

HOUSE BILL No. 6089

May 8, 2008, Introduced by Reps. DeRoche, Spade, Schuitmaker, LeBlanc, Hammel, Hammon, Gonzales, Shaffer, Palsrok, Polidori, Brown, Lahti, Gillard, Hildenbrand, Proos, Hoogendyk, Hansen, Horn, LaJoy, David Law, Brandenburg, Moore, Rocca, Caswell, Casperson, Green, Leland, Marleau, Stakoe, Cushingberry, Dean, Espinoza, Elsenheimer, Stahl, Pastor, Meltzer, Garfield, Booher, Knollenberg, Agema, Calley, Moss, Pavlov, Nitz, Emmons, Pearce, Ball, Opsommer, Moolenaar, Steil, Rick Jones, Mayes, Sheltroun, Wenke, Gaffney, Jackson, Virgil Smith, Bauer and Cheeks and referred to the Committee on Families and Children's Services.

A bill to establish the foster care trust fund in the department of management and budget; to establish the state foster care advisory board; to prescribe the powers and duties of the state foster care advisory board; to provide for the distribution of the money from the fund; to prescribe the powers and duties of certain agencies and officials; and to provide for appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "foster care trust fund act".

3 Sec. 2. As used in this act:

4 (a) "Advisory board" means the state foster care advisory
5 board created in section 3.

6 (b) "Children's ombudsman office" means the children's

1 ombudsman office created in section 3 of the children's ombudsman
2 act, 1994 PA 204, MCL 722.923.

3 (c) "Department" means the department of management and
4 budget.

5 (d) "Fund" means the foster care trust fund created in section
6 5.

7 Sec. 3. (1) The state foster care advisory board is created
8 within the children's ombudsman office, which is within the
9 department of management and budget. The advisory board shall
10 exercise its powers and duties independently of the children's
11 ombudsman except that budget, procurement, and related management
12 functions shall be performed by the director of the department of
13 management and budget.

14 (2) The advisory board shall appoint the executive director of
15 the advisory board. The executive director shall be a member of the
16 state classified civil service. The executive director shall hire
17 all staff required to exercise the powers and carry out the duties
18 of the advisory board. The advisory board shall approve the number
19 of staff members hired and their job descriptions.

20 (3) The advisory board shall be composed of the following
21 members:

22 (a) The director of human services, the director of community
23 health, the superintendent of public instruction, the
24 superintendent of the Michigan children's institute, and the chief
25 justice of the Michigan supreme court, or designees authorized to
26 speak on their behalf.

27 (b) Eleven public members appointed by the governor with the

1 advice and consent of the senate. As a group, the public members
2 shall do all of the following:

3 (i) Demonstrate knowledge in the area of foster care.

4 (ii) Be representative of the demographic composition of this
5 state.

6 (iii) To the extent practicable, be representative of all of the
7 following categories: parents, former foster care children, the
8 business community, the religious community, the legal community,
9 higher education providers, professional providers of foster care
10 services, and volunteers in foster care services.

11 (4) The term of each public member shall be 3 years, except
12 that of the public members first appointed, 3 shall serve for 3
13 years, 3 for 2 years, and 4 for 1 year. A public member shall not
14 serve more than 2 consecutive terms whether partial or full. A
15 vacancy shall be filled for the balance of the unexpired term in
16 the same manner as the original appointment.

17 (5) The governor shall designate a chairperson of the advisory
18 board from among the public members. The chairperson shall serve in
19 that position at the pleasure of the governor. The advisory board
20 may elect other officers and committees as it considers
21 appropriate.

22 (6) The actual and necessary per diem compensation and the
23 schedule for reimbursement of expenses for the public members of
24 the advisory board shall be the same as is established annually by
25 the legislature for similar boards that are reimbursed from the
26 general fund. The compensation and reimbursement, executive
27 director and staff salaries, and all actual and necessary operating

1 expenses of the advisory board shall be paid from the fund,
2 according to an authorization as provided in section 7.

3 (7) The business that the advisory board performs shall be
4 conducted at a public meeting of the state board held in compliance
5 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
6 Public notice of the time, date, and place of the meeting shall be
7 given in the manner required by the open meetings act, 1976 PA 267,
8 MCL 15.261 to 15.275.

9 (8) A writing prepared, owned, used, in the possession of, or
10 retained by the state board in the performance of an official
11 function shall be made available to the public in compliance with
12 the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

13 (9) The advisory board shall do all of the following:

14 (a) Work to identify and address the many issues facing foster
15 care children in this state.

16 (b) Work with the foster care community to solve the problems
17 facing current foster care children and those children who have
18 been in the foster care system or who will soon age out of the
19 foster care system.

20 (c) Focus on developing an extensive support network for
21 foster care youth who age out of the system. The support network
22 should include, but is not limited to, personal counseling,
23 financial planning, health care options, and college or career
24 training programs.

25 (d) Serve as the central point of contact and coordination for
26 all foster care issues and concerns in this state regarding foster
27 care.

1 (e) Meet not less than twice annually at the call of the
2 chairperson.

3 (f) One year after the original appointment of the advisory
4 board, and biennially thereafter, develop a state plan for the
5 distribution of funds from the fund. In developing the plan, the
6 advisory board shall review already existing foster care programs.
7 The plan shall assure that an equal opportunity exists for
8 establishment of foster care programs and receipt of trust fund
9 money among all geographic areas in this state. The plan shall be
10 transmitted to the clerk of the house of representatives and to the
11 secretary of the senate. The advisory board shall notify the
12 governor and the members of the legislature that the plan is
13 available.

14 (g) Provide for the coordination and exchange of information
15 on the establishment and maintenance of foster care programs.

16 (h) Develop and publicize criteria for the receipt of trust
17 fund money by eligible local councils and eligible foster care
18 programs.

19 (i) Review, approve, and monitor the expenditure of trust fund
20 money by foster care programs.

21 (j) Provide statewide educational and public informational
22 seminars for the purpose of developing appropriate public awareness
23 regarding foster care; encourage professional persons and groups to
24 recognize and deal with foster care; make information about foster
25 care available to the public and organizations and agencies that
26 deal with problems of foster care; and encourage the development of
27 community foster care assistance programs.

1 (k) Establish a procedure for an annual, internal evaluation
2 of the functions, responsibilities, and performance of the advisory
3 board. In a year in which the biennial state plan is prepared, the
4 evaluation shall be coordinated with the preparation of the state
5 plan.

6 (l) Educate the public on the various opportunities to serve
7 within the foster care community, including, but not limited to,
8 foster parenting, volunteering, and foster child adoption.

9 (10) The advisory board shall enter into contracts with public
10 or private agencies to fulfill the requirements of subsection
11 (9)(j) and may contract to fulfill the other requirements of
12 subsection (9). The advisory board shall utilize existing state
13 resources and staff of participating departments whenever
14 practicable.

15 (11) The advisory board may recommend to the governor and the
16 legislature changes in state programs, statutes, policies, budgets,
17 and standards that will reduce the problems facing foster care
18 children, improve coordination among state agencies that provide
19 foster care services, and improve the condition of children and
20 parents or guardians who are in need of support or assistance
21 dealing with foster care issues.

22 (12) The advisory board may do any of the following:

23 (a) Accept federal money granted by congress or executive
24 order for the purposes of this act as well as gifts, grants,
25 bequests, and donations from individuals, private organizations, or
26 foundations. The acceptance and use of federal money does not
27 commit state money and does not place an obligation upon the

1 legislature to continue the purposes for which the federal money is
2 made available.

3 (b) Enter into a contract with a charitable organization
4 licensed under the charitable organizations and solicitations act,
5 1975 PA 169, MCL 400.271 to 400.294, for the solicitation of
6 contributions to be used exclusively for the purposes prescribed by
7 section 7. A contract under this subdivision shall include
8 provisions for at least all of the following:

9 (i) A reasonable administrative fee not to exceed 10% for
10 contributions obtained by the charitable organization.

11 (ii) An independent audit of the charitable organization in
12 regard to the solicitation.

13 (iii) Appropriate bonding by the charitable organization.

14 (c) Plan, manage, or conduct a campaign to solicit gifts,
15 bequests, grants, or donations of money or property, or pledges of
16 gifts, bequests, grants, or donations.

17 (13) Money received in the manner described in subsection (12)
18 shall be transmitted to the state treasurer for deposit in the
19 trust fund and shall be made available for expenditure as
20 appropriated by the legislature.

21 (14) The advisory board may authorize the disbursement of
22 available money from the trust fund, upon legislative
23 appropriations, as provided in section 7.

24 Sec. 5. (1) The foster care trust fund is created in the
25 department as a charitable and educational endowment fund. The
26 advisory board shall be the administrator of the trust fund for
27 auditing purposes.

1 (2) The state treasurer shall credit to the trust fund all
2 amounts appropriated for this purpose under section 435 of the
3 income tax act of 1967, 1967 PA 281, MCL 206.435, and money from
4 any other source for deposit into the trust fund.

5 (3) The state treasurer shall direct the investment of the
6 trust fund. The trust fund shall consist of the money credited to
7 the trust fund pursuant to section 435 of the income tax act of
8 1967, 1967 PA 281, MCL 206.435, any interest and earnings accruing
9 from the saving and investment of that money, and money from any
10 other source.

11 (4) Money in the trust fund at the close of the year shall
12 remain in the trust fund and shall not lapse to the general fund.

13 Sec. 7. (1) The money, interest, and earnings of the trust
14 fund shall be expended, upon appropriation, as follows:

15 (a) Not more than 1/2 of the money contributed to the trust
16 fund each year, plus the interest and earnings, excluding
17 unrealized gains and losses, credited to the trust fund during the
18 previous fiscal year, shall be available for disbursement upon the
19 authorization of the advisory board as provided in section 3.

20 (b) Money granted or received as gifts or donations to the
21 trust fund shall be available for disbursement upon appropriation
22 and funds authorized for expenditure shall not be considered assets
23 of the trust fund for the purposes of subdivision (a).

24 (c) To fund a private nonprofit or public organization in the
25 development or operation of a foster care program if the
26 organization demonstrates an ability to match, through money or in-
27 kind services, 50% of the amount of any fund money received. The

1 amount and types of in-kind services are subject to the approval of
2 the advisory board and the organization demonstrates a willingness
3 and ability to provide program models and consultation to
4 organizations and communities regarding program development and
5 maintenance.

6 (d) To fund the advisory board created in section 3 for the
7 actual and necessary operating expenses that the board incurs in
8 performing its duties.

9 (2) Authorizations for disbursement of fund money under
10 subsection (1)(d) shall be kept at a minimum in furtherance of the
11 primary purpose of the fund, which is to disburse money under
12 subsection (1)(a), (b), and (c) to encourage the direct provision
13 of services to foster care.

14 (3) The state treasurer shall annually prepare an accounting
15 of revenues and expenditures from the trust fund. This accounting
16 shall specifically identify the interest and earnings of the trust
17 fund, shall describe how the amount of interest and earnings has
18 been affected by the investment options provided for in section
19 5(3), and shall identify how the increased interest and earnings,
20 if any, have been expended. This accounting shall be provided to
21 the senate and house of representatives appropriations committees.

22 Sec. 9. The money in the trust fund that is available for
23 distribution shall be appropriated each year. Money granted or
24 received as a gift or donation to the trust fund is available for
25 distribution upon appropriation.

26 Enacting section 1. This act does not take effect unless
27 Senate Bill No. ____ or House Bill No. 6090(request no. 06859'08 a

1 *) of the 94th Legislature is enacted into law.