

**Michigan Office of Administrative Hearings and Rules  
Administrative Rules Division (ARD)**

MOAHR-Rules@michigan.gov

**REQUEST FOR RULEMAKING (RFR)**

**1. Department:**

Health and Human Services

**2. Bureau:**

Children's Services Agency

**3. Promulgation type:**

Full Process

**4. Title of proposed rule set:**

Child Care Fund

**5. Rule numbers or rule set range of numbers:**

R 400.2001 - R 400.2049

**6. Estimated time frame:**

6 months

**Name of person filling out RFR:**

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**7. Describe the general purpose of these rules, including any problems the changes are intended to address.**

The purpose of these rules is to designate the funding of the child welfare programs involving the state, county, and tribal offices for abuse, neglect, and juvenile justice services. In 2023-24, legislative changes were made to the statutory sections addressing the child care fund, specifically, MCL 400.117a to 400.117h, involving new changes to the funding of the juvenile justice services. The proposed rules will be amended to align with statutory changes, including the counties' requirement to submit data elements to satisfy the statutory mandate for MDHHS to report to the legislature on performance measures.

**8. Please cite the specific promulgation authority for the rules (i.e. department director, commission, board, etc.).**

Department Director.

**A. Please list all applicable statutory references (MCLs, Executive Orders, etc.).**

By authority conferred on the Director of the Department of Health and Human Services by sections 6 and 117a of 1939 PA 280, MCL 400.6 and 400.117a.

**B. Are the rules mandated by any applicable constitutional or statutory provision? If so, please explain.**

Yes, under MCL 400.117a(3): The department shall promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to monitor juvenile justice services money and to prescribe child care fund accounting, reporting, and authorization controls and procedures and child care fund expenditure classifications. For counties required to have a child care fund, the department shall fund services that conform to the child care rules promulgated under this act.

**9. Please describe the extent to which the rules conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.**

The rules do not conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.

**10. Is the subject matter of the rules currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memoranda?**

Yes. The subject matter of these rules are the subject of the "Child Care Fund Handbook," which has its authority in the current rules under Mich Admin Code R 400.2001 and acts as the policy for the program area. The department has also created forms for use by the county and tribes for reimbursement and other reporting.

**11. Are the rules listed on the department's annual regulatory plan as rules to be processed for the current year?**

The rules were not listed on the department's annual regulatory plan as rules to be processed for the current year.

**12. Will the proposed rules be promulgated under Section 44 of the Administrative Procedures Act, 1969 PA 306, MCL 24.244, or under the full rulemaking process?**

Full Process

**13. Please describe the extent to which the rules exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.**

The rules do not exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.

**14. Do the rules incorporate the recommendations received from the public regarding any complaints or comments regarding the rules? If yes, please explain.**

Prior to the statutory amendment of the child care fund rules under MCL 400.117a, the Department was a member of Michigan Task Force on Juvenile Justice Reform that recommended changes to the rules for funding purposes in the juvenile justice program area, particularly those rules that would provide incentive for funding for in-home /community based services for youth as opposed to detention or residential, out-of-home placements.

**15. If amending an existing rule set, please provide the date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed the regulatory activity covered by the rules since the last evaluation.**

The rules were last evaluated in 2020. Since then, juvenile justice reform efforts have increased to concentrate more on services to be provided to youth that no longer required out of home placement and to increase the youth's wellbeing, community safety, family engagement, and to prepare youth for success in their adulthood.

**16. Are there any changes or developments since implementation that demonstrate there is no continued need for the rules, or any portion of the rules?**

There is a continued need for all of the rules currently and the amendments being requested at this time.

**17. Is there an applicable decision record (as defined in MCL 24.203(6) and required by MCL 24.239(2))? If so, please attach the decision record.**

No

**Based on the information provided in this RFR, MOAHR concludes that there are sufficient policy and legal bases for approving the RFR. The RFR satisfies the requirements of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and Executive Order No. 2019-6.**