

**SUBSTITUTE FOR
HOUSE BILL NO. 5605**

A bill to make appropriations related to human services for the department of health and human services for the fiscal year ending September 30, 2027; 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 health and human services for the fiscal year ending September 30, 2027, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated classified positions	9,855.8
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1	Full-time employees	9,716.0	
2	Limited-term employees	406.0	
3	Noncareer/per diem employees	8.0	
4	Part-time employees	0.0	
5	Permanent-intermittent employees	39.0	
6	Seasonal employees	5.0	
7	GROSS APPROPRIATION		\$ 6,644,754,000
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and		
10	intradepartmental transfers		9,218,100
11	ADJUSTED GROSS APPROPRIATION		\$ 6,635,535,900
12	Federal revenues:		
13	Capped federal revenues		397,990,300
14	Social security act, temporary assistance for		
15	needy families		466,050,000
16	Total other federal revenues		4,157,940,100
17	Special revenue funds:		
18	Total local revenues		62,962,100
19	Total private revenues		8,997,900
20	Total other state restricted revenues		121,962,200
21	State general fund/general purpose		\$ 1,419,633,300
22	Sec. 102. CHILD SUPPORT ENFORCEMENT		
23	Full-time equated classified positions	174.7	
24	Child support enforcement operations--FTEs	169.7	\$ 28,534,900
25	Child support incentive payments		24,409,600
26	Legal support contracts		132,600,300
27	State disbursement unit--FTEs	5.0	4,638,400
28	GROSS APPROPRIATION		\$ 190,183,200



1	Appropriated from:		
2	Federal revenues:		
3	Capped federal revenues		16,239,100
4	Total other federal revenues		149,872,300
5	State general fund/general purpose	\$	24,071,800
6	Sec. 103. COMMUNITY SERVICES AND OUTREACH		
7	Full-time equated classified positions	45.0	
8	Bureau of community services and outreach--FTEs	20.0	\$ 2,900,000
9	Community services and outreach administration--		
10	-FTEs	13.0	9,265,900
11	Community services block grant		31,221,600
12	Diaper assistance grant		718,800
13	Homeless programs--FTEs	4.0	28,972,400
14	Housing and support services		13,643,100
15	Runaway and homeless youth grants		11,837,900
16	Weatherization assistance		22,633,700
17	Weatherization assistance IIJA--FTEs	8.0	10,156,400
18	GROSS APPROPRIATION	\$	131,349,800
19	Appropriated from:		
20	Federal revenues:		
21	Capped federal revenues		72,468,500
22	Social security act, temporary assistance for		
23	needy families		19,638,500
24	Total other federal revenues		11,474,400
25	State general fund/general purpose	\$	27,768,400
26	Sec. 104. CHILDREN'S SERVICES AGENCY - CHILD		
27	WELFARE		
28	Full-time equated classified positions	3,467.2	



1	Adoption subsidies		\$ 228,000,000
2	Adoption support services--FTEs	10.0	29,309,200
3	Attorney general contract		5,191,100
4	Child abuse and neglect - children's justice		
5	act--FTE	1.0	549,900
6	Child care fund		339,928,700
7	Child care fund - indirect cost allotment		3,500,000
8	Child protection		1,264,700
9	Child welfare administration travel		132,600
10	Child welfare licensing--FTEs	48.0	6,930,900
11	Child welfare local office staff - noncaseload		
12	compliance--FTEs	353.0	43,144,700
13	Child welfare medical/psychiatric evaluations		6,207,800
14	Children trust Michigan--FTEs	5.0	4,125,400
15	Children's protective services - caseload		
16	staff--FTEs	1,325.1	155,838,900
17	Children's protective services supervisors--		
18	FTEs	335.1	42,416,200
19	Children's services administration--FTEs	195.0	28,490,900
20	Contractual services, supplies, and materials		9,852,000
21	Court-appointed special advocates		2,250,000
22	Education planners--FTEs	2.0	45,400
23	Family preservation and prevention services		
24	administration--FTEs	7.8	1,263,400
25	Family preservation programs--FTEs	25.3	58,479,600
26	Foster care payments		375,900,000
27	Foster care services - caseload staff--FTEs	768.7	90,795,300
28	Foster care services supervisors--FTEs	183.7	25,240,100



1	Guardianship assistance program		12,800,000
2	Interstate compact		68,700
3	Peer coaches--FTEs	45.5	6,579,600
4	Permanency resource managers--FTEs	28.0	3,666,600
5	Prosecuting attorney contracts		7,285,200
6	Second line supervisors and technical staff--		
7	FTEs	126.0	20,609,200
8	Settlement monitor		1,660,200
9	Strong families/safe children		10,082,000
10	Title IV-E compliance and accountability		
11	office--FTEs	4.0	477,200
12	Youth in transition--FTEs	4.0	7,650,600
13	GROSS APPROPRIATION		\$ 1,529,736,100
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from department of lifelong education,		
17	advancement, and potential		244,400
18	Federal revenues:		
19	Capped federal revenues		97,313,500
20	Social security act, temporary assistance for		
21	needy families		265,938,900
22	Total other federal revenues		251,600,300
23	Special revenue funds:		
24	Local funds - county chargeback		48,503,000
25	Private - collections		1,500,000
26	Children's trust fund		1,845,300
27	Total other state restricted revenues		3,600,000
28	State general fund/general purpose		\$ 859,190,700



1	Sec. 105. CHILDREN'S SERVICES AGENCY - JUVENILE		
2	JUSTICE		
3	Full-time equated classified positions	125.8	
4	Bay Pines Center--FTEs	49.2	\$ 7,136,100
5	Committee on juvenile justice administration--		
6	FTEs	2.5	219,100
7	Committee on juvenile justice grants		921,600
8	Community support services--FTEs	2.0	983,100
9	County juvenile officers		3,904,300
10	Juvenile justice, administration and		
11	maintenance--FTEs	18.2	7,551,900
12	Juvenile justice treatment centers--FTEs	53.9	16,260,600
13	GROSS APPROPRIATION		\$ 36,976,700
14	Appropriated from:		
15	Federal revenues:		
16	Capped federal revenues		5,563,300
17	Total other federal revenues		10,000
18	Special revenue funds:		
19	Local funds - county chargeback		10,484,300
20	Local funds - state share education funds		1,527,500
21	State general fund/general purpose		\$ 19,391,600
22	Sec. 106. PUBLIC ASSISTANCE		
23	Full-time equated classified positions	1.0	
24	Emergency services local office allocations		\$ 7,553,900
25	Family independence program		82,485,000
26	Family independence program - clothing		
27	allowance		10,000,000



1	Family independence program - child		
2	supplemental payment		23,240,100
3	Food stamps program benefits		3,446,187,200
4	Indigent burial		2,157,100
5	Low-income home energy assistance program		149,077,400
6	Michigan agricultural surplus system		12,045,000
7	Michigan energy assistance program--FTE	1.0	100,000,000
8	Refugee assistance program		3,950,300
9	State disability assistance payments		4,543,800
10	State supplementation		58,085,000
11	GROSS APPROPRIATION		\$ 3,899,324,800
12	Appropriated from:		
13	Federal revenues:		
14	Capped federal revenues		153,027,700
15	Social security act, temporary assistance for		
16	needy families		91,668,200
17	Total other federal revenues		3,441,477,200
18	Special revenue funds:		
19	Child support collections		9,908,100
20	Low-income energy assistance fund		100,000,000
21	Public assistance recoupment revenue		4,811,300
22	Supplemental security income recoveries		1,797,500
23	State general fund/general purpose		\$ 96,634,800
24	Sec. 107. LOCAL OFFICE OPERATIONS AND SUPPORT		
25	SERVICES		
26	Full-time equated classified positions	5,559.0	
27	Administrative support workers--FTEs	64.1	\$ 5,722,800
28	Adult services local office staff--FTEs	519.4	65,274,200



1	Contractual services, supplies, and materials		33,567,000
2	Departmentwide employee economic adjustments		27,246,300
3	Donated funds positions--FTEs	159.0	19,939,700
4	Elder Law of Michigan MiCAFE contract		247,500
5	Electronic benefit transfer (EBT)		6,143,700
6	Employment and training support services		3,869,100
7	Food stamps reinvestment--FTEs	13.0	2,172,400
8	Local office policy and administration--FTEs	122.0	21,146,100
9	Local office staff travel		8,327,400
10	Medical/psychiatric evaluations		180,500
11	Public assistance local office staff--FTEs	4,681.5	559,105,200
12	SSI advocacy legal services grant		975,000
13	GROSS APPROPRIATION		\$ 753,916,900
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from department of corrections		120,200
17	IDG from department of lifelong education,		
18	advancement, and potential		8,223,000
19	IDG from department of technology, management,		
20	and budget - office of retirement services		11,200
21	Federal revenues:		
22	Capped federal revenues		53,378,200
23	Social security act, temporary assistance for		
24	needy families		88,804,400
25	Total other federal revenues		202,918,800
26	Special revenue funds:		
27	Local funds - county chargeback		9,000
28	Local funds - donated funds		2,438,300



1	Private funds - donated funds		7,247,900
2	Private revenues		250,000
3	State general fund/general purpose	\$	390,515,900
4	Sec. 108. DISABILITY DETERMINATION SERVICES		
5	Full-time equated classified positions	483.1	
6	Disability determination operations--FTEs	480.0	\$ 102,790,800
7	Retirement disability determination--FTEs	3.1	475,700
8	GROSS APPROPRIATION	\$	103,266,500
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of technology, management,		
12	and budget - office of retirement services		619,300
13	Federal revenues:		
14	Total other federal revenues		100,587,100
15	State general fund/general purpose	\$	2,060,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2026-2027

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the current fiscal year, total state spending under part 1 from state sources is \$1,541,595,500.00 and state spending under part 1 from state sources to be paid to local units of government is \$228,677,600.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES



1	CHILD SUPPORT ENFORCEMENT	
2	Child support incentive payments	\$ 9,754,900
3	Legal support contracts	1,400
4	COMMUNITY SERVICES AND OUTREACH	
5	Community services and outreach administration	1,000
6	Homeless programs	11,800
7	Housing and support services	138,500
8	CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
9	Child care fund	208,675,600
10	Child care fund - indirect cost allotment	3,500,000
11	Child welfare licensing	26,500
12	Child welfare medical/psychiatric evaluations	18,100
13	Children trust Michigan	35,100
14	Contractual services, supplies, and materials	50,700
15	Family preservation programs	100
16	Foster care payments	2,122,400
17	Prosecuting attorney contracts	1,235,600
18	Strong families/safe children	36,300
19	Youth in transition	800
20	CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
21	Bay Pines Center	40,700
22	Community support services	124,100
23	County juvenile officers	67,900
24	PUBLIC ASSISTANCE	
25	Emergency services local office allocations	2,045,000
26	Indigent burial	2,800
27	Michigan energy assistance program	439,300
28	State disability assistance payments	256,300



1	LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES	
2	Contractual services, supplies, and materials	84,000
3	Employment and training support services	5,400
4	DISABILITY DETERMINATION SERVICES	
5	Disability determination operations	3,300
6	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 228,677,600

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

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

11 (a) "AIDS" means acquired immunodeficiency syndrome.

12 (b) "CCBHC" means certified community behavioral health
13 clinic.

14 (c) "CMHSP" means a community mental health services program
15 as that term is defined in section 100a of the mental health code,
16 1974 PA 258, MCL 330.1100a.

17 (d) "CMS" means the Centers for Medicare and Medicaid
18 Services.

19 (e) "CPT" means current procedural terminology.

20 (f) "Current fiscal year" means the fiscal year ending
21 September 30, 2027.

22 (g) "Department" means the department of health and human
23 services.

24 (h) "Director" means the director of the department.

25 (i) "EPSDT" means early and periodic screening, diagnosis, and
26 treatment.

27 (j) "Federal poverty level" means the poverty guidelines
28 revised periodically and published in the Federal Register by the
29 Secretary of the United States Department of Health and Human



1 Services under the Secretary's authority to revise the poverty line
2 under 42 USC 9902.

3 (k) "FQHC" means federally qualified health center.

4 (l) "FTE" means full-time equated.

5 (m) "GME" means graduate medical education.

6 (n) "Health plan" means, at a minimum, an organization that
7 meets the criteria for delivering the comprehensive package of
8 services under the department's comprehensive health plan.

9 (o) "HEDIS" means health care effectiveness data and
10 information set.

11 (p) "HMO" means health maintenance organization.

12 (q) "IDEA" means the individuals with disabilities education
13 act, 20 USC 1400 to 1482.

14 (r) "IDG" means interdepartmental grant.

15 (s) "MCH" means maternal and child health.

16 (t) "Medicaid" means benefits under the medical assistance
17 program established under title XIX of the social security act, 42
18 USC 1396 to 1396w-8, and administered by the department under the
19 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

20 (u) "Medicare" means benefits under the federal Medicare
21 program established under title XVIII of the social security act,
22 42 USC 1395 to 1395mmm.

23 (v) "MiCAFE" means Michigan's coordinated access to food for
24 the elderly.

25 (w) "MiChild" means the program described in section 1670 of
26 this part.

27 (x) "MiSACWIS" means Michigan statewide automated child
28 welfare information system.

29 (y) "PACE" means program of all-inclusive care for the



1 elderly.

2 (z) "PAS/ARR-OBRA" means the preadmission screening and annual
3 resident review required under the omnibus budget reconciliation
4 act of 1987, section 1919(e)(7) of the social security act, 42 USC
5 1396r.

6 (aa) "PATH" means Partnership. Accountability. Training. Hope.

7 (bb) "PFAS" means perfluoroalkyl and polyfluoroalkyl
8 substances.

9 (cc) "PIHP" means an entity designated by the department as a
10 regional entity or a specialty prepaid inpatient health plan for
11 Medicaid mental health services, services to individuals with
12 developmental disabilities, and substance use disorder services.
13 Regional entities are described in section 204b of the mental
14 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
15 inpatient health plans are described in section 109f of the social
16 welfare act, 1939 PA 280, MCL 400.109f.

17 (dd) "Previous fiscal year" means the fiscal year ending
18 September 30, 2026.

19 (ee) "Quarterly basis" means February 1, April 1, July 1, and
20 September 30 of the current fiscal year.

21 (ff) "Semiannual basis" means March 1 and September 30 of the
22 current fiscal year.

23 (gg) "Settlement" means the settlement agreement entered in
24 the case of *Dwayne B. v Snyder*, Docket No. 2:06-cv-13548 in the
25 United States District Court for the Eastern District of Michigan.

26 (hh) "SSI" means supplemental security income.

27 (ii) "Standard report recipients" means the senate and house
28 appropriations committees, the senate and house appropriations
29 subcommittees on the department budget, the senate and house fiscal



1 agencies, the senate and house policy offices, and the state budget
2 office.

3 (jj) "Temporary assistance for needy families" or "TANF" or
4 "title IV-A" means part A of title IV of the social security act,
5 42 USC 601 to 619.

6 (kk) "Title IV-B" means part B of title IV of the social
7 security act, 42 USC 621 to 629m.

8 (ll) "Title IV-D" means part D of title IV of the social
9 security act, 42 USC 651 to 669b.

10 (mm) "Title IV-E" means part E of title IV of the social
11 security act, 42 USC 670 to 679c.

12 (nn) "Title X" means subchapter VIII of the public health
13 service act, 42 USC 300 to 300a-8, which establishes grants to
14 states for family planning services.

15 Sec. 204. If the state administrative board, acting under
16 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
17 appropriated under part 1, the legislature may, by a concurrent
18 resolution adopted by a majority of the members elected to and
19 serving in each house, intertransfer funds within part 1 for the
20 particular department, board, commission, officer, or institution.

21 Sec. 205. (1) The department shall use the internet to fulfill
22 the reporting requirements of this part and shall make each report
23 readily accessible to the public and conspicuously post each
24 required report in a single archivable location on the department's
25 website not later than the due date required for each report.

26 (2) In addition to placing all reports required in the current
27 fiscal year on the department's website, the department shall
28 maintain on its website all reports placed on the website from
29 previous fiscal years posted by fiscal year in the same single



1 archivable location.

2 (3) The department shall transmit all required reports for the
3 current fiscal year to the standard report recipients and any other
4 required recipients by email. The email shall include a copy of the
5 report and a link to access the report online.

6 Sec. 206. The department shall receive and retain copies of
7 all reports funded from appropriations in part 1. The department
8 shall follow federal and state law and guidelines for short-term
9 and long-term retention of records. The department shall
10 electronically retain copies of reports unless otherwise required
11 by federal and state guidelines.

12 Sec. 207. (1) The department shall cooperate with the
13 department of technology, management, and budget to maintain a
14 searchable website accessible by the public at no cost that
15 includes, but is not limited to, all of the following for the
16 department:

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

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

19 (c) Fiscal year-to-date payments to a selected vendor,
20 including the vendor name, payment date, payment amount, and
21 payment description.

22 (2) The department shall cooperate with the department of
23 technology, management, and budget to update the searchable website
24 on a quarterly basis.

25 Sec. 208. Not later than December 15, the state budget office
26 shall prepare and submit a report that provides estimates of the
27 total general fund/general purpose appropriation lapses at the
28 close of the previous fiscal year. The report must summarize the
29 projected year-end general fund/general purpose appropriation



1 lapses by major departmental program or program areas.

2 Sec. 209. Not later than 14 days after the release of the
3 executive budget recommendation, the department shall cooperate
4 with the state budget office to provide an annual report on
5 estimated state restricted fund balances, state restricted fund
6 projected revenues, and state restricted fund expenditures for the
7 previous 2 fiscal years.

8 Sec. 210. Not later than November 15, the department shall
9 report on private and other third-party funds received by the
10 department in the previous fiscal year. The report must include the
11 amount of funding received, the specific source of funding
12 received, the purpose for which funding was expended, and the
13 amount of any remaining funds.

14 Sec. 211. Consistent with section 217 of the management and
15 budget act, 1984 PA 431, MCL 18.1217, the department shall prepare
16 a report on out-of-state travel expenses by not later than January
17 1. The report must list all travel outside this state by classified
18 and unclassified employees in the previous fiscal year that was
19 funded in whole or in part with funds appropriated in the
20 department's budget. The report must include all of the following
21 information:

22 (a) The dates of each travel occurrence.

23 (b) The total transportation and related costs of each travel
24 occurrence and the proportions funded with state general
25 fund/general purpose revenues, state restricted revenues, federal
26 revenues, local revenues, and private revenues, including specific
27 sources of state restricted, federal, local, and private revenues.

28 (c) The destination of each travel occurrence.

29 (d) The specific purpose and description of each travel



1 occurrence, including the specific name of the event or meeting.

2 Sec. 212. On a quarterly basis, the department shall report on
3 all of the following:

4 (a) The number of full-time equated positions in pay status by
5 civil service classification.

6 (b) A comparison by line item of the number of full-time
7 equated positions authorized from funds appropriated in part 1 to
8 the actual number of full-time equated positions employed by the
9 department at the end of the reporting period.

10 (c) The number of active employees in each of the following
11 statuses:

12 (i) Full-time salary.

13 (ii) Full-time hourly.

14 (iii) Part-time.

15 (iv) Permanent-intermittent.

16 (v) Limited-term.

17 (vi) Seasonal.

18 (vii) Worker's compensation.

19 (viii) Noncareer/per diem.

20 (ix) Job share.

21 (x) Special personal services/contractual.

22 (d) The number of overtime hours worked by employees, by
23 classifications.

24 Sec. 213. Not later than April 1, the department shall report
25 on each specific policy change made to implement a public act
26 affecting the department that took effect during the previous
27 calendar year. The report must include reference to the public act
28 that necessitates the policy change. The department shall submit
29 the report to the standard report recipients, to the senate and



1 house standing committees responsible for addressing issues
2 affected by the public acts, and to the joint committee on
3 administrative rules.

4 Sec. 214. (1) Not later than April 1, the department shall
5 maintain, on a publicly accessible website, a department scorecard
6 that identifies, tracks, and updates on a quarterly basis key
7 metrics that are used to monitor and improve the department's
8 performance.

9 (2) The department shall notify the standard report recipients
10 when the quarterly updates to the department scorecard are
11 available on a publicly accessible website.

12 Sec. 215. (1) Unless specifically authorized elsewhere in this
13 part or part 1, funds appropriated in part 1 must not be used to
14 pay for a state obligation that exceeds \$200,000.00 for a court-
15 approved judgment, settlement, award, or claim without prior
16 legislative approval.

17 (2) If a state obligation for a court-approved judgment,
18 settlement, award, or claim results in a change from current
19 statute, the department shall notify the legislature.

20 (3) This section does not apply to compensation and other
21 relief to individuals wrongfully imprisoned as required under the
22 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751
23 to 691.1757.

24 Sec. 216. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$20,000,000.00 for
26 federal contingency authorization. Amounts appropriated are not
27 available for expenditure until they have been transferred to
28 another line item in part 1 under section 393(2) of the management
29 and budget act, 1984 PA 431, MCL 18.1393. Federal contingency



1 authorization must not be made available to increase TANF
2 authorization.

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

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

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

21 Sec. 217. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2027 are estimated at \$174,401,600.00. From this amount, total
24 appropriations for pension-related legacy costs for the department
25 are estimated at \$174,401,600.00. Total appropriations for retiree
26 health care legacy costs for the department are estimated at \$0.00.

27 Sec. 218. To the extent possible, the department shall not
28 expend appropriations under part 1 until all existing authorized
29 work project funds available for the same purposes are exhausted.



1 Sec. 219. The department shall submit reports that summarize
2 all work project accounts not later than December 31, March 30,
3 June 30, and September 30. The reports must include all of the
4 following:

5 (a) A list of all work project accounts.

6 (b) The status of all work project accounts, including amounts
7 expended, amounts encumbered, and available balances for each
8 account.

9 (c) The amount of funds that lapsed from any previously
10 designated work project accounts, the name and description of the
11 work project account, and the funds that received the lapsed
12 amounts.

13 Sec. 220. To the extent permissible under section 261 of the
14 management and budget act, 1984 PA 431, MCL 18.1261, all of the
15 following apply to the expenditure of funds appropriated in part 1:

16 (a) The funds must not be used for the purchase of foreign
17 goods or services, or both, if competitively priced and of
18 comparable quality American goods or services, or both, are
19 available.

20 (b) Preference must be given to goods or services, or both,
21 manufactured or provided by Michigan businesses, if they are
22 competitively priced and of comparable quality.

23 (c) Preference must be given to goods or services, or both,
24 that are manufactured or provided by Michigan businesses owned and
25 operated by veterans, if they are competitively priced and of
26 comparable quality.

27 Sec. 221. The department shall not take disciplinary action
28 against an employee of the department because the employee
29 communicates with a member of the legislature or legislative staff



1 unless the communication is prohibited by law and the department is
2 exercising its authority as provided by law.

3 Sec. 222. (1) The department shall maximize the efficiency of
4 the state workforce and utilization and occupancy of office space,
5 leased or owned, for each division within the department. Employees
6 with job responsibilities that require employees to serve in their
7 capacities outside of an office shall be monitored each pay period
8 to ensure all work hours reported on timesheets are actually
9 worked.

10 (2) The department shall comply with requirements set forth by
11 the office of the state employer on in-person work and utilization
12 and occupancy rates of state buildings to ensure at least 80% of
13 employees are in person and building occupancy and utilization
14 rates are at least 80% or higher.

15 (3) The department shall submit reports not later than January
16 15 and April 15 on all of the following:

17 (a) Remote work policy by division.

18 (b) Building occupancy by address.

19 (c) Whether the building is state-owned or leased.

20 (d) Aggregate badge scanning information by employee.

21 (4) As used in this section, "occupancy" means the actual
22 number of employees physically present in a workplace.

23 Sec. 223. (1) The department shall require as a condition of
24 each contract or subcontract that the prequalified contractor or
25 prequalified subcontractor agree to use the E-Verify system to
26 verify that all persons hired during the contract term by the
27 contractor or subcontractor are legally present and authorized to
28 work in the United States.

29 (2) The department may verify this information directly or may



1 require contractors and subcontractors to verify the information
 2 and submit a certification to the department. The department shall
 3 submit a report not later than March 1 that describes the processes
 4 it has developed and implemented under this section.

5 (3) The department shall not contract with any foreign
 6 entities that are known or suspected to be enemies of the United
 7 States or known foreign adversaries. Foreign adversaries include
 8 all of the following:

- 9 (a) The People's Republic of China.
- 10 (b) The Russian Federation.
- 11 (c) The Islamic Republic of Iran.
- 12 (d) The Democratic People's Republic of Korea.
- 13 (e) The Republic of Cuba.
- 14 (f) The Venezuelan regime of Nicolás Maduro.
- 15 (g) The Syrian Arab Republic.
- 16 (h) An agency or other entity under significant control of a
 17 country described in subdivisions (a) to (g).

18 (4) As used in this section, "E-Verify" means an internet-
 19 based system operated by the Department of Homeland Security,
 20 United States Citizenship and Immigration Services in partnership
 21 with the Social Security Administration.

22 Sec. 224. (1) Within 30 days of enactment of this act, the
 23 state budget office shall post a list of legislatively directed
 24 spending items funded in part 1 as defined in sections 364 and 364a
 25 of the management and budget act, 1984 PA 431, MCL 18.1364 and
 26 18.1364a. The list must include all information and documents
 27 pertaining to the funded items as publicly disclosed in accordance
 28 with sections 364 and 364a of the management and budget act, 1984
 29 PA 431, MCL 18.1364 and 18.1364a.



1 (2) In accordance with section 364(4) of the management and
2 budget act, 1984 PA 431, MCL 18.1364, the department or agency
3 administering the grant shall submit a report not later than
4 November 1. The department or agency shall update the report and
5 shall submit updated reports not later than March 15 and September
6 15 of the current fiscal year. The department or agency shall
7 include in the report the most comprehensive information the
8 department or agency has available at the time of posting for
9 grants awarded, including, but not limited to, project milestones,
10 percent completed, funding expended, and funding encumbered.

11 (3) Before executing a grant agreement, all grant recipients
12 must provide a spending plan that specifies the scope of service,
13 the program goals, the measurement for meeting program goals, and
14 how all grant funds will be used, and must indicate if any grant
15 funds will be provided to a third party or subrecipient.

16 (4) Each department or agency responsible for awarding or
17 disbursing grant funds must annually audit the entity's use of the
18 grant funds for each fiscal year in which the grant is active. Each
19 entity must submit information requested by the department or
20 agency to confirm compliance.

21 (5) Each department or agency shall work with the office of
22 the auditor general to conduct an audit of the grant according to
23 generally accepted accounting practices and audit standards. The
24 office of the auditor general must be given access to all internal
25 and external records. All contracts or agreements between a
26 department or agency and a grant recipient or between a grant
27 recipient and a third party must include a clause granting the
28 office of the auditor general access to all internal and external
29 records.



1 (6) Grant recipients and their immediate family members are
 2 prohibited from being employed by the executive branch or
 3 legislative branch of this state. In addition, grant recipients are
 4 prohibited from serving on any state board that has direct or
 5 indirect responsibility for approving or auditing grant funds
 6 awarded or disbursed by any department or agency.

7 (7) Full and complete audits of grant funds issued by the
 8 department or an agency of this state, without redaction unless
 9 required by law, must be posted to the department's or agency's
 10 website in a conspicuous place for public review.

11 (8) On a quarterly basis, the department or agency shall
 12 submit a report on legislatively sponsored grant funds that
 13 includes, but is not limited to, all of the following:

14 (a) The name of each grant recipient and the status of each
 15 grant.

16 (b) The amount distributed to each grant recipient.

17 (c) Any changes to scope or costs of program.

18 (9) The report under subsection (8) must include the following
 19 statements made by the department or agency:

20 (a) A statement that confirms the department or agency
 21 reviewed and affirmed compliance by each grant recipient with
 22 program scope and expenditure of grant funding.

23 (b) A statement that confirms the department or agency
 24 reviewed applicable program reports and requests for reimbursement.

25 Sec. 225. (1) From the funds appropriated in part 1, the
 26 department shall do the following:

27 (a) Report on any amounts of severance pay for a department
 28 director, deputy director, or other high-ranking department
 29 official not later than 14 days after a severance agreement with



1 the director, deputy director, or official is signed. The name of
 2 the director, deputy director, or official and the amount of
 3 severance pay must be included in the report required by this
 4 subdivision.

5 (b) Not later than February 1, report on the total amount of
 6 severance pay remitted to former department employees during the
 7 previous fiscal year and the total number of former department
 8 employees that were remitted severance pay during the previous
 9 fiscal year.

10 (2) As used in this section, "severance pay" means
 11 compensation to which both of the following apply:

12 (a) The compensation is payable or paid upon the termination
 13 of employment.

14 (b) The compensation is paid in addition to wages or benefits
 15 earned during the course of employment or generally applicable
 16 retirement benefits.

17 Sec. 226. Funds appropriated in part 1 from state or federal
 18 sources are prohibited from being used to provide services, grants,
 19 or programming to an individual who is not a citizen of the United
 20 States unless the individual is a qualified alien as that term is
 21 defined in 8 USC 1641. This section does not prohibit the
 22 department, political subdivision, state university, or other state
 23 agency from expending funds for the purpose of detaining
 24 individuals who are not citizens of the United States, including
 25 any costs associated with housing such individuals in county jails
 26 or state correctional facilities.

27 Sec. 227. State funds must not be used for diversity, equity,
 28 and inclusion, or diversity, equity, and inclusion initiatives or
 29 programs, as outlined in federal Executive Order No. 14151, 90 Fed.



1 Reg. 8339 (January 29, 2025) "Ending Radical and Wasteful
 2 Government DEI Programs and Preferencing", federal Executive Order
 3 No. 14168, 90 Fed. Reg. 8615 (January 30, 2025) "Defending Women
 4 from Gender Ideology Extremism and Restoring Biological Truth to
 5 the Federal Government", or federal Executive Order No. 14173, 90
 6 Fed. Reg. 8633 (January 31, 2025) "Ending Illegal Discrimination
 7 and Restoring Merit-Based Opportunity".

8 Sec. 228. The department shall use the same precontract risk
 9 assessment program utilized by the department of technology,
 10 management, and budget to evaluate financial compliance, security
 11 risks, and insurance requirements prior to contract execution.

12 Sec. 250. If either of the following events occurs, not later
 13 than 30 days after the event occurs, the department shall notify
 14 the standard report recipients of that fact:

15 (a) A legislative objective of this part or of a bill or
 16 amendment to a bill to amend the social welfare act, 1939 PA 280,
 17 MCL 400.1 to 400.119b, cannot be implemented because implementation
 18 would conflict with or violate federal law.

19 (b) A federal grant for which a notice of an award has been
 20 received cannot be used or will not be used.

21 Sec. 251. (1) In addition to funds appropriated in part 1 for
 22 all programs and services, there is appropriated, for write-offs of
 23 accounts receivable, deferrals, and for prior year obligations in
 24 excess of applicable prior year appropriations, an amount equal to
 25 total write-offs and prior year obligations, but not to exceed
 26 amounts available in prior year revenues.

27 (2) The department's ability to satisfy appropriation fund
 28 sources in part 1 is not limited to collections and accruals
 29 pertaining to services provided in the current fiscal year and



1 includes reimbursements, refunds, adjustments, and settlements from
2 prior years.

3 Sec. 252. Not later than February 1 of the current fiscal
4 year, the department shall submit, to the standard report
5 recipients, a report on the detailed names and amounts of estimated
6 federal, restricted, private, and local sources of revenue that
7 support the appropriations in each of the line items in part 1 for
8 the previous fiscal year. The report must itemize, rather than
9 aggregate, specific revenue sources deposited into the generic
10 statewide integrated governmental management application (SIGMA)
11 fund numbers 1200, 1274, 4000, and 5000.

12 Sec. 253. As required under part 23 of the public health code,
13 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1
14 must include the following:

- 15 (a) Immunizations.
- 16 (b) Communicable disease control.
- 17 (c) Sexually transmitted infection control.
- 18 (d) Tuberculosis control.
- 19 (e) Prevention of gonorrhoea eye infection in newborns.
- 20 (f) Screening newborn infants for the conditions listed in
21 section 5431 of the public health code, 1978 PA 368, MCL 333.5431,
22 or recommended by the newborn screening quality assurance advisory
23 committee created under section 5430 of the public health code,
24 1978 PA 368, MCL 333.5430.
- 25 (g) Health and human services annex of the Michigan Emergency
26 Management Plan.
- 27 (h) Prenatal care.
- 28 (i) Mental health.

29 Sec. 254. (1) The department may contract with the Michigan



1 Public Health Institute for the design and implementation of
 2 projects and for other public health-related activities prescribed
 3 in section 2611 of the public health code, 1978 PA 368, MCL
 4 333.2611. The department may develop a master agreement with the
 5 Michigan Public Health Institute to carry out the activities
 6 described in this subsection for up to a 1-year period.

7 (2) On a semiannual basis, the department shall submit, to the
 8 standard report recipients, a report that includes all of the
 9 following:

10 (a) A detailed description of each funded project.

11 (b) The amount allocated for each project, the appropriation
 12 line item from which the allocation is funded, and the source of
 13 financing for each project.

14 (c) The expected project duration.

15 (d) A detailed spending plan for each project, including a
 16 list of all subgrantees and the amount allocated to each
 17 subgrantee.

18 (3) On a semiannual basis, the department shall provide, to
 19 the standard report recipients, a copy of all reports, studies, and
 20 publications produced by the Michigan Public Health Institute, its
 21 subcontractors, or the department with the funds appropriated in
 22 the department's budget in the previous fiscal year and allocated
 23 to the Michigan Public Health Institute.

24 Sec. 255. The department shall ensure that faith-based
 25 organizations are able to apply and compete for services, programs,
 26 or contracts that the organizations are qualified and suitable to
 27 fulfill. The department shall not disqualify faith-based
 28 organizations solely on the basis of the religious nature of the
 29 organizations or the guiding principles or statements of faith for



1 the organizations.

2 Sec. 256. In accordance with section 1b of the social welfare
3 act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and
4 this part as a time-limited addendum to the social welfare act,
5 1939 PA 280, MCL 400.1 to 400.119b.

6 Sec. 257. (1) Not later than 30 days before the implementation
7 date of a major policy change, the department shall report the
8 change to the standard report recipients.

9 (2) The department shall make the department's entire policy
10 and procedures manual available and accessible to the public on the
11 department's website.

12 (3) The department shall attach each policy bulletin issued
13 during the previous calendar year to the report under section 213.

14 Sec. 258. The department may establish and collect fees for
15 publications, videos and related materials, conferences, and
16 workshops. Collected fees are appropriated when received and must
17 be used to offset expenditures for publication printing and
18 mailing, costs of the publications, videos and related materials,
19 conferences, and workshops. The department shall not collect fees
20 under this section that exceed the cost of the expenditures. If
21 collected fees are appropriated under this section in an amount
22 that exceeds the current fiscal year appropriation, not later than
23 30 days after the collected fee appropriation, the department shall
24 notify the standard report recipients of that fact.

25 Sec. 259. The department may retain all of this state's share
26 of food assistance overissuance collections as an offset to general
27 fund/general purpose costs. Retained collections must be applied
28 against federal funds deductions in all appropriation units where
29 department costs related to the investigation and recoupment of



1 food assistance overissuances are incurred. Retained collections in
 2 excess of the investigation and recoupment costs must be applied
 3 against the federal funds deducted in the departmental
 4 administration and support appropriation unit.

5 Sec. 260. If the revenue collected by the department from fees
 6 and collections exceeds the amount appropriated in part 1, the
 7 revenue may be carried forward with the approval of the state
 8 budget director into the subsequent fiscal year. The revenue
 9 carried forward under this section must be used as the first source
 10 of funds in the subsequent fiscal year.

11 Sec. 261. If the department receives tobacco tax funds and
 12 Healthy Michigan fund revenue from part 1, not later than April 1
 13 of the current fiscal year, the department shall submit, to the
 14 standard report recipients, a report on both of the following
 15 activities during the previous fiscal year:

16 (a) Tobacco tax revenue appropriations in the Medicaid
 17 program.

18 (b) Information for each project implemented with revenue
 19 under this section, including all of the following:

20 (i) The project's name.

21 (ii) The appropriation line item and amount.

22 (iii) The project's target population.

23 (iv) A description of the project.

24 (v) The outcomes or accomplishments of the project.

25 Sec. 262. If the department is authorized under federal law or
 26 the law of this state to collect an overpayment owed to the
 27 department, beginning 60 days after the initial notification date
 28 of the overpayment amount, the department may assess a penalty of
 29 1% per month. If an overpayment is caused by department error, a



1 penalty may be assessed 6 months after the initial notification
 2 date of the overpayment amount. The department shall not collect
 3 penalty interest in an amount that exceeds the amount of the
 4 original overpayment. This state's share of any funds collected
 5 under this section must be deposited in the general fund of this
 6 state.

7 Sec. 263. (1) On a quarterly basis, the department shall
 8 submit, to the standard report recipients, a report on the status
 9 of the implementation of any noninflationary, noncaseload,
 10 programmatic funding increases in the current fiscal year from the
 11 previous fiscal year. The report must confirm the implementation of
 12 already-implemented funding increases and provide an explanation
 13 for any planned implementation of funding increases that have not
 14 yet occurred. For any planned implementation of funding increases
 15 that have not yet occurred, the report must include an expected
 16 implementation date and the reason for delayed implementation.

17 (2) For any programmatic funding increases not reported as
 18 implemented or in the process of being implemented in the first 2
 19 reports under subsection (1), the department shall submit, to the
 20 standard report recipients, a status update in the last 2 reports
 21 required under subsection (1).

22 Sec. 265. The department shall provide the approved spending
 23 plan for each line item receiving an appropriation in the current
 24 fiscal year to the senate and house of representatives
 25 appropriations subcommittees on the department budget and the
 26 senate and house fiscal agencies not later than 60 days after
 27 approval by the department or not later than January 15 of the
 28 current fiscal year, whichever is earlier. In all places that a
 29 line-item appropriation number is listed, a line-item appropriation



1 name must be included. The spending plan must include the following
2 information regarding planned expenditures for each category:
3 allocation in the previous period, change in the allocation, and
4 new allocation. The spending plan must include the following
5 information regarding each revenue source for the line item:
6 category of the fund source indicated by general fund/general
7 purpose, state restricted, local, private, or federal. Figures
8 included in the approved spending plan must not be assumed to
9 constitute the actual final expenditures, as line items may be
10 updated on an as-needed basis to reflect changes in projected
11 expenditures and projected revenue. The department shall supplement
12 the spending plan information by providing a list of all active
13 contracts and grants in the department's contract system. For
14 amounts listed in the other contracts category of each spending
15 plan, the department shall include the name of the line item and
16 the name of the fund source for each contract, grant, and amount
17 for the current fiscal year. For amounts listed in the all other
18 costs category of each spending plan, the department shall provide
19 a list detailing planned expenditures and amounts for the current
20 fiscal year and include the name of the line item and the name of
21 the fund source related to each expenditure and amount.

22 Sec. 267. Not later than March 1 of the current fiscal year,
23 the department shall submit, to the standard report recipients, a
24 report on total actual expenditures in the previous fiscal year for
25 advertising and media outreach, including the purpose, amount, and
26 fund source by program or appropriation line item.

27 Sec. 268. Not later than March 1 of the current fiscal year,
28 the department shall submit a description of programs report to the
29 standard report recipients. For each program, the report must



1 include the appropriation unit; the line item name and number; the
2 appropriation history; the program name; the program overview; a
3 financing summary; and, where applicable, the program's legal
4 basis, effectiveness, and outcomes.

5 Sec. 269. On a quarterly basis, the department shall submit,
6 to the standard report recipients, a report on any line-item
7 appropriation for which the department estimates total annual
8 expenditures would exceed the funds appropriated for the line-item
9 appropriation by 5% or more. The department shall provide a
10 detailed explanation for any relevant line-item appropriation
11 exceedance, identify the corrective actions undertaken to mitigate
12 line-item appropriation expenditures from exceeding the funds
13 appropriated for the line-item appropriation by a greater amount,
14 and identify other corrective actions if no legislative transfer or
15 supplemental is approved. This section does not apply for line-item
16 appropriations that are part of the May revenue estimating
17 conference caseload and expenditure estimates.

18 Sec. 270. (1) The department shall ensure that each federally
19 recognized tribe is able to apply and compete for services,
20 programs, grants, and contracts.

21 (2) For competitive grant programs described in this part,
22 each federally recognized tribe is eligible to apply for grant
23 funds made available to organizations exempt from federal income
24 tax under section 501(c)(3) of the internal revenue code of 1986,
25 26 USC 501, and to local units of government.

26 Sec. 271. (1) Except as provided in this subsection, before
27 submission of a waiver, state plan amendment, or similar proposal
28 to CMS or another federal agency, the department shall notify the
29 standard report recipients of the planned submission. This



1 subsection does not apply to the submission of a waiver, state plan
 2 amendment, or similar proposal that does not propose a material
 3 change or is outside of the ordinary course of a waiver, state plan
 4 amendment, or similar proposal.

5 (2) On a semiannual basis, the department shall submit, to the
 6 standard report recipients, a report that summarizes the status of
 7 any new or ongoing discussions with CMS, the United States
 8 Department of Health and Human Services, or another federal agency
 9 regarding any potential or future waiver applications and the
 10 status of any submitted waivers that have not yet received federal
 11 approval. If there is not a reportable item at the time that a
 12 semiannual report is due, a report is not required.

13 Sec. 272. The department shall advise the legislature of the
 14 receipt of a notification from the attorney general's office of a
 15 legal action in which expenses had been recovered under section 10b
 16 of the medicaid false claim act, 1977 PA 72, MCL 400.610b. If
 17 applicable, not later than February 1 of the current fiscal year,
 18 the department shall submit, to the standard report recipients, a
 19 report that includes, but is not limited to, all of the following:

20 (a) The total amount recovered from the legal action.

21 (b) The program or service for which the money was originally
 22 expended.

23 (c) Details on the disposition of the funds recovered, such as
 24 the appropriation or revenue account in which the money was
 25 deposited.

26 (d) A description of the facts involved in the legal action.

27 Sec. 273. On the day that is 1 week after the day that the
 28 governor submits the executive budget proposal for the ensuing
 29 fiscal year to the legislature, the department, in collaboration



1 with the state budget office, shall submit, to the standard report
 2 recipients, a report on spending and revenue projections for each
 3 of the capped federal funds listed in this subsection. The report
 4 must contain actual spending and revenue in the previous fiscal
 5 year, spending and revenue projections for the current fiscal year
 6 as enacted, and spending and revenue projections in the executive
 7 budget proposal for the immediately ensuing fiscal year for each
 8 individual line item for the department budget. The report must
 9 also include federal funds transferred to other departments. The
 10 capped federal funds include, but are not limited to, all of the
 11 following:

- 12 (a) TANF.
- 13 (b) Title XX social services block grant.
- 14 (c) Title IV-B subpart I child welfare services block grant.
- 15 (d) Title IV-B subpart II promoting safe and stable families
 16 funds.
- 17 (e) Low-income home energy assistance program.

18 Sec. 274. (1) On a quarterly basis, the department, with the
 19 approval of the state budget director, is authorized to realign
 20 sources between other federal, TANF, and capped federal financing
 21 authorizations to maximize federal revenues. The realignment of
 22 financing must not produce any of the following:

- 23 (a) A gross increase or decrease in the department's total
 24 individual line item authorizations.
- 25 (b) A net increase or decrease in total federal revenues.
- 26 (c) A net increase in TANF authorization.

27 (2) On a quarterly basis, the department shall submit, to the
 28 standard report recipients, a report on the realignment of federal
 29 fund sources transacted to date in the current fiscal year under



1 subsection (1), including the dates, line items, and amounts of the
2 transactions. If, at the time a quarterly report is due, a
3 transaction was not made under subsection (1), a report is not
4 required.

5 (3) Not later than 30 days after the date on which year-end
6 book closing is completed, the department shall submit, to the
7 standard report recipients, a report on the realignment of federal
8 fund sources that took place as part of the year-end closing
9 process for the previous fiscal year.

10 Sec. 275. Any public advertisement for public assistance must
11 inform the public of the welfare fraud hotline operated by the
12 department.

13 Sec. 276. Not later than April 1 of the current fiscal year,
14 the department shall submit, to the standard report recipients, a
15 report on funds appropriated for the healthy moms, healthy babies
16 initiative. The report must include the budgeted amount, year-to-
17 date expenditures, remaining balance of appropriations, and the
18 percent of budget spent for each appropriation related to the
19 initiative. The report must also include information on how the
20 funds have assisted with meeting the goals and outcomes of the
21 initiative.

22 Sec. 277. (1) The department may accept monetary and
23 nonmonetary gifts, bequests, donations, contributions, or grants
24 from any private source to support, in whole or in part, a
25 departmental function or program. The department shall expend or
26 use such gifts, bequests, donations, contributions, or grants for
27 the purposes designated by the private source, if the purpose is
28 specified and part 1 has sufficient authorization.

29 (2) In the demonstration projects line item, money remaining



1 in the fund under this section that is unexpended and unencumbered
 2 must not lapse to the general fund but must be carried forward to
 3 the subsequent fiscal year.

4

5 **CHILD SUPPORT ENFORCEMENT**

6 Sec. 401. (1) The appropriations in part 1 assume a total
 7 federal child support incentive payment of \$26,500,000.00.

8 (2) From the federal money received for child support
 9 incentive payments, \$12,000,000.00 must be retained by this state
 10 and expended for child support program expenses.

11 (3) From the federal money received for child support
 12 incentive payments, \$14,500,000.00 must be paid to counties based
 13 on each county's performance level for each of the performance
 14 measures under 45 CFR 305.2.

15 (4) If the child support incentive payment to this state from
 16 the federal government is greater than \$26,500,000.00, then 100% of
 17 the amount in excess must be retained by this state and is
 18 appropriated until the total retained by this state reaches
 19 \$15,397,400.00.

20 (5) If the child support incentive payment to this state from
 21 the federal government is greater than the amount needed to satisfy
 22 subsections (1), (2), (3), and (4), the additional funds are
 23 subject to appropriation by the legislature.

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

28 Sec. 409. (1) If statewide retained child support collections
 29 exceed \$38,300,000.00, 75% of the amount in excess of



1 \$38,300,000.00 is appropriated to legal support contracts. The
 2 excess appropriation may be distributed to eligible counties to
 3 supplement, but not supplant, county title IV-D funding.

4 (2) Each county whose retained child support collections in
 5 the current fiscal year exceed its fiscal year 2004-2005 retained
 6 child support collections, excluding tax offset and financial
 7 institution data match collections in both the current fiscal year
 8 and fiscal year 2004-2005, shall receive its proportional share of
 9 the 75% excess appropriation.

10 Sec. 410. (1) If title IV-D-related child support collections
 11 are escheated, the state budget director is authorized to adjust
 12 the sources of financing for the funds appropriated in part 1 for
 13 legal support contracts to reduce federal authorization by 66% of
 14 the escheated amount and increase general fund/general purpose
 15 authorization by the same amount. The adjustment is required to
 16 offset the loss of federal revenue due to the escheated amount
 17 being counted as title IV-D program income in accordance with 45
 18 CFR 304.50.

19 (2) Not later than 30 days after an adjustment under
 20 subsection (1), the department shall notify the standard report
 21 recipients of the adjustment.

22

23 **COMMUNITY SERVICES AND OUTREACH**

24 Sec. 453. (1) From the funds appropriated in part 1 for
 25 homeless programs, the department shall allocate funds to the
 26 emergency shelter program to support efforts of shelter providers
 27 to move homeless individuals and households into permanent housing
 28 as quickly as possible. The funds must be equal to or exceed the
 29 amount that a provider would receive if the provider is paid a



1 \$19.00 per diem rate. Expected outcomes are increased shelter
2 discharges to stable housing destinations, decreased recidivism
3 rates for shelter clients, and a reduction in the average length of
4 stay in emergency shelters.

5 (2) Not later than March 1 of the current fiscal year, the
6 department shall submit, to the standard report recipients, a
7 report on the total amount expended for the emergency shelter
8 program in the prior 2 fiscal years, the total number of shelter
9 nights provided, and the average length of stay in an emergency
10 shelter.

11 Sec. 454. The department shall allocate the full amount of
12 funds appropriated in part 1 for homeless programs to provide
13 services for homeless individuals and families, including, but not
14 limited to, third-party contracts for emergency shelter services.

15 Sec. 455. As a condition of receipt of federal TANF revenue,
16 after admitting a family to a homeless shelter, the homeless
17 shelter and human services agencies shall collaborate with the
18 department to obtain necessary TANF eligibility information on the
19 family as soon as possible. From the funds appropriated in part 1
20 for homeless programs, the department is authorized to make
21 allocations of TANF revenue only to the homeless shelters and human
22 services agencies that report necessary data to the department to
23 meet TANF eligibility reporting requirements. Homeless shelters or
24 human services agencies that do not report necessary data to the
25 department to meet TANF eligibility reporting requirements shall
26 not receive reimbursements that exceed the per diem amount the
27 homeless shelters or human service agencies received in fiscal year
28 2000. The use of TANF revenue under this section is not an ongoing
29 commitment of funding.



1 Sec. 456. From the funds appropriated in part 1 for homeless
 2 programs, the department shall allocate \$10,000.00 to reimburse
 3 public service agencies that provide documentation of paying birth
 4 certificate fees on behalf of category 1 homeless clients at county
 5 clerk's offices. Each public service agency must be reimbursed for
 6 the cost of the birth certificate fees quarterly until the
 7 allocation is fully spent.

8 Sec. 457. From the funds appropriated in part 1 for homeless
 9 programs, the department shall allocate \$8,500,000.00 of TANF
 10 revenue to support family shelters or families who are homeless and
 11 at risk of being homeless. Funds appropriated under this section
 12 must be used as follows:

13 (a) \$3,000,000.00 for emergency hotels for families
 14 experiencing homelessness.

15 (b) \$3,500,000.00 for assistance and supports to families
 16 engaged with child welfare. This may include, but is not limited
 17 to, eviction diversion, first month's rent and deposit, and utility
 18 arrears.

19 (c) \$2,000,000.00 for creating additional spaces at family
 20 homeless shelters that have been in operation for at least 24
 21 months.

22 Sec. 458. From the funds appropriated in part 1 for homeless
 23 programs, the department shall require any entities receiving
 24 direct or indirect state funds to report data to a Homeless
 25 Management Information System that satisfies the baseline data
 26 collection requirements.

27 Sec. 459. From the funds appropriated in part 1 for homeless
 28 programs, the department shall allocate \$2,000,000.00 of TANF
 29 revenue to acquire and develop for individuals and families



1 noncongregate shelter that utilizes options under a Housing First
2 model and prioritizes providing stable and permanent housing
3 without preconditions or requirements, such as sobriety or
4 participation in treatment programs. Eligible uses for this funding
5 may include, but are not limited to, hotels, motels, dormitories,
6 recuperative care facilities, and other facilities that offer
7 noncongregate shelter.

8 Sec. 461. (1) From the funds appropriated in part 1 for
9 community services outreach administration, the department shall
10 allocate \$1,000,000.00 as a grant to a nonprofit organization that
11 grows and distributes food and provides farming education
12 programming to children from low-income families in not less than 3
13 counties in this state. The nonprofit organization shall use the
14 funds to expand its services to additional schools and communities.
15 The funding may be used to cover employee costs, food and supplies,
16 equipment, and other operational costs identified by the nonprofit
17 organization to support its mission and goals.

18 (2) From the funds appropriated in part 1 for community
19 services outreach administration, the department shall allocate
20 \$1,000,000.00 as competitive grants to nonprofit organizations to
21 provide food delivery and farming and nutrition education
22 programming to children from low-income families in this state.

23 Sec. 463. From the funds appropriated in part 1 for runaway
24 and homeless youth grants and domestic violence prevention and
25 treatment, the department is authorized to make allocations of TANF
26 revenue only to agencies that report necessary data to the
27 department to meet TANF eligibility reporting requirements.

28 Sec. 464. (1) From the funds appropriated in part 1 for diaper
29 assistance grant, the department shall allocate grants to diaper



1 assistance programs, maternity homes, local county offices, and
 2 other nonprofit agencies that distribute diapers free of charge and
 3 were established as of January 1, 2020. The funds must be used only
 4 to purchase diapering supplies and to cover related administrative
 5 costs. Funds must be distributed to all counties in the state. Not
 6 more than 10% of the funds appropriated in part 1 are expendable
 7 for administrative purposes.

8 (2) Not later than March 1 of the current fiscal year, the
 9 department shall submit, to the standard report recipients, a
 10 report on the distribution of diapering supplies that includes, but
 11 is not limited to, the names and locations of the entities
 12 described in subsection (1) that distribute diaper supplies and the
 13 total amount of diapering supplies distributed by each entity by
 14 county.

15 Sec. 465. (1) From the funds appropriated in part 1 for
 16 community services and outreach administration, \$3,950,000.00 must
 17 be distributed as provided in subsection (2). Michigan 2-1-1 must
 18 continue to seek funding from local United Way organizations and
 19 other nonprofit organizations and foundations.

20 (2) Funds distributed under subsection (1) must be distributed
 21 to Michigan 2-1-1, the entity designated by the Michigan public
 22 service commission to serve as this state's 2-1-1 coordinating
 23 agency under section 214(5) of the Michigan telecommunications act,
 24 1991 PA 179, MCL 484.2214. Michigan 2-1-1 shall use the funds only
 25 to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-
 26 1-1 in January 2005.

27 (3) Michigan 2-1-1 shall refer any received calls that report
 28 fraud, waste, or abuse of state-administered public assistance to
 29 the department.



1 (4) Michigan 2-1-1 shall submit, to the department, the senate
 2 and house of representatives standing committees with primary
 3 jurisdiction over matters relating to human services and
 4 telecommunications on 2-1-1 system performance, and the standard
 5 report recipients, a report that includes, but is not limited to,
 6 call volume by health and human service needs and unmet needs
 7 identified through caller data and number and the percentage of
 8 callers referred to public or private provider types.

9 Sec. 466. Not later than March 1 of the current fiscal year,
 10 the department shall submit to the standard report recipients a
 11 report on the runaway homeless youth program that includes, but is
 12 not limited to, all of the following:

13 (a) A list of counties served and the amount of funding
 14 allocated to each county.

15 (b) The amount of funding being allocated to previously
 16 underserved communities and how capacity has been expanded or is
 17 planned to be expanded in those communities.

18 (c) Identified barriers that have hindered providers from
 19 expanding capacity.

20

21 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

22 Sec. 501. (1) A goal is established that not more than 25% of
 23 all children in foster care at any given time during the current
 24 fiscal year, unless contrary to the best interest of the child,
 25 will have been in foster care for 24 months or more.

26 (2) Not later than March 1 of the current fiscal year, the
 27 department shall submit, to the standard report recipients, a
 28 report describing the steps that will be taken to achieve the goal
 29 under subsection (1). The report must also include the following:



1 (a) An explanation of the most significant barriers that
2 prevent long-term foster children from permanent placements.

3 (b) The number of children currently in foster care for longer
4 than 24 months and the percentage of those children that had paid
5 Medicaid behavioral health claims or encounters within the last
6 year.

7 Sec. 502. From the funds appropriated in part 1 for foster
8 care, the department shall reimburse Indian tribal governments for
9 50% of the foster care expenditures for children who are under the
10 jurisdiction of Indian tribal courts and are not otherwise eligible
11 for federal foster care cost sharing. However, the department may
12 reimburse up to 100% of the foster care expenditures for an Indian
13 tribal government that enters into a state-tribal Title IV-E
14 agreement allowed under this state's Title IV-E state plan.

15 Sec. 505. Not later than March 1 of the current fiscal year,
16 the department shall submit, to the standard report recipients, a
17 report on youth referred or committed to the department for care or
18 supervision in the previous fiscal year that outlines the number of
19 youth served by the department in the juvenile justice system by
20 the type of setting for each youth.

21 Sec. 506. From the funds appropriated in part 1 for attorney
22 general contract, not later than March 1 of the current fiscal
23 year, the department shall submit, to the standard report
24 recipients, a report on the juvenile justice system in any county
25 in which funds appropriated in part 1 are expended. The report must
26 include, but not be limited to, all of the following:

27 (a) The number of youth referred or committed to the
28 department for care or supervision in the previous fiscal year and
29 in the first quarter of the current fiscal year.



1 (b) The number of youth referred or committed to the care or
 2 supervision of the county in which funds appropriated in part 1
 3 were expended for the previous fiscal year and the first quarter of
 4 the current fiscal year.

5 (c) The type of setting for each youth referred or committed
 6 for care or supervision, any applicable performance outcomes, and
 7 identified financial costs or savings.

8 (d) The required and actual staff-to-youth ratios.

9 Sec. 507. The department's ability to satisfy appropriation
 10 deductions in part 1 for foster care private collections is not
 11 limited to collections and accruals pertaining to services provided
 12 only in the current fiscal year and may include revenues collected
 13 during the current fiscal year for services provided in prior
 14 fiscal years.

15 Sec. 508. (1) In addition to the amount appropriated in part 1
 16 for children trust Michigan, money granted or money received as
 17 gifts or donations to the children's trust fund created in 1982 PA
 18 249, MCL 21.171 to 21.172, is appropriated for expenditure.

19 (2) For the funds described in subsection (1), the department
 20 shall ensure that administrative delays are avoided and local grant
 21 recipients and direct service providers receive money in an
 22 expeditious manner. The department and the state board as that term
 23 is defined in section 2 of the child abuse and neglect prevention
 24 act, 1982 PA 250, MCL 722.602, shall make the children's trust fund
 25 contract funds available to grantees not later than 31 days after
 26 the start date of the funded project.

27 Sec. 509. (1) From the funds appropriated in part 1 for
 28 adoption support services, the department shall maintain a rate
 29 structure that pays for cases based on the average length of time



1 it takes to reach adoption finalization by case characteristics for
 2 licensed child placing agencies contracted with the department that
 3 provide adoption services for youth in foster care.

4 (2) For cases accepted before the implementation of the new
 5 rate structure described in subsection (1), the department shall
 6 maintain the increase of contracted rates paid to private child
 7 placing agencies, including the \$23.00 per diem for all foster
 8 youth from the date of the case acceptance to the date of adoption
 9 petition acceptance or 150 days, whichever occurs sooner, for
 10 licensed child placing agencies contracted with the department to
 11 provide adoption services for foster youth. The per diem rate must
 12 be separate from the outcome-based reimbursement system and must
 13 not be deducted from the total reimbursement an agency receives for
 14 the applicable placement or finalization rate of an adoption.

15 Sec. 510. The department shall submit reports on a monthly
 16 basis to the standard report recipients on all of the following:

17 (a) The number of children without an identified placement
 18 awaiting placement in a residential setting by county in which the
 19 child resided before placement.

20 (b) The reason for the delay in placement, including, but not
 21 limited to, facility bed shortages, placement process delays, or
 22 other reasons.

23 (c) The number of incentive payments that were awarded by the
 24 department by child caring institution.

25 (d) The number of incentive payments that were denied by the
 26 department by child caring institution.

27 (e) Of the denials identified in subdivision (d), the
 28 department shall provide the rationale for denial of incentive
 29 payments including, but not limited to, refusal of placement, lack



1 of staffing, or other reasons.

2 Sec. 511. The department shall submit, to the standard report
3 recipients and the senate and house of representatives standing
4 committees that cover subject matters dealing with families and
5 human services, reports on a semiannual basis that include the
6 number and percentage of children who received timely physical and
7 mental health examinations after entry into foster care. The goal
8 of the program is for not less than 85% of children to have an
9 initial medical and mental health examination that is not later
10 than 30 days after entry into foster care.

11 Sec. 512. (1) From the funds appropriated in part 1 for foster
12 care payments, the department shall allocate \$500,000.00 of TANF
13 revenue to provide luggage to a child who is being removed from the
14 child's home or changing placement and is a TANF eligible
15 individual. The luggage provided under this section is considered
16 to belong to the child and may not be confiscated by the department
17 or the child's foster parent. The department is not required to
18 provide new luggage under this section to a child who is changing
19 placement and has had luggage previously provided by the
20 department.

21 (2) The department may partner with local charities to
22 establish and maintain the supply of luggage to be used to
23 transport a child's personal belongings. Additionally, the
24 department may accept donations of luggage to fulfill the
25 requirements of this section.

26 (3) As used in this section, "luggage" means any of the
27 following:

28 (a) A suitcase of any size.

29 (b) A duffel bag that holds at least 30 liters.



1 Sec. 513. (1) The department shall not expend funds
2 appropriated in part 1 to pay for the department's direct placement
3 of a child in an out-of-state facility unless all of the following
4 conditions are met:

5 (a) An appropriate placement is not available in this state,
6 as determined by the department's interstate compact office.

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

10 (c) The out-of-state facility meets all of the licensing
11 standards for a comparable facility in this state.

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

14 (e) The department has visited the site of the out-of-state
15 facility; has reviewed the facility records, licensing records, and
16 reports; and believes that the facility is an appropriate placement
17 for the child.

18 (2) The department shall not expend money for a child placed
19 in an out-of-state facility without approval of the executive
20 director of the children's services agency.

21 (3) Not later than March 1 of the current fiscal year, the
22 department shall submit, to the state court administrative office
23 and the standard report recipients, a report on the number of
24 Michigan children residing in out-of-state facilities in the
25 previous fiscal year, the total cost and average per diem cost of
26 the out-of-state placements to this state, a list of each out-of-
27 state placement arranged by the Michigan county of residence for
28 each child, and a list of out-of-state facilities that were visited
29 by the department before the child's placement.



1 Sec. 514. (1) From the funds appropriated in part 1 for foster
2 care payments, the department shall maintain a statewide respite
3 care services network available to licensed foster parents and
4 unlicensed relative caregivers that care for children in foster
5 care.

6 (2) Not later than March 1 of the current fiscal year, the
7 department shall submit, to the standard report recipients, a
8 report on the total number of licensed foster parents and
9 unlicensed relative caregivers that were provided respite services,
10 the average amount of respite time per month, and the total amount
11 of funding spent on respite services during the previous fiscal
12 year.

13 Sec. 515. If a children's protective services caseworker
14 requests approval for another children's protective services
15 caseworker or other department employee to accompany the caseworker
16 on a home visit because the caseworker believes that it would be
17 unsafe to conduct the home visit alone, the department shall not
18 deny the request.

19 Sec. 516. (1) From funds appropriated in part 1 for child care
20 fund, the administrative or indirect cost payment equal to 10% of a
21 county's total monthly gross expenditures must be distributed to
22 the county on a monthly basis, and a county is not required to
23 submit documentation to the department for any of the expenditures
24 that are covered under the 10% payment as described in section
25 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL
26 400.117a.

27 (2) From the funds appropriated in part 1 for child care fund
28 - indirect cost allotment, the department shall allocate
29 \$3,500,000.00 to counties and tribal governments that receive



1 reimbursements in part 1 from child care fund.

2 (3) The amount described in subsection (2) must be distributed
3 to each county or tribal government in the same proportion as
4 indirect cost allotments are provided to counties in the same
5 manner described in section 117a of the social welfare act, 1939 PA
6 280, MCL 400.117a.

7 Sec. 517. For a child placed in a family foster care home
8 located out of this state, the department may ask a state or
9 private child placing agency contracted by the receiving state to
10 carry out required visits and any additional visits that the
11 department finds necessary.

12 Sec. 518. Not later than March 1 of the current fiscal year,
13 the department shall submit, to the standard report recipients, a
14 report on the cumulative child care fund expenditures of in-home
15 juvenile justice care that are eligible for the 75% state and 25%
16 local split required under section 117a(4) (i) of the social welfare
17 act, 1939 PA 280, MCL 400.117a. Eligible expenditures include
18 community-based juvenile supervision, services, and related
19 practices, and per diem rates for the use of respite and shelter
20 for less than 30 days. The report must also include the
21 expenditures by county and type of service provided, the number of
22 youth receiving care, and the number of days of care.

23 Sec. 519. From the funds appropriated in part 1 for attorney
24 general contract, the department must allow for contracts,
25 interagency agreements, or any other type of agreement currently
26 held by the department of attorney general to be competitively bid.

27 Sec. 520. Not later than February 15 of the current fiscal
28 year, the department shall submit, to the standard report
29 recipients, a report on the number of days of care and expenditures



1 by funding source for the previous fiscal year for out-of-home
 2 placements by specific placement programs for child abuse or child
 3 neglect and juvenile justice, including, but not limited to, paid
 4 relative placement, department direct family foster care, private-
 5 agency-supervised foster care, private child caring institutions,
 6 county-supervised facilities, and independent living. The report
 7 must also include the number of days of care for department-
 8 operated residential juvenile justice facilities by security
 9 classification.

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

18 (2) Not later than June 1 of the current fiscal year, the
 19 department shall submit, to the standard report recipients, a
 20 report that includes the number of youth who applied for
 21 scholarships under this section, the number of youth who received
 22 scholarships under this section and the amount of each scholarship,
 23 and the total amount of funds spent or encumbered in the current
 24 fiscal year.

25 Sec. 523. Not later than February 15 of the current fiscal
 26 year, the department shall submit, to the standard report
 27 recipients, a report on the MI Family Together program. The report
 28 must include both of the following:

29 (a) Utilization and outcome data based on families served.



1 (b) For each program, information on any innovations or
2 expansions that may increase child safety and reduce risk.

3 Sec. 524. As a condition of receiving funds appropriated in
4 part 1 for strong families/safe children, not later than October 1
5 of the current fiscal year, counties shall submit the service
6 spending plan to the department for approval. Not later than 30
7 calendar days after receipt of a properly completed service
8 spending plan, the department shall approve the service spending
9 plan.

10 Sec. 525. (1) The department shall maintain the same on-site
11 evaluation processes for privately operated child welfare and
12 juvenile justice residential facilities as is used to evaluate
13 state-operated facilities. Penalties for noncompliance must be the
14 same for privately operated child welfare and juvenile justice
15 residential facilities and state-operated facilities.

16 (2) On a quarterly basis, the department shall submit to the
17 standard report recipients a report that includes data on the
18 number of penalties for noncompliance under subsection (1) listed
19 by facility along with the reason for noncompliance for the most
20 recent quarter.

21 Sec. 526. From the funds appropriated in part 1 for court-
22 appointed special advocates, the department shall allocate
23 \$2,250,000.00 to fund a project with the entity that received funds
24 under section 526 of article 6 of 2025 PA 22 for the purpose
25 described in that section. The funds must be used to recruit,
26 screen, train, and supervise volunteers who provide advocacy
27 services on behalf of abused and neglected children.

28 Sec. 527. Not later than March 1 of the current fiscal year,
29 the department shall submit to the standard report recipients,



1 information used to train providers on the use of restraint and
 2 seclusion in foster care and juvenile justice residential
 3 facilities.

4 Sec. 528. From the funds appropriated in part 1 for child care
 5 fund, the department shall allocate \$3,730,300.00 to support the
 6 annual basic grant to counties with a population of less than
 7 75,000, according to the most recent federal decennial census, and
 8 as described in section 117e of the social welfare act, 1939 PA
 9 280, MCL 400.117e, and to eligible tribal entities. The basic grant
 10 must be \$56,520.00 to eligible counties and tribal entities.

11 Sec. 529. From the funds appropriated in part 1 for family
 12 preservation programs, the department shall maintain the total
 13 funding level of the MI Family Together program at an amount not
 14 less than the amount provided as of September 30, 2021.

15 Sec. 530. (1) All master contracts relating to foster care and
 16 adoption services as funded by the appropriations in section 105 of
 17 part 1 must be performance-based contracts that employ a client-
 18 centered and results-oriented process that is based on measurable
 19 performance indicators and desired outcomes and includes an annual
 20 assessment of the quality of services provided.

21 (2) Not later than February 1 of the current fiscal year, the
 22 department shall submit, to the standard report recipients, a
 23 report detailing measurable performance indicators, desired
 24 outcomes, and an assessment of the quality of services provided by
 25 the department during the previous fiscal year.

26 Sec. 532. Beginning on October 1 of the current fiscal year,
 27 the department shall hold semiannual meetings with state and
 28 private residential providers to receive feedback and discuss
 29 potential improvements to the residential system.



1 Sec. 534. Not later than March 1 of the current fiscal year,
 2 the department shall submit, to the standard report recipients, a
 3 report on the adoption subsidies expenditures from the previous
 4 fiscal year. The report must include, but is not limited to, the
 5 range of non-\$0.00 annual adoption support subsidy amounts, for
 6 both Title IV-E eligible cases and state-funded cases, paid to
 7 adoptive families; the number of Title IV-E and state-funded cases;
 8 the number of cases in which an adoption support subsidy request by
 9 an adoptive parent was denied by the department; and the number of
 10 adoptive parents who requested a renegotiation of their adoption
 11 support subsidy contract.

12 Sec. 537. Not later than March 1 of the current fiscal year,
 13 the department shall submit, to the standard report recipients, a
 14 report on the following information for cases of child abuse or
 15 child neglect from the previous fiscal year:

16 (a) The total number of relative care placements.

17 (b) The total number of relative care placements into
 18 unlicensed relative homes.

19 (c) The total number of relative care placements into licensed
 20 relative homes.

21 (d) The total number of unlicensed relative providers with a
 22 relative placement that were denied a foster home license due to
 23 not meeting the standards established for foster care licensing in
 24 this state.

25 (e) From a sample of cases, a list of the reasons documented
 26 by the department for denial of relative foster home licensure.

27 (f) For licensed or approved relative caregivers with
 28 placements, the status of Title IV-E claims for foster care
 29 maintenance payments and foster care administrative payments.



1 Sec. 540. If a physician or psychiatrist who is providing
 2 services to a state or court ward placed in a residential facility
 3 submits a formal request to the department to change the
 4 psychotropic medication for a ward, the department shall, if the
 5 ward is a state ward, make a determination on the proposed change
 6 not later than 7 business days after the request or, if the ward is
 7 a temporary court ward, seek parental consent not later than 7
 8 business days after the request. If the determination or parental
 9 consent is not provided by the seventh business day, the department
 10 shall petition the court for the determination or consent on the
 11 eighth business day.

12 Sec. 546. (1) From the funds appropriated in part 1 for foster
 13 care payments and from child care fund, the department shall pay an
 14 administrative rate before incentive payments of not less than
 15 \$60.20 to providers of general foster care, independent living, and
 16 trial reunification services.

17 (2) From the funds appropriated in part 1, the department
 18 shall pay providers of independent living plus services per diem
 19 statewide rates for staff-supported housing and host-home housing
 20 that are based on proposals submitted in response to a solicitation
 21 for pricing. The independent living plus program provides staff-
 22 supported housing and services for foster youth 16 years of age to
 23 19 years of age who, because of their individual needs and
 24 assessments, are not initially appropriate for general independent
 25 living foster care.

26 (3) If required by the federal government to meet Title IV-E
 27 requirements, on a quarterly basis, providers of foster care
 28 services shall submit a report on expenditures to the department to
 29 identify actual costs of providing foster care services.



1 Sec. 547. (1) From the funds appropriated in part 1 for the
2 guardianship assistance program, the department shall pay a minimum
3 rate that is not less than the approved age-appropriate payment
4 rates for youth placed in family foster care.

5 (2) The department shall submit, to the standard report
6 recipients, a report that includes quarterly data on the number of
7 children enrolled in the guardianship assistance and foster care -
8 children with serious emotional disturbance waiver programs.

9 Sec. 550. (1) The department shall not offset against
10 reimbursements to counties or seek reimbursement from counties for
11 charges that were received by the department more than 12 months
12 before the department seeks to offset against reimbursement. A
13 county shall not request reimbursement, and reimbursements must not
14 be paid, for a charge that is more than 12 months after the date of
15 service or original status determination when initially submitted
16 by the county.

17 (2) Not later than 12 months after a date of service, a
18 service provider shall submit a request for payment. A request for
19 payment submitted later than 12 months after the date of service
20 requires the provider to submit an exception request to the county
21 or the department for approval or denial.

22 (3) A county is not subject to any offset, chargeback, or
23 reimbursement liability for a prior expenditure resulting from an
24 error in a foster care fund source determination.

25 Sec. 551. Not later than 30 days after a county requests a
26 clarification through the department's child care fund management
27 unit email address, the department shall respond to the request.

28 Sec. 552. Sixty days after a county's child care fund review
29 is completed, including the receipt of all requested documentation



1 from the county, the department shall provide the results of the
2 review to the county. In the review, the department shall not
3 evaluate the relevancy, quality, effectiveness, efficiency, or
4 impact of the services provided to youth by the county's child care
5 fund programs. The department shall not release the results of a
6 county's child care fund review to a third party without the
7 permission of the county.

8 Sec. 554. From the funds appropriated in part 1 for foster
9 care payments, the department shall allocate \$50,000.00 to the
10 entity that received funds under section 554 of article 6 of 2025
11 PA 22 to provide a shopping environment to local children in need,
12 as well as clothing, shoes, toys, linens, nursery furniture,
13 strollers, car seats, school supplies, hygiene products, and safety
14 equipment to local foster children and their families free of
15 charge.

16 Sec. 555. (1) From the funds appropriated in part 1 for foster
17 care payments, the department shall allocate \$4,000,000.00 as
18 grants to community action agencies to support youths in informal
19 kinship care and the families that care for the youths.

20 (2) As used in this section, "informal kinship care" means an
21 arrangement between a youth's parents and a family member of the
22 youth or someone with a close relationship with the family of the
23 youth to care for the youth without the involvement of the
24 department or court.

25 Sec. 557. If a vehicle that is owned by the state is available
26 and not scheduled for use by other state workers, the department
27 may consider a children's protective services caseworker or a
28 foster care caseworker driving the vehicle to a foster home visit
29 or driving the vehicle to the caseworker's own home as an allowable



1 use of the vehicle if the driving would be helpful to the
2 caseworker in conducting the caseworker's work.

3 Sec. 559. (1) From the funds appropriated in part 1 for
4 adoption support services, not later than December 1 of the current
5 fiscal year, the department shall allocate \$500,000.00 to a grant
6 recipient to operate and expand its adoptive parent mentor program
7 to provide a listening ear, knowledgeable guidance, and community
8 connections to adoptive parents and children who were adopted in
9 this state or another state.

10 (2) Not later than March 1 of the current fiscal year, the
11 grant recipient shall submit, to the standard report recipients, a
12 report on the program described in subsection (1), including, but
13 not limited to, the number of cases served and the number of cases
14 in which the program prevented an out-of-home placement.

15 Sec. 562. If a foster parent transports a foster child to
16 parent-child visitation, the department shall reimburse the foster
17 parent for the foster parent's time and travel. As part of the
18 foster care parent contract, the department shall provide written
19 confirmation to foster parents that states that the foster parents
20 have the right to request reimbursement for all parent-child
21 visitations. Not later than 60 days after receiving a request from
22 a foster parent for eligible reimbursement, the department shall
23 provide the reimbursement.

24 Sec. 564. (1) The department shall maintain a clear policy for
25 parent-child visitations. All of the following individuals shall
26 meet an 85% success rate, after accounting for factors outside of
27 caseworker control:

- 28 (a) Caseworkers and supervisors of local county offices.
29 (b) Caseworkers and supervisors of child placing agencies.



1 (2) In accordance with the court-ordered number of required
 2 meetings between caseworkers and a parent, the caseworkers shall
 3 achieve a success rate of 85%, after accounting for factors outside
 4 of caseworker control.

5 (3) Not later than March 1 of the current fiscal year, the
 6 department shall submit, to the standard report recipients, a
 7 report on the following:

8 (a) The percentage of success rates for parent-child
 9 visitations and court-ordered required meetings under subsections
 10 (1) and (2) for the previous fiscal year.

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

13 Sec. 568. (1) The department shall ensure each youth
 14 transitioning out of foster care is given assistance with obtaining
 15 a driver license or state identification card and is issued a copy
 16 of the youth's Social Security number, as required by department
 17 policy. Assistance must be provided to each youth who is eligible
 18 to obtain a driver license or state identification card and, based
 19 on the youth's citizenship and legal residency status, a Social
 20 Security card.

21 (2) Not later than April 1 of the current fiscal year, the
 22 department shall submit, to the standard report recipients, a
 23 report on the number of youth who obtained a driver license or
 24 state identification card, the number of youth who obtained a
 25 Social Security card, and the number of youth who were eligible but
 26 did not receive a driver license, state identification card, or
 27 Social Security card and an explanation as to why the youth did not
 28 receive the documents.

29 Sec. 569. The department shall reimburse each private child



1 placing agency that completes an adoption at the rate on the date
2 when the petition for adoption and the required support
3 documentation were accepted by the court and not the rate on the
4 date when the court's order placing for adoption was entered.

5 Sec. 574. (1) From the funds appropriated in part 1 for foster
6 care payments, \$1,375,000.00 is allocated to support family
7 incentive grants to private and community-based foster care service
8 providers and relative caregivers for assistance with home
9 improvements to alleviate safety concerns or obtain items needed to
10 ensure compliance with licensing rule requirements and to
11 accommodate children in foster care.

12 (2) Not later than March 1 of the current fiscal year, the
13 department shall submit, to the standard report recipients, a
14 report on the total amount expended in the previous year for grants
15 to private and community-based foster care service providers for
16 home improvements or physical exams described in subsection (1) and
17 the number of grants issued.

18 Sec. 575. From the funds appropriated in part 1 for children's
19 services administration, the department shall allocate \$200,000.00
20 to provide support and coordinated services to the kinship
21 caregiver advisory council. The responsibilities of the council may
22 include all of the following:

23 (a) Establishing a public awareness campaign to educate the
24 public about kinship caregivers and this state's efforts to better
25 serve kinship caregivers.

26 (b) Consulting and coordinating with the kinship caregiver
27 navigator program to collect aggregate data on individuals being
28 served by the kinship caregiver navigator program, including
29 information on what services the individuals need.



1 (c) Consulting and collaborating with the provider of the
2 kinship caregiver navigator program on the design and
3 administration of the program.

4 (d) Establishing, maintaining, and updating a list of local
5 support groups and programs that provide services to kinship
6 families and, in order to obtain a better understanding of the
7 issues facing kinship families, devising a plan of action for
8 engaging with the groups and programs on the list.

9 (e) Developing methods to promote and improve collaboration
10 between state, county, and local governments and agencies and
11 private stakeholders for all of the following reasons:

12 (i) To obtain a broad understanding of the characteristics and
13 prevalence of kinship caregiving.

14 (ii) To improve service delivery.

15 (iii) To include the methods in the council's recommendations.

16 Sec. 578. (1) From the funds appropriated in part 1 for foster
17 care payments, the department shall allocate Title IV-E passthrough
18 funds for educational pilot programs to strengthen this state's
19 child welfare workforce. The department shall enter into
20 contractual arrangements with 1 or more state universities to
21 provide bachelor of social work and master of social work
22 educational training, including field placements and stipends for
23 tuition and educational expenses. In exchange, students completing
24 eligible educational programs are contractually obligated to work
25 for Michigan child welfare agencies for a minimum of 4 months for
26 every semester they receive the stipend. The matching funds for the
27 Title IV-E funds must be provided by the participating state
28 universities from the expenses incurred for training child welfare
29 students who participate in the program.



1 (2) Not later than March 1 of the current fiscal year, the
2 department shall submit, to the standard report recipients, a
3 report on the status of pilot programs under subsection (1) that
4 includes, but is not limited to, the total number of applicants,
5 the total number of program participants, a list of state
6 universities that participated in the pilot programs, and the total
7 amount of matching funds that each state university contributed to
8 the programs.

9 Sec. 581. From the funds appropriated in part 1 for foster
10 care payments, the department shall allocate at least \$50,000.00
11 for caseworkers to provide immediate assistance with urgent needs,
12 including, but not limited to, food, clothing, and other basic
13 necessities, for children, including children who are victims of
14 human trafficking, on the children's removal from the children's
15 homes or other dangerous environments.

16 Sec. 583. Not later than March 1 of the current fiscal year,
17 the department shall submit, to the standard report recipients and
18 the senate and house of representatives standing committees that
19 cover subject matters dealing with families and human services, a
20 report that includes all of the following:

21 (a) The number and percentage of foster parents that closed
22 their license in the previous fiscal year, the reasons the foster
23 parents left, and how the figures compare to the figures for prior
24 fiscal years.

25 (b) The number and percentage of foster parents successfully
26 retained in the previous fiscal year and how the figures compare to
27 the figures for prior fiscal years.

28 (c) The number and percentage of licensed foster homes that
29 closed their license because they adopted their foster child based



1 on survey data from foster parents closing their licenses.

2 Sec. 585. Each month, the department shall make available at
3 least 1 pre-service training class in which new caseworkers for
4 private foster care and adoption agencies can enroll.

5 Sec. 588. (1) Concurrently with public release, the department
6 shall transmit, without revision, all reports from the court-
7 appointed settlement monitor, including, but not limited to, the
8 needs assessment and period outcome reporting, to the standard
9 report recipients.

10 (2) Not later than October 1 of the current fiscal year, the
11 department shall submit, to the standard report recipients, a
12 detailed plan that addresses the status and progress toward exiting
13 the settlement by September 30 of the current fiscal year. The
14 report must include an update on the department's child welfare
15 initiative.

16 Sec. 589. (1) From the funds appropriated in part 1 for child
17 care fund, the department shall pay 100% of the administrative rate
18 for all new cases referred to providers of foster care services.

19 (2) On a quarterly basis, the department shall submit a
20 report, to the standard report recipients, on the monthly number of
21 all foster care cases administered by the department and all foster
22 care cases administered by private providers.

23 Sec. 592. On a quarterly basis, the department shall submit,
24 to the chairs of the senate and house of representatives standing
25 oversight committees and the standard report recipients, a report
26 that includes data from children's protective services staff for
27 each of the following for the most recent quarter before the
28 applicable report is submitted:

29 (a) The percent of investigations commenced in 24 hours



1 immediately after receiving a report.

2 (b) The percent of central registry reviews performed for
3 required individuals.

4 (c) The percent of face-to-face contacts made within the
5 established timeframe required by the department.

6 (d) In appropriate cases, the percent of sibling placement
7 evaluations completed when 1 or more children remain in the home
8 after a child has been removed.

9 (e) The percent of supervisory reviews performed in a timely
10 manner.

11 (f) The results of a department survey of children's
12 protective services investigators on the number of investigators
13 who are concerned for their own personal safety.

14 (g) The percent of investigators using the mobile application
15 or another tool to document compliance.

16 Sec. 593. The department shall conduct an annual review in
17 each county to determine if the county has adopted and implemented
18 standard child abuse and child neglect investigation and interview
19 protocols under section 8(6) of the child protection law, 1975 PA
20 238, MCL 722.628.

21 Sec. 594. From the funds appropriated in part 1 for foster
22 care payments, the department shall support regional resource teams
23 to provide for the recruitment, retention, and training of foster
24 and adoptive parents and shall expand the Michigan youth
25 opportunities initiative to all counties of this state. The purpose
26 of the funding is to increase the number of annual inquiries from
27 prospective foster parents, increase the number of nonrelative
28 foster homes that achieve licensure each year, increase the annual
29 retention rate of nonrelative foster homes, reduce the number of



1 older foster youth placed outside of family settings, and provide
 2 older youth with enhanced support in transitioning to adulthood.

3 Sec. 598. Partial child care fund reimbursements to counties
 4 for undisputed charges must not be made later than 45 business days
 5 after receipt of the required forms and documentation. Not later
 6 than 15 business days after receiving a request from a county for
 7 reimbursement of a disputed charge, the department shall commence
 8 activity to investigate and resolve the disputed reimbursement
 9 charge. The activity to investigate and resolve a disputed
 10 reimbursement charge may include, but is not limited to, the use of
 11 a formal appeals process under applicable law and the department
 12 chargeback policy. Not later than 45 business days after a properly
 13 corrected submission by the county, the department shall reimburse
 14 the county for the corrected charge or charges.

15

16 **PUBLIC ASSISTANCE**

17 Sec. 601. After a client agrees to the release of the client's
 18 name and address to the local housing authority, the department
 19 shall request from the local housing authority information
 20 regarding whether the housing unit for which vendoring has been
 21 requested meets applicable local housing codes. Vendoring must be
 22 terminated if the local housing authority indicates in writing that
 23 the unit does not meet local housing codes and until the local
 24 housing authority indicates in writing that the local housing codes
 25 have been met.

26 Sec. 602. The department shall conduct a full evaluation of an
 27 individual's assistance needs if the individual has applied for
 28 disability more than 1 time in a 1-year period.

29 Sec. 603. For any change in the income of a recipient of the



1 food stamps program, the family independence program, or state
 2 disability assistance that results in a benefit decrease, the
 3 department shall notify the recipient of the amount of the decrease
 4 not later than 15 work days before the first day of the month in
 5 which the decrease takes effect.

6 Sec. 604. (1) From the funds appropriated in part 1 for state
 7 disability assistance payments, the department shall operate a
 8 state disability assistance program. Except as provided in
 9 subsection (3), to be eligible for the program, an individual must
 10 be a needy citizen of the United States or alien exempted from the
 11 SSI citizenship requirement who is not less than 18 years of age,
 12 or an emancipated minor, and meets 1 or more of the following
 13 requirements:

14 (a) Is a recipient of SSI, Social Security, or medical
 15 assistance due to disability or being 65 years of age or older.

16 (b) Is an individual with a physical or mental impairment that
 17 meets federal SSI disability standards, except that the minimum
 18 duration of the disability must be 90 days. Substance use disorder
 19 alone is not a basis for eligibility.

20 (c) Is a resident of an adult foster care facility, a home for
 21 the aged, a county infirmary, or a substance use disorder treatment
 22 center.

23 (d) Is an individual receiving 30-day postresidential
 24 substance use disorder treatment.

25 (e) Is an individual diagnosed as having AIDS.

26 (f) Is an individual receiving special education services
 27 through a local intermediate school district.

28 (g) Is a caretaker of a disabled individual who meets the
 29 requirements specified in subdivision (a), (b), (e), or (f).



1 (2) An applicant for or recipient of state disability
2 assistance is considered needy if the applicant or recipient does
3 both of the following:

4 (a) Meets the same asset test as is applied for the family
5 independence program.

6 (b) Has a monthly budgetable income that is less than the
7 payment standards.

8 (3) Except for an individual described in subsection (1)(c) or
9 (d), an individual is not disabled under this section if the
10 individual's drug addiction or alcoholism is a contributing factor
11 material to the determination of disability.

12 (4) As used in this section:

13 (a) "Material to the determination of disability" means that,
14 if the individual stopped using drugs or alcohol, the individual's
15 remaining physical or mental limitations would not be disabling. If
16 the individual's remaining physical or mental limitations would be
17 disabling, then the drug addiction or alcoholism is not material to
18 the determination of disability and the individual may receive
19 state disability assistance, but the individual must actively
20 participate in a substance abuse treatment program, and the
21 assistance must be paid to a third party or through vendor
22 payments.

23 (b) "Substance abuse treatment" includes receipt of inpatient
24 or outpatient services or participation in Alcoholics Anonymous or
25 a similar program.

26 Sec. 605. The level of reimbursement provided to state
27 disability assistance recipients in licensed adult foster care
28 facilities must be the same as the prevailing SSI rate under the
29 personal care category.



1 Sec. 606. County department offices shall require each
2 recipient of family independence program and state disability
3 assistance who has applied with the Social Security Administration
4 for SSI to sign a contract to repay any assistance rendered through
5 the family independence program or state disability assistance
6 program on receipt of retroactive SSI benefits.

7 Sec. 607. (1) The department's ability to satisfy
8 appropriation deductions in part 1 for state disability
9 assistance/supplemental security income recoveries and public
10 assistance recoupment revenues is not limited to recoveries and
11 accruals pertaining to state disability assistance, or family
12 independence program grant payments provided only in the current
13 fiscal year and may include revenues collected during the current
14 year that are prior-year-related and not a part of the department's
15 accrued entries.

16 (2) The department may use SSI recoveries to satisfy the
17 deduct in any line in which the revenues are appropriated,
18 regardless of the source from which the revenue is recovered.

19 Sec. 608. An adult foster care facility that provides
20 domiciliary care or personal care to a resident receiving SSI or a
21 home for the aged serving a resident receiving SSI shall not
22 require a resident described in this section to reimburse the home
23 for the aged or adult foster care facility for care at a rate in
24 excess of a rate that is authorized by the legislature. To the
25 extent permitted by federal law, an adult foster care facility and
26 home for the aged that serves a resident receiving SSI is not
27 prohibited from accepting a third-party payment in addition to SSI
28 if the payment is not for food, clothing, or shelter, or would
29 result in a reduction in the resident's SSI payment.



1 Sec. 609. The department shall not reduce the state
2 supplementation level under the SSI program for the personal
3 care/adult foster care and home for the aged categories during the
4 current fiscal year. Not later than 30 days before a proposed
5 reduction in the state supplementation level, the department shall
6 notify the legislature of the proposed reduction.

7 Sec. 610. (1) The department shall grant an exemption from the
8 good-cause criteria for the state emergency relief program if an
9 emergency results from an unexpected expense related to maintaining
10 or securing employment.

11 (2) In determining housing affordability eligibility for state
12 emergency relief, a group is considered to have sufficient income
13 to meet ongoing housing expenses if the group's total housing
14 obligation does not exceed 75% of the group's total net income.

15 (3) The department shall not make a state emergency relief
16 payment to an individual who has been found guilty of fraud in
17 obtaining public assistance.

18 (4) The department shall not make a state emergency relief
19 payment to an individual who is an out-of-state or nonlegal
20 resident.

21 (5) The department shall distribute a state emergency relief
22 payment for rent assistance directly to a landlord and shall not
23 add the payment to a Michigan bridge card.

24 Sec. 611. The state supplementation level under the SSI
25 program for the living independently category or living in the
26 household of another category must not exceed the minimum state
27 supplementation level as required under federal law.

28 Sec. 613. (1) From the funds appropriated in part 1 for
29 indigent burial, the department shall provide a reimbursement for



1 the final disposition of an indigent individual. A reimbursement
2 under this section must comply with all of the following:

- 3 (a) The maximum allowable reimbursement for the final
4 disposition is \$960.00.
- 5 (b) The adult burial with services allowance is \$875.00.
- 6 (c) The adult burial without services allowance is \$610.00.
- 7 (d) The infant burial allowance is \$240.00.
- 8 (e) The adult cremation with services allowance is \$640.00.
- 9 (f) The adult cremation without services allowance is \$390.00.
- 10 (g) The maximum allowable reimbursement if an irrevocable
11 funeral agreement exists is \$260.00.

12 (2) The department shall reimburse up to \$80.00 for a
13 cremation permit fee and for mileage at the standard rate for an
14 eligible cremation. A reimbursement under this subsection must take
15 into consideration whether an indigent individual's religious
16 preference prohibits cremation.

17 (3) An application for burial services must be made no later
18 than 20 business days after the burial, cremation, or donation
19 takes place. A friend or relative of the indigent individual may
20 supplement the burial payment in any amount up to \$6,000.00 for
21 additional services. A funeral director, with written authorization
22 provided by a relative of the indigent individual, is deemed an
23 authorized representative for burial benefits.

24 (4) By January 31 of the current fiscal year, the department
25 shall submit a report to the standard report recipients on burial
26 service payments issued from the state emergency relief program
27 during the previous fiscal year. The report must include the number
28 of applicants denied, categorized by reason for denial, and the
29 number of payments by the following burial service categories:



- 1 (a) Fetus or infant less than 1 month of age.
 2 (b) Burial with memorial service.
 3 (c) Burial without memorial service.
 4 (d) Cremation with memorial service.
 5 (e) Cremation without memorial service.
 6 (f) Transportation of a donated or unclaimed body being
 7 cremated.
 8 (g) Cremation permit fee for an unclaimed body.
 9 (h) Disposition of an unclaimed body.
 10 (i) Payment if an irrevocable funeral agreement exists.
 11 (j) An unclaimed body received by a university.
 12 (5) For any indigent burial reimbursement that is denied, the
 13 department shall notify the applicant of the reason for the denial
 14 and provide information on how to request a hearing to contest the
 15 decision.

16 Sec. 614. By January 15 of the current fiscal year, the
 17 department shall submit a report to the standard report recipients
 18 on the number and percentage of state disability assistance
 19 recipients who were determined to be eligible for federal SSI
 20 benefits in the previous fiscal year.

21 Sec. 615. Except as required by federal law, the department
 22 shall not use funds appropriated in part 1 to provide public
 23 assistance to an individual who is not a United States citizen,
 24 permanent resident alien, or refugee. This section does not
 25 prohibit the department from entering into a contract with a food
 26 bank, emergency shelter provider, or another human service agency
 27 that may, as a normal part of doing business, provide food or
 28 emergency shelter.

29 Sec. 616. The department shall require a retailer that



1 participates in the electronic benefits transfer program to charge
 2 no more than a \$2.50 fee for cash back as a condition of
 3 participation.

4 Sec. 619. The department shall not deny a title IV-A
 5 assistance and food stamps benefit under 21 USC 862a to an
 6 individual who has been convicted of a felony for the possession,
 7 use, or distribution of a controlled substance, if both of the
 8 following are met:

9 (a) The act that resulted in the conviction occurred after
 10 August 22, 1996.

11 (b) The individual is not in violation of the individual's
 12 probation or parole requirements.

13 Sec. 620. (1) The department shall determine a Medicaid
 14 applicant's Medicaid eligibility not later than 90 days after the
 15 Medicaid applicant completes a Medicaid application if the Medicaid
 16 applicant's disability is an eligibility factor. For other Medicaid
 17 applicants, including an applicant who is a patient of a nursing
 18 home, the department shall determine the applicant's Medicaid
 19 eligibility within 45 days after receiving the Medicaid applicant's
 20 application.

21 (2) On a quarterly basis, the department shall submit a report
 22 to the standard report recipients on the number of recipients who
 23 were ineligible for Medicaid after Medicaid eligibility
 24 redeterminations resumed after federal continuous enrollment
 25 requirements ended. The report must include, in a monthly data
 26 format, the number of recipients who had their eligibility examined
 27 directly, through an ex parte eligibility process or through a
 28 passive eligibility process. The report must also include a copy of
 29 each baseline and monthly report that the department provides to



1 CMS for unwinding data reporting and the number of recipients who
2 did not respond to the department through eligibility outreach or
3 data requests.

4 Sec. 625. From the funds appropriated in part 1 for SSI
5 advocacy legal services grant, the department shall allocate
6 \$975,000.00 as a grant to a membership association for attorneys
7 licensed to practice law in this state to assist current or
8 potential recipients of state disability assistance who have
9 applied for or wish to apply for SSI or other federal disability
10 benefits. The grant recipient shall provide a list of newly
11 eligible SSI recipients to the department to verify that services
12 are provided to department referrals.

13 Sec. 626. (1) The department shall not seek, apply for,
14 accept, or renew any waiver of work requirements under 7 USC
15 2015(o) (4) without first obtaining specific authorization from the
16 legislature.

17 (2) The department shall not exercise the state's option to
18 provide any exemptions from the work requirement under 7 USC
19 2015(o) (6) (F). This subsection must not be construed to limit the
20 application of good cause exemptions for temporary absence from
21 employment as provided in 7 CFR 273.24(b) (2).

22 Sec. 627. (1) The department shall enter into a data matching
23 agreement with the bureau of state lottery to identify households
24 enrolled in the food stamps program with lottery or gambling
25 winnings of \$3,000.00 or more and, to the extent permissible under
26 federal law, treat this data as verified upon receipt. To the
27 extent the data may not be verified upon receipt as described under
28 this subsection, the department shall conduct further
29 investigations to determine whether the households have lottery or



1 gambling winnings that are equal to or greater than the resource
2 limit for elderly or disabled households as defined in 7 USC
3 2014(g)(1). If the department verifies data on receipt as described
4 under this subsection or determines that a household has lottery or
5 gambling winnings that are equal to or greater than the resource
6 limit for elderly or disabled households as defined in 7 USC
7 2014(g)(1), the department shall determine that the household is
8 not eligible to participate in the food stamps program.

9 (2) On at least a monthly basis, the department shall receive
10 and review vital records information concerning individuals in
11 households enrolled in the food stamps program that indicates a
12 change in circumstances that may affect eligibility for food
13 stamps.

14 (3) On at least a quarterly basis, the department shall
15 receive and review information from the department of labor and
16 economic opportunity concerning individuals in households enrolled
17 in the food stamps program that indicates a change in circumstances
18 that may affect eligibility for food stamps, including, but not
19 limited to, changes in employment or wages.

20 (4) On at least a monthly basis, the department shall receive
21 and review address change information from returned mail by the
22 United States Postal Service and the National Change of Address
23 database concerning individuals in households enrolled in the food
24 stamps program that indicates a change in circumstances that may
25 affect eligibility for food stamps, including a change in
26 residency.

27 (5) On at least an annual basis, the department shall receive
28 and review information from the department of treasury concerning
29 individuals in households enrolled in the food stamps program that



1 indicates a change in circumstances that may affect eligibility for
2 food stamps, including, but not limited to, potential changes in
3 income, wages, household composition, or residency as identified by
4 tax records.

5 (6) On at least a monthly basis, the department shall receive
6 and review information from the department of corrections
7 concerning individuals in households enrolled in the food stamps
8 program that indicates a change in circumstances that may affect
9 eligibility.

10 Sec. 628. On at least a monthly basis, the department shall
11 utilize Michigan bridge card data to flag any individual making
12 purchases exclusively out-of-state over a 60-day period. The
13 department shall contact each individual flagged within 30 days to
14 determine whether they reside in the state and remove those who are
15 determined not to be residing in the state or do not respond.
16 Within 15 days of their removal, the department shall refer such
17 cases to the United States Attorney's Office for the district where
18 the individual claimed to reside.

19 Sec. 629. On at least a monthly basis, the department shall,
20 to assess continued eligibility and act on findings, review all of
21 the following for households enrolled in the food stamps program:

22 (a) Earned income information, incarceration records,
23 supplemental security income information, beneficiary records,
24 earnings information, and pension information maintained by the
25 United States Social Security Administration.

26 (b) Income and employment information maintained in the
27 national directory of new hires database and child support
28 enforcement data maintained by the United States Department of
29 Health and Human Services.



1 (c) Payment and earnings information maintained by the United
2 States Department of Housing and Urban Development.

3 (d) National fleeing felon information maintained by the
4 United States Federal Bureau of Investigation.

5 Sec. 630. (1) The department has the authority to execute a
6 memorandum of understanding with any department, agency, or
7 division for information required to be shared between agencies
8 outlined in this act.

9 (2) This act does not prohibit the department from contracting
10 with 1 or more independent vendors to provide additional data or
11 information that may indicate a change in circumstances that may
12 affect eligibility.

13 Sec. 631. Categorical eligibility under 7 USC 2014(a) or 7 CFR
14 273.2(j)(2)(iii) must not be granted for any noncash, in-kind, or
15 other benefit unless expressly required by federal law for the
16 supplemental nutrition assistance program. The department shall not
17 apply gross income standards higher than the standards specified in
18 7 USC 2014(c) or allowable financial resources higher than the
19 standards specified in 7 USC 2014(g)(1), other than financial
20 resources described in 7 USC 2014(g)(2)(D), unless expressly
21 required by federal law. Exempting households from the gross income
22 standards or allowable financial resource standards must not be
23 granted for any noncash, in-kind, or other benefit, unless
24 expressly required by federal law.

25 Sec. 632. The department shall assign certification periods of
26 no greater than 4 months, but not less than 3 months, to households
27 with zero net income, households that include an able-bodied adult
28 without dependents, or other households whose circumstances are
29 determined by the department to be unstable.



1 Sec. 633. If the department receives information concerning an
2 individual enrolled in the food stamps program that indicates a
3 change in circumstances that may affect eligibility, the department
4 shall review and take action on the individual's or household's
5 case.

6 Sec. 634. The funds appropriated in part 1 for food stamps
7 program benefits must not be used to expand eligibility for the
8 restaurant meal program beyond the federal eligibility standards.
9 The department shall limit eligibility for the restaurant meal
10 program to households receiving food stamps program benefits in
11 which all members are either:

12 (a) Individuals who are 60 years of age or older.

13 (b) Individuals who are disabled.

14 (c) Individuals who are homeless.

15 (d) A spouse of a food stamps program recipient who is
16 eligible for the restaurant meal program.

17 Sec. 635. (1) Not later than November 1 of the current fiscal
18 year, the department shall request a waiver from the United States
19 Department of Agriculture to exclude soda and candy from the
20 definition of eligible foods under 7 CFR 271.2. If the United
21 States Department of Agriculture grants the waiver requested under
22 this subsection, the funds appropriated in part 1 for food stamps
23 program benefits must not be used to purchase soda or candy with
24 benefits provided through the food stamps program.

25 (2) As used in this section:

26 (a) "Candy" means preparations of sugar, honey, or other
27 sweeteners in combination with chocolate, fruits, nuts, or other
28 ingredients in the form of bars, drops, or pieces. Candy does not
29 include bars, drops, or pieces that contain flour or that require



1 refrigeration.

2 (b) "Soda" means any nonalcoholic beverage that contains
3 natural or artificial sweeteners. Soda does not include a beverage
4 that contains milk or milk substitutes or is greater than 50%
5 vegetable juice or fruit juice by volume.

6 Sec. 645. The department shall consider an individual or
7 family to be homeless for purposes of eligibility for state
8 emergency relief, if the individual or family is living temporarily
9 with another in order to escape domestic violence. The department
10 shall define and verify domestic violence in the same manner as the
11 department defines and verifies that term in the department's
12 policies on good cause for not cooperating with child support and
13 paternity requirements.

14 Sec. 653. From the funds appropriated in part 1 for food
15 stamps program benefits, an individual who is the victim of
16 domestic violence or human trafficking and who does not qualify for
17 any other exemption may be exempt from the 3-month in 36-month
18 limit on receiving food stamps under 7 USC 2015. The department may
19 extend the exemption for an additional 3 months if an individual
20 described in this section demonstrates to the department a
21 continuing need.

22 Sec. 654. The department shall notify a recipient of food
23 stamps program benefits that the recipient's benefits can be spent
24 with the recipient's Michigan bridge card at many farmers markets
25 in this state. The department shall also provide a recipient with
26 information about the double up food bucks program that is
27 administered by the Fair Food Network. The information about the
28 double up food bucks program must include, but is not limited to,
29 information that if the recipient spends \$20.00 at a participating



1 farmers market through the program, the recipient may receive an
2 additional \$20.00 to buy Michigan produce.

3 Sec. 655. Not later than 14 days after the spending plan for
4 low-income home energy assistance program is approved by the state
5 budget office, the department shall provide the spending plan,
6 including itemized projected expenditures and itemized expenditures
7 for the previous fiscal year, to the standard report recipients.

8 Sec. 660. From the funds appropriated in part 1 for Michigan
9 agricultural surplus system, the department shall allocate
10 \$12,045,000.00 for procuring and distributing the Michigan
11 agricultural surplus system to distribute surplus produce to low-
12 income residents of this state.

13 Sec. 669. From the funds appropriated in part 1 for family
14 independence program - clothing allowance, the department shall
15 allocate \$10,000,000.00 for the annual clothing allowance. The
16 department shall grant the allowance to eligible children in a
17 family independence program group.

18 Sec. 672. (1) By February 15 of the current fiscal year, the
19 department's office of inspector general shall submit a report to
20 the standard report recipients on the department's efforts to
21 reduce the inappropriate use of Michigan bridge cards and food
22 stamps program trafficking. The department shall provide
23 information on the number of recipients of services who used their
24 Michigan bridge card inappropriately and the current status of each
25 case, the number of recipients whose benefits were permanently and
26 temporarily revoked as a result of inappropriately using their
27 Michigan bridge cards, and the number of retailers that were fined
28 or removed from the electronic benefit transfer program for
29 permitting the inappropriate use of Michigan bridge cards. The



1 report must also include the number of Michigan bridge card
 2 trafficking instances and overall welfare fraud referrals, that
 3 includes, but is not limited to, information on the number of
 4 investigations completed, fraud and intentional program violation
 5 dollar amounts identified, the number of referrals to prosecutors,
 6 the number of administrative hearing referrals and waivers, and the
 7 number of program disqualifications imposed. The report must
 8 distinguish between savings and cost avoidance. As used in this
 9 subsection:

10 (a) "Cost avoidance" includes expenditures avoided due to
 11 front-end eligibility investigations and other preemptive actions
 12 undertaken in the prevention of fraud.

13 (b) "Savings" includes receivables established from instances
 14 of fraud committed.

15 (2) If a fourth Michigan bridge card has been issued to a
 16 household in a 12-month period, the department shall notify the
 17 household that the household has reached the number of issued cards
 18 threshold. At a household's fifth and each subsequent card
 19 replacement request, a card will not be issued until a recipient
 20 from the household has spoken directly to the local office district
 21 manager or county director. The district manager or county director
 22 may issue a new Michigan bridge card based on the district
 23 manager's or county director's assessment of the recipient's
 24 situation and the recipient's explanation.

25 (3) As used in this section:

26 (a) "Food stamps trafficking" means the buying and selling of
 27 food stamps benefits for cash or items not authorized under 7 USC
 28 2036b.

29 (b) "Inappropriate use" means not used to meet a family's



1 ongoing basic needs, including, but not limited to, food, clothing,
 2 shelter, utilities, household goods, personal care items, and
 3 general incidentals.

4 Sec. 677. (1) The department shall establish a state goal for
 5 the percentage of family independence program cases involved in
 6 employment activities. The percentage established must not be less
 7 than 50%. The goal for long-term employment must be 15% of cases
 8 for 6 months or more.

9 (2) The department shall submit an annual report, providing
 10 quarterly data, to the standard report recipients on the number of
 11 cases referred to PATH, the current percentage of family
 12 independence program cases involved in PATH employment activities,
 13 an estimate of the current percentage of family independence
 14 program cases that meet federal work participation requirements on
 15 the whole, and an estimate of the current percentage of the family
 16 independence program cases that meet federal work participation
 17 requirements for those cases referred to PATH.

18 (3) The department shall submit a report to the standard
 19 report recipients. The report must include quarterly data on all of
 20 the 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) The number and percentage of employed family independence
 26 program recipients who remain employed for 6 months or more.

27 Sec. 678. (1) From the funds appropriated in part 1 for family
 28 independence program - child supplemental payment, the department
 29 shall allocate \$16,240,100.00 of TANF revenue to provide a



1 supplemental payment for the current fiscal year for each child
 2 under 6 years of age within a family receiving cash assistance. Not
 3 later than November 30 of the current fiscal year, the department
 4 shall distribute an equal payment based on the funds available in
 5 part 1 and the total number of children under 6 years of age who
 6 are within a family receiving cash assistance.

7 (2) From the funds appropriated in part 1 for family
 8 independence program - child supplemental payment, the department
 9 shall allocate \$7,000,000.00 of TANF revenue to provide a
 10 supplemental payment for the current fiscal year for each child 6
 11 years of age or older but under 14 years of age within a family
 12 receiving cash assistance. Not later than November 30 of the
 13 current fiscal year, the department shall distribute an equal
 14 payment based on the funds available in part 1 and the total number
 15 of children who are 6 years of age or older but under 14 years of
 16 age within a family receiving cash assistance.

17 (3) By February 1 of the current fiscal year, the department
 18 shall submit a report to the standard report recipients on the
 19 amount of funding distributed under this section and shall include
 20 the number of family independence program cases, the number of
 21 family independence program eligible children by age group, and the
 22 amount of funding distributed by age category.

23 Sec. 686. (1) The department shall confirm that an individual
 24 who presents a personal identification issued by another state and
 25 is seeking assistance through the family independence program, food
 26 stamps program, state disability assistance program or medical
 27 assistance program is not receiving benefits from another state.

28 (2) The department shall confirm the address provided by an
 29 individual who is seeking family independence program benefits or



1 state disability assistance benefits.

2 (3) The department shall prohibit an individual who has
3 property assets assessed at a value higher than \$200,000.00 from
4 receiving assistance through a department-administered program,
5 unless prohibiting assistance would violate a federal law or
6 guideline.

7 (4) The department shall make a reasonable attempt to obtain
8 an up-to-date telephone number for an individual seeking medical
9 assistance benefits during the eligibility determination or
10 redetermination process for the individual.

11 Sec. 687. (1) On a quarterly basis, the department shall
12 compile and make available a report on its website that contains
13 all of the following information about the family independence
14 program, state disability assistance, the food stamps program,
15 indigent burial, Medicaid, and state emergency relief:

16 (a) The number of applications received.

17 (b) The number of applications approved.

18 (c) The number of applications denied.

19 (d) The number of applications pending and neither approved
20 nor denied.

21 (e) The number of cases opened.

22 (f) The number of cases closed.

23 (g) The number of cases at the beginning of the quarter and
24 the number of cases at the end of the quarter.

25 (2) The department shall compile and make the information
26 provided under subsection (1) available for this state as a whole
27 and for each county and shall report the information separately for
28 each program listed in subsection (1).

29 (3) On a quarterly basis, the department shall compile and



1 make available a report on its website of the following family
2 independence program information:

3 (a) The number of new applicants who successfully met the
4 requirements of the 10-day assessment period for PATH.

5 (b) The number of new applicants who did not meet the
6 requirements of the 10-day assessment period for PATH.

7 (c) The number of cases sanctioned because of a school truancy
8 policy.

9 (d) The number of cases closed because of the lifetime limits.

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

11 (f) The number of children 0 to 5 years of age who are living
12 in a family independence program-sanctioned household.

13

14 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

15 Sec. 701. Unless required by a change to federal law or the
16 law of this state or at the request of a provider, the department
17 shall not alter the terms of a signed contract with a private
18 residential facility that serves children who are under state or
19 court supervision without receiving written consent from a
20 representative of the private residential facility.

21 Sec. 702. (1) Not later than December 1 of the current fiscal
22 year, the department shall submit a report to the standard report
23 recipients on all of the following for the prior fiscal year:

24 (a) The average daily population by month of youths residing
25 at state-run juvenile justice facilities.

26 (b) The total number of beds at each facility, separated by
27 staffed and unstaffed, for each month.

28 (c) The average daily number of available beds by month.

29 (d) The average number of staff vacancies by month.



1 (2) The report must separate the data described in subsection
2 (1) by each state-run juvenile justice facility.

3 Sec. 703. From the funds appropriated in part 1 for juvenile
4 justice, administration and maintenance, the department shall
5 allocate \$2,000,000.00 to be distributed as grants to support
6 capital improvements for private and state-run juvenile justice
7 facilities that are licensed and have a contract with this state.
8 Funds must be used to reimburse costs associated with damages
9 resulting from property damage or injury caused by youth placed by
10 the department. Payments must not exceed \$100,000.00 per incident
11 or \$300,000.00 in total per facility.

12 Sec. 704. From the funds appropriated in part 1 for juvenile
13 justice treatment centers, the department shall allocate
14 \$16,260,600.00 to support juvenile justice programming. The funds
15 appropriated in this section must be allocated for both of the
16 following:

17 (a) \$8,130,300.00 to the Michigan youth treatment center to
18 support facility operations and services.

19 (b) \$8,130,300.00 to support juvenile justice bed expansion
20 projects through private or state-run juvenile justice facilities.

21 Sec. 706. A county is subject to a 50% chargeback for the use
22 of an alternative regional detention service, if the detention
23 service does not fall under the basic grant provision of section
24 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a
25 county operates the detention service program primarily with
26 professional rather than volunteer staff.

27 Sec. 707. To be reimbursed for child care fund expenditures, a
28 county shall submit to the department the report required under
29 section 117a(11) of the social welfare act, 1939 PA 280, MCL



1 400.117a, to enable the department to document a potential
2 federally claimable expenditure.

3 Sec. 708. (1) As a condition of receiving funds appropriated
4 in part 1 for the child care fund line item, by October 15 of the
5 current fiscal year, a county shall have an approved service
6 spending plan for the current fiscal year. Not later than August 15
7 of the current fiscal year, a county shall submit the county's
8 service spending plan for the following fiscal year to the
9 department for approval. The department shall approve a county's
10 service spending plan not later than 30 calendar days after the
11 department receives a properly completed service spending plan from
12 the county that complies with the requirements of the social
13 welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department
14 shall notify and submit revisions to a service spending plan to a
15 county whose service spending plan is not approved after initial
16 submission. The department shall not request any additional
17 revisions to a county's service spending plan outside of the
18 requested revision notification submitted to the county by the
19 department. The department shall notify a county that its service
20 spending plan is approved not later than 30 days after the
21 department considers the county's revisions to the county's service
22 spending plan.

23 (2) A county shall submit an amendment to its county service
24 spending plan for the current fiscal year to the department not
25 later than August 30 of the current fiscal year. A county shall
26 submit payable estimates for the current fiscal year to the
27 department not later than September 15 of the current fiscal year.

28 (3) Not later than February 15 of the current fiscal year, the
29 department shall submit a report to the standard report recipients



1 on the number of counties that fail to submit a service spending
2 plan by August 15 of the previous fiscal year and the number of
3 service spending plans not approved by October 15. The report must
4 include the number of county service spending plans that were not
5 initially approved by the department and the number of service
6 spending plans that were not approved by the department after being
7 resubmitted by the county after revisions were requested by the
8 department under subsection (1).

9 Sec. 709. The department's master contract for juvenile
10 justice residential foster care services must prohibit a contractor
11 from denying a referral for placing a youth, or terminating a
12 youth's placement, if the youth's assessed treatment needs are in
13 alignment with the facility's residential program type, as
14 identified by a court or the department. The master contract must
15 also require that a youth placed in a juvenile justice residential
16 foster care facility receives regularly scheduled treatment
17 sessions with a licensed clinician or therapist and has access to a
18 licensed psychologist or a psychiatrist or both, as clinically
19 indicated.

20

21 **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

22 Sec. 801. The department shall submit a monthly report to the
23 standard report recipients on the most recent food stamps program
24 error rate derived from the active cases, reported to the United
25 States Department of Agriculture Food and Nutrition Service for the
26 supplemental nutrition assistance program.

27 Sec. 802. From the funds appropriated in part 1 for local
28 office staff travel, the department shall allocate up to
29 \$100,000.00 annually toward reimbursing the out-of-pocket costs of



1 county board members and county department directors to attend
2 statewide meetings of the Michigan County Social Services
3 Association.

4 Sec. 807. From the funds appropriated in part 1 for Elder Law
5 of Michigan MiCAFE contract, the department shall allocate not less
6 than \$247,500.00 to an elder services organization that received
7 funds under section 807 of article 6 of 2025 PA 22 for the purpose
8 described in that section. Of the \$247,500.00 allocated under this
9 section, the department shall use \$225,000.00 of general
10 fund/general purpose revenue as state matching funds to receive not
11 less than \$22,500.00 in funding from the United States Department
12 of Agriculture to provide outreach program activities as part of a
13 statewide food stamps hotline. The outreach program activities may
14 include eligibility screening and information services.

15 Sec. 825. (1) From the funds appropriated in part 1, the
16 department shall provide an individual with not more than \$2,000.00
17 for vehicle repairs, including a repair done in the previous 12
18 months. The \$2,000.00 limit described in this section includes the
19 combined total of payments made by the department and the work
20 participation program.

21 (2) By February 1 of the current fiscal year, the department
22 shall submit a report to the standard report recipients that
23 details the total amount of funding distributed and the total
24 number of payments made for vehicle repairs.

25 Sec. 826. (1) From the funds appropriated in part 1 for local
26 office policy and administration, not less than \$300,000.00 is
27 allocated for the department to contract with a legal association
28 that received funds under section 826(1) of article 6 of 2025 PA 22
29 for the purpose described in that section.



1 (2) Not later than March 1 of the current fiscal year, the
2 contracted entity shall submit a report to the department on the
3 efficacy of the contract. The department shall submit the report to
4 the standard report recipients not later than 30 days after the
5 department receives the report.

6 Sec. 850. (1) The department shall maintain each out-stationed
7 eligibility specialist in a community-based organization, community
8 mental health agency, nursing home, adult placement and independent
9 living setting, FQHC, and hospital, unless the community-based
10 organization, community mental health agency, nursing home, adult
11 placement and independent living setting, FQHC, or hospital
12 requests to discontinue the positions at its facility.

13 (2) From the funds appropriated in part 1 for donated funds
14 positions, the department shall enter into a contract with any
15 agency that is able and eligible under federal law to provide the
16 required matching funds for federal funding, as determined by
17 federal law.

18 (3) A contract for a donated funds position for assistance
19 payments must include, but not be limited to, performance metrics
20 on both of the following topics:

21 (a) Meeting a standard of promptness for processing an
22 application for Medicaid and other public assistance programs under
23 the law of this state.

24 (b) Meeting required standards for error rates in determining
25 programmatic eligibility, as determined by the department.

26 (4) The department shall fill an additional donated funds
27 position only after a new contract has been signed with an agency.
28 The position must be abolished when the contract expires or is
29 terminated.



1 (5) The department shall classify as a limited-term FTE a new
 2 employee who is hired to fill a donated funds position contract or
 3 is hired to fill a vacancy from an employee who transferred to a
 4 donated funds position.

5 (6) By March 1 of the current fiscal year, the department
 6 shall submit a report to the standard report recipients detailing
 7 information on the donated funds positions. The report must
 8 include, but is not limited to, the total number of occupied
 9 positions, the total private contribution of the positions, and the
 10 total cost to this state for a nonsalary expenditure for the
 11 donated funds position employees.

12 Sec. 851. From the funds appropriated in part 1 for adult
 13 services local office staff, the department shall seek to reduce
 14 the number of older adults who are victims of crime and fraud by
 15 increasing the standard of promptness in every county, as measured
 16 by commencing an investigation not later than 24 hours after a
 17 report is made to the department, establishing face-to-face contact
 18 with the client not later than 72 hours after a report is made to
 19 the department, and completing the investigation not later than 30
 20 days after a report is made to the department.

21

22 **DISABILITY DETERMINATION SERVICES**

23 Sec. 890. From the funds appropriated in part 1 for disability
 24 determination services, the department shall maintain the unit
 25 rates in effect on September 30, 2019 for medical consultants
 26 performing disability determination services, including physicians,
 27 psychologists, and speech-language pathologists.

