

SENATE BILL No. 973

EXECUTIVE BUDGET BILL

February 3, 2000, Introduced by Senators GOSCHKA, GOUGEON and JOHNSON and referred to the Committee on Appropriations.

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, 2001; 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:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the family

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independence agency and certain state purposes related to public welfare services for the fiscal year ending September 30, 2001, from the funds indicated in this part. The following is a summary of the appropriations in this part:

FAMILY INDEPENDENCE AGENCY

APPROPRIATIONS SUMMARY:

Full-time equated unclassified positions	6.0
Full-time equated classified positions	13,463.6
GROSS APPROPRIATION	\$3,507,392,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartment transfers	765,000
ADJUSTED GROSS APPROPRIATION	\$3,506,627,200
Federal revenues:	
Total federal revenues	2,124,055,000
Special revenue funds:	
Total local revenues	109,438,700
Total private revenues	7,858,100
Total state restricted revenues	58,665,400
State general fund/general purpose	\$1,206,610,000

Sec. 102. EXECUTIVE OPERATIONS

Full-time equated unclassified positions	6.0
Full-time equated classified positions	919.3
Unclassified salaries--6.0 FTE positions	\$ 492,300
Salaries and wages--692.3 FTE positions	34,379,900
Contractual services, supplies, and materials	10,313,300
Demonstration projects--11.0 FTE positions	10,672,200
End user support	9,036,300
Computer service fees	27,154,100
Client services system- 22.0 FTE positions	13,333,800
Data system enhancement- 26.0 FTE positions	37,976,200
Child support automation -28.0 FTE positions	65,239,500
Child support distribution computer system--8.0 FTE positions	17,132,800

1	Supplemental security income advocates, salaries	
2	and wages- 16.0 FTE positions	1,022,200
3	Commission on disability concerns- 8.0 FTE	
4	positions	785,700
5	Commission for the blind- 108.0 FTE positions . .	<u>17,621,100</u>
6	GROSS APPROPRIATION	\$ 245,159,400
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG-ADP user fees	150,000
10	ADJUSTED GROSS APPROPRIATION	\$ 245,009,400
11	Federal revenues:	
12	Total federal revenues	158,399,800
13	Special revenue funds:	
14	Total local revenues	475,000
15	Total private revenues	1,840,000
16	Total other state restricted revenues	477,300
17	State general fund/general purpose	\$ 83,817,300
18	Sec. 103. FAMILY SERVICES ADMINISTRATION	
19	Full-time equated classified positions . . 354.0	
20	Salaries and wages- 299.0 FTE positions	\$ 14,666,400
21	Contractual services, supplies, and materials . .	5,776,500
22	Child support incentive payments	32,409,600
23	Legal support contracts	117,496,400
24	State incentive payments	4,449,000
25	Employment and training support services	26,452,500
26	Food stamp issuance	4,124,400
27	Wage employment verification reporting- 2.0	
28	FTE positions	5,171,000
29	Urban and rural empowerment/enterprise zones . .	100
30	Training and staff development -53.0 FTE positions	10,636,400
31	Community services block grant	<u>18,100,000</u>
32	GROSS APPROPRIATION	\$ 239,282,300
33	Appropriated from:	
34	Federal revenues:	

1	Total federal revenues	209,373,400
2	Special revenue funds:	
3	Local funds - donated funds	340,000
4	State general fund/general purpose	\$ 29,568,900
5	Sec. 104. CHILD AND FAMILY SERVICES	
6	Full-time equated classified positions . . 104.3	
7	Salaries and wages- 43.3 FTE positions	\$ 2,685,000
8	Contractual services, supplies, and materials . .	1,683,500
9	Refugee assistance program- 5.0 FTE positions . .	7,391,900
10	Foster care payments	190,132,600
11	Wayne county foster care payments	155,498,300
12	Adoption subsidies	157,262,200
13	Adoption support services--9.0 FTE positions . .	11,436,100
14	Youth in transition- 10.0 FTE positions	9,927,900
15	Interstate compact	300,000
16	Children's benefit fund donations	21,000
17	Domestic violence prevention and treatment -6.0	
18	FTE position	9,728,500
19	Teenage parent counseling- 4.0 FTE positions . .	3,417,600
20	Family preservation and prevention	
21	services- 20.0 FTE positions	76,048,300
22	Black child and family institute	100,000
23	Rape prevention and services	1,100,000
24	Children's trust fund administration- 7.0 FTE	
25	positions	459,100
26	Children's trust fund grants	3,615,000
27	Attorney general contract	2,458,700
28	Guardian contract	600,000
29	County shelters	300,000
30	Prosecuting attorney contract	<u>1,061,700</u>
31	GROSS APPROPRIATION	\$ 635,227,400
32	Appropriated from:	
33	Federal revenues:	
34	Total federal revenues	333,604,700

1 Special revenue funds:

2	Local funds - county payback	63,484,500
3	Private - children's benefit fund donations . . .	21,000
4	Private - collections	4,101,300
5	Children's trust fund	2,112,100
6	State general fund/general purpose	\$ 231,903,800

7 **Sec. 105. JUVENILE JUSTICE SERVICES**

8	Full-time equated classified positions . 1,234.1	
9	Personnel payroll costs -1,102.1 FTE positions .	\$ 65,795,600
10	County juvenile officers	3,863,300
11	Child care fund	76,952,500
12	Juvenile justice operations	21,606,600
13	Community juvenile justice centers- 107.0 FTE	
14	positions	7,784,700
15	Federally funded activities -12.0 FTE positions .	1,844,400
16	W.J. Maxey memorial fund	45,000
17	Regional detention services -5.0 FTE positions .	1,217,500
18	Juvenile accountability incentive block	
19	grant--4.0 FTE positions	7,732,000
20	Juvenile boot camp program	1,600,000
21	Committee on juvenile justice	
22	administration- 4.0 FTE positions	449,600
23	Committee on juvenile justice grants	<u>5,000,000</u>
24	GROSS APPROPRIATION	\$ 193,891,200

25 Appropriated from:

26 Federal revenues:

27	Total federal revenues	30,063,100
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28 Special revenue funds:

29	Local funds - county payback	44,641,700
30	Total private revenues	45,000
31	State general fund/general purpose	\$ 119,141,400

32 **Sec. 106. LOCAL OFFICE STAFF AND OPERATIONS**

33	Full-time equated classified positions . 10,209.9	
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34	Field staff, salaries and wages- 7,268.5 FTE	
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1	positions	\$ 297,188,500
2	Children and adult services, salaries and wages--	
3	2,820.9 FTE positions	119,223,700
4	Contractual services, supplies, and materials . .	30,345,300
5	Outstationed eligibility workers -30.0 FTE	
6	positions	3,688,300
7	Wayne County gifts and bequests	100,000
8	Volunteer services and reimbursement- 90.5 FTE	
9	positions	<u>7,269,800</u>
10	GROSS APPROPRIATION	\$ 457,815,600
11	Appropriated from:	
12	Federal revenues:	
13	Total federal revenues	280,966,000
14	Special revenue funds:	
15	Local funds - donated funds	193,100
16	Private funds - hospital contributions	1,750,800
17	Private - Wayne county gifts	100,000
18	State general fund/general purpose	\$ 174,805,700
19	Sec. 107. DISABILITY DETERMINATION SERVICES	
20	Full-time equated classified positions . . 628.0	
21	Disability determination operations- 602.0 FTE	
22	positions	\$ 69,215,400
23	Medical consultation program--21.0 FTE positions	1,762,500
24	Retirement disability determination--5.0 FTE	
25	positions	<u>615,000</u>
26	GROSS APPROPRIATION	\$ 71,592,900
27	Appropriated from:	
28	Interdepartmental grant revenues:	
29	Interdepartmental grant from the department of management	
30	and budget-office of retirement systems	615,000
31	ADJUSTED GROSS APPROPRIATION	\$ 70,977,900
32	Federal revenues:	
33	Total federal revenues	70,084,600
34	State general fund/general purpose	\$ 893,300

1 **Sec. 108. CENTRAL SUPPORT ACCOUNTS**

2	Rent and building occupancy	\$ 61,666,100
3	Travel	8,069,500
4	Equipment	3,022,900
5	Workers' compensation	5,369,900
6	Advisory commissions	17,900
7	Payroll taxes and fringe benefits	<u>166,765,100</u>
8	GROSS APPROPRIATION	\$ 244,911,400

9 Appropriated from:

10 Federal revenues:

11 Total federal revenues 138,755,000

12 Special revenue funds:

13	Local funds - county payback	304,400
14	Departmentwide lapse revenue	8,024,200
15	State general fund/general purpose	\$ 97,827,800

16 **Sec. 109. PUBLIC ASSISTANCE**

17 Full-time equated classified positions . . . 14.0

18 Family independence program \$ 288,560,400

19 Homestead property tax credit for low income

20 families 27,000,000

21 State disability assistance payments 21,682,900

22 Food stamp program benefits 433,218,800

23 State supplementation 60,933,300

24 State supplementation administration 2,381,700

25 Low income energy assistance program- 10.0 FTE

26 positions 60,025,500

27 State emergency relief- 4.0 FTE positions 39,509,400

28 Weatherization assistance 10,900,000

29 Day care services 475,300,000

30 GROSS APPROPRIATION \$1,419,512,000

31 Appropriated from:

32 Federal revenues:

33 Total federal revenues 902,808,400

34 Special revenue funds:

1	Child support collections	41,311,800
2	Supplemental security income recoveries	4,440,000
3	Public assistance recoupment revenue	2,300,000
4	State general fund/general purpose	\$ 468,651,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

8 Sec. 201. (1) Pursuant to section 30 of article IX of the state
9 constitution of 1963, total state spending under part 1 for fiscal
10 year 2000-2001 is \$1,265,275,400.00 and state appropriations to be
11 paid to local units of government are as follows:

FAMILY INDEPENDENCE AGENCY

13	Adoption subsidies	\$ 62,152,800
14	Child care fund	76,952,500
15	County juvenile officers	2,668,000
16	State disability program	1,158,700
17	TOTAL	\$ 142,932,000

18 (2) If it appears to the principal executive officer of a
19 department or branch that state spending to local units of government
20 will be less than the amount that was projected to be expended for any
21 quarter under subsection (1), the principal executive officer shall
22 immediately give notice of the approximate shortfall to the state
23 budget director, the senate and house of representatives standing
24 committees on appropriations, and the senate and house fiscal
25 agencies.

26 Sec. 202. The department may receive and expend advances or

1 reimbursements from the department of state police for the
2 administration of the individual and family grant disaster assistance
3 program. An account shall be established in the department for this
4 purpose when a disaster is declared. The authorization and allotment
5 for the account shall be in the amount advanced or reimbursed from the
6 department of state police.

7 Sec. 203. In addition to funds appropriated in part 1 for all
8 programs and services, there is appropriated for write-offs of
9 accounts receivable, deferrals, and for prior year obligations in
10 excess of applicable prior year appropriations, an amount equal to
11 total write-offs and prior year obligations, but not to exceed amounts
12 available in prior year revenues or current year revenues that are in
13 excess of the authorized amount.

14 Sec. 204. The expenditures and funding sources authorized under
15 this bill are subject to the management and budget act, 1984 PA 431,
16 MCL 18.1101 to 18.1594.

17 Sec. 205. The department may retain all of the state's share of
18 food stamp overissuance collections as an offset to general
19 fund/general purpose costs. Retained collections shall be applied
20 against federal funds deductions in all appropriation units where
21 department costs related to the investigation and recoupment of food
22 stamp overissuances are incurred. Retained collections in excess of
23 such costs shall be applied against the federal funds deducted in the
24 executive operations appropriation unit.

25 Sec. 206. As used in this bill:

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

27 (b) "Department" means the family independence agency.

28 (c) "FTE" means full-time equated.

29 (d) "IDG" means interdepartmental grant.

30 (e) "Temporary assistance for needy families" (TANF) or "title IV"
31 means title IV of the social security act, chapter 531, 49 Stat. 620,
32 42 U.S.C. 601 to 603, 604 to 608, 609 to 619, 620 to 629e, 651 to 660,
33 663 to 669b, 670 to 673, 673b, 674 to 679, 679b, and 681 to 687.

34 Sec. 207. 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. 208. The department of civil service shall bill departments
5 and agencies at the end of the first fiscal quarter for the 1% charge
6 authorized by section 5 of article XI of the state constitution of
7 1963. Payments shall be made for the total amount of the billing by
8 the end of the second fiscal quarter except as otherwise stated. For
9 the federal portion of the civil service 1% assessment, the family
10 independence agency may pay the assessment at the end of the fiscal
11 year from available excess federal revenues.

12 Sec. 209. (1) Beginning October 1, 2000, a hiring freeze is
13 imposed on the state classified civil service. State departments and
14 agencies are prohibited from hiring any new full-time state classified
15 civil service employees and prohibited from filling any vacant state
16 classified civil service positions. This hiring freeze does not apply
17 to internal transfers of classified employees from one position to
18 another within a department or to positions that are funded with 80%
19 or more federal or restricted funds.

20 (2) The state budget director shall grant exceptions to this
21 hiring freeze when the state budget director believes that the hiring
22 freeze will result in rendering a state department or agency unable to
23 deliver basic services. The state budget director shall report by the
24 30th of each month to the chairpersons of the senate and house of
25 representatives standing committees on appropriations the number of
26 exceptions to the hiring freeze approved during the previous month and
27 the reasons to justify the exception.

28 Sec. 210. (1) The department shall prepare a semiannual report on
29 the temporary assistance for needy families (TANF) federal block
30 grant. The report shall include projected expenditures for the
31 current fiscal year, an accounting of any previous year funds carried
32 forward, and a summary of all interdepartmental or interagency
33 agreements relating to the use of TANF funds. The report shall be
34 forwarded to the house and senate appropriations subcommittees on the
35 family independence agency budget on or before October 15, 2000 and
36 April 15, 2001.

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

9 Sec. 211. If the revenue collected by the department from private
10 and local sources exceeds the amount appropriated in part 1, the
11 revenue may be carried forward, with approval from the state budget
12 director, into the subsequent fiscal year.

13 Sec. 212. Sixty days before beginning any effort to privatize, the
14 department shall submit a complete project plan to the appropriate
15 subcommittees of the senate and house of representatives standing
16 committees on appropriations and the senate and house fiscal
17 agencies. The plan shall include the criteria under which the
18 privatization initiative will be evaluated. The evaluation shall be
19 completed and submitted to the appropriate subcommittees of the senate
20 and house of representatives standing committees on appropriations and
21 the senate and house fiscal agencies within 30 months.

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

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

34 (3) In addition to the funds appropriated in part 1, there is
35 appropriated an amount not to exceed \$20,000,000.00 for local
36 contingency funds. These funds are not available for expenditure until

1 they have been transferred to another line item in this bill pursuant
2 to section 393(2) of the management and budget act, 1984 PA 431, MCL
3 18.1393.

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

10 Sec. 215. The department shall continue to pilot the use of the
11 Internet to fulfill the reporting requirements in this bill. This may
12 include transmission of reports via electronic mail to the recipients
13 identified for each reporting requirement. Or it may include
14 placement of reports on the Internet or on the Intranet. The
15 appropriations subcommittee shall be notified in writing of the
16 Internet/Intranet site of any such report.

17 **EXECUTIVE OPERATIONS**

18 Sec. 301. The department may distribute cash assistance to
19 recipients electronically by using debit cards.

20 Sec. 302. The appropriation in section 102 for the Michigan
21 commission for the blind includes funds for case services. These
22 funds may be used for tuition payments for blind clients for the
23 school year beginning September 2000.

24 Sec. 303. The appropriation in section 102 for commissions and
25 boards may be used for per diem payments to members of commissions or
26 boards for a full day of committee work at which a quorum is present
27 for performing official business as authorized by each respective
28 commission or board. The per diem payment for the Michigan commission
29 for the blind shall be at a rate of \$50.00 per day.

30 **FAMILY INDEPENDENCE SERVICES ADMINISTRATION**

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

35 (2) At the end of the current fiscal year, the department may,
36 when 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 act.

9 (3) A county shall be required to pay a penalty due to the state's
10 failure to be in compliance with federal child support enforcement
11 system requirements unless the county, friend of the court, and the
12 department have a written agreement that outlines the county's
13 commitment to participate in the federally required child support
14 enforcement system and the county complies with a timeline for
15 completion established by the department.

16 Sec. 402. From the funds appropriated in section 103 for legal
17 support contracts and child support incentive payments, the department
18 may fund demonstration projects to enhance friend of the court child
19 support collections efforts for public assistance recipients. Funding
20 shall be from federal title IV-D and federal child support incentives
21 earned. The projects shall be implemented in no more than 3 counties.
22 Priority shall be given to counties with federal title IV-D aid to
23 families with dependent children collections exceeding \$5,000,000.00
24 in fiscal year 1992.

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

31 Sec. 404. The state general fund/general purpose contribution
32 related to the Wayne County third circuit court cooperative
33 reimbursement contract resides in the judiciary budget. There are no
34 general fund/general purpose funds appropriated for this purpose in
35 the family independence agency budget.

36 **CHILD AND FAMILY SERVICES**

1 Sec. 501. The following goal is established by state law. During
2 the fiscal year ending September 30, 2001, not more than 3,000
3 children supervised by the department shall remain in foster care
4 longer than 24 months. The department shall give priority to reducing
5 the number of children under 1 year of age in foster care.

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

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

14 (a) Has not yet graduated from high school or passed a high school
15 equivalency examination.

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

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

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

23 Sec. 505. Counties shall be subject to 50% charge back for the use
24 of alternative regional detention services if those detention services
25 do not fall under the basic provision of section 117e of the social
26 welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those
27 detention services programs primarily with professional rather than
28 volunteer staff.

29 Sec. 506. (1) In order to promote continuity of service for
30 children and families, the department shall, to the maximum extent
31 possible, enter into multiyear contracts for child welfare and
32 juvenile justice services.

33 (2) The bid specifications and contract award determinations for
34 child welfare and juvenile justice services shall include criteria
35 relative to provider experience, placing emphasis on total years of
36 experience in providing child welfare and juvenile justice services,

1 provision of services to persons of similar characteristics as the
2 target clientele, quality of prior child welfare and juvenile justice
3 services, length of service in the targeted geographic area, and the
4 adequacy of the provider's plan for coordinating the provision of
5 services in the targeted geographic area.

6 Sec. 507. (1) In addition to the amount appropriated in section
7 104, money granted or money received as gifts or donations to the
8 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is
9 appropriated for expenditure in an amount not to exceed \$800,000.00.

10 (2) The state child abuse and neglect prevention board may
11 initiate a joint project with another state agency to the extent that
12 the project supports the programmatic goals of both the state child
13 abuse and neglect prevention board and the state agency. The
14 department may invoice the state agency for shared costs of a joint
15 project in an amount authorized by the state agency, and the state
16 child abuse and neglect prevention board may receive and expend funds
17 for shared costs of a joint project in addition to those authorized by
18 section 104.

19 Sec. 508. The department shall not be required to put up for bids
20 contracts with service providers if currently only 1 provider in the
21 service area exists.

22 Sec. 509. In order to be reimbursed for child care fund
23 expenditures, counties are required to submit department developed
24 reports to enable the department to document potential federally
25 claimable expenditures. This requirement is in accordance with the
26 reporting requirements specified in section 117a(7) of the social
27 welfare act, 1939 PA 280, MCL 400.117a.

28 Sec. 510. From the funds appropriated in section 104 for foster
29 care payments, the department may expend up to \$1,500,000.00 for
30 foster care pilot projects that include ways to increase foster parent
31 recruitment, improve foster parent retention, and increase delivery of
32 training and supportive services to foster parents.

33 Sec. 511. From the funds appropriated in part 1 for foster care
34 payments and related administrative costs, the department may
35 implement the federally approved title IV-E child welfare waiver
36 managed care demonstration project.

1 Sec. 512. (1) It is the intent of the legislature that the funds
2 appropriated in section 104 for family preservation and prevention
3 services in the 2000-2001 fiscal year reflect strong families/safe
4 children allocations to local multipurpose collaborative bodies that
5 are no less than the allocations in effect on April 1, 1997.

6 (2) In order to maintain this level of funding, the department may
7 use up to \$8,000,000.00 in TANF funds provided that the local
8 multipurpose collaborative bodies submit data to the department that
9 will enable the department to document potential federal claimable
10 expenditures.

11 (3) No later than March 1, 2001 each local multipurpose
12 collaborative body shall submit a report to the department that
13 includes the number of people receiving strong families/safe children
14 services, the local goals for this program, and a measure of the
15 effectiveness in meeting these goals.

16 Sec. 513. From the funds appropriated in section 104 for foster
17 care payments and adoption subsidies, the department shall increase
18 the rate of payments for foster parents, and parents receiving
19 adoption subsidies, by 3.0% beginning with the first pay period in
20 October, 2000.

21 **PUBLIC ASSISTANCE**

22 Sec. 601. (1) The department may terminate a vendor payment for
23 shelter upon written notice from the appropriate local unit of
24 government that a recipient's rental unit is not in compliance with
25 applicable local housing codes or when the landlord is delinquent on
26 property tax payments. A landlord shall be considered to be in
27 compliance with local housing codes when the department receives from
28 the landlord a signed statement stating that the rental unit is in
29 compliance with local housing codes and that statement is not
30 contradicted by the recipient and the local housing authority. The
31 department shall terminate vendor payments if a taxing authority
32 notifies the department that taxes are delinquent.

33 (2) Whenever a client agrees to the release of his or her name and
34 address to the local housing authority, the department shall request
35 from the local housing authority information regarding whether the
36 housing unit for which vendoring has been requested meets applicable

1 local housing codes. Vending shall be terminated for those units
2 that the local authority indicates in writing do not meet local
3 housing codes until such time as the local authority indicates in
4 writing that local housing codes have been met.

5 (3) In order to participate in the rent vending programs of the
6 department, a landlord shall cooperate in weatherization and
7 conservation efforts directed by the department or by an energy
8 provider participating in an agreement with the department when the
9 landlord's property has been identified as needing services.

10 Sec. 602. The department, together with other agencies, may
11 establish special projects to provide special needs shelter payment
12 levels for the family independence program that will support the
13 development of transitional shelter facilities for homeless families.
14 These facilities are to provide supportive services to families and to
15 support the development of permanent low-income housing.

16 Sec. 603. (1) The department, as it determines is appropriate,
17 shall enter into agreements with energy providers by which cash
18 assistance recipients and the energy providers agree to permit the
19 department to make direct payments to the energy providers on behalf
20 of the recipient. The payments may include heat and electric payment
21 requirements from recipient grants and amounts in excess of the
22 payment requirements.

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

26 (3) The department shall negotiate with positive billing utility
27 companies to develop extended payment plans. Such plans shall allow
28 clients who terminate from positive billing due to increased income to
29 make monthly payments in order to gradually liquidate utility arrears.

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

36 (a) A recipient of supplemental security income, social security,

1 or medical assistance due to disability or 65 years of age or older.

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

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

8 (d) A person receiving 30-day postresidential substance abuse
9 treatment.

10 (e) A person diagnosed as having acquired immunodeficiency
11 syndrome.

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

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

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

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

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

22 (3) Except for a person described in subsection (1)(c) or (d), a
23 person is not disabled for purposes of this section if his or her drug
24 addiction or alcoholism is a contributing factor material to the
25 determination of disability. "Material to the determination of
26 disability" means that, if the person stopped using drugs or alcohol,
27 his or her remaining physical or mental limitations would not be
28 disabling. If his or her remaining physical or mental limitations
29 would be disabling, then the drug addiction or alcoholism is not
30 material to the determination of disability and the person may receive
31 state disability assistance. Such a person must actively participate
32 in a substance abuse treatment program, and the assistance must be
33 paid to a third party or through vendor payments. For purposes of
34 this section, substance abuse treatment includes receipt of inpatient
35 or outpatient services or participation in alcoholics anonymous or a
36 similar program.

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

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

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

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

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

1 payment.

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

6 Sec. 610. (1) The department shall not require providers of burial
7 services to accept state payment for indigent burials as payments in
8 full. Providers shall be permitted to collect additional payment, not
9 to exceed \$2,300.00, from relatives or other persons on behalf of the
10 deceased.

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

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

17 Sec. 611. For purposes of determining housing affordability
18 eligibility for state emergency relief, a group is considered to have
19 sufficient income to meet ongoing housing expenses if their total
20 housing obligation does not exceed 75% of their total net income.

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 \$1,460.00. It is the intent of the legislature that
24 this charge limit reflect a maximum payment to funeral directors of
25 \$910.00 for funeral goods and services and a maximum payment to
26 cemeteries or crematoriums of \$350.00 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
3 or 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
7 least 25% of the households weatherized under the program shall be
8 households of families receiving family independence assistance, state
9 disability 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 2002.

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
15 which the minor parent lives with his or her partner as the
16 supervising adult.

17 Sec. 617. The department may reduce, terminate, or suspend
18 assistance provided under the social welfare act, 1939 PA 280, MCL
19 400.1 to 400.122, without prior notice in 1 or more of the following
20 situations:

21 (a) The only eligible recipient has died.

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

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

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

28 (e) A recipient has intentionally violated 1 or more of the
29 requirements of the social welfare act, 1939 PA 280, MCL 400.1 to
30 400.122.

31 (f) A recipient has been approved to receive assistance in another
32 state.

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

35 Sec. 618. The department shall exempt from the denial of title
36 IV-A assistance and food stamp benefits, contained in section 115 of

1 title I of the personal responsibility and work opportunity
2 reconciliation act of 1996, Public Law 104-193, 21 U.S.C. 862a, any
3 individual who has been convicted of a felony that included the
4 possession, use, or distribution of a controlled substance, after
5 August 22, 1996, provided that the individual is not in violation of
6 his or her probation or parole requirements. Benefits shall be
7 provided to such individuals as follows:

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

10 (b) An authorized representative shall be required for food stamp
11 receipt.

12 Sec. 619 Funds appropriated in part 1 may be used to support
13 multicultural assimilation and support services. The department shall
14 distribute all of the funds described in this section based on
15 assessed community needs.

16 Sec. 620. Funds appropriated in section 109, may be used to
17 leverage additional funds and to promote private or nonprofit sector
18 matching funds in individual development accounts for family
19 independence program recipients pursuant to the personal
20 responsibility and work opportunity reconciliation act of 1996, Public
21 Law 104-193, 110 Stat. 2105. These funds may be used to support
22 individual development accounts for both home purchase and education.

23 Sec. 621. The department shall maintain a plan to provide for the
24 implementation of individual development accounts pursuant to section
25 57k of the social welfare act, 1939 PA 280, MCL 400.57k, by
26 individuals who apply for or receive public assistance from the
27 department.

28 Sec. 622. (1) From the funds appropriated in part 1 for the family
29 independence program, the family independence agency shall expend up
30 to \$250,000.00 to develop and fund a parenting skills and career
31 development pilot program that meets all of the following criteria:

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

34 (b) Referral of persons identified under subdivision (a) to a
35 local collaborative program responsible for the development and
36 supervision of a comprehensive parenting skills and career development

1 plan for each referred client.

2 (c) Each referred client shall participate in 30 hours a week of
3 parenting skills training that is a formal professional program with
4 either a trainer or facilitator and career development activities as
5 detailed in his or her comprehensive plan and monitored by the local
6 collaborative program.

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

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

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

15 (a) The number of participants served.

16 (b) The family size of participants served.

17 (c) Participants' rate of compliance with their comprehensive
18 plans.

19 (d) The number of participants attending postsecondary education
20 or vocational training programs.

21 (e) Parenting skills training outcomes.

22 (f) The number of participants working at the time the report is
23 completed.

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

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

26 **JUVENILE JUSTICE SERVICES**

27 Sec. 701. The department shall expend a portion of the federal
28 juvenile accountability incentive block grant to support the boot camp
29 program. The remainder of the state allocation of the juvenile
30 accountability incentive block grant shall be used to provide funding
31 to enable juvenile courts, juvenile probation offices, and
32 community-based programs to be more effective and efficient in holding
33 juvenile offenders accountable and reducing recidivism, treating
34 substance abuse problems, and developing community-based alternatives
35 for female offenders and the following:

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

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

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

4 **DISABILITY DETERMINATION SERVICES**

5 Sec. 801. The FIA disability determination services, in agreement
6 with the department of management and budget office of retirement
7 systems will develop the medical information and determine eligibility
8 of medical disability retirement for state employees, state police,
9 judges, and school teachers.

Final page.