

SUBSTITUTE FOR  
SENATE BILL NO. 529

A bill to amend 1939 PA 280, entitled  
"The social welfare act,"  
by amending section 117c (MCL 400.117c), as amended by 1998 PA 516,  
and by adding section 117h; and to repeal acts and parts of acts.

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

1       Sec. 117c. (1) The county treasurer is designated as the  
2       custodian of all money provided for the use of the county ~~family~~  
3       ~~independence agency,~~ **DEPARTMENT**, the family division of circuit  
4       court, and the agency designated by the county board of  
5       commissioners or, if a county has a county executive, chief  
6       administrative officer, or county manager, that individual to  
7       provide juvenile justice services. The county treasurer shall  
8       create and maintain a child care fund. The following money shall be

1 deposited in the child care fund:

2 (a) All money raised by the county for the use of the county  
3 ~~family independence agency~~ **DEPARTMENT** for the foster care of  
4 children with respect to whom the family division of circuit court  
5 has not taken jurisdiction.

6 (b) Money for the foster care of children under the  
7 jurisdiction of the family division of circuit court raised by the  
8 county with the view of receiving supplementary funds for this  
9 purpose from the state government as provided in section 117a.

10 (c) All funds made available by the state government for  
11 foster care of children.

12 (d) All payments made in respect to support orders issued by  
13 the family division of circuit court for the reimbursement of  
14 government for expenditures made or to be made from the child care  
15 fund for the foster care of children.

16 (e) All prepayments and refunds for reimbursement of county  
17 ~~family independence agencies~~ **DEPARTMENTS** for the foster care of  
18 children.

19 ~~— (f) All funds made available to the county for the foster care~~  
20 ~~of children from any other source, except gifts that are~~  
21 ~~conditioned on a different disposition or reimbursements of the~~  
22 ~~general fund.~~

23 **(F)** ~~(g)~~ Money for the foster care of children under the  
24 jurisdiction of the court of general criminal jurisdiction  
25 committed to a county facility or a court facility for juveniles in  
26 the county in which the court of general criminal jurisdiction is  
27 located.

1           **(G)** ~~(h)~~ All payments made in respect to support orders issued  
2 by the court of general criminal jurisdiction for the reimbursement  
3 of government for expenditures made or to be made from the child  
4 care fund for the foster care of children.

5           (2) The child care fund shall be used for the costs of  
6 providing foster care for children under sections 18c and 117a and  
7 under the jurisdiction of the family division of circuit court or  
8 court of general criminal jurisdiction.

9           (3) The child care fund may be used to pay the county's share  
10 of the cost of maintaining children at the Michigan children's  
11 institute under 1935 PA 220, MCL 400.201 to 400.214, or public  
12 wards under the youth rehabilitation services act, 1974 PA 150, MCL  
13 803.301 to 803.309.

14           (4) The account for the child care fund shall be maintained  
15 separate and apart from all other accounts of county funds. The  
16 fund shall be used exclusively for carrying out the purposes  
17 authorized by this act. The county board of commissioners shall  
18 distinguish in its appropriations for the child care fund the sums  
19 of money to be used by the family division of circuit court, the  
20 county ~~family independence agency,~~ **DEPARTMENT**, and the agency  
21 designated by the county board of commissioners or the county  
22 executive to provide juvenile justice services. The county  
23 treasurer shall keep these segregated in proper subaccounts.

24           (5) A county annually shall develop and submit a plan and  
25 budget for the funding of foster care services ~~to the office for~~  
26 approval. Funds shall not be distributed under section 117a except  
27 for reimbursement of expenditures made under an approved plan and

1 ~~budget. The office shall not approve plans and budget that exceed~~  
2 ~~the amount appropriated by the legislature.~~ **NEITHER THE DEPARTMENT**  
3 **NOR THE COUNTY SHALL SEEK REIMBURSEMENT FOR EXPENDITURES, EXCEPT IF**  
4 **THOSE EXPENDITURES WERE MADE UNDER AN APPROVED PLAN AND BUDGET OR**  
5 **ACCORDING TO DEPARTMENT POLICY.**

6 (6) A county shall make and preserve accurate records of its  
7 juvenile justice services and expenditures. Upon the department's  
8 request, the information contained in the records shall be  
9 available to the office.

10 (7) **COUNTIES SHALL UTILIZE AND MAKE AVAILABLE TO THE**  
11 **DEPARTMENT, UPON REQUEST, EVIDENCE OF COMPLIANCE WITH THE FOLLOWING**  
12 **PARAMETERS WITH REGARD TO CHILD CARE FUND REIMBURSABLE CLAIMS:**

13 (A) **DONATED FUNDS MAY BE DEPOSITED INTO THE COUNTY CHILD CARE**  
14 **FUND AND ARE NOT SUBJECT TO OFFSET IF EITHER OF THE FOLLOWING**  
15 **APPLIES:**

16 (i) **THE DONOR IS NOT THE INTENDED RECIPIENT OF A CONTRACT TO**  
17 **BE FUNDED BY THE DONATED FUNDS.**

18 (ii) **THE DONOR IS AN INTENDED RECIPIENT OF A CONTRACT TO BE**  
19 **FUNDED BY THE DONATED FUNDS AND THE DONOR IS ABLE TO DOCUMENT THE**  
20 **SOURCE OF THE MONEY COMPRISING THE DONATED FUNDS.**

21 (B) **THE FOLLOWING CONDITIONS APPLY TO REQUESTS FOR**  
22 **REIMBURSEMENT OF EXPENDITURES FROM THE COUNTY'S DONATED FUNDS**  
23 **PROGRAM:**

24 (i) **THE COUNTY SHALL IDENTIFY THE DONOR OF THE FUNDS AND SHALL**  
25 **CERTIFY THAT THE DONOR IS NOT THE RECIPIENT OF A CONTRACT FUNDED BY**  
26 **THE DONATED FUNDS OR THE DONOR IS THE RECIPIENT OF A CONTRACT**  
27 **FUNDED BY THE DONATED FUNDS AND HAS DOCUMENTED THE SOURCE OF THE**

1 MONEY COMPRISING THE DONATED FUNDS.

2 (ii) DONATED FUNDS SHALL BE IDENTIFIED BY DONOR, SOURCE OF  
3 MONEY COMPRISING THE DONATED FUNDS, THE DATE THE MONEY WAS PROVIDED  
4 TO THE DONOR, AND THE DATE THE DONATED FUNDS WERE DEPOSITED INTO  
5 THE COUNTY CHILD CARE FUND.

6 (iii) THE COUNTY MUST ENSURE TRANSPARENCY RELATING TO SERVICE  
7 DELIVERY BY DONOR-FUNDED PROVIDERS. THE COUNTY SHALL ENSURE DONOR-  
8 FUNDED PROVIDERS COMPLETE AN ANNUAL CERTIFICATION OF FUND  
9 ELIGIBILITY AND SHALL MAKE AVAILABLE TO THE DEPARTMENT THE  
10 SOLICITATION, EVALUATION, AND SELECTION PROCESS OF AWARDING A  
11 CONTRACT TO A DONOR-FUNDED PROVIDER.

12 (8) ~~(7)~~—This section does not apply to a county that is a  
13 county juvenile agency.

14 SEC. 117H. (1) THE DEPARTMENT OR A COUNTY MAY APPEAL A  
15 DETERMINATION REGARDING REIMBURSEMENT OF A CHILD CARE COST MADE  
16 UNDER THIS ACT. THE APPEAL SHALL BE CONDUCTED ACCORDING TO THE  
17 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO  
18 24.328.

19 (2) AN APPEAL FROM A FINAL ORDER ISSUED IN AN ADMINISTRATIVE  
20 HEARING SHALL BE MADE TO THE CIRCUIT COURT OF INGHAM COUNTY, WHICH  
21 COURT HAS JURISDICTION WITH RESPECT TO THE CASES DESCRIBED IN  
22 SUBSECTION (1) AS IN NONJURY CASES UNDER THE AUTHORITY PROVIDED IN  
23 SECTION 631 OF THE REVISED JUDICATURE ACT OF 1961, 1961 PA 236, MCL  
24 600.631.

25 Enacting section 1. Section 117d of social welfare act, 1939  
26 PA 280, MCL 400.117d, is repealed.

27 Enacting section 2. This amendatory act takes effect 90 days

1 after the date it is enacted into law.

2 Enacting section 3. This amendatory act does not take effect  
3 unless Senate Bill No. 530 of the 99th Legislature is enacted into  
4 law.