,600
28	Special revenue funds:		
29	Local funds - county payback		2,672,800
30	Private - children's benefit fund donations		21,000
31	Private - collections		4,101,300
32	Children's trust fund		2,070,300
33	State general fund/general purpose		\$ 173,762,400
34	Sec. 105. DELINQUENCY SERVICES		

1	Full-time equated classified positions . . .	1,081.4	
2	Personnel payroll costs--863.0 FTE positions . . .		\$ 46,244,900
3	County juvenile officers		3,551,000
4	Child care fund		56,352,900
5	Delinquency services operations		15,108,700
6	Residential care centers--45.0 FTE positions . . .		2,623,600
7	Genesee valley and Detroit detention centers--133.7		
8	FTE positions		8,876,800
9	Federally funded activities--26.1 FTE positions .		1,812,700
10	W.J. Maxey memorial fund		45,000
11	Regional detention services--10.6 FTE positions .		1,207,300
12	Juvenile accountability incentive block grant . .		6,482,000
13	Juvenile boot camp program		2,300,000
14	Committee on juvenile justice		
15	administration--3.0 FTE positions		269,300
16	Committee on juvenile justice grants		7,000,000
17	Wayne County block grant		<u>64,516,900</u>
18	GROSS APPROPRIATION		\$ 216,391,100
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues		36,205,200
22	Special revenue funds:		
23	Local funds - county payback		14,550,900
24	Total private revenues		45,000
25	Wayne County block grant revenue		38,610,200
26	State general fund/general purpose		\$ 126,979,800
27	Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS		
28	Full-time equated classified positions . . .	10,083.6	
29	Field staff, salaries and wages--7,258.6 FTE		
30	positions		\$ 285,944,200
31	Children and adult services, salaries and wages--		
32	2,704.5 FTE positions		111,170,000
33	Contractual services, supplies, and materials . .		25,042,900
34	Outstationed eligibility workers--30.0 FTE		

1	positions	3,552,900
2	Wayne County gifts and bequests	100,000
3	Volunteer services and reimbursement--90.5 FTE	
4	positions	<u>7,065,500</u>
5	GROSS APPROPRIATION	\$ 432,875,500
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues	270,873,300
9	Special revenue funds:	
10	Local funds - donated funds	193,100
11	Total private revenues	1,850,800
12	State general fund/general purpose	\$ 159,958,300
13	Sec. 107. DISABILITY DETERMINATION SERVICES	
14	Full-time equated classified positions . . . 602.0	
15	Disability determination operations--602.0	
16	FTE positions	\$ <u>68,990,000</u>
17	GROSS APPROPRIATION	\$ 68,990,000
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues	68,152,000
21	State general fund/general purpose	\$ 838,000
22	Sec. 108. CENTRAL SUPPORT ACCOUNTS	
23	Rent	\$ 49,521,100
24	Occupancy charge	5,378,900
25	Travel	7,859,500
26	Equipment	3,022,900
27	Workers' compensation	4,577,000
28	Advisory commissions	17,900
29	Payroll taxes and fringe benefits	<u>152,030,600</u>
30	GROSS APPROPRIATION	\$ 222,407,900
31	Appropriated from:	
32	Federal revenues:	
33	Total federal revenues	126,696,900
34	Special revenue funds:	

1	Local funds - county payback	304,400
2	Departmentwide lapse revenue	8,024,200
3	State general fund/general purpose	\$ 87,382,400
4	Sec. 109. PUBLIC ASSISTANCE	
5	Full-time equated classified positions 23.7	
6	Family independence program	\$ 323,531,800
7	State disability assistance payments	22,341,700
8	Food stamp program benefits	600,000,000
9	State supplementation	60,180,300
10	State supplementation administration	1,960,000
11	Low income energy assistance program--21.7 FTE	
12	positions	60,000,000
13	State emergency relief--2.0 FTE positions	38,000,000
14	Weatherization assistance	10,900,000
15	Day care services	<u>581,304,600</u>
16	GROSS APPROPRIATION	\$ 1,698,218,400

17 Appropriated from:

18 Federal revenues:

19	Total federal revenues	1,201,639,200
----	----------------------------------	---------------

20 Special revenue funds:

21	Child support collections	66,943,400
22	Supplemental security income recoveries	4,440,000
23	Public assistance recoupment revenue	3,000,100
24	State general fund/general purpose	\$ 422,195,700

25 PART 2

26 PROVISIONS CONCERNING APPROPRIATIONS

27 GENERAL SECTIONS

28 Sec. 201. (1) Pursuant to section 30 of article IX of the state
29 constitution of 1963, total state spending under part 1 for fiscal year
30 1999-2000 is estimated at \$1,182,350,000.00 and state appropriations
31 paid to local units of government are as follow:

32 CHILD AND FAMILY SERVICES

33	Adoption subsidies	\$ 56,783,200
----	------------------------------	---------------

34 DELINQUENCY SERVICES

35	Child care fund	51,352,900
----	---------------------------	------------

1	County juvenile officers	2,452,300
2	Wayne County block grant	57,873,200
3	PUBLIC ASSISTANCE	
4	State disability program	<u>1,158,700</u>
5	TOTAL	\$ 169,620,300

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

11 Sec. 202. The expenditures and funding sources authorized under
12 this bill are subject to the management and budget act, 1984 PA 431,
13 MCL 18.1101 to 18.1594.

14 Sec. 203. (1) Beginning October 1, 1999, a hiring freeze is imposed
15 on the state classified civil service. State departments and agencies
16 are prohibited from hiring any new full-time state classified civil
17 service employees and prohibited from filling any vacant state
18 classified civil service positions. This hiring freeze does not apply
19 to internal transfers of classified employees from one position to
20 another within a department or to positions that are funded 80% or more
21 from federal or restricted funds.

22 (2) The state budget director shall grant exceptions to this hiring
23 freeze when the state budget director believes that the hiring freeze
24 will result in rendering a state department or agency unable to deliver
25 basic services.

26 Sec. 204. The department of civil service shall bill departments
27 and agencies at the end of the first fiscal quarter for the 1% charge
28 authorized by section 5 of article XI of the state constitution of
29 1963. Payments shall be made for the total amount of the billing by
30 the end of the second fiscal quarter.

31 Sec. 205. As used in this bill:

- 32 (a) "ADP" means automated data processing.
- 33 (b) "ASSIST" means automated social services information system.
- 34 (c) "Department" means the Michigan family independence agency.
- 35 (d) "FTE" means full-time equated position.
- 36 (e) "IDG" means interdepartmental grant.

1 (f) "Temporary assistance for needy families" (TANF) or "title IV"
2 means title IV of the social security act, chapter 531, 49 Stat. 620,
3 42 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660,
4 663 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

5 (g) "Title XX" means title XX of the social security act, chapter
6 531, 49 Stat. 620, 42 U.S.C. 1397 to 1397f.

7 Sec. 206. The department may receive and expend advances or
8 reimbursements from the department of state police for the
9 administration of the individual and family grant disaster assistance
10 program. An account shall be established in the department for this
11 purpose when a disaster is declared. The authorization and allotment
12 for the account shall be in the amount advanced or reimbursed from the
13 department of state police.

14 Sec. 207. The state budget director may make administrative
15 transfers of appropriations for the department to adjust amounts
16 between the local funds - county payback line items in part 1. Such
17 transfers shall be made in compliance with section 393(1) of the
18 management and budget act, 1984 PA 431, MCL 18.1393.

19 Sec. 208. In addition to funds appropriated in part 1 for all
20 programs and services, there is appropriated for write-offs of accounts
21 receivable, deferrals, and for prior year obligations in excess of
22 applicable prior year appropriations, an amount equal to total
23 write-offs and prior year obligations, but not to exceed amounts
24 available in prior year revenues or current year revenues that are in
25 excess of the authorized amount.

26 Sec. 209. The department may retain all of the state share of food
27 stamp over issuance collections as an offset to general fund/general
28 purpose costs. Retained collections shall be applied against federal
29 funds deductions in all appropriation units where department costs
30 related to the investigation and recoupment of food stamp over
31 issuances are incurred. Retained collections in excess of such costs
32 shall be applied against the federal funds deducted in the executive
33 operations appropriation unit.

34 Sec. 210. If a legislative objective of this bill or the social
35 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented
36 without loss of federal financial participation because implementation

1 would conflict with or violate federal regulations, the department
2 shall notify the house and senate appropriations committees and the
3 house and senate fiscal agencies of that fact.

4 Sec. 211. (1) The department shall prepare a semiannual report on
5 the temporary assistance for needy families (TANF) federal block grant.
6 The report shall include projected expenditures for the current fiscal
7 year, an accounting of any previous year funds carried forward, and a
8 summary of all interdepartmental or interagency agreements relating to
9 the use of TANF funds. The report shall be forwarded to the house and
10 senate appropriations subcommittees on the family independence agency
11 budget on or before October 15, 1999 and April 15, 2000.

12 (2) The state budget director shall give prior written notice to
13 the members of the house and senate appropriations subcommittees for
14 the family independence agency and to the house and senate fiscal
15 agencies of any proposed changes in utilization or distribution of TANF
16 funding or the distribution of TANF maintenance of effort spending
17 relative to the amounts reflected in the annual appropriations acts of
18 all state agencies where TANF funding is appropriated.

19 Sec. 212. If the revenue collected by the department from private
20 and local sources exceeds the amount appropriated in part 1, the
21 revenue may be carried forward, with approval from the state budget
22 director, into the subsequent fiscal year.

23 Sec. 213. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$200,000,000.00 for
25 federal contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item in
27 this bill in accordance with section 393(2) of the management and
28 budget act, 1984 PA 431, MCL 18.1393.

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

35 (3) In addition to the funds appropriated in part 1, there is
36 appropriated an amount not to exceed \$20,000,000.00 for local

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

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

11 **EXECUTIVE OPERATIONS**

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

17 Sec. 302. The department may distribute cash assistance to
18 recipients electronically by using debit cards.

19 Sec. 303. The appropriation in section 102 for the Michigan
20 commission for the blind includes funds for case services. These funds
21 may be used for tuition payments for blind clients for the school year
22 beginning September 1999.

23 Sec. 304. The appropriation in section 102 for commissions and
24 boards may be used for per diem payments to members of commissions or
25 boards for a full day of committee work at which a quorum is present
26 for performing official business as authorized by each respective
27 commission or board. The per diem payment for the Michigan commission
28 for the blind shall be at a rate of \$50.00 per day.

29 **FAMILY SERVICES ADMINISTRATION**

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

34 (2) At the end of the current fiscal year, the department may, when
35 it is cost beneficial to the state and counties, withhold from

1 submitting to the federal office of child support administrative
2 expenses eligible for federal financial participation. The department
3 may recoup earned but unclaimed federal funds from the resulting
4 increased federal child support incentive. The recoupment by the
5 department shall be made prior to distribution of the increased
6 incentive to the counties. Any incentive funds retained by the state
7 under this section shall be separate and apart from incentive funds
8 retained in any other section of this bill.

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

18 Sec. 403. Not later than September 30 of each year, the department
19 shall submit for public hearing to the chairpersons of the house and
20 senate appropriations subcommittees dealing with appropriations for the
21 family independence agency the proposed use and distribution plan for
22 community services block grant funds appropriated in section 103 for
23 the succeeding fiscal year.

24 Sec. 404. The department shall develop plans jointly with the
25 Indian affairs commission for the implementation of programs and the
26 distribution of funds for recognized tribal groups and organizations
27 under the block grant programs that are established by the community
28 services block grant act, subtitle B of title VI of the omnibus budget
29 reconciliation act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9910a,
30 9910c, and 9911 to 9912, and that are administered by that bureau. The
31 plans shall comply with the regulations issued by the United States
32 department of health and human services.

33 Sec. 405. The state general fund/general purpose contribution
34 related to the Wayne County third circuit court cooperative
35 reimbursement contract resides in the judiciary budget. There are no
36 general fund/general purpose funds appropriated for this purpose in the

1 family independence agency budget.

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

5 **CHILD AND FAMILY SERVICES**

6 Sec. 501. The following goal is established by state law. During
7 the fiscal year ending September 30, 2000, not more than 3,150 children
8 supervised by the department shall remain in foster care longer than 24
9 months. The department shall give priority to reducing the number of
10 children under 1 year of age in foster care.

11 Sec. 502. From the funds appropriated in section 104 for foster
12 care, the department shall provide 50% reimbursement to Indian tribal
13 governments for foster care expenditures for children who are under the
14 jurisdiction of Indian tribal courts and who are not otherwise eligible
15 for federal foster care cost sharing.

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

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

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

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

23 Sec. 504. The department's ability to satisfy appropriation deducts
24 in section 104 for foster care private collections shall not be limited
25 to collections and accruals pertaining to services provided in the
26 current fiscal year but shall include revenues collected in excess of
27 the amount specified in section 104.

28 Sec. 505. Counties shall be subject to 50% charge back for the use
29 of alternative regional detention service, except for those counties
30 receiving a delinquency block grant, if those detention services do not
31 fall under the basic provision of section 117e of the social welfare
32 act, 1939 PA 280, MCL 400.117e, or if a county operates those detention
33 services programs primarily with professional rather than volunteer
34 staff.

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

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

3 (2) The bid specifications and contract award determinations for
4 child welfare and juvenile justice services shall include criteria
5 relative to provider experience, placing emphasis on total years of
6 experience in providing child welfare and juvenile justice services,
7 provision of services to persons of similar characteristics as the
8 target clientele, quality of prior child welfare and juvenile justice
9 services, length of service in the targeted geographic area, and the
10 adequacy of the provider's plan for coordinating the provision of
11 services in the 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
17 care fund plan must authorize the transfer of funds from the state
18 child care fund account designated for that county to a local funds-
19 county payback deduct account associated with the family preservation
20 services appropriation.

21 Sec. 508. (1) In addition to the amount appropriated in section
22 104, 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
27 project supports the programmatic goals of both the state child abuse
28 and neglect prevention board and the state agency. The department may
29 invoice the state agency for shared costs of a joint project in an
30 amount authorized by the state agency, and the state child abuse and
31 neglect prevention board may receive and expend funds for shared costs
32 of a joint project in addition to those authorized by section 104.

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

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

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

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

12 Sec. 510. The department shall not be required to put out for bid
13 contracts with service providers if only 1 provider currently exists in
14 the service area.

15 Sec. 511. From the funds appropriated in section 104 for foster
16 care payments, the department may expend up to \$500,000.00 for foster
17 care pilot projects that include ways to increase foster parent
18 recruitment, improve foster parent retention, and increase delivery of
19 training and supportive services to foster parents.

20 Sec. 512. From funds appropriated in part 1 for foster care
21 payments and related administrative costs, the department may implement
22 the federally approved title IV-E child welfare waiver managed care
23 demonstration project.

24 Sec. 513. In order to be reimbursed for child care fund
25 expenditures, counties are required to submit department developed
26 reports to enable the department to document potential federally
27 claimable expenditures. This requirement is in accordance with the
28 reporting requirements specified in section 117a(7) of the social
29 welfare act, 1939 PA 280, MCL 400.117a.

30 **PUBLIC ASSISTANCE**

31 Sec. 601. (1) The department may terminate a vendor payment for
32 shelter upon written notice from the appropriate local unit of
33 government that a recipient's rental unit is not in compliance with
34 applicable local housing codes or when the landlord is delinquent on
35 property tax payments. A landlord shall be considered to be in
36 compliance with local housing codes when the department receives from

1 the landlord a signed statement stating that the rental unit is in
2 compliance with local housing codes and that statement is not
3 contradicted by the recipient and the local housing authority. The
4 department shall terminate vendor payments if the taxing authority
5 notifies the department that taxes are delinquent.

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

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

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

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

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

35 (3) The department shall negotiate with positive billing utility
36 companies to develop extended payment plans. Such plans shall allow

1 clients who terminate from positive billing due to increased income to
2 make monthly payments in order to gradually liquidate utility arrears.

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

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

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

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

17 (d) A person receiving 30-day postresidential substance abuse
18 treatment.

19 (e) A person diagnosed as having acquired immunodeficiency
20 syndrome.

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

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

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

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

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

31 (3) Except for a person described in subsection (1)(c) or (d), a
32 person is not disabled for purposes of this section if his or her drug
33 addiction or alcoholism is a contributing factor material to the
34 determination of disability. "Material to the determination of
35 disability" means that, if the person stopped using drugs or alcohol,
36 his or her remaining physical or mental limitations would not be

1 disabling. If his or her remaining physical or mental limitations
2 would be disabling, then the drug addiction or alcoholism is not
3 material to the determination of disability and the person may receive
4 state disability assistance. Such a person must actively participate
5 in a substance abuse treatment program, and the assistance must be paid
6 to a third party or through vendor payments. For purposes of this
7 section, substance abuse treatment includes receipt of inpatient or
8 outpatient services or participation in alcoholics anonymous or a
9 similar program.

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

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

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

27 Sec. 608. Adult foster care facilities providing domiciliary care
28 or personal care to residents receiving supplemental security income or
29 homes for the aged serving residents receiving supplemental security
30 income shall not require those residents to reimburse the home or
31 facility for care at rates in excess of those legislatively authorized.
32 To the extent permitted by federal law, adult foster care facilities
33 and homes for the aged serving residents receiving supplemental
34 security income shall not be prohibited from accepting third-party
35 payments in addition to supplemental security income provided that the
36 payments are not for food, clothing, shelter, or result in a reduction

1 in the recipient's supplemental security income payment.

2 Sec. 609. In developing good cause criteria for the state emergency
3 relief program, the department shall grant exemptions if the emergency
4 resulted from unexpected expenses related to maintaining or securing
5 employment.

6 Sec. 610. For purposes of determining housing affordability
7 eligibility for state emergency relief, a group is considered to have
8 sufficient income to meet ongoing housing expenses if their total
9 housing obligation does not exceed 75% of their total net income.

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

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

18 (3) Any additional payment collected pursuant to subsection (1)
19 shall not increase the maximum charge limit for state payment as
20 established by law.

21 Sec. 612. From the funds appropriated in section 109 for state
22 emergency relief, the maximum allowable charge limit for indigent
23 burials shall be \$1,410.00. It is the intent of the legislature that
24 this charge limit reflect a maximum payment to funeral directors of
25 \$885.00 for funeral goods and services and a maximum payment to
26 cemeteries or crematoriums of \$325.00 for cemetery goods and services.
27 In addition, a maximum payment of \$200.00 shall be distributed to
28 either the funeral director or cemetery, whoever provides the burial
29 vault.

30 Sec. 613. The funds available pursuant to this section shall be
31 available if the deceased was an eligible recipient and an application
32 for emergency relief funds was made within 10 days of the burial or
33 cremation of the deceased person. Each provider of burial services
34 shall be paid directly by the department.

35 Sec. 614. Except as required by federal law or regulations, funds
36 appropriated in section 109 shall not be used to provide public

1 assistance to a person who is an illegal alien. This section shall not
2 prohibit the department from entering into contracts with food banks or
3 emergency shelter providers who may, as a normal part of doing
4 business, provide food or emergency shelter to individuals.

5 Sec. 615. (1) The appropriation in section 109 for the
6 weatherization program shall be expended in such a manner that at least
7 25% of the households weatherized under the program shall be households
8 of families receiving family independence assistance, state disability
9 assistance, or supplemental security income.

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

12 Sec. 616. In operating the family independence program with funds
13 appropriated in section 109, the department shall not approve as a
14 minor parent's adult supervised household a living arrangement in which
15 the minor parent lives with his or her partner as the supervising
16 adult.

17 Sec. 617. The department shall exempt from the denial of title IV-A
18 assistance and food stamp benefits, contained in section 115 of title I
19 of the personal responsibility and work opportunity reconciliation act
20 of 1996, Public Law 104-193, 21 U.S.C. 862a, any individual who has
21 been convicted of a felony that included the possession, use, or
22 distribution of a controlled substance, after August 22, 1996, provided
23 that the individual is not in violation of his or her probation or
24 parole requirements. Benefits shall be provided to such individuals as
25 follows:

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

28 (b) An authorized representative shall be required for food stamp
29 receipt.

30 **DELINQUENCY SERVICES**

31 Sec. 701. The department shall expend a portion of the federal
32 juvenile accountability incentive block grant to support the boot camp
33 program. The remainder of the state allocation of the juvenile
34 accountability incentive block grant shall be used to provide funding
35 to enable juvenile courts, juvenile probation offices, and
36 community-based programs to be more effective and efficient in holding

1 juvenile offenders accountable and reducing recidivism, treating
2 substance abuse problems, and developing community-based alternatives
3 for female offenders and the 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. 702. (1) Pursuant to section 117G(5) of the social welfare
9 act, 1939 PA 280, MCL 400.117G(5), the calculation determined under
10 subdivision A and subdivision B shall be applied to the fourth quarter
11 payment in fiscal year 2000 pursuant to section 117A(4)(B) of the
12 social welfare act.

13 (2) The calculation in subdivision A will be based upon the average
14 daily population of public wards from Wayne County in state operated
15 training schools and treatment and detention facilities for the first
16 two quarters of fiscal year 2000.

17 (3) The calculation in subdivision B will be based upon the average
18 daily population of public wards from Wayne County in state operated
19 training schools and treatment and detention facilities for fiscal year
20 1998.

final page