

## FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 124, entitled

A bill to make appropriations for the department of human services for the fiscal year ending September 30, 2016; and to provide for the expenditure of the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make and supplement appropriations for the department of human services for the fiscal years ending September 30, 2015 and September 30, 2016; and to provide for the expenditure of the appropriations.

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Peter MacGregor

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Earl Poleski

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John Proos

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Michael D. McCready

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Vincent Gregory

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Brian Banks

Conferees for the Senate

Conferees for the House



**SUBSTITUTE FOR  
SENATE BILL NO. 124**

A bill to make and supplement appropriations for the department of human services for the fiscal years ending September 30, 2015 and September 30, 2016; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of human services for the fiscal year ending September 30, 2016, from the following funds:

**DEPARTMENT OF HUMAN SERVICES**

APPROPRIATION SUMMARY

Full-time equated classified positions.....	11,749.9
Unclassified positions .....	3.0

1	Total full-time equated positions.....	11,752.9	
2	GROSS APPROPRIATION.....		\$ 5,514,814,700
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers .....	11,420,100	
6	ADJUSTED GROSS APPROPRIATION.....		\$ 5,503,394,600
7	Federal revenues:		
8	Social security act, temporary assistance for needy		
9	families .....	516,393,700	
10	Capped federal revenues.....	596,696,200	
11	Total other federal revenues.....	3,270,260,000	
12	Special revenue funds:		
13	Total private revenues.....	26,710,400	
14	Total local revenues.....	37,388,000	
15	Total other state restricted revenues.....	113,743,800	
16	State general fund/general purpose.....		\$ 942,202,500
17	State general fund/general purpose schedule:		
18	Ongoing state general fund/general		
19	purpose .....	941,802,500	
20	One-time state general fund/general		
21	purpose .....	400,000	
22	<b>Sec. 102. DEPARTMENTWIDE ADMINISTRATION</b>		
23	Total full-time equated positions.....	471.5	
24	Full-time equated unclassified positions.....	3.0	
25	Full-time equated classified positions.....	468.5	
26	Unclassified salaries--3.0 FTE positions.....		\$ 356,500
27	Central administration--274.5 FTE positions.....		30,410,000

1	Contractual services, supplies, and materials .....	12,680,800
2	Demonstration projects--7.0 FTE positions .....	6,905,100
3	Office of inspector general--130.0 FTE positions .....	13,236,300
4	Child welfare licensing--57.0 FTE positions .....	5,539,800
5	State office of administrative hearings and rules ....	8,353,900
6	Travel.....	9,208,900
7	Rent and state office facilities.....	49,663,900
8	Worker's compensation.....	2,461,300
9	Terminal pay and other employee costs .....	10,320,200
10	Information technology projects and services .....	<u>114,969,100</u>
11	GROSS APPROPRIATION.....	\$ 264,105,800
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from department of education.....	2,963,500
15	ADJUSTED GROSS APPROPRIATION.....	\$ 261,142,300
16	Appropriated from:	
17	Federal revenues:	
18	Social security act, temporary assistance for needy	
19	families .....	37,861,900
20	Capped federal revenues.....	43,648,700
21	Total other federal revenues.....	81,770,200
22	Special revenue funds:	
23	Total private revenues.....	3,806,800
24	Total local revenues.....	16,400
25	Total state restricted revenues.....	5,400
26	State general fund/general purpose.....	\$ 94,032,900
27	<b>Sec. 103. CHILD SUPPORT ENFORCEMENT</b>	

1	Full-time equated classified positions.....	185.7	
2	Child support enforcement operations--179.7 FTE		
3	positions .....		\$ 21,910,600
4	Legal support contracts.....		113,359,100
5	Child support incentive payments.....		24,409,600
6	State disbursement unit--6.0 FTE positions.....		8,080,700
7	Child support automation.....		<u>41,877,600</u>
8	GROSS APPROPRIATION.....		\$ 209,637,600
9	Appropriated from:		
10	Federal revenues:		
11	Capped federal revenues.....		11,395,000
12	Total other federal revenues.....		164,110,900
13	State general fund/general purpose.....		\$ 34,131,700
14	<b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>		
15	Full-time equated classified positions.....	46.6	
16	Bureau of community services and outreach--16.0 FTE		
17	positions .....		\$ 2,065,600
18	Community services block grant.....		25,840,000
19	Weatherization assistance.....		16,340,000
20	School success partnership program.....		450,000
21	Homeless programs.....		15,721,900
22	Domestic violence prevention and treatment--14.6 FTE		
23	positions .....		15,727,100
24	Rape prevention and services--0.5 FTE positions .....		5,072,300
25	Child advocacy centers--0.5 FTE position.....		2,000,000
26	Michigan community service commission--15.0 FTE		
27	positions .....		<u>11,593,900</u>

1	GROSS APPROPRIATION.....	\$	94,810,800
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families .....		11,673,100
6	Capped federal revenues.....		66,215,400
7	Special revenue funds:		
8	Private - collections.....		44,100
9	Compulsive gambling prevention fund.....		1,040,500
10	Sexual assault victims' prevention and treatment fund		3,000,000
11	Child advocacy centers fund.....		2,000,000
12	State general fund/general purpose.....	\$	10,837,700
13	<b>Sec. 105. ADULT PROTECTIVE AND SUPPORT SERVICES</b>		
14	Full-time equated classified positions.....	443.0	
15	Guardian contract.....	\$	540,200
16	Adult services policy and administration--18.0 FTE		
17	positions .....		2,279,400
18	Elder law of Michigan MiCAFE contract.....		350,000
19	Elder abuse prosecuting attorney.....		300,000
20	Adult services field staff--425.0 FTE positions .....		<u>43,807,400</u>
21	GROSS APPROPRIATION.....	\$	47,277,000
22	Appropriated from:		
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families .....		40,000
26	Capped federal revenues.....		17,663,800
27	Total other federal revenues.....		14,551,300

1	State general fund/general purpose.....	\$	15,021,900
2	<b>Sec. 106. CHILD WELFARE SERVICES</b>		
3	Full-time equated classified positions.....		3,835.2
4	Children's services administration--166.0 FTE		
5	positions .....	\$	18,637,200
6	Title IV-E compliance and accountability office--4.0		
7	FTE positions .....		412,000
8	Child welfare institute--45.0 FTE positions .....		7,687,400
9	Child welfare field staff - caseload		
10	compliance--2,511.0 FTE positions.....		225,483,300
11	Child welfare field staff - noncaseload		
12	compliance--320.0 FTE positions.....		32,881,200
13	Education planners--15.0 FTE positions .....		1,485,300
14	Peer coaches--45.5 FTE positions .....		5,567,700
15	Child welfare first line supervisors--578.0 FTE		
16	positions .....		70,618,000
17	Second line supervisors and technical staff--54.0		
18	FTE positions .....		8,650,900
19	Permanency resource managers--28.0 FTE positions .....		3,095,400
20	Contractual services, supplies, and materials .....		9,274,000
21	Settlement monitor.....		1,885,800
22	Foster care payments.....		187,783,300
23	Guardianship assistance program.....		9,223,400
24	Child care fund.....		177,131,800
25	Child care fund administration--6.2 FTE positions .....		788,100
26	Adoption subsidies.....		229,337,200
27	Adoption support services--10.0 FTE positions .....		27,243,600



1	Youth in transition--4.5 FTE positions .....	15,006,900
2	Child welfare medical/psychiatric evaluations .....	8,735,500
3	Psychotropic oversight .....	618,200
4	Performance based funding implementation--3.0 FTE	
5	positions .....	1,772,100
6	Serious emotional disturbance mental health services .	6,340,500
7	Interstate compact .....	179,600
8	Strong families/safe children .....	12,350,100
9	Family preservation programs .....	38,857,500
10	Family preservation and prevention services	
11	administration--9.0 FTE positions .....	1,263,100
12	Child abuse and neglect - children's justice	
13	act--1.0 FTE position .....	619,100
14	Children's trust fund--12.0 FTE positions .....	3,301,800
15	Attorney general contract .....	4,224,900
16	Prosecuting attorney general contracts .....	2,561,700
17	Child protection .....	<u>873,900</u>
18	GROSS APPROPRIATION .....	\$ 1,113,890,500
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from department of education .....	89,100
22	ADJUSTED GROSS APPROPRIATION .....	\$ 1,113,801,400
23	Appropriated from:	
24	Federal revenues:	
25	Social security act, temporary assistance for needy	
26	families .....	314,774,900
27	Capped federal revenues .....	109,045,700

1	Total other federal revenues.....	244,234,500
2	Special revenue funds:	
3	Private - collections.....	2,805,900
4	Local funds - county chargeback.....	14,194,000
5	Children's trust fund.....	2,076,900
6	State general fund/general purpose.....	\$ 426,669,500
7	<b>Sec. 107. JUVENILE JUSTICE SERVICES</b>	
8	Full-time equated classified positions..... 112.0	
9	W.J. Maxey Training School.....	\$ 1,000,000
10	Bay Pines Center--42.0 FTE positions.....	4,823,100
11	Shawono Center--42.0 FTE positions.....	4,908,200
12	County juvenile officers.....	3,904,300
13	Community support services--3.0 FTE positions.....	2,097,900
14	Juvenile justice, administration and	
15	maintenance--22.0 FTE positions.....	3,491,800
16	Juvenile accountability block grant--0.5 FTE position	1,281,300
17	Committee on juvenile justice administration--2.5	
18	FTE positions .....	343,500
19	Committee on juvenile justice grants.....	3,000,000
20	In-home community care.....	<u>400,000</u>
21	GROSS APPROPRIATION.....	\$ 25,250,100
22	Appropriated from:	
23	Federal revenues:	
24	Capped federal revenues.....	9,232,700
25	Special revenue funds:	
26	Local funds - state share education funds.....	2,189,900
27	Local funds - county chargeback.....	3,518,800

1	State general fund/general purpose.....	\$	10,308,700
2	<b>Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b>		
3	Full-time equated classified positions.....		6,063.5
4	Public assistance field staff--4,693.5 FTE positions..	\$	463,295,300
5	Contractual services, supplies, and materials.....		17,224,900
6	Healthy Michigan plan administration.....		19,536,300
7	Medical/psychiatric evaluations.....		1,420,100
8	Donated funds positions--538.0 FTE positions.....		60,147,600
9	Training and program support--17.0 FTE positions.....		2,047,700
10	Volunteer services and reimbursement.....		942,400
11	Field policy and administration--66.0 FTE positions..		8,394,000
12	Nutrition education--2.0 FTE positions.....		23,036,600
13	Employment and training support services.....		4,219,100
14	Michigan rehabilitation services--526.0 FTE positions		130,927,900
15	Independent living.....		12,031,600
16	Wage employment verification reporting.....		847,300
17	Electronic benefit transfer (EBT).....		8,509,000
18	Administrative support workers--221.0 FTE positions..		<u>12,453,700</u>
19	GROSS APPROPRIATION.....	\$	765,033,500
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from department of corrections.....		100,000
23	IDG from department of education.....		7,503,700
24	ADJUSTED GROSS APPROPRIATION.....	\$	757,429,800
25	Appropriated from:		
26	Federal revenues:		
27	Social security act, temporary assistance for needy		

1	families .....	102,025,900
2	Capped federal revenues.....	136,392,200
3	Federal supplemental security income.....	8,588,600
4	Total other federal revenues.....	237,459,200
5	Special revenue funds:	
6	Local funds - donated funds.....	10,934,300
7	Local vocational rehabilitation match.....	6,534,600
8	Private funds - donated funds.....	18,199,000
9	Private funds - gifts, bequests, and donations.....	1,854,600
10	Rehabilitation service fees.....	1,442,000
11	Second injury fund.....	149,400
12	State general fund/general purpose.....	\$ 233,850,000
13	<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>	
14	Full-time equated classified positions.....	587.4
15	Disability determination operations--583.3 FTE	
16	positions .....	\$ 109,419,900
17	Retirement disability determination--4.1 FTE positions	<u>591,200</u>
18	GROSS APPROPRIATION.....	\$ 110,011,100
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from DTMB - office of retirement services.....	763,800
22	ADJUSTED GROSS APPROPRIATION.....	\$ 109,247,300
23	Appropriated from:	
24	Federal revenues:	
25	Total other federal revenues.....	106,009,400
26	State general fund/general purpose.....	\$ 3,237,900
27	<b>Sec. 110. PUBLIC ASSISTANCE</b>	

1	Full-time equated classified positions.....	8.0	
2	Family independence program.....		\$ 112,992,700
3	State disability assistance payments.....		14,018,300
4	Food assistance program benefits.....		2,419,025,900
5	State supplementation.....		63,194,100
6	State supplementation administration.....		2,381,100
7	Low-income home energy assistance program.....		174,951,600
8	Food bank funding.....		1,795,000
9	Multicultural integration funding.....		3,015,500
10	Indigent burial.....		4,300,000
11	Emergency services local office allocations.....		10,357,500
12	Michigan energy assistance program--1.0 FTE position .		50,000,000
13	Refugee assistance program--7.0 FTE positions .....		<u>27,966,600</u>
14	GROSS APPROPRIATION.....		\$ 2,883,998,300
15	Appropriated from:		
16	Federal revenues:		
17	Social security act, temporary assistance for needy		
18	families .....		49,617,900
19	Capped federal revenues.....		203,102,700
20	Total other federal revenues.....		2,413,535,900
21	Special revenue funds:		
22	Child support collections.....		12,168,700
23	Supplemental security income recoveries.....		5,470,900
24	Public assistance recoupment revenue.....		6,290,000
25	Low-income energy assistance fund.....		50,000,000
26	Michigan merit award trust fund.....		30,100,000
27	State general fund/general purpose.....		\$ 113,712,200

1       Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS

2	Employment and training support services .....	\$	<u>800,000</u>
3	GROSS APPROPRIATION .....	\$	800,000
4	Appropriated from:		
5	Federal revenues:		
6	Social security act, temporary assistance for needy		
7	families .....		400,000
8	State general fund/general purpose .....	\$	400,000

## 9 PART 1B

## 10 SUPPLEMENTAL LINE-ITEM APPROPRIATIONS

11           Sec. 151. There is appropriated for the department of human  
12   services for the fiscal year ending September 30, 2015, from the  
13   following funds:

14 DEPARTMENT OF HUMAN SERVICES

## 15 APPROPRIATION SUMMARY

16	GROSS APPROPRIATION.....	\$	(19,055,200)
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers .....		0
20	ADJUSTED GROSS APPROPRIATION.....	\$	(19,055,200)
21	Federal revenues:		
22	Social security act, temporary assistance for needy		
23	families .....		(8,896,200)
24	Capped federal revenues.....		3,787,500
25	Total other federal revenues.....		(9,917,200)

1	Special revenue funds:	
2	Total local revenues.....	(2,288,800)
3	Total private revenues.....	485,300
4	Total other state restricted revenues.....	(3,676,200)
5	State general fund/general purpose.....	\$ 1,450,400
6	<b>Sec. 152. CHILD WELFARE SERVICES</b>	
7	Child care fund.....	\$ (4,356,300)
8	Adoption subsidies.....	(10,119,500)
9	Guardianship assistance program.....	881,800
10	Foster care.....	<u>4,855,600</u>
11	GROSS APPROPRIATION.....	\$ (8,738,400)
12	Appropriated from:	
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families .....	(3,894,000)
16	Capped federal revenues.....	3,787,500
17	Total other federal revenues.....	(9,917,200)
18	Special revenue funds:	
19	Private - collections.....	485,300
20	Local funds - county chargeback.....	(2,288,800)
21	State general fund/general purpose.....	\$ 3,088,800
22	<b>Sec. 153. PUBLIC ASSISTANCE</b>	
23	Family independence program.....	\$ (10,734,300)
24	State disability assistance payments.....	351,500
25	State supplementation.....	<u>66,000</u>
26	GROSS APPROPRIATION.....	\$ (10,316,800)
27	Appropriated from:	

1	Federal revenues:	
2	Social security act, temporary assistance for needy	
3	families .....	(5,002,200)
4	Special revenue funds:	
5	Child support collections.....	(2,576,900)
6	Public assistance recoupment revenue.....	(720,000)
7	Supplemental security income recoveries.....	(379,300)
8	State general fund/general purpose.....	\$ (1,638,400)

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PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2015-2016 is \$1,055,946,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$93,327,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HUMAN SERVICES

Child care fund.....	\$	89,250,000
County juvenile officers.....		3,100,000
State disability assistance payments.....		966,000
Family independence program.....		<u>11,700</u>
TOTAL.....	\$	93,327,700



1       Sec. 202. The appropriations authorized under this part are  
2 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
3 to 18.1594.

4       Sec. 203. As used in this part and part 1:

5       (a) "AFC" means adult foster care.

6       (b) "Current fiscal year" means the fiscal year ending  
7 September 30, 2016.

8       (c) "Department" means the department of human services.

9       (d) "FTE" means full-time equated.

10       (e) "IDG" means interdepartmental grant.

11       (f) "MiCAFE" means Michigan's coordinated access to food for  
12 the elderly.

13       (g) "Previous fiscal year" means the fiscal year ending  
14 September 30, 2015.

15       (h) "Settlement" means the settlement agreement entered in the  
16 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United  
17 States district court for the eastern district of Michigan.

18       (i) "SSI" means supplemental security income.

19       (j) "Temporary assistance for needy families" or "TANF" or  
20 "title IV-A" means part A of title IV of the social security act,  
21 42 USC 601 to 619.

22       (k) "Title IV-D" means part D of title IV of the social  
23 security act, 42 USC 651 to 669b.

24       (l) "Title IV-E" means part E of title IV of the social  
25 security act, 42 USC 670 to 679c.

26       Sec. 205. Pursuant to section 1b of the social welfare act,  
27 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this

1 part as a time-limited addendum to the social welfare act, 1939 PA  
2 280, MCL 400.1 to 400.119b.

3 Sec. 206. In addition to the metrics required under section  
4 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for  
5 each new program or program enhancement for which funds in excess  
6 of \$1,000,000.00 are appropriated in part 1, the department shall  
7 provide not later than November 1, 2015 a list of program-specific  
8 metrics intended to measure its performance based on a return on  
9 taxpayer investment. The department shall deliver the program-  
10 specific metrics to members of the senate and house subcommittees  
11 that have subject matter jurisdiction for this budget, fiscal  
12 agencies, and the state budget director. The department shall  
13 provide an update on its progress in tracking program-specific  
14 metrics and the status of program success at an appropriations  
15 subcommittee meeting called for by the subcommittee chair.

16 Sec. 207. (1) Sanctions, suspensions, conditions for  
17 provisional license status, and other penalties shall not be more  
18 stringent for private service providers than for public entities  
19 performing equivalent or similar services.

20 (2) Neither the department nor private service providers or  
21 licensees shall be granted preferential treatment or considered  
22 automatically to be in compliance with administrative rules based  
23 on whether they have collective bargaining agreements with direct  
24 care workers. Private service providers or licensees without  
25 collective bargaining agreements shall not be subjected to  
26 additional requirements or conditions of licensure based on their  
27 lack of collective bargaining agreements.

1       Sec. 208. Unless otherwise specified, the department shall use  
2 the Internet to fulfill the reporting requirements of this part.  
3 This requirement shall include transmission of reports via  
4 electronic mail to the recipients identified for each reporting  
5 requirement, and it shall include placement of reports on the  
6 Internet.

7       Sec. 209. Funds appropriated in part 1 shall not be used for  
8 the purchase of foreign goods or services, or both, if  
9 competitively priced and of comparable quality American goods or  
10 services, or both, are available. Preference should be given to  
11 goods or services, or both, manufactured or provided by Michigan  
12 businesses, if they are competitively priced and of comparable  
13 quality. In addition, preference should be given to goods or  
14 services, or both, that are manufactured or provided by Michigan  
15 businesses owned and operated by veterans, if they are  
16 competitively priced and of comparable quality.

17       Sec. 211. Funds appropriated in part 1 shall not be used by a  
18 principal executive department, state agency, or authority to hire  
19 a person to provide legal services that are the responsibility of  
20 the attorney general. This prohibition does not apply to legal  
21 services for bonding activities and for those outside services that  
22 the attorney general authorizes.

23       Sec. 212. (1) In addition to funds appropriated in part 1 for  
24 all programs and services, there is appropriated for write-offs of  
25 accounts receivable, deferrals, and for prior year obligations in  
26 excess of applicable prior year appropriations, an amount equal to  
27 total write-offs and prior year obligations, but not to exceed

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

3 (2) The department's ability to satisfy appropriation fund  
4 sources in part 1 shall not be limited to collections and accruals  
5 pertaining to services provided in the current fiscal year, but  
6 shall also include reimbursements, refunds, adjustments, and  
7 settlements from prior years.

8 Sec. 213. The department may retain all of the state's share  
9 of food assistance overissuance collections as an offset to general  
10 fund/general purpose costs. Retained collections shall be applied  
11 against federal funds deductions in all appropriation units where  
12 department costs related to the investigation and recoupment of  
13 food assistance overissuances are incurred. Retained collections in  
14 excess of such costs shall be applied against the federal funds  
15 deducted in the executive operations appropriation unit.

16 Sec. 214. On a quarterly basis, the department shall report on  
17 the number of FTEs in pay status by type of staff.

18 Sec. 215. If a legislative objective of this part or of a bill  
19 or amendment to a bill to amend the social welfare act, 1939 PA  
20 280, MCL 400.1 to 400.119b, cannot be implemented because  
21 implementation would conflict with or violate federal regulations,  
22 the department shall notify the state budget director, the chairs  
23 of the house and senate subcommittees on the department budget, and  
24 the house and senate fiscal agencies and policy offices of that  
25 fact.

26 Sec. 217. The departments and agencies receiving  
27 appropriations in part 1 shall prepare a report on out-of-state

1 travel expenses not later than January 1 of each year. The travel  
2 report shall be a listing of all travel by classified and  
3 unclassified employees outside this state in the immediately  
4 preceding fiscal year that was funded in whole or in part with  
5 funds appropriated in the department's budget. The report shall be  
6 submitted to the house and senate appropriations committees, the  
7 house and senate fiscal agencies, and the state budget director.  
8 The report shall include the following information:

9 (a) The dates of each travel occurrence.

10 (b) The transportation and related costs of each travel  
11 occurrence, including the proportion funded with state general  
12 fund/general purpose revenues, the proportion funded with state  
13 restricted revenues, the proportion funded with federal revenues,  
14 and the proportion funded with other revenues.

15 Sec. 218. From the funds appropriated in part 1 for travel  
16 reimbursements to employees, the department shall allocate up to  
17 \$100,000.00 toward reimbursing counties for the out-of-pocket  
18 travel costs of the local county department board members and  
19 county department directors to attend 1 meeting per year of the  
20 Michigan County Social Services Association.

21 Sec. 219. The department shall cooperate with the department  
22 of technology, management, and budget to maintain a searchable  
23 website accessible by the public at no cost that includes, but is  
24 not limited to, all of the following for each department or agency:

25 (a) Fiscal year-to-date expenditures by category.

26 (b) Fiscal year-to-date expenditures by appropriation unit.

27 (c) Fiscal year-to-date payments to a selected vendor,

1 including the vendor name, payment date, payment amount, and  
2 payment description.

3 (d) The number of active department employees by job  
4 classification.

5 (e) Job specifications and wage rates.

6 Sec. 220. The department shall ensure that faith-based  
7 organizations are able to apply and compete for services, programs,  
8 or contracts that they are qualified and suitable to fulfill. The  
9 department shall not disqualify faith-based organizations solely on  
10 the basis of the religious nature of their organization or their  
11 guiding principles or statements of faith.

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

17 Sec. 222. (1) The department shall provide written  
18 notification to the chairpersons of the senate and house  
19 appropriations subcommittees on the budget for the department of  
20 any policy changes at least 30 days before the implementation date.

21 (2) The department shall make the entire policy and procedures  
22 manual available and accessible to the public via the department  
23 website.

24 (3) The department shall report no later than April 1 of the  
25 current fiscal year on each specific policy change made to  
26 implement a public act affecting the department that took effect  
27 during the prior calendar year to the house and senate

1 appropriations subcommittees on the budget for the department, the  
2 joint committee on administrative rules, and the senate and house  
3 fiscal agencies. The department shall attach each policy bulletin  
4 issued during the prior calendar year to this report.

5       Sec. 229. Unless already provided in the previous fiscal year,  
6 the department shall submit to the senate and house appropriations  
7 subcommittees on the department budget, the senate and house fiscal  
8 agencies, the senate and house policy offices, and the state budget  
9 office by December 1 of the current fiscal year a report on the  
10 recommendations of the workgroup established in section 229 of  
11 article X of 2014 PA 252 on aligning spending on Michigan Works!  
12 job readiness programs with the declining family independence  
13 program caseload. The report shall include, but is not limited to,  
14 the proposed amount of TANF funding provided to Michigan Works!

15       Sec. 233. By the end of each fiscal quarter of the current  
16 fiscal year, the department shall report to the senate and house  
17 appropriations subcommittees on the department budget, the senate  
18 and house fiscal agencies, and the senate and house policy offices  
19 on the status of the merger, executed according to Executive Order  
20 No. 2015-4, of the department of community health and the  
21 department of human services to create the department of health and  
22 human services. The report shall include all of the following  
23 information:

24       (a) The impact on client service delivery or access to  
25 services.

26       (b) Any cost increases or reductions that resulted from rent  
27 or building occupancy changes.

1 (c) Any office closures or consolidations, or new office  
2 locations, including hoteling stations.

3 (d) The number of FTE positions that were eliminated or added  
4 due to duplication of efforts.

5 (e) Any other costs or savings associated with the merger.

6 Sec. 234. The department shall include specific outcome and  
7 performance reporting requirements in the interagency agreement  
8 with the Michigan strategic fund for TANF funding to provide job  
9 readiness and welfare-to-work programming. TANF funding provided to  
10 the Michigan strategic fund in the current fiscal year is  
11 contingent on compliance with the data and reporting requirements  
12 described in this section. The interagency agreement must require  
13 the Michigan strategic fund to provide all of the following items  
14 by January 1 of the current fiscal year for the previous year to  
15 the senate and house appropriations committees:

16 (a) An itemized spending report on TANF funding, including all  
17 of the following:

18 (i) Direct services to clients.

19 (ii) Administrative expenditures.

20 (b) The number of family independence program (FIP) clients  
21 served through the TANF funding, including all of the following:

22 (i) The number and percentage who obtained employment through  
23 Michigan Works!

24 (ii) The number and percentage who fulfilled their TANF work  
25 requirement through other job readiness programming.

26 (iii) Average TANF spending per client.

27 (iv) The number and percentage of clients who were referred to



1 Michigan Works! but did not receive a job or job readiness  
2 placement and the reasons why.

3       Sec. 240. The department shall notify the house and senate  
4 appropriations subcommittees on the department budget, the house  
5 and senate fiscal agencies, and the house and senate policy offices  
6 of any changes to a child welfare master contract template,  
7 including the adoption master contract template, the independent  
8 living plus master contract template, the placing agency foster  
9 care master contract template, and the residential foster care  
10 juvenile justice master contract template, not less than 30 days  
11 before the change takes effect.

12       Sec. 264. The department shall not take disciplinary action  
13 against an employee for communicating with a member of the  
14 legislature or his or her staff.

15       Sec. 265. Within 14 days after the release of the executive  
16 budget recommendation, the department shall cooperate with the  
17 state budget office to provide the senate and house appropriations  
18 chairs, the senate and house appropriations subcommittees chairs,  
19 and the senate and house fiscal agencies with an annual report on  
20 estimated state restricted fund balances, state restricted fund  
21 projected revenues, and state restricted fund expenditures for the  
22 fiscal years ending September 30, 2015 and September 30, 2016.

23       Sec. 274. (1) The department, in collaboration with the state  
24 budget office, shall submit to the house and senate appropriations  
25 subcommittees on the department budget, the house and senate fiscal  
26 agencies, and the house and senate policy offices 1 week after the  
27 day the governor submits to the legislature the budget for the

1 ensuing fiscal year a report on spending and revenue projections  
2 for each of the capped federal funds listed below. The report shall  
3 contain actual spending and revenue in the previous fiscal year,  
4 spending and revenue projections for the current fiscal year as  
5 enacted, and spending and revenue projections within the executive  
6 budget proposal for the fiscal year beginning October 1, 2015 for  
7 each individual line item for the department budget. The report  
8 shall also include federal funds transferred to other departments.  
9 The capped federal funds shall include, but not be limited to, all  
10 of the following:

11 (a) TANF.

12 (b) Title XX social services block grant.

13 (c) Title IV-B part I child welfare services block grant.

14 (d) Title IV-B part II promoting safe and stable families  
15 funds.

16 (e) Low-income home energy assistance program.

17 (2) By February 15 of the current fiscal year, the department  
18 shall prepare an annual report of its efforts to identify  
19 additional TANF maintenance of effort sources and rationale for any  
20 increases or decreases from all of the following, but not limited  
21 to:

22 (a) Other departments.

23 (b) Local units of government.

24 (c) Private sources.

25 Sec. 279. (1) All master contracts relating to human services  
26 shall be performance-based contracts that employ a client-centered  
27 results-oriented process that is based on measurable performance

1 indicators and desired outcomes and includes the annual assessment  
2 of the quality of services provided.

3 (2) By February 1 of the current fiscal year, the department  
4 shall provide the senate and house appropriations subcommittees on  
5 the department budget, the senate and house fiscal agencies and  
6 policy offices, and the state budget office a report detailing  
7 measurable performance indicators, desired outcomes, and an  
8 assessment of the quality of services provided by the department  
9 during the previous fiscal year.

10 Sec. 280. By the fifth business day of each month, the  
11 department shall provide a report to the house and senate  
12 appropriations committees, the house and senate fiscal agencies,  
13 the house and senate policy offices, and the state budget director  
14 that provides all of the following for each line item in part 1  
15 containing personnel-related costs, including the specific  
16 individual amounts for salaries and wages, payroll taxes, and  
17 fringe benefits:

18 (a) FTE authorization.

19 (b) Spending authorization for personnel-related costs, by  
20 fund source, under the spending plan.

21 (c) Actual year-to-date expenditures for personnel-related  
22 costs, by fund source, through the end of the prior month.

23 (d) The projected year-end balance or shortfall for personnel-  
24 related costs, by fund source, based on actual monthly spending  
25 levels through the end of the prior month.

26 (e) A specific plan for addressing any projected shortfall for  
27 personnel-related costs at either the gross or fund source level.

1       Sec. 284. (1) In addition to the funds appropriated in part 1,  
2 there is appropriated an amount not to exceed \$200,000,000.00 for  
3 federal contingency funds. These funds are not available for  
4 expenditure until they have been transferred to another line item  
5 in part 1 under section 393(2) of the management and budget act,  
6 1984 PA 431, MCL 18.1393. These funds shall not be made available  
7 to increase TANF authorization.

8       (2) In addition to the funds appropriated in part 1, there is  
9 appropriated an amount not to exceed \$5,000,000.00 for state  
10 restricted contingency funds. These funds are not available for  
11 expenditure until they have been transferred to another line item  
12 in part 1 under section 393(2) of the management and budget act,  
13 1984 PA 431, MCL 18.1393.

14       (3) In addition to the funds appropriated in part 1, there is  
15 appropriated an amount not to exceed \$20,000,000.00 for local  
16 contingency funds. These funds are not available for expenditure  
17 until they have been transferred to another line item in part 1  
18 under section 393(2) of the management and budget act, 1984 PA 431,  
19 MCL 18.1393.

20       (4) In addition to the funds appropriated in part 1, there is  
21 appropriated an amount not to exceed \$20,000,000.00 for private  
22 contingency funds. These funds are not available for expenditure  
23 until they have been transferred to another line item in part 1  
24 under section 393(2) of the management and budget act, 1984 PA 431,  
25 MCL 18.1393.

26       Sec. 290. Any public advertisement for state assistance shall  
27 also inform the public of the welfare fraud hotline operated by the

1 department.

2       Sec. 291. (1) The department shall verify, using the e-verify  
3 system, that all new department employees, and new hire employees  
4 of contractors and subcontractors paid from funds appropriated in  
5 part 1, are legally present in the United States. The department  
6 may verify this information directly or may require contractors and  
7 subcontractors to verify the information and submit a certification  
8 to the department.

9       (2) By February 15 of the current fiscal year, the department  
10 shall submit to the house and senate appropriations subcommittees  
11 on the department budget, the house and senate fiscal agencies, and  
12 the house and senate policy offices a report on the number of new  
13 department employees and new hire employees of contractors and  
14 subcontractors that were found to not be legally present in the  
15 United States.

16       Sec. 296. Not later than November 30, the state budget office  
17 shall prepare and transmit a report that provides for estimates of  
18 the total general fund/general purpose appropriation lapses at the  
19 close of the prior fiscal year. This report shall summarize the  
20 projected year-end general fund/general purpose appropriation  
21 lapses by major departmental program or program areas. The report  
22 shall be transmitted to the chairpersons of the senate and house  
23 appropriations committees and the senate and house fiscal agencies.

24       Sec. 297. Total authorized appropriations from all sources  
25 under part 1 for legacy costs for the fiscal year ending September  
26 30, 2016 is \$271,619,000.00. From this amount, total agency  
27 appropriations for pension-related legacy costs are estimated at

1 \$154,170,400.00. Total agency appropriations for retiree health  
2 care legacy costs are estimated at \$117,448,600.00.

3 Sec. 298. By March 1 of the current fiscal year, the  
4 department shall provide to the senate and house appropriations  
5 subcommittees on the department budget, the senate and house fiscal  
6 agencies, and the senate and house policy offices an annual report  
7 on the supervisor-to-staff ratio by department divisions and  
8 subdivisions.

9 Sec. 299. The department shall maintain, on a publicly  
10 accessible website, a department scorecard that identifies, tracks,  
11 and regularly updates key metrics that are used to monitor and  
12 improve the department's performance.

### 13 **DEPARTMENTWIDE ADMINISTRATION**

14 Sec. 307. (1) From the funds appropriated in part 1 for  
15 demonstration projects, \$500,000.00 shall be distributed as  
16 provided in subsection (2). The amount distributed under this  
17 subsection shall not exceed 50% of the total operating expenses of  
18 the program described in subsection (2), with the remaining 50%  
19 paid by local United Way organizations and other nonprofit  
20 organizations and foundations.

21 (2) Funds distributed under subsection (1) shall be  
22 distributed to Michigan 2-1-1, a nonprofit corporation organized  
23 under the laws of this state that is exempt from federal income tax  
24 under section 501(c)(3) of the internal revenue code, 26 USC  
25 501(c)(3), and whose mission is to coordinate and support a  
26 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to

1 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1  
2 in January 2005.

3 (3) Michigan 2-1-1 shall refer to the department any calls  
4 received reporting fraud, waste, or abuse of state-administered  
5 public assistance.

6 (4) Michigan 2-1-1 shall report annually to the department and  
7 the house and senate standing committees with primary jurisdiction  
8 over matters relating to human services and telecommunications on  
9 2-1-1 system performance, including, but not limited to, call  
10 volume by community health and human service needs and unmet needs  
11 identified through caller data and customer satisfaction metrics.

12 Sec. 310. It is the intent of the legislature that the  
13 department shall work with youth-oriented nonprofit organizations  
14 to provide mentoring programming for children of incarcerated  
15 parents and other at-risk children.

16 Sec. 315. (1) The department, in conjunction with the  
17 department of community health, organizations representing disabled  
18 and elderly adults, representatives of assisted living facilities,  
19 and the legislature, shall conduct a workgroup that explores  
20 licensing standards and practices and performance measures for  
21 facilities providing adult assisted living services in order to  
22 ensure safe, adequately supervised, and protective environments for  
23 those individuals and families seeking assisted living services.

24 (2) By November 1, 2015, the department shall provide to the  
25 senate and house appropriations subcommittees on the department  
26 budget, the senate and house fiscal agencies, the senate and house  
27 policy offices, and the state budget office a report on the

1 findings of the workgroup that is described in subsection (1).

2       Sec. 316. From the funds appropriated in part 1 for terminal  
3 leave payouts and other employee costs, the department shall not  
4 spend in excess of its annual gross appropriation unless it  
5 identifies and requests a legislative transfer from another  
6 budgetary line item supporting administrative costs, as provided by  
7 section 393(2) of the management and budget act, 1984 PA 431, MCL  
8 18.1393.

9       Sec. 320. Effective October 1, 2015, the department shall not  
10 expend funds appropriated in part 1 for rental payments or  
11 operational expenses for state lease number 2719 for the premises  
12 located at 103 Court Street in Munising, Michigan.

13       Sec. 321. Effective October 1, 2015, the department shall not  
14 expend funds appropriated in part 1 for rental payments or  
15 operational expenses for state lease number 7692 for the premises  
16 located at 660 South Saginaw in Flint, Michigan.

17 **ADULT PROTECTIVE AND SUPPORT SERVICES**

18       Sec. 401. (1) Funds appropriated in part 1 for independent  
19 living shall be used to support centers for independent living in  
20 delivering mandated independent living core services in compliance  
21 with federal rules and regulations for the centers, by existing  
22 centers for independent living to serve underserved areas, and for  
23 projects to build the capacity of centers for independent living to  
24 deliver independent living services. Applications for the funds  
25 shall be reviewed in accordance with criteria and procedures  
26 established by the department. The funds appropriated in part 1 may



1 be used to leverage federal vocational rehabilitation innovation  
2 and expansion funds consistent with 34 CFR 361.35 up to  
3 \$5,543,000.00, if available. If the possibility of matching federal  
4 funds exists, the centers for independent living network will  
5 negotiate a mutually beneficial contractual arrangement with  
6 Michigan rehabilitation services. Funds shall be used in a manner  
7 consistent with the state plan for independent living. Services  
8 provided should assist people with disabilities to move toward  
9 self-sufficiency, including support for accessing transportation  
10 and health care, obtaining employment, community living, nursing  
11 home transition, information and referral services, education,  
12 youth transition services, veterans, and stigma reduction  
13 activities and community education. This includes the independent  
14 living guide project that specifically focuses on economic self-  
15 sufficiency.

16 (2) The Michigan centers for independent living shall provide  
17 a report by March 1 of the current fiscal year to the house and  
18 senate appropriations subcommittees on the department budget, the  
19 house and senate fiscal agencies, the house and senate policy  
20 offices, and the state budget office on direct customer and system  
21 outcomes and performance measures.

22 Sec. 402. The Michigan rehabilitation services shall work  
23 collaboratively with the bureau of services for blind persons,  
24 service organizations, and government entities to identify  
25 qualified match dollars to maximize use of available federal  
26 vocational rehabilitation funds.

27 Sec. 403. The department shall provide an annual report by

1 February 1 to the house and senate appropriations subcommittees on  
2 the department budget, the house and senate fiscal agencies, and  
3 house and senate policy offices on the efforts taken to remedy and  
4 improve the deficiencies found in the most recent auditor general  
5 report on Michigan rehabilitation services. The report shall  
6 include all of the following items:

7 (a) Reductions and changes in administration costs and  
8 staffing.

9 (b) Service delivery plans and implementation steps achieved.

10 (c) Reorganization plans and implementation steps achieved.

11 (d) Plans to integrate Michigan rehabilitative services  
12 programs into other services provided by the department.

13 (e) Quarterly expenditures by major spending category.

14 (f) Employment and job retention rates from both Michigan  
15 rehabilitation services and its nonprofit partners.

16 (g) Success rate of each district in achieving the program  
17 goals.

18 Sec. 405. It is the intent of the legislature that Michigan  
19 rehabilitation services shall not implement an order of selection  
20 for vocational and rehabilitative services. If the department is at  
21 risk of entering into an order of selection for services, the  
22 department shall notify the chairs of the senate and house  
23 subcommittees on the department budget and the senate and house  
24 fiscal agencies and policy offices within 2 weeks of receiving  
25 notification.

26 Sec. 406. From the funds appropriated in part 1 for Michigan  
27 rehabilitation services, the department shall allocate

1 \$6,100,300.00, including federal matching funds, to service  
2 contracts with accredited, community-based rehabilitation  
3 organizations for job development and other community employment-  
4 related support services.

5       Sec. 420. (1) From the funds appropriated in part 1, the  
6 department shall contract with the Prosecuting Attorneys  
7 Association of Michigan to provide the support and services  
8 necessary to increase the capability of the state's prosecutors,  
9 adult protective service system, and criminal justice system to  
10 effectively identify, investigate, and prosecute elder abuse and  
11 financial exploitation.

12       (2) By March 1 of the current fiscal year, the prosecuting  
13 attorneys association shall provide a report on the efficacy of the  
14 contract to the state budget office, the house and senate  
15 appropriations subcommittees on the department budget, the house  
16 and senate fiscal agencies, and the house and senate policy  
17 offices.

18       Sec. 423. From the funds appropriated in part 1 for Elder Law  
19 of Michigan MiCAFE contract, the department shall allocate not less  
20 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this  
21 state's elderly population to participate in the food assistance  
22 program. Of the \$350,000.00 allocated under this section, the  
23 department shall use \$175,000.00, which are general fund/general  
24 purpose funds, as state matching funds for not less than  
25 \$175,000.00 in United States Department of Agriculture funding to  
26 provide outreach program activities, such as eligibility screen and  
27 information services, as part of a statewide food assistance

1 hotline.

2       Sec. 425. From the funds appropriated in part 1, the  
3 department shall provide individuals not more than \$500.00 for  
4 vehicle repairs, including any repairs done in the previous 12  
5 months. However, the department may in its discretion pay for  
6 repairs up to \$900.00. Payments under this section shall include  
7 the combined total of payments made by the department and work  
8 participation program.

9 **CHILD WELFARE SERVICES**

10       Sec. 501. (1) A goal is established that not more than 27% of  
11 all children in foster care at any given time during the current  
12 fiscal year will have been in foster care for 24 months or more.

13       (2) By March 1 of the current fiscal year, the department  
14 shall provide to the senate and house appropriations subcommittees  
15 on the department budget, the senate and house fiscal agencies, the  
16 senate and house policy offices, and the state budget office a  
17 report describing the steps that will be taken to achieve the  
18 specific goal established in this section and on the percentage of  
19 children who currently are in foster care and who have been in  
20 foster care a total of 24 or more months.

21       Sec. 502. From the funds appropriated in part 1 for foster  
22 care, the department shall provide 50% reimbursement to Indian  
23 tribal governments for foster care expenditures for children who  
24 are under the jurisdiction of Indian tribal courts and who are not  
25 otherwise eligible for federal foster care cost sharing.

26       Sec. 503. (1) In accordance with the final report of the

1 Michigan child welfare performance-based funding task force issued  
2 in response to section 503 of article X of 2013 PA 59, the  
3 department shall continue to develop actuarially sound case rates  
4 for necessary out-of-home child welfare services that achieve  
5 permanency by the department and private child placing agencies in  
6 a prospective payment system under a performance-based funding  
7 model.

8 (2) The department shall continue to develop a prospective  
9 rate payment system for private agencies that includes funding for  
10 adoption incentive payments. The full cost prospective rate payment  
11 system will identify and cover contractual costs paid through the  
12 case rate developed by an independent actuary.

13 (3) By September 30, 2016, the department shall complete a  
14 full cost analysis of the performance-based funding model with  
15 respect to the current fiscal year, including relevant information  
16 on the actuarial rate-setting process, and provide a report on the  
17 analysis to the senate and house appropriations subcommittees on  
18 the department budget.

19 (4) In accordance with the final report of the Michigan child  
20 welfare performance-based funding task force issued in response to  
21 section 503 of article X of 2013 PA 59, the department shall  
22 implement a 5-year independent, third-party evaluation of the  
23 performance-based funding model. The evaluator shall be selected  
24 through a competitive process by a rating committee that includes,  
25 but is not limited to, representatives from the department and  
26 private child placing agencies.

27 (5) The department shall only phase the implementation of the

1 performance-based funding model into additional counties where the  
2 department, private child welfare agencies, the county, and the  
3 court operating within that county have agreed to implement the  
4 performance-based funding model.

5 (6) The department, in conjunction with members from both the  
6 house of representatives and senate, private child placing  
7 agencies, the courts, and counties shall implement the  
8 recommendations that are described in the workgroup report that was  
9 provided in section 503 of article X of 2013 PA 59 to establish a  
10 performance-based funding for public and private child welfare  
11 services providers. The department shall provide a quarterly report  
12 on the status of the performance-based contracting model to the  
13 senate and house appropriations subcommittees on the department  
14 budget, the senate and house standing committees on families and  
15 human services, and the senate and house fiscal agencies and policy  
16 offices.

17 (7) From the funds appropriated in part 1 for the performance-  
18 based funding model pilot, the department may develop a master  
19 agreement with a consortium, recognized by the Internal Revenue  
20 Service as tax-exempt as defined under section 501(c)(3) of the  
21 internal revenue code of 1986, 26 USC 501, consisting of a network  
22 of affiliated child welfare service providers, to accept and  
23 comprehensively assess referred youth, assign cases to members of  
24 its continuum or leverage services from other entities, and make  
25 appropriate case management decisions during the duration of a  
26 case. The consortium shall operate an integrated continuum of care  
27 structure, with services provided by both private and public

1 agencies, based on individual case needs. The consortium shall  
2 demonstrate significant organizational capacity and competencies,  
3 including experience with managing risk-based contracts, financial  
4 strength, experienced staff and leadership, and appropriate  
5 governance structure.

6       Sec. 504. (1) From the funds appropriated in part 1 for  
7 performance-based funding implementation, the department shall  
8 provide \$500,000.00 in 1-time funding to support a portion of the  
9 first-year start-up costs to operate a consortium in Kent County  
10 for a performance-based child welfare contracting pilot program.  
11 Allowable start-up costs include \$300,000.00 for administration,  
12 facilities, initial salaries, and wages and \$200,000.00 for  
13 information technology infrastructure.

14       (2) The department may establish a master agreement with a  
15 consortium. The consortium must be recognized by this state as a  
16 nonprofit organization and must have submitted an application to  
17 the Internal Revenue Service for 501(c)(3) status. The consortium  
18 shall consist of a network of affiliated child welfare service  
19 providers that will accept and comprehensively assess referred  
20 youth, assign cases to members of its continuum or leverage  
21 services from other entities, and make appropriate case management  
22 decisions during the duration of a case.

23       (3) The consortium shall operate an integrated continuum of  
24 care structure, with services provided by private or public  
25 agencies, based on individual case needs. The consortium shall  
26 demonstrate significant organizational capacity and competencies,  
27 including financial strength, experienced staff and leadership, and

1 appropriate governance structure.

2 (4) By March 1 of the current fiscal year, the consortium  
3 shall provide to the department and the house and senate  
4 appropriations subcommittees on the department budget a report on  
5 the status of the implementation of the consortium, including, but  
6 not limited to, actual expenditures.

7 Sec. 505. By March 1 of the current fiscal year, the  
8 department and Wayne County shall provide to the senate and house  
9 appropriations committees on the department budget, the senate and  
10 house fiscal agencies and policy offices, and the state budget  
11 office a report for youth served in the previous fiscal year and in  
12 the first quarter of the current fiscal year outlining the number  
13 of youth served within each juvenile justice system, the type of  
14 setting for each youth, performance outcomes, and financial costs  
15 or savings.

16 Sec. 507. The department's ability to satisfy appropriation  
17 deducts in part 1 for foster care private collections shall not be  
18 limited to collections and accruals pertaining to services provided  
19 only in the current fiscal year but may include revenues collected  
20 during the current fiscal year for services provided in prior  
21 fiscal years.

22 Sec. 508. (1) In addition to the amount appropriated in part 1  
23 for children's trust fund grants, money granted or money received  
24 as gifts or donations to the children's trust fund created by 1982  
25 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

26 (2) The department and the child abuse neglect and prevention  
27 board shall collaborate to ensure that administrative delays are



1 avoided and the local grant recipients and direct service providers  
2 receive money in an expeditious manner. The department and board  
3 shall make available the children's trust fund contract funds to  
4 grantees within 31 days of the start date of the funded project.

5       Sec. 511. The department shall provide quarterly reports to  
6 the senate and house appropriations subcommittees on the department  
7 budget, the senate and house standing committees on families and  
8 human services, and the senate and house fiscal agencies and policy  
9 offices on the number and percentage of children who received  
10 timely health examinations after entry into foster care and the  
11 number and percentage of children entering foster care who received  
12 a required mental health examination after entry into foster care.

13       Sec. 513. (1) The department shall not expend funds  
14 appropriated in part 1 to pay for the direct placement by the  
15 department of a child in an out-of-state facility unless all of the  
16 following conditions are met:

17       (a) There is no appropriate placement available in this state  
18 as determined by the department interstate compact office.

19       (b) An out-of-state placement exists that is nearer to the  
20 child's home than the closest appropriate in-state placement as  
21 determined by the department interstate compact office.

22       (c) The out-of-state facility meets all of the licensing  
23 standards of this state for a comparable facility.

24       (d) The out-of-state facility meets all of the applicable  
25 licensing standards of the state in which it is located.

26       (e) The department has done an on-site visit to the out-of-  
27 state facility, reviewed the facility records, reviewed licensing

1 records and reports on the facility, and believes that the facility  
2 is an appropriate placement for the child.

3 (2) The department shall not expend money for a child placed  
4 in an out-of-state facility without approval of the deputy director  
5 for children's services. The department shall notify the  
6 appropriate state agency in that state including the name of the  
7 out-of-state provider who accepted the placement.

8 (3) The department shall submit an annual report to the state  
9 court administrative office, the house and senate appropriations  
10 subcommittees on the department budget, the house and senate fiscal  
11 agencies, and the house and senate policy offices on the number of  
12 Michigan children residing in out-of-state facilities at the time  
13 of the report, the total cost and average per diem cost of these  
14 out-of-state placements to this state, and a list of each such  
15 placement arranged by the Michigan county of residence for each  
16 child.

17 (4) The department shall submit an annual report by February  
18 15 of the current fiscal year on per diem costs of each residential  
19 care provider that has an established state rate and is located or  
20 doing business in this state.

21 (5) It is the intent of the legislature that the department  
22 shall work in conjunction with the courts and the state court  
23 administrative office to identify data needed to calculate  
24 statewide recidivism rates for adjudicated youth placed in either  
25 residential secure or nonsecure facilities, defined at 6 months  
26 after a youth is released from placement.

27 (6) By March 1 of the current fiscal year, the department

1 shall notify the legislature on the status of efforts to accomplish  
2 the intent of subsection (5).

3 Sec. 514. The department shall make a comprehensive report  
4 concerning children's protective services (CPS) to the legislature,  
5 including the senate and house policy offices and the state budget  
6 director, by January 1 of the current fiscal year, that shall  
7 include all of the following:

8 (a) Statistical information including, at a minimum, all of  
9 the following:

10 (i) The total number of reports of child abuse or neglect  
11 investigated under the child protection law, 1975 PA 238, MCL  
12 722.621 to 722.638, and the number of cases classified under  
13 category I or category II and the number of cases classified under  
14 category III, category IV, or category V.

15 (ii) Characteristics of perpetrators of child abuse or neglect  
16 and the child victims, such as age, relationship, race, and  
17 ethnicity and whether the perpetrator exposed the child victim to  
18 drug activity, including the manufacture of illicit drugs, that  
19 exposed the child victim to substance abuse, a drug house, or  
20 methamphetamine.

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

25 (iv) The number of cases that resulted in the separation of  
26 the child from the parent or guardian and the period of time of  
27 that separation, up to and including termination of parental

1 rights.

2 (v) For the reported complaints of child abuse or neglect by  
3 teachers, school administrators, and school counselors, the number  
4 of cases classified under category I or category II and the number  
5 of cases classified under category III, category IV, or category V.

6 (vi) For the reported complaints of child abuse or neglect by  
7 teachers, school administrators, and school counselors, the number  
8 of cases that resulted in separation of the child from the parent  
9 or guardian and the period of time of that separation, up to and  
10 including termination of parental rights.

11 (b) New policies related to children's protective services  
12 including, but not limited to, major policy changes and court  
13 decisions affecting the children's protective services system  
14 during the immediately preceding 12-month period.

15 (c) The information contained in the report required under  
16 section 8d(5) of the child protection law, 1975 PA 238, MCL  
17 722.628d, on cases classified under category III.

18 (d) The department policy, or changes to the department  
19 policy, regarding children who have been exposed to the production  
20 or manufacture of methamphetamines.

21 Sec. 515. By March 1, 2016, the department shall submit a  
22 report to the senate and house appropriations subcommittees on the  
23 department budget, the senate and house fiscal agencies, the senate  
24 and house policy offices, and the state budget office that provides  
25 an update on the privatization of child welfare services in Kent  
26 County as described in section 515 of article X of 2013 PA 59 and  
27 includes all of the following:

1 (a) Costs or savings that resulted from the program.

2 (b) Gaps in funding.

3 (c) Program successes.

4 (d) Challenges and barriers to a successful implementation.

5 Sec. 519. The department shall permit any private agency that  
6 has an existing contract with this state to provide foster care  
7 services to be also eligible to provide treatment foster care  
8 services.

9 Sec. 522. (1) From the funds appropriated in part 1 for youth  
10 in transition, the department shall allocate \$750,000.00 for  
11 college scholarships through the fostering futures scholarship  
12 program in the Michigan education trust to youths who were in  
13 foster care because of child abuse or neglect and are attending a  
14 college located in this state. Of the funds appropriated, 100%  
15 shall be used to fund scholarships for the youths described in this  
16 section.

17 (2) Not later than March 1 of the current fiscal year, the  
18 department shall provide a report to the house and senate  
19 appropriations subcommittees on the department budget, the house  
20 and senate fiscal agencies, and the house and senate policy offices  
21 that includes the number of youths who received scholarships and  
22 the amount of each scholarship, and the total amount of funds spent  
23 or encumbered in the current fiscal year.

24 Sec. 523. (1) By February 15 of the current fiscal year, the  
25 department shall report on the families first, family  
26 reunification, and families together building solutions family  
27 preservation programs to the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal  
2 agencies, the senate and house policy offices, and the state budget  
3 office. The report shall contain all of the following for each  
4 program:

5 (a) The average cost per recipient served.

6 (b) Measurable performance indicators.

7 (c) Desired outcomes or results and goals that can be measured  
8 on an annual basis, or desired results for a defined number of  
9 years.

10 (d) Monitored results.

11 (e) Innovations that may include savings or reductions in  
12 administrative costs.

13 (2) From the funds appropriated in part 1 for youth in  
14 transition and domestic violence prevention and treatment, the  
15 department is authorized to make allocations of TANF funds only to  
16 agencies that report necessary data to the department for the  
17 purpose of meeting TANF eligibility reporting requirements.

18 Sec. 524. As a condition of receiving funds appropriated in  
19 part 1 for strong families/safe children, counties must submit the  
20 service spending plan to the department by October 1 of the current  
21 fiscal year for approval. The department shall approve the service  
22 spending plan within 30 calendar days after receipt of a properly  
23 completed service spending plan.

24 Sec. 525. The department shall implement the same on-site  
25 evaluation processes for privately operated child welfare and  
26 juvenile justice residential facilities as is used to evaluate  
27 state-operated facilities. Penalties for noncompliance shall be the

1 same for privately operated child welfare and juvenile justice  
2 residential facilities and state-operated facilities.

3 Sec. 526. From the funds appropriated in part 1 for foster  
4 care payments and related administrative costs, the department may  
5 implement the federally approved title IV-E child welfare waiver  
6 demonstration project. As required under the waiver, any savings  
7 resulting from the demonstration project must be quantified and  
8 reinvested into child welfare programming.

9 Sec. 532. (1) The department, in collaboration with  
10 representatives of private child and family agencies, shall revise  
11 and improve the annual licensing review process and the annual  
12 contract compliance review process for child placing agencies and  
13 child caring institutions. The improvement goals shall be safety  
14 and care for children. Improvements to the review process shall be  
15 directed toward alleviating administrative burdens so that agency  
16 resources may be focused on children. The revision shall include  
17 identification of duplicative staff activities and information  
18 sought from child placing agencies and child caring institutions in  
19 the annual review process. The department shall report to the  
20 senate and house appropriations subcommittees on the department  
21 budget, the senate and house fiscal agencies and policy offices,  
22 and the state budget director on or before January 15 of the  
23 current fiscal year on the findings of the annual licensing review.

24 (2) The department shall conduct licensing reviews no more  
25 than once every 2 years for child placing agencies and child caring  
26 institutions that are nationally accredited and have no outstanding  
27 violations.

1       Sec. 533. (1) The department shall make payments to child  
2 placing facilities for in-home and out-of-home care services and  
3 adoption services within 30 days of receiving all necessary  
4 documentation from those agencies.

5       (2) The department shall provide a report on the status of the  
6 implementation and operation of this section by February 15 of the  
7 current fiscal year.

8       Sec. 534. The department shall report to the senate and house  
9 appropriations subcommittees on the department budget, the senate  
10 and house fiscal agencies, the senate and house policy offices, and  
11 the state budget office by November 1 of the current fiscal year a  
12 report on the planning, implementation, and operation, regardless  
13 of the current operational status, of the statewide automated child  
14 welfare information system. The report shall include, but not be  
15 limited to, all of the following:

16       (a) Areas where implementation went as planned.

17       (b) The number of known issues.

18       (c) The average number of help tickets submitted per day.

19       (d) Any additional overtime or other staffing costs to address  
20 known issues and volume of help tickets.

21       (e) Any contract revisions to address known issues and volume  
22 of help tickets.

23       (f) Other strategies undertaken to improve implementation.

24       Sec. 537. (1) The department, in collaboration with child  
25 placing agencies, shall develop a strategy to implement section  
26 1150 of the social welfare act, 1939 PA 280, MCL 400.1150. The  
27 strategy shall include a requirement that a department caseworker



1 responsible for preparing a recommendation to a court concerning a  
2 juvenile placement shall provide, as part of the recommendation,  
3 information regarding the requirements of section 1150 of the  
4 social welfare act, 1939 PA 280, MCL 400.1150.

5 (2) Between February 1 and February 29, 2016, the department  
6 shall provide to the senate and house appropriations subcommittees  
7 on the department budget, the senate and house fiscal agencies, the  
8 senate and house policy offices, and the state budget office a  
9 report on the strategy described in subsection (1).

10 Sec. 540. If a physician or psychiatrist who is providing  
11 services to state or court wards placed in a residential facility  
12 submits a formal request to the department to change the  
13 psychotropic medication of a ward, the department shall, if the  
14 ward is a state ward, make a determination on the proposed change  
15 within 7 business days after the request or, if the ward is a  
16 temporary court ward, seek parental consent within 7 business days  
17 after the request. If parental consent is not provided within 7  
18 business days, the department shall petition the court on the  
19 eighth business day.

20 Sec. 546. (1) From the funds appropriated in part 1 for foster  
21 care payments and from child care fund, the department shall pay  
22 providers of foster care services not less than a \$37.00  
23 administrative rate.

24 (2) From the funds appropriated in part 1 for foster care  
25 payments and from child care fund, the department shall pay  
26 providers of general independent living services not less than a  
27 \$28.00 administrative rate.

1           (3) From the funds appropriated in part 1, the department  
2 shall pay providers of independent living plus services statewide  
3 per diem rates for staff-supported housing and host-home housing  
4 based on proposals submitted in response to a solicitation for  
5 pricing. The independent living plus program provides staff-  
6 supported housing and services for foster youth ages 16 through 19  
7 who, because of their individual needs and assessments, are not  
8 initially appropriate for general independent living foster care.

9           (4) From the funds appropriated in part 1, the department  
10 shall pay providers of foster care services an additional \$3.00  
11 administrative rate, provided that section 117a of the social  
12 welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the  
13 county match rate for the additional administrative rate provided  
14 in this subsection. Payments under this subsection shall be made,  
15 not less than, on a monthly basis.

16           (5) If required by the federal government to meet title IV-E  
17 requirements, providers of foster care services shall submit  
18 quarterly expenditure reports to the department to identify actual  
19 costs of providing foster care services.

20           (6) From the funds appropriated in part 1, the department  
21 shall provide an increase to each private provider of residential  
22 services, if section 117a of the social welfare act, 1939 PA 280,  
23 MCL 400.117a, is amended to eliminate the county match rate for the  
24 additional rate provided in this section.

25           Sec. 547. From the funds appropriated in part 1 for the  
26 guardianship assistance program, the department shall pay a minimum  
27 rate that is not less than the approved age-appropriate payment

1 rates for youth placed in family foster care.

2 Sec. 556. No later than December 1 for the current fiscal  
3 year, the department shall provide an annual report to the  
4 subcommittees of the senate and house appropriations committees on  
5 the department budget, the house and senate fiscal agencies, and  
6 the state budget director that includes the following:

7 (a) The number of complaints filed by adoptive parents who  
8 were not notified that their adopted child had special needs.

9 (b) The number of cases that received redetermined adoption  
10 assistance as defined in section 115f of the social welfare act,  
11 1939 PA 280, MCL 400.115f, the total expenditures on the program,  
12 and the number of cases in each determination of care level of  
13 payment.

14 Sec. 558. (1) The department shall explore ways to maximize  
15 use of training programs or courses provided through the child  
16 welfare training institute accessible online and in service areas  
17 throughout the state, provided the delivery is an appropriate  
18 option for achieving specific learning objectives. These training  
19 programs and courses shall be made available to employees of  
20 private child placing agencies and child caring institutions.

21 (2) The department shall submit to the senate and house  
22 appropriations subcommittees on the department budget, the senate  
23 and house fiscal agencies, the senate and house policy offices, and  
24 the state budget office by March 1 of the current fiscal year a  
25 report on the training programs or courses provided through the  
26 child welfare training institute described in subsection (1), and  
27 the annual cost for each program or course. The report shall

1 include the following data:

2 (a) The number of training programs or courses that were  
3 provided for private agencies.

4 (b) The number of employees from private agencies who attended  
5 any training.

6 (c) The number of training programs or courses that were  
7 provided through an online forum.

8 (d) The number of training programs or courses that were  
9 provided in local service areas.

10 Sec. 559. (1) From the funds appropriated in part 1 for  
11 adoption support services, the department shall allocate  
12 \$350,000.00 to the Adoptive Family Support Network by December 1 of  
13 the current fiscal year to operate and expand its adoptive parent  
14 mentor program to provide a listening ear, knowledgeable guidance,  
15 and community connections to adoptive parents and children who were  
16 adopted in this state or another state.

17 (2) The Adoptive Family Support Network shall submit to the  
18 senate and house appropriations subcommittees on the department  
19 budget, the senate and house fiscal agencies, the senate and house  
20 policy offices, and the state budget office by March 1 of the  
21 current fiscal year a report on the program described in subsection  
22 (1), including, but not limited to, the number of cases served and  
23 the number of cases in which the program prevented an out-of-home  
24 placement.

25 Sec. 562. The department shall provide time and travel  
26 reimbursements for foster parents who transport a foster child to  
27 parent-child visitations. As part of the foster care parent

1 contract, the department shall provide written confirmation to  
2 foster parents that states that the foster parents have the right  
3 to request these reimbursements for all parent-child visitations.  
4 The department shall provide these reimbursements within 60 days of  
5 receiving a request for eligible reimbursements from a foster  
6 parent.

7 Sec. 564. (1) The department shall develop a clear policy for  
8 parent-child visitations. The local county offices, caseworkers,  
9 and supervisors shall meet a 50% success rate, after accounting for  
10 factors outside of the caseworker's control.

11 (2) Per the court-ordered number of required meetings between  
12 caseworkers and parent, the caseworkers shall achieve a success  
13 rate of 65%, after accounting for factors outside of the  
14 caseworker's control.

15 (3) Between February 1 and February 29, 2016, the department  
16 shall provide to the senate and house appropriations subcommittees  
17 on the department budget, the senate and house fiscal agencies, the  
18 senate and house policy offices, and the state budget office a  
19 report on the following:

20 (a) The percentage of success rate for parent-child  
21 visitations and court-ordered required meetings between caseworkers  
22 referenced in subsections (1) and (2) for the previous year.

23 (b) The barriers to achieve the success rates in subsections  
24 (1) and (2) and how this information is tracked.

25 Sec. 567. (1) The caseworker or supervisor who is assigned to  
26 a foster care case is responsible for completing a medical passport  
27 for the cases assigned to him or her. If a child in foster care is

1 transferred to a new placement or returned to his or her parent's  
2 or guardian's home, the medical passport and any school records in  
3 the caseworkers' or supervisors' possession must be transferred  
4 within 2 weeks from the date of placement or return to the home.

5 (2) The department shall submit to the senate and house  
6 appropriations subcommittees on the department budget, the senate  
7 and house fiscal agencies, the senate and house policy offices, and  
8 the state budget office by March 1 of the current fiscal year a  
9 report on the items described in subsection (1), including the  
10 following:

11 (a) The percentage of medical passports that were properly  
12 filled out.

13 (b) From the total medical passports transferred, the  
14 percentage that transferred within 2 weeks from the date of  
15 placement or return to the home.

16 (c) From the total school records, the percentage that  
17 transferred within 2 weeks from the date of placement or return to  
18 the home.

19 (d) The implementation steps that have been taken to improve  
20 the outcomes for the measures in subdivisions (a) and (b).

21 Sec. 568. (1) From the funds appropriated in part 1 for  
22 adoption subsidies, the department shall pay a minimum adoption  
23 subsidy rate that is not less than 95% of the rate that was or  
24 would have been provided for the adoptee in family foster care at  
25 the time of the adoption. This rate includes the determination of  
26 care rate that was paid or would have been paid to the adoptive  
27 parent for the adoptee in a family foster care placement, and this

1 amount shall be increased to reflect any increase in the standard  
2 age appropriate foster care rate.

3 (2) "Determination of care rate" as described in this section  
4 means a supplemental payment to the standard age appropriate foster  
5 care rate that may be justified when extraordinary care or expense  
6 is required. The supplemental payment is based on 1 or more of the  
7 following case situations where additional care is required of the  
8 foster care provider or adoptive parent or an additional expense  
9 exists:

10 (a) Physically disabled children for whom the adoptive parent  
11 must provide measurably greater supervision and care.

12 (b) Children with special psychological or psychiatric needs  
13 that require extra time and measurably greater amounts of care and  
14 attention by the adoptive parent.

15 (c) Children requiring special diets that are more expensive  
16 than a normal diet and that require extra time and effort by the  
17 adoptive parent to obtain or prepare.

18 (d) Children whose severe acting-out or antisocial behavior  
19 requires a measurably greater amount of care and attention of the  
20 adoptive parent.

21 (3) The department shall, on a separate form, allow an  
22 adoptive parent to sign a certification that he or she rejects a  
23 support subsidy.

24 (4) If this section conflicts with state statute enacted  
25 subsequent to this act, the state statute controls.

26 Sec. 569. The department shall reimburse private child placing  
27 agencies that complete adoptions at the rate according to the date

1 on which the petition for adoption and required support  
2 documentation was accepted by the court and not according to the  
3 date the court's order placing for adoption was entered.

4       Sec. 574. (1) From the funds appropriated in part 1 for foster  
5 care payments, \$2,500,000.00 is allocated to support performance-  
6 based contracts with child placing agencies to facilitate the  
7 licensure of relative caregivers as foster parents. Agencies shall  
8 receive \$2,300.00 for each facilitated licensure if completed  
9 within 180 days after a child's placement or, if a waiver was  
10 previously approved, 180 days from the application date. If the  
11 facilitated licensure, or approved waiver, is completed after 180  
12 days, the agency shall receive up to \$2,300.00. The agency  
13 facilitating the licensure would retain the placement and continue  
14 to provide case management services for at least 50% of the newly  
15 licensed cases for which the placement was appropriate to the  
16 agency. Up to 50% of the newly licensed cases would have direct  
17 foster care services provided by the department.

18       (2) From the funds appropriated for foster care payments,  
19 \$375,000.00 is allocated to support family incentive grants to  
20 private and community-based foster care service providers to assist  
21 with home improvements or payment for physical exams for applicants  
22 needed by foster families to accommodate foster children.

23       Sec. 583. By February 1 of the current fiscal year, the  
24 department shall provide to the senate and house appropriations  
25 subcommittees on the department budget, the senate and house  
26 standing committees on families and human services, the senate and  
27 house fiscal agencies and policy offices, and the state budget



1 office a report that includes:

2 (a) The number and percentage of foster parents that dropped  
3 out of the program in the previous fiscal year and the reasons the  
4 foster parents left the program and how those figures compare to  
5 prior fiscal years.

6 (b) The number and percentage of foster parents successfully  
7 retained in the previous fiscal year and how those figures compare  
8 to prior fiscal years.

9 Sec. 585. The department shall make available at least 1 pre-  
10 service training class each month in which new caseworkers for  
11 private foster care and adoption agencies can enroll.

12 Sec. 587. (1) From the funds appropriated in part 1 to in-home  
13 community care programs, \$400,000.00 shall be used to expand or  
14 create new in-home care and community-based juvenile justice  
15 services to rural counties through a grant-making process. Counties  
16 that received funds for the purpose described in section 587 of  
17 article X of 2013 PA 59 are not eligible to receive the funds in  
18 this section. The department shall expend the full amount of funds  
19 for the purpose described in this section by January 15 of the  
20 current fiscal year.

21 (2) By March 1 of the current fiscal year, the department  
22 shall submit a report that describes the program expansion and  
23 expenditures in detail to the senate and house appropriations  
24 subcommittees on the department budget, the senate and house fiscal  
25 agencies, and the senate and house policy offices.

26 Sec. 588. (1) Concurrently with public release, the department  
27 shall transmit all reports from the court-appointed settlement

1 monitor, including, but not limited to, the needs assessment and  
2 period outcome reporting, to the state budget office, the senate  
3 and house appropriations subcommittees on the department budget,  
4 and the senate and house fiscal agencies, without revision.

5 (2) The department shall report quarterly to the state budget  
6 office, the senate and house appropriations subcommittees on the  
7 department budget, and the senate and house fiscal agencies, on the  
8 number of children enrolled in the guardianship assistance and  
9 foster care - children with serious emotional disturbance waiver  
10 programs.

11 Sec. 589. (1) From the funds appropriated in part 1 for child  
12 care fund, the department shall pay 100% of the administrative rate  
13 for all new cases referred to providers of foster care services  
14 beginning on October 1, 2013.

15 (2) On a monthly basis, the department shall report on the  
16 number of all foster care cases administered by the department and  
17 all foster care cases administered by private providers.

18 Sec. 593. The department may allow residential service  
19 providers for abuse and neglect cases to implement a staff ratio  
20 during working hours of 1 staff to 5 children.

## 21 **PUBLIC ASSISTANCE**

22 Sec. 601. Whenever a client agrees to the release of his or  
23 her name and address to the local housing authority, the department  
24 shall request from the local housing authority information  
25 regarding whether the housing unit for which vendoring has been  
26 requested meets applicable local housing codes. Vendoring shall be

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

5 Sec. 602. The department shall establish a policy to conduct a  
6 full evaluation of an individual's assistance needs if the  
7 individual has applied for disability more than 1 time within a 1-  
8 year period.

9 Sec. 603. Between February 1 and February 29, 2016, the  
10 department shall provide to the senate and house appropriations  
11 subcommittees on the department budget, the senate and house fiscal  
12 agencies, the senate and house policy offices, and the state budget  
13 office a report on the findings of the maximizing Medicaid claim  
14 workgroup established in section 603 of article X of 2014 PA 252,  
15 including the steps taken to implement the action plan developed by  
16 the workgroup, and the department's ongoing efforts to maximize  
17 Medicaid claims for foster children and adjudicated youths.

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

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

27 (b) A person with a physical or mental impairment which meets

1 federal supplemental security income disability standards, except  
2 that the minimum duration of the disability shall be 90 days.

3 Substance abuse alone is not defined as a basis for eligibility.

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

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

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

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

13 (g) A caretaker of a disabled person who meets the  
14 requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

21 (3) Except for a person described in subsection (1)(c) or (d),  
22 a person is not disabled for purposes of this section if his or her  
23 drug addiction or alcoholism is a contributing factor material to  
24 the determination of disability. "Material to the determination of  
25 disability" means that, if the person stopped using drugs or  
26 alcohol, his or her remaining physical or mental limitations would  
27 not be disabling. If his or her remaining physical or mental

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

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

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

20       Sec. 607. (1) The department's ability to satisfy  
21 appropriation deductions in part 1 for state disability  
22 assistance/supplemental security income recoveries and public  
23 assistance recoupment revenues shall not be limited to recoveries  
24 and accruals pertaining to state disability assistance, or family  
25 independence assistance grant payments provided only in the current  
26 fiscal year, but may include revenues collected during the current  
27 year that are prior year related and not a part of the department's

1 accrued entries.

2 (2) The department may use supplemental security income  
3 recoveries to satisfy the deduct in any line in which the revenues  
4 are appropriated, regardless of the source from which the revenue  
5 is recovered.

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

18 Sec. 609. The state supplementation level under the  
19 supplemental security income program for the personal care/adult  
20 foster care and home for the aged categories shall not be reduced  
21 during the current fiscal year. The legislature shall be notified  
22 not less than 30 days before any proposed reduction in the state  
23 supplementation level.

24 Sec. 610. (1) In developing good cause criteria for the state  
25 emergency relief program, the department shall grant exemptions if  
26 the emergency resulted from unexpected expenses related to  
27 maintaining or securing employment.

1           (2) For purposes of determining housing affordability  
2 eligibility for state emergency relief, a group is considered to  
3 have sufficient income to meet ongoing housing expenses if their  
4 total housing obligation does not exceed 75% of their total net  
5 income.

6           (3) State emergency relief payments shall not be made to  
7 individuals who have been found guilty of fraud in regard to  
8 obtaining public assistance.

9           (4) State emergency relief payments shall not be made  
10 available to persons who are out-of-state residents or illegal  
11 immigrants.

12           (5) State emergency relief payments for rent assistance shall  
13 be distributed directly to landlords and shall not be added to  
14 Michigan bridge cards.

15           Sec. 611. The state supplementation level under the  
16 supplemental security income program for the living independently  
17 or living in the household of another categories shall not exceed  
18 the minimum state supplementation level as required under federal  
19 law or regulations.

20           Sec. 613. (1) The department shall provide reimbursements for  
21 the final disposition of indigent persons. The reimbursements shall  
22 include the following:

23           (a) The maximum allowable reimbursement for the final  
24 disposition is \$800.00.

25           (b) The adult burial with services allowance is \$720.00.

26           (c) The adult burial without services allowance is \$485.00.

27           (d) The infant burial allowance is \$165.00.

1           (2) It is the intent of the legislature that this charge limit  
2 reflect a total increase of \$20.00 per case in payments to funeral  
3 directors for funeral goods and services over the payment rate in  
4 place for the previous fiscal year. In addition, reimbursement for  
5 a cremation permit fee of up to \$75.00 and for mileage at the  
6 standard rate will also be made available for an eligible  
7 cremation. The reimbursements under this section shall take into  
8 consideration religious preferences that prohibit cremation.

9           Sec. 614. The department shall report to the senate and house  
10 of representatives appropriations subcommittees on the department  
11 budget, the senate and house fiscal agencies, and the senate and  
12 house policy offices by January 15 of the current fiscal year on  
13 the number and percentage of state disability assistance recipients  
14 who were determined to be eligible for federal supplemental  
15 security income benefits in the previous fiscal year.

16           Sec. 615. Except as required by federal law or regulations,  
17 funds appropriated in part 1 shall not be used to provide public  
18 assistance to a person who is an illegal alien. This section shall  
19 not prohibit the department from entering into contracts with food  
20 banks, emergency shelter providers, or other human services  
21 agencies who may, as a normal part of doing business, provide food  
22 or emergency shelter.

23           Sec. 616. The department shall require retailers that  
24 participate in the electronic benefits transfer program to charge  
25 no more than \$2.50 in fees for cash back as a condition of  
26 participation.

27           Sec. 617. The department shall prepare a report on the number



1 and percentage of public assistance recipients, categorized by type  
2 of assistance received, who were no longer eligible for assistance  
3 because of their status in the law enforcement information network  
4 and provide the report by January 15 of the current fiscal year to  
5 the senate and house appropriations subcommittees on the department  
6 budget, the senate and house standing committees on families and  
7 human services, and the senate and house fiscal agencies and policy  
8 offices.

9       Sec. 619. (1) Subject to subsection (2), the department shall  
10 exempt from the denial of title IV-A assistance and food assistance  
11 benefits under 21 USC 862a any individual who has been convicted of  
12 a felony that included the possession, use, or distribution of a  
13 controlled substance, after August 22, 1996, provided that the  
14 individual is not in violation of his or her probation or parole  
15 requirements. Benefits shall be provided to such individuals as  
16 follows:

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

19       (b) An authorized representative shall be required for food  
20 assistance receipt.

21       (2) Subject to federal approval, an individual is not entitled  
22 to the exemption in this section if the individual was convicted in  
23 2 or more separate cases of a felony that included the possession,  
24 use, or distribution of a controlled substance after August 22,  
25 1996.

26       Sec. 620. (1) The department shall make a determination of  
27 Medicaid eligibility not later than 90 days if disability is an

1 eligibility factor. For all other Medicaid applicants, including  
2 patients of a nursing home, the department shall make a  
3 determination of Medicaid eligibility within 45 days of  
4 application.

5 (2) The department shall report on May 1 and November 1 of the  
6 current fiscal year to the senate and house appropriations  
7 subcommittees on the department budget, the senate and house  
8 standing committees on families and human services, and the senate  
9 and house fiscal agencies and policy offices on the average  
10 Medicaid eligibility standard of promptness for each of the  
11 required standards of promptness under subsection (1) and for  
12 medical review team reviews achieved statewide and at each local  
13 office.

14 Sec. 625. The department may contract with the Legal Services  
15 Association of Michigan to provide assistance to individuals who  
16 have applied for or wish to apply for SSI or other federal  
17 disability benefits. The Legal Services Association of Michigan  
18 shall provide a list of new clients accepted to the department to  
19 verify that services have been provided to department clients. The  
20 Legal Services Association of Michigan and the department shall  
21 work together to develop release forms to share information in  
22 appropriate cases. The Legal Services Association of Michigan shall  
23 provide quarterly reports indicating cases opened, cases closed,  
24 level of services provided on closed cases, and case outcomes on  
25 closed cases.

26 Sec. 630. From the funds appropriated in part 1 for family  
27 independence program, the department shall implement a suspicion-

1 based drug testing pilot program for the family independence  
2 program according to sections 57y and 57z of the social welfare  
3 act, 1939 PA 280, MCL 400.57y and 400.57z.

4 Sec. 642. The department shall allocate the full amount of  
5 funds appropriated in part 1 for homeless programs to provide  
6 services for homeless individuals and families, including, but not  
7 limited to, third-party contracts for emergency shelter services.

8 Sec. 643. As a condition of receipt of federal TANF funds,  
9 homeless shelters and human services agencies shall collaborate  
10 with the department to obtain necessary TANF eligibility  
11 information on families as soon as possible after admitting a  
12 family to the homeless shelter. From the funds appropriated in part  
13 1 for homeless programs, the department is authorized to make  
14 allocations of TANF funds only to the agencies that report  
15 necessary data to the department for the purpose of meeting TANF  
16 eligibility reporting requirements. Homeless shelters or human  
17 services agencies that do not report necessary data to the  
18 department for the purpose of meeting TANF eligibility reporting  
19 requirements will not receive reimbursements which exceed the per  
20 diem amount they received in fiscal year 2000. The use of TANF  
21 funds under this section should not be considered an ongoing  
22 commitment of funding.

23 Sec. 645. An individual or family is considered homeless, for  
24 purposes of eligibility for state emergency relief, if living  
25 temporarily with others in order to escape domestic violence. For  
26 purposes of this section, domestic violence is defined and verified  
27 in the same manner as in the department's policies on good cause

1 for not cooperating with child support and paternity requirements.

2       Sec. 653. From the funds appropriated in part 1 for food  
3 assistance, an individual who is the victim of domestic violence  
4 and does not qualify for any other exemption may be exempt from the  
5 3-month in 36-month limit on receiving food assistance under 7 USC  
6 2015. This exemption can be extended an additional 3 months upon  
7 demonstration of continuing need.

8       Sec. 654. The department shall notify recipients of food  
9 assistance program benefits that their benefits can be spent with  
10 their bridge cards at many farmers' markets in the state. The  
11 department shall also notify recipients about the Double Up Food  
12 Bucks program that is administered by the Fair Food Network.  
13 Recipients shall receive information about the Double Up Food Bucks  
14 program, including information that when the recipient spends  
15 \$20.00 at participating farmers' markets through the program, the  
16 recipient can receive an additional \$20.00 to buy Michigan produce.

17       Sec. 655. Within 14 days after the spending plan for low-  
18 income home energy assistance program is approved by the state  
19 budget office, the department shall provide the spending plan,  
20 including itemized projected expenditures, to the chairpersons of  
21 the senate and house appropriations subcommittees on the department  
22 budget, the senate and house fiscal agencies, and the senate and  
23 house policy offices.

24       Sec. 660. From the funds appropriated in part 1 for food bank  
25 funding, the department is authorized to make allocations of TANF  
26 funds only to the agencies that report necessary data to the  
27 department for the purpose of meeting TANF eligibility reporting

1 requirements. The agencies that do not report necessary data to the  
2 department for the purpose of meeting TANF eligibility reporting  
3 requirements will not receive allocations in excess of those  
4 received in fiscal year 2000. The use of TANF funds under this  
5 section should not be considered an ongoing commitment of funding.

6       Sec. 669. The department shall allocate \$2,880,000.00 for the  
7 annual clothing allowance. The allowance shall be granted to all  
8 eligible children in a family independence program group that does  
9 not include an adult.

10       Sec. 672. (1) The department's office of inspector general  
11 shall report to the senate and house of representatives  
12 appropriations subcommittees on the department budget, the senate  
13 and house fiscal agencies, and the senate and house policy offices  
14 by February 15 of the current fiscal year on department efforts to  
15 reduce inappropriate use of Michigan bridge cards. The department  
16 shall provide information on the number of recipients of services  
17 who used their electronic benefit transfer card inappropriately and  
18 the current status of each case, the number of recipients whose  
19 benefits were revoked, whether permanently or temporarily, as a  
20 result of inappropriate use, and the number of retailers that were  
21 fined or removed from the electronic benefit transfer program for  
22 permitting inappropriate use of the cards.

23       (2) As used in this section, "inappropriate use" means not  
24 used to meet a family's ongoing basic needs, including food,  
25 clothing, shelter, utilities, household goods, personal care items,  
26 and general incidentals.

27       Sec. 673. (1) The department shall conduct a workgroup to

1 investigate means of minimizing fraud in the MIBridges benefits  
2 programs. The members of the workgroup shall include, but are not  
3 limited to, the departments of state and state police and members  
4 of the house of representatives and the senate. The workgroup  
5 shall, at a minimum, address the following possibilities and make  
6 recommendations on the implementation of any of the following items  
7 considered feasible:

8 (a) Whether the department's policies concerning the  
9 replacement of lost bridge cards sufficiently deter improper use of  
10 those cards.

11 (b) What technologies may exist to deter the sale or other  
12 improper use of bridge cards.

13 (c) Whether a state driver license or state identification  
14 card might be used to replace the existing bridge cards.

15 (d) What federal policies exist that may inhibit or enhance  
16 adoption of fraud minimization actions.

17 (2) By February 1, 2016, the department shall provide to the  
18 senate and house appropriations subcommittees on the department  
19 budget, the senate and house fiscal agencies, the senate and house  
20 policy offices, and the state budget office a report on the  
21 workgroup findings. The report shall include a draft request for  
22 information to implement any recommended proposals, an action plan  
23 for implementation of any proposed changes, and an estimate of the  
24 costs that may be incurred and benefits that may be gained from the  
25 adoption of recommended workgroup suggestions.

26 Sec. 677. (1) The department shall establish a state goal for  
27 the percentage of family independence program cases involved in

1 employment activities. The percentage established shall not be less  
2 than 50%. The goal for long-term employment shall be 15% of cases  
3 for 6 months or more.

4 (2) On a monthly basis, the department shall report to the  
5 senate and house appropriations subcommittees on the department  
6 budget, the senate and house fiscal agencies and policy offices,  
7 and the state budget director on the number of cases referred to  
8 Partnership. Accountability. Training. Hope. (PATH), the current  
9 percentage of family independence program cases involved in PATH  
10 employment activities, an estimate of the current percentage of  
11 family independence program cases that meet federal work  
12 participation requirements on the whole, and an estimate of the  
13 current percentage of the family independence program cases that  
14 meet federal work participation requirements for those cases  
15 referred to PATH.

16 (3) The department shall submit to the senate and house  
17 appropriations subcommittees on the department budget, the senate  
18 and house fiscal agencies, the senate and house policy offices, and  
19 the state budget office a quarterly report that includes all of the  
20 following:

21 (a) The number and percentage of nonexempt family independence  
22 program recipients who are employed.

23 (b) The average and range of wages of employed family  
24 independence program recipients.

25 (c) When data become available, the number and percentage of  
26 employed family independence program recipients who remain employed  
27 for 6 months or more.

1       Sec. 686. (1) The department shall ensure that program policy  
2 requires caseworkers to confirm that individuals presenting  
3 personal identification issued by another state seeking assistance  
4 through the family independence program, food assistance program,  
5 state disability assistance program, or medical assistance program  
6 are not receiving benefits from any other state.

7       (2) The department shall require caseworkers to confirm the  
8 address provided by any individual seeking family independence  
9 program benefits or state disability assistance benefits.

10       (3) The department shall prohibit individuals with property  
11 assets assessed at a value higher than \$200,000.00 from accessing  
12 assistance through department-administered programs, unless such a  
13 prohibition would violate federal rules and guidelines.

14       (4) The department shall require caseworkers to obtain an up-  
15 to-date telephone number during the eligibility determination or  
16 redetermination process for individuals seeking medical assistance  
17 benefits. On a monthly basis, the department shall provide the  
18 department of community health with an updated list of telephone  
19 numbers for medical assistance recipients.

20       Sec. 687. (1) The department shall, on a quarterly basis by  
21 February 1, May 1, August 1, and November 1, compile and make  
22 available on its website all of the following information about the  
23 family independence program, state disability assistance, the food  
24 assistance program, Medicaid, and state emergency relief:

25       (a) The number of applications received.

26       (b) The number of applications approved.

27       (c) The number of applications denied.



1 (d) The number of applications pending and neither approved  
2 nor denied.

3 (e) The number of cases opened.

4 (f) The number of cases closed.

5 (g) The number of cases at the beginning of the quarter and  
6 the number of cases at the end of the quarter.

7 (2) The information provided under subsection (1) shall be  
8 compiled and made available for the state as a whole and for each  
9 county and reported separately for each program listed in  
10 subsection (1).

11 (3) The department shall, on a quarterly basis by February 1,  
12 May 1, August 1, and November 1, compile and make available on its  
13 website the family independence program information listed as  
14 follows:

15 (a) The number of new applicants who successfully met the  
16 requirements of the 21-day assessment period for PATH.

17 (b) The number of new applicants who did not meet the  
18 requirements of the 21-day assessment period for PATH.

19 (c) The number of cases sanctioned because of the school  
20 truancy policy.

21 (d) The number of cases closed because of the 48-month and 60-  
22 month lifetime limits.

23 (e) The number of first-, second-, and third-time sanctions.

24 (f) The number of children ages 0-5 living in FIP-sanctioned  
25 households.

26 (4) The department shall notify the state budget office, the  
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house fiscal agencies, and the senate and  
2 house policy offices when the reports required in this section are  
3 made available on the department's website.

4       Sec. 695. (1) From the funds appropriated in part 1 for  
5 multicultural integration funding, the department may require each  
6 contractor to provide data and information on performance-related  
7 metrics. These metrics may include, but are not limited to, all of  
8 the following:

9       (a) Each contractor or subcontractor shall have a mission that  
10 is consistent with the purpose of multicultural integration  
11 funding.

12       (b) Each contractor shall validate that any subcontractors  
13 utilized within these appropriations share the same mission as the  
14 lead agency receiving funding.

15       (c) Each contractor or subcontractor shall demonstrate cost-  
16 effectiveness.

17       (d) Each contractor or subcontractor shall ensure their  
18 ability to leverage private dollars to strengthen and maximize  
19 service provision.

20       (e) Each contractor or subcontractor shall provide timely and  
21 accurate reports regarding the number of clients served, units of  
22 service provision, and ability to meet their stated goals.

23       (2) The department shall require an annual report from the  
24 contractors that receive multicultural integration funding. The  
25 annual report, due 60 days following the end of the contract  
26 period, shall include specific information on services and programs  
27 provided, the client base to which the services and programs were

1 provided, information on any wraparound services provided, and the  
2 expenditures for those services. The department shall provide the  
3 annual reports to the senate and house appropriations subcommittees  
4 on the department budget, the senate and house fiscal agencies, and  
5 the state budget office.

6 (3) The department of community health and the department  
7 shall convene a workgroup to discuss and make recommendations on  
8 including accreditation in the contractor specifications and  
9 potentially moving toward competitive bidding. Each contractor  
10 required to provide data per this section shall be invited to  
11 participate in the workgroup if so convened.

#### 12 **JUVENILE JUSTICE SERVICES**

13 Sec. 701. Unless required from changes to federal or state law  
14 or at the request of a provider, the department shall not alter the  
15 terms of any signed contract with a private residential facility  
16 serving children under state or court supervision without written  
17 consent from a representative of the private residential facility.

18 Sec. 706. Counties shall be subject to 50% chargeback for the  
19 use of alternative regional detention services, if those detention  
20 services do not fall under the basic provision of section 117e of  
21 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county  
22 operates those detention services programs primarily with  
23 professional rather than volunteer staff.

24 Sec. 707. 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

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

4       Sec. 708. (1) As a condition of receiving funds appropriated  
5 in part 1 for the child care fund line item, by December 15 of the  
6 current fiscal year, counties shall have an approved service  
7 spending plan for the current fiscal year. Counties must submit the  
8 service spending plan to the department by October 1 of the current  
9 fiscal year for approval. The department shall approve within 30  
10 calendar days after receipt a properly completed service plan that  
11 complies with the requirements of the social welfare act, 1939 PA  
12 280, MCL 400.1 to 400.119b, and shall notify a county within 30  
13 days after approval that its service plan was approved.

14       (2) The department shall submit a report to the house and  
15 senate appropriations subcommittees on the department budget, the  
16 house and senate fiscal agencies, and the house and senate policy  
17 offices by February 15 of the current fiscal year on the number of  
18 counties that fail to submit a service spending plan by October 1  
19 and the number of service spending plans not approved by December  
20 15.

21       Sec. 709. (1) The department shall close the W.J. Maxey  
22 Training School no later than October 15, 2015. The department  
23 shall ensure that staff employed at the W.J. Maxey Training School  
24 be given priority for new staff positions that they are qualified  
25 to fulfill, in accordance with applicable collective bargaining  
26 agreements and civil service rules.

27       (2) Youth placed at the W.J. Maxey Training School shall

1 transfer to other comparable juvenile justice residential  
2 facilities within this state no later than October 1, 2015 to  
3 complete the duration of their placements. The individual treatment  
4 plans for each youth transferred shall be tailored to the needs of  
5 the youth and family and, when appropriate, shall include family  
6 engagement and face-to-face interaction with the youth. The youth  
7 shall not be transferred to an adult correctional facility or a  
8 county jail.

9 (3) The department's master contract for juvenile justice  
10 residential foster care services shall be amended to prohibit  
11 contractors from denying a referral for placement of a youth, or  
12 terminating a youth's placement, if the youth's assessed treatment  
13 needs are in alignment with the facility's residential program  
14 type, as identified by the court or the department. In addition,  
15 the master contract shall require that youth placed in juvenile  
16 justice residential foster care facilities must have regularly  
17 scheduled treatment sessions with a licensed psychologist or  
18 psychiatrist, or both, and access to the licensed psychologist or  
19 psychiatrist as needed.

20 (4) The rates established for private residential juvenile  
21 justice facilities that were in effect on October 1, 2015 remain in  
22 effect for the current fiscal year.

23 (5) The department shall submit a quarterly report by November  
24 1, February 1, May 1, and August 1 to the senate and house  
25 appropriations subcommittees on the department budget, the senate  
26 and house fiscal agencies, and the senate and house policy offices  
27 on the current placement and status of the youth transferred from

1 the W.J. Maxey Training School during the previous and current  
2 fiscal year as a result of the closure.

3 Sec. 711. The department shall submit an implementation plan  
4 based on the report recommendations provided in the behavioral  
5 health study of juvenile justice facilities operated or contracted  
6 for by the state that was conducted in the previous fiscal year to  
7 the senate and house appropriations subcommittees on human  
8 services, the senate and house fiscal agencies and policy offices,  
9 and the state budget director.

10 Sec. 719. The department shall notify the legislature at least  
11 30 days before closing or making any change in the status,  
12 including the licensed bed capacity and operating bed capacity, of  
13 a state juvenile justice facility.

14 Sec. 721. If the demand for placements at state-operated  
15 juvenile justice residential facilities exceeds capacity, the  
16 department shall not increase the available occupancy or services  
17 at the facilities, and shall post a request for proposals for a  
18 contract with not less than 1 private provider of residential  
19 services for juvenile justice youth to be a residential facility of  
20 last resort.

21 **FIELD OPERATIONS AND SUPPORT SERVICES**

22 Sec. 750. (1) The department shall maintain out-stationed  
23 eligibility specialists in community-based organizations, community  
24 mental health agencies, nursing homes, and hospitals unless a  
25 community-based organization, community mental health agency,  
26 nursing home, or hospital requests that the program be discontinued

1 at its facility.

2 (2) From the funds appropriated in part 1 for donated funds  
3 positions, the department shall enter into a contract with any  
4 agency that requests a donated funds position and is able and  
5 eligible under federal law to provide the required matching funds  
6 for federal funding, as determined by federal statute and  
7 regulations. If the department denies a request for donated funds  
8 positions, the department shall provide to the agency that made the  
9 request the federal statute or regulation that supports the denial.  
10 If there is no federal statute or regulation that supports the  
11 denial, the department shall grant the request for the donated  
12 funds position.

13 (3) A contract for a donated funds position must include, but  
14 not be limited to, the following performance metrics:

15 (a) Meeting a standard of promptness for processing  
16 applications for Medicaid and other public assistance programs  
17 under state law.

18 (b) Meeting required standards for error rates in determining  
19 programmatic eligibility as determined by the department.

20 (4) The department shall only fill additional donated funds  
21 positions after a new contract has been signed. That position shall  
22 also be abolished when the contract expires or is terminated.

23 (5) The department shall classify as limited-term FTEs any new  
24 employees who are hired to fulfill the donated funds position  
25 contracts or are hired to fill any vacancies from employees who  
26 transferred to a donated funds position.

27 (6) Beginning in fiscal year 2016, the department may increase

1 the total number of donated funds positions by 200.0 FTEs. The  
2 purpose of these positions will be to address client service needs  
3 in adult placement and independent living settings, federal  
4 qualified health clinics, hospitals with a high degree of  
5 uncompensated care, and employer-based sites.

6 Sec. 751. (1) From the funds appropriated in part 1 for  
7 Healthy Michigan plan administration, the department, in  
8 conjunction with the department of community health, shall  
9 establish and maintain an accounting structure within the Michigan  
10 administrative information network that will allow expenditures  
11 associated with the administration of the Healthy Michigan plan to  
12 be identified.

13 (2) The department shall submit to the senate and house  
14 appropriations subcommittees on the department budget, the senate  
15 and house fiscal agencies, the senate and house policy offices, and  
16 the state budget office a quarterly report on the implementation  
17 status of the Healthy Michigan call center that includes all of the  
18 following information:

19 (a) Call volume during the prior quarter.

20 (b) Percentage of calls resolved through the Healthy Michigan  
21 plan call center.

22 (c) Percentage of calls transferred to a local department  
23 office or other office for resolution.

24 (d) Number of Medicaid applications completed by the Healthy  
25 Michigan call center staff and submitted on behalf of clients.

26 **CHILD SUPPORT ENFORCEMENT**



1           Sec. 901. (1) The appropriations in part 1 assume a total  
2 federal child support incentive payment of \$26,500,000.00.

3           (2) From the federal money received for child support  
4 incentive payments, \$12,000,000.00 shall be retained by the state  
5 and expended for child support program expenses.

6           (3) From the federal money received for child support  
7 incentive payments, \$14,500,000.00 shall be paid to the counties  
8 based on each county's performance level for each of the federal  
9 performance measures as established in 45 CFR 305.2.

10          (4) If the child support incentive payment to the state from  
11 the federal government is greater than \$26,500,000.00, then 100% of  
12 the excess shall be retained by the state and is appropriated until  
13 the total retained by the state reaches \$15,397,400.00.

14          (5) If the child support incentive payment to the state from  
15 the federal government is greater than the amount needed to satisfy  
16 the provisions identified in subsections (1), (2), (3), and (4),  
17 the additional funds shall be subject to appropriation by the  
18 legislature.

19          (6) If the child support incentive payment to the state from  
20 the federal government is less than \$26,500,000.00, then the state  
21 and county share shall each be reduced by 50% of the shortfall.

22          Sec. 909. (1) If statewide retained child support collections  
23 exceed \$38,300,000.00, 75% of the amount in excess of  
24 \$38,300,000.00 is appropriated to legal support contracts. This  
25 excess appropriation may be distributed to eligible counties to  
26 supplement and not supplant county title IV-D funding.

27          (2) Each county whose retained child support collections in

1 the current fiscal year exceed its fiscal year 2004-2005 retained  
2 child support collections, excluding tax offset and financial  
3 institution data match collections in both the current year and  
4 fiscal year 2004-2005, shall receive its proportional share of the  
5 75% excess.

6       Sec. 910. (1) If title IV-D-related child support collections  
7 are escheated, the state budget director is authorized to adjust  
8 the sources of financing for the funds appropriated in part 1 for  
9 legal support contracts to reduce federal authorization by 66% of  
10 the escheated amount and increase general fund/general purpose  
11 authorization by the same amount. This budget adjustment is  
12 required to offset the loss of federal revenue due to the escheated  
13 amount being counted as title IV-D program income in accordance  
14 with federal regulations at 45 CFR 304.50.

15       (2) The department shall notify the chairs of the house and  
16 senate appropriations subcommittees on the department budget and  
17 the house and senate fiscal agencies within 15 days of the  
18 authorization adjustment in subsection (1).

#### 19 **COMMUNITY SERVICES AND OUTREACH**

20       Sec. 1108. (1) From the funds appropriated in part 1 for  
21 school success partnership program, the department shall allocate  
22 \$450,000.00 by December 1 of the current fiscal year to support the  
23 Northeast Michigan Community Service Agency programming, which will  
24 take place in each county in the Governor's Prosperity Region 3.  
25 The department shall require the following performance objectives  
26 be measured and reported for the duration of the state funding for

1 the school success partnership program:

2 (a) Increasing school attendance and decreasing chronic  
3 absenteeism.

4 (b) Increasing academic performance based on grades with  
5 emphasis on math and reading.

6 (c) Identifying barriers to attendance and success and  
7 connecting families with resources to reduce these barriers.

8 (d) Increasing parent involvement with the parent's child's  
9 school and community.

10 (2) The Northeast Michigan Community Service Agency shall  
11 provide reports to the department on January 31 and June 30 of the  
12 current fiscal year on the number of children and families served  
13 and the services that were provided to families to meet the  
14 performance objectives identified in this section. The department  
15 shall distribute the reports within 1 week after receipt to the  
16 house and senate appropriations subcommittees on the department  
17 budget, house and senate fiscal agencies, and house and senate  
18 policy offices.

19 PART 2A

20 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

21 FOR FISCAL YEAR 2016-2017

22 GENERAL SECTIONS

23 Sec. 1201. It is the intent of the legislature to provide  
24 appropriations for the fiscal year ending on September 30, 2017 for  
25 the line items listed in part 1. The fiscal year 2016-2017

appropriations are anticipated to be the same as those for fiscal year 2015-2016, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2016 consensus revenue estimating conference.

## PART 2B

### PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2014-2015

#### GENERAL SECTIONS

Sec. 2201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1B for the fiscal year 2014-2015 is (\$2,225,800.00) and state spending from state resources to be paid to local units of government for fiscal year 2014-2015 is (\$2,221,700.00). The itemized statement below identifies appropriations from which spending to local units of government will occur:

#### DEPARTMENT OF HUMAN SERVICES

Child care fund.....	(\$2,221,700)
TOTAL.....	(\$2,221,700)

Sec. 2202. The appropriations authorized under this part are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.