

HOUSE BILL NO. 4615

May 23, 2023, Introduced by Reps. DeBoer, Schuette, Tisdell, Kunse, Martin, Phil Green, Kuhn, Markkanen, Bierlein, Johnsen, Bezotte and Wozniak and referred to the Committee on Appropriations.

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year

1 ending September 30, 2023, from the following funds:

2	APPROPRIATION SUMMARY		
3	Full-time equated classified positions	0.0	
4	GROSS APPROPRIATION	\$	5,000,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and		
7	intradepartmental transfers		0
8	ADJUSTED GROSS APPROPRIATION	\$	5,000,000
9	Federal revenues:		
10	Total federal revenues		0
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		0
15	State general fund/general purpose	\$	5,000,000
16	Sec. 102. DEPARTMENT OF EDUCATION		
17	(1) APPROPRIATION SUMMARY		
18	Full-time equated classified positions	(41.0)	
19	GROSS APPROPRIATION	\$	(251,012,500)
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and		
22	intradepartmental transfers		0
23	ADJUSTED GROSS APPROPRIATION	\$	(251,012,500)
24	Federal revenues:		
25	Total federal revenues		(210,305,800)
26	Special revenue funds:		
27	Total local revenues		0
28	Total private revenues		0

1	Total other state restricted revenues		0
2	State general fund/general purpose	\$	(40,706,700)
3	(2) MICHIGAN OFFICE OF GREAT START		
4	Full-time equated classified positions	(41.0)	
5	Child development and care contracted services	\$	(12,400,000)
6	Child development and care external support		(31,178,300)
7	Child development and care public assistance		(199,080,000)
8	Office of great start operations--FTEs	(41.0)	(8,354,200)
9	GROSS APPROPRIATION	\$	(251,012,500)
10	Appropriated from:		
11	Federal revenues:		
12	Federal revenues		(210,305,800)
13	State general fund/general purpose	\$	(40,706,700)
14	Sec. 103. DEPARTMENT OF HEALTH AND HUMAN		
15	SERVICES		
16	(1) APPROPRIATION SUMMARY		
17	Full-time equated classified positions	41.0	
18	GROSS APPROPRIATION	\$	256,012,500
19	Interdepartmental grant revenues:		
20	Total interdepartmental grants and		
21	intradepartmental transfers		0
22	ADJUSTED GROSS APPROPRIATION	\$	256,012,500
23	Federal revenues:		
24	Total federal revenues		210,305,800
25	Special revenue funds:		
26	Total local revenues		0
27	Total private revenues		0
28	Total other state restricted revenues		0

1	State general fund/general purpose		\$	45,706,700
2	(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE			
3	Full-time equated classified positions	41.0		
4	Child development and care administration--FTEs	41.0	\$	8,354,200
5	Child development and care contracted services			12,400,000
6	Child development and care external support			36,178,300
7	Child development and care public assistance			199,080,000
8	GROSS APPROPRIATION		\$	256,012,500
9	Appropriated from:			
10	Federal revenues:			
11	Total other federal revenues			210,305,800
12	State general fund/general purpose		\$	45,706,700

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14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 GENERAL SECTIONS

17 Sec. 201. Pursuant to section 30 of article IX of the state
18 constitution of 1963, total state spending from state sources under
19 part 1 for the fiscal year ending September 30, 2023 is
20 \$5,000,000.00 and total state spending from state sources to be
21 paid to local units of government is \$0.00.

22 Sec. 202. The appropriations made and expenditures authorized
23 under this part and part 1 and the departments, commissions,
24 boards, offices, and programs for which appropriations are made
25 under this part and part 1 are subject to the management and budget
26 act, 1984 PA 431, MCL 18.1101 to 18.1594.

27 Sec. 203. If the state administrative board, acting under
28 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
29 appropriated under this act, the legislature may, by a concurrent

1 resolution adopted by a majority of the members elected to and
2 serving in each house, intertransfer funds within this act for the
3 particular department, board, commission, office, or institution.
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5 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

6 Sec. 301. (1) From the funds appropriated in part 1 for child
7 development and care contracted services, the department of health
8 and human services shall provide the senate and house
9 appropriations subcommittees on health and human services with an
10 annual report on all funding appropriated to contracts for the
11 early childhood comprehensive systems planning by this state during
12 the previous fiscal year. The report is due by February 15 and must
13 contain at least all of the following information:

14 (a) Total funding appropriated to contracts for the early
15 childhood comprehensive systems planning by this state during the
16 previous fiscal year.

17 (b) The amount of funding for each grant awarded.

18 (c) The grant recipients.

19 (d) The activities funded by each grant.

20 (e) An analysis of each grant recipient's success in
21 addressing the development of a comprehensive system of early
22 childhood services and supports.

23 (2) All department contracts for early childhood comprehensive
24 systems planning must be bid out through a statewide request-for-
25 proposal process.

26 Sec. 302. (1) From the funds appropriated in part 1 for child
27 development and care external support, the department of health and
28 human services shall create a progress report that includes, but is
29 not limited to, all of the following:

1 (a) Both the on-site and off-site activities that are intended
2 to improve child care provider quality and the number of times
3 licensing consultants perform those activities.

4 (b) The number of on-site visits a single licensing consultant
5 has made since the start of the current fiscal year.

6 (c) The types of on-site visits and the number of visits for
7 each type that a single consultant has made since the start of the
8 current fiscal year.

9 (d) The number of providers that have improved their quality
10 rating since the start of the current fiscal year compared to the
11 same time period in the preceding fiscal year, reported as the
12 number of providers in each regional prosperity zone.

13 (e) The types of activities that are intended to improve
14 licensing consultant performance and child care provider quality
15 and the number of times managers and administrators perform those
16 activities.

17 (2) The progress report shall be sent to the senate and house
18 subcommittees on health and human services, the senate and house
19 fiscal agencies, and the state budget office by September 30, 2023.

20 Sec. 303. (1) From the funds appropriated in part 1 for child
21 development and care public assistance, the provider reimbursement
22 rates for child care centers, group home providers, registered
23 family homes, and licensed exempt providers are increased by 10%
24 from the provider rates established in section 1020 of article 3 of
25 2021 PA 87, rounded to the nearest \$0.05.

26 (2) Rate increases funded under subsection (1) are effective
27 the first full biweekly pay period of fiscal year 2022-2023.

28 (3) The department of health and human services shall ensure
29 that the final child development and care provider reimbursement

1 rates are published on the department of health and human services
2 and Great Start to Quality webpages.

3 Sec. 304. (1) Except as otherwise provided in this section,
4 from the funds appropriated in part 1 for child development and
5 care public assistance, the income entrance eligibility threshold
6 for the child development and care program is set to not more than
7 200% of the federal poverty guidelines.

8 (2) If the average number of children under the total paid
9 children column, as reported by the department of health and human
10 services child development and care program Table 41 from the
11 published department of health and human services Green Book, is
12 more than 45,000 children for 3 consecutive months, then the
13 department of health and human services shall do both of the
14 following:

15 (a) As determined by the department of health and human
16 services, create a waiting list for new children entering the child
17 development and care program.

18 (b) Begin the administrative process to decrease the income
19 entrance eligibility threshold to not less than 160% of the federal
20 poverty guidelines for the following month.

21 Sec. 305. From the funds appropriated in part 1 for child
22 development and care public assistance, the department of health
23 and human services shall implement a biweekly block reimbursement
24 rate schedule through the following block segments:

25 (a) The block segment for a biweekly block reimbursement rate
26 schedule for child care centers, group homes, and registered family
27 homes, for paid part-time hours between 1 to 30 hours, must be
28 reimbursed as 30 hours.

29 (b) The block segment for a biweekly block reimbursement rate

1 schedule for child care centers, group homes, and registered family
 2 homes, for paid part-time hours between 31 to 60 hours, must be
 3 reimbursed as 60 hours, part-time rate.

4 (c) The block segment for a biweekly block reimbursement rate
 5 schedule for child care centers, group homes, and registered family
 6 homes, for paid full-time plus hours between 61 to 90 hours, must
 7 be reimbursed as 90 hours, full-time rate.

8 (d) The block segment for a biweekly block reimbursement rate
 9 schedule for license exempt providers must be reimbursed at their
 10 current hourly reimbursement rates.

11 Sec. 306. As a condition of receiving funds in part 1, within
 12 10 days of the receipt of changes to the federal child care and
 13 development program, the department of health and human services
 14 shall notify the chairpersons of the senate and house
 15 appropriations subcommittees on health and human services, the
 16 senate and house fiscal agencies, and the state budget office. The
 17 notification must include, but is not limited to, all of the
 18 following:

19 (a) Changes to the federal matching award amount, including
 20 the amount of state resources necessary to draw down the total
 21 matching award.

22 (b) Changes to the amount of child care and development block
 23 grant that is awarded to this state.

24 (c) Any significant changes to the federal requirements on the
 25 child development and care program, indicating any new requirements
 26 that would require the appropriation of additional dollars.

27 Sec. 307. As a condition of receiving funds in part 1, the
 28 department of health and human services must issue a determination
 29 on an application for child care and development subsidies within

1 15 days. If subsidies are discontinued, the department of health
2 and human services must send notice by mail and electronically to
3 the parent and the child care provider. If subsidies are
4 discontinued wrongfully, the department of health and human
5 services must provide restitution to the child care provider, or to
6 the parent if they paid the provider, within 15 days.

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8 **REPEALER**

9 Sec. 401. Sections 1002, 1003, 1007, 1009, 1010, and 1011 of
10 article 3 of 2022 PA 166 are repealed.