

**SUBSTITUTE FOR  
HOUSE BILL NO. 5505**

A bill to amend 1979 PA 218, entitled "Adult foster care facility licensing act," by amending sections 3, 4, 5, 7, 13, 13a, 14, 15, and 22 (MCL 400.703, 400.704, 400.705, 400.707, 400.713, 400.713a, 400.714, 400.715, and 400.722), sections 3 and 4 as amended by 2016 PA 525, section 5 as amended by 2010 PA 380, section 7 as amended by 1986 PA 257, section 13 as amended by 2012 PA 52, section 13a as amended by 2004 PA 285, section 15 as amended by 1984 PA 40, and section 22 as amended by 2004 PA 59, and by adding sections 22a and 22c.

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

- 1**       Sec. 3. (1) "Adult" means:
- 2**       (a) A person 18 years of age or older.
- 3**       (b) A person who is placed in an adult foster care family home
- 4** or an adult foster care small group home according to section 5(6)

1 or (8) of 1973 PA 116, MCL 722.115.

2 (2) "Adult foster care camp" or "adult camp" means an adult  
3 foster care facility with the approved capacity to receive more  
4 than 4 adults to be provided foster care. An adult foster care camp  
5 is a facility located in a natural or rural environment.

6 (3) "Adult foster care congregate facility" means an adult  
7 foster care facility with the approved capacity to receive more  
8 than 20 adults to be provided with foster care.

9 (4) "Adult foster care facility" means a ~~governmental or~~  
10 ~~nongovernmental establishment~~ **HOME OR FACILITY** that provides foster  
11 care to adults. Subject to section 26a(1), adult foster care  
12 facility includes facilities and foster care family homes for  
13 adults who are aged, mentally ill, developmentally disabled, or  
14 physically disabled who require supervision on an ongoing basis but  
15 who do not require continuous nursing care. Adult foster care  
16 facility does not include any of the following:

17 (a) A nursing home licensed under ~~article 17~~ **PART 217** of the  
18 public health code, 1978 PA 368, MCL ~~333.20101 to~~  
19 ~~333.22260-333.21701 TO 333.21799E~~.

20 (b) A home for the aged licensed under ~~article 17~~ **PART 213** of  
21 the public health code, 1978 PA 368, MCL ~~333.20101 to~~  
22 ~~333.22260-333.21301 TO 333.21335~~.

23 (c) A hospital licensed under ~~article 17~~ **PART 215** of the  
24 public health code, 1978 PA 368, MCL ~~333.20101 to~~  
25 ~~333.22260-333.21501 TO 333.21571~~.

26 (d) A hospital for the mentally ill or a facility for the  
27 developmentally disabled operated by the department of health and

1 human services under the mental health code, 1974 PA 258, MCL  
2 330.1001 to 330.2106.

3 (e) A county infirmary operated by a county department of  
4 health and human services under section 55 of the social welfare  
5 act, 1939 PA 280, MCL 400.55.

6 (f) A child caring institution, children's camp, foster family  
7 home, or foster family group home licensed or approved under 1973  
8 PA 116, MCL 722.111 to 722.128, if the number of residents who  
9 become 18 years of age while residing in the institution, camp, or  
10 home does not exceed the following:

11 (i) Two, if the total number of residents is 10 or fewer.

12 (ii) Three, if the total number of residents is not less than  
13 11 and not more than 14.

14 (iii) Four, if the total number of residents is not less than  
15 15 and not more than 20.

16 (iv) Five, if the total number of residents is 21 or more.

17 (g) A foster family home licensed or approved under 1973 PA  
18 116, MCL 722.111 to 722.128, that has a person who is 18 years of  
19 age or older placed in the foster family home under section 5(7) of  
20 1973 PA 116, MCL 722.115.

21 (h) An establishment commonly described as an alcohol or a  
22 substance use disorder rehabilitation center, a residential  
23 facility for persons released from or assigned to adult  
24 correctional institutions, a maternity home, or a hotel or rooming  
25 house that does not provide or offer to provide foster care.

26 (i) A facility created by 1885 PA 152, MCL 36.1 to 36.12.

27 (j) An area excluded from the definition of adult foster care

1 facility under section 17(3) of the continuing care community  
2 disclosure act, 2014 PA 448, MCL 554.917.

3           **(K) A PRIVATE RESIDENCE WITH THE CAPACITY TO RECEIVE AT LEAST**  
4 **1 BUT NOT MORE THAN 4 ADULTS WHO ALL RECEIVE BENEFITS FROM A**  
5 **COMMUNITY MENTAL HEALTH SERVICES PROGRAM IF THE LOCAL COMMUNITY**  
6 **MENTAL HEALTH SERVICES PROGRAM MONITORS THE SERVICES BEING**  
7 **DELIVERED IN THE RESIDENTIAL SETTING.**

8           (5) "Adult foster care family home" means a private residence  
9 with the approved capacity to receive **AT LEAST 3 BUT NOT MORE THAN**  
10 ~~6 or fewer~~ adults to be provided with foster care. ~~for 5 or more~~  
11 ~~days a week and for 2 or more consecutive weeks.~~ The adult foster  
12 care family home licensee shall ~~shall~~ **MUST** be a member of the household ~~7~~  
13 and an occupant of the residence.

14           (6) "Adult foster care large group home" means an adult foster  
15 care facility with the approved capacity to receive at least 13 but  
16 not more than 20 adults to be provided with foster care.

17           (7) "Adult foster care small group home" means an adult foster  
18 care facility with the approved capacity to receive **AT LEAST 3 BUT**  
19 **NOT MORE THAN** ~~12 or fewer~~ adults to be provided with foster care.

20           (8) "Aged" means an adult whose chronological age is 60 years  
21 of age or older or whose biological age, as determined by a  
22 physician, is 60 years of age or older.

23           (9) "Assessment plan" means a written statement prepared in  
24 cooperation with a responsible agency or person that identifies the  
25 specific care and maintenance, services, and resident activities  
26 appropriate for each individual resident's physical and behavioral  
27 needs and well-being and the methods of providing the care and

1 services taking into account the preferences and competency of the  
2 individual.

3 **(10) "BOARD" MEANS FOOD SERVICE PROVIDED AT THE ADULT FOSTER**  
4 **CARE FACILITY.**

5 Sec. 4. (1) "Council" means the adult foster care licensing  
6 advisory council created in section 8.

7 (2) "Department" means the department of licensing and  
8 regulatory affairs.

9 (3) "Developmental disability" means that term as defined in  
10 section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.

11 (4) "Direct access" means access to a resident or to a  
12 resident's property, financial information, medical records,  
13 treatment information, or any other identifying information.

14 (5) "Director" means the director of the department.

15 (6) "Do-not-resuscitate order" means a document executed under  
16 the Michigan do-not-resuscitate procedure act, 1996 PA 193, MCL  
17 333.1051 to 333.1067, directing that, in the event a resident  
18 suffers cessation of both spontaneous respiration and circulation,  
19 no resuscitation will be initiated.

20 (7) "Foster care" means the provision of supervision, personal  
21 care, and protection in addition to room and board, for 24 hours a  
22 day, 5 or more days a week, and for 2 or more consecutive weeks for  
23 compensation **PROVIDED AT A SINGLE ADDRESS. PROVIDING ROOM UNDER A**  
24 **LANDLORD AND TENANT ARRANGEMENT DOES NOT, BY ITSELF, EXCLUDE A**  
25 **PERSON FROM THE LICENSURE REQUIREMENT UNDER THIS ACT.**

26 Sec. 5. (1) "Good moral character" means good moral character  
27 as defined in 1974 PA 381, MCL 338.41 to 338.47.

1           (2) "Licensed hospice program" means a health care program  
2 that provides a coordinated set of services rendered at home or in  
3 an outpatient or institutional setting for individuals suffering  
4 from a disease or condition with a terminal prognosis and that is  
5 licensed under article 17 of the public health code, 1978 PA 368,  
6 MCL 333.20101 to 333.22260.

7           (3) "Licensee" means the agency, association, corporation,  
8 organization, person, or department or agency of the state, county,  
9 city, or other political subdivision, that has been issued a  
10 license to operate an adult foster care facility.

11           (4) "Licensee designee" means the individual designated in  
12 writing by the owner or person with legal authority to act on  
13 behalf of the company or organization on licensing matters. **THE**  
14 **LICENSEE DESIGNEE MUST MEET THE LICENSEE QUALIFICATION REQUIREMENTS**  
15 **OF THIS ACT AND RULES PROMULGATED UNDER THIS ACT.** The licensee  
16 designee who is not an owner, partner, or director of the applicant  
17 shall not sign the original license application or amendments to  
18 the application.

19           (5) "Mental illness" means a substantial disorder of thought  
20 or mood that significantly impairs judgment, behavior, capacity to  
21 recognize reality, or ability to cope with the ordinary demands of  
22 life.

23           (6) "New construction" means a newly constructed facility or a  
24 facility that has been completely renovated for use as an adult  
25 foster care facility.

26           Sec. 7. (1) "Regular license" means a license issued to an  
27 adult foster care facility ~~which~~**THAT** is in compliance with this

1 act and the rules promulgated under this act.

2 (2) "Related" means any of the following relationships by  
3 marriage, blood, or adoption: spouse, child, parent, brother,  
4 sister, grandparent, **GRANDCHILD**, aunt, uncle, stepparent,  
5 stepbrother, stepsister, or cousin.

6 (3) "Short-term operation" means an adult foster care facility  
7 ~~which~~**THAT** operates for a period of time less than 6 months within  
8 a calendar year.

9 (4) "Special license" means a license issued for the duration  
10 of the operation of an adult foster care facility if the licensee  
11 is a short-term operation.

12 (5) "Specialized program" means a program of services or  
13 treatment provided in an adult foster care facility licensed under  
14 this act that is designed to meet the unique programmatic needs of  
15 the residents of that home as set forth in the assessment plan for  
16 each resident and for which the facility receives special  
17 compensation.

18 (6) "Special compensation" means payment to an adult foster  
19 care facility to ensure the provision of a specialized program in  
20 addition to the basic payment for adult foster care. Special  
21 compensation does not include payment received by the adult foster  
22 care facility directly from the ~~medicaid~~**MEDICAID** program for  
23 personal care services for a resident, or payment received under  
24 the supplemental security income program under title XVI of the  
25 social security act, 42 U.S.C. ~~1381 to 1383e~~**USC 1381 TO 1383F**.

26 (7) "Supervision" means guidance of a resident in the  
27 activities of daily living, including ~~all~~**1 OR MORE** of the

1 following:

2 (a) Reminding a resident to maintain his or her medication  
3 schedule, as directed by the resident's physician.

4 (b) Reminding a resident of important activities to be carried  
5 out.

6 (c) Assisting a resident in keeping appointments.

7 (d) Being aware of a resident's general whereabouts even  
8 though the resident may travel independently about the community.

9 (8) "Temporary license" means a license issued to a facility  
10 ~~which~~ **THAT** has not previously been licensed ~~pursuant to~~ **UNDER** this  
11 act or ~~to former Act No. 287 of the Public Acts of 1972.~~ **UNDER**  
12 **FORMER 1972 PA 287.**

13 Sec. 13. (1) A person, partnership, corporation, association,  
14 or a department or agency of the state, county, city, or other  
15 political subdivision shall not establish or maintain an adult  
16 foster care facility unless licensed by the department.

17 (2) Application for a license shall be made on forms provided  
18 and in the manner prescribed by the department. The application  
19 shall be accompanied by the fee prescribed in section 13a.

20 (3) Before issuing or renewing a license, the department shall  
21 investigate the activities and standards of care of the applicant  
22 and shall make an on-site evaluation of the facility. On-site  
23 inspections conducted in response to the application may be  
24 conducted without prior notice to the applicant. **ON-SITE**  
25 **INSPECTIONS CONDUCTED FOR RENEWING A LICENSE MAY BE CONDUCTED**  
26 **WITHIN 12 MONTHS BEFORE THE EXPIRATION DATE OF THE CURRENT LICENSE**  
27 **WITHOUT IMPACT ON THE LICENSE RENEWAL DATE OR THE LICENSE FEE.**



1 Subject to subsections (9), (10), and (11), the department shall  
2 issue or renew a license if satisfied as to all of the following:

3 (a) The financial stability of the facility.

4 (b) The applicant's compliance with this act and rules  
5 promulgated under this act.

6 (c) The good moral character of the applicant, or owners,  
7 partners, or directors of the facility, if other than an  
8 individual. Each of these persons shall be not less than 18 years  
9 of age.

10 (d) The physical and emotional ability of the applicant, and  
11 the person responsible for the daily operation of the facility to  
12 operate an adult foster care facility.

13 (e) The good moral character of the ~~person responsible for the~~  
14 ~~daily operations of the facility and all employees of the facility.~~

15 **LICENSEE OR LICENSEE DESIGNEE, OWNER, PARTNER, DIRECTOR, AND PERSON**  
16 **RESPONSIBLE FOR THE DAILY OPERATION OF THE FACILITY.** The applicant  
17 ~~shall be~~ **IS** responsible for assessing the good moral character of  
18 the employees of the facility. The person responsible for the daily  
19 operation of the facility shall be not less than 18 years of age.

20 (4) The department shall require an applicant or a licensee to  
21 disclose the names, addresses, and official positions of all  
22 persons who have an ownership interest in the adult foster care  
23 facility. If the adult foster care facility is located on or in  
24 real estate that is leased, the applicant or licensee shall  
25 disclose the name of the lessor of the real estate and any direct  
26 or indirect interest that the applicant or licensee has in the  
27 lease other than as lessee.

1           (5) Each license shall state the maximum number of persons to  
2 be received for foster care at 1 time.

3           (6) If applicable, a license shall state the type of  
4 specialized program for which certification has been received from  
5 the department.

6           (7) A license shall be issued to a specific person for a  
7 facility at a specific location, ~~AND~~ is nontransferable. ~~and~~  
8 ~~remains the property of the department. The prohibition against~~  
9 ~~transfer of a license to another location does not apply if a~~  
10 ~~licensee's adult foster care facility or home is closed as a result~~  
11 ~~of eminent domain proceedings, if the facility or home, as~~  
12 ~~relocated, otherwise meets the requirements of this act and the~~  
13 ~~rules promulgated under this act.~~

14           (8) An applicant or licensee proposing a sale of an adult  
15 foster care facility or home to another owner shall provide the  
16 department with advance notice of the proposed sale in writing. The  
17 applicant or licensee and other parties to the sale shall arrange  
18 to meet with specified department representatives and shall obtain  
19 before the sale a determination of the items of noncompliance with  
20 applicable law and rules that shall be corrected. The department  
21 shall notify the respective parties of the items of noncompliance  
22 before the change of ownership, shall indicate that the items of  
23 noncompliance shall be corrected as a condition of issuance of a  
24 license to the new owner, and shall notify the prospective  
25 purchaser of all licensure requirements.

26           (9) The department shall not issue a license to or renew the  
27 license of an owner, partner, or director of the applicant, who has

1 regular direct access to residents or who has on-site facility  
2 operational responsibilities, or an applicant or the licensee  
3 designee, if any of those individuals have been convicted of 1 or  
4 more of the following:

5 (a) A felony under this act or under chapter XXA of the  
6 Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r.

7 (b) A misdemeanor under this act or under chapter XXA of the  
8 Michigan penal code, 1931 PA 328, MCL 750.145m to 750.145r, within  
9 the 10 years immediately preceding the application.

10 (c) A misdemeanor involving abuse, neglect, assault, battery,  
11 or criminal sexual conduct or involving fraud or theft against a  
12 vulnerable adult as that term is defined in section 145m of the  
13 Michigan penal code, 1931 PA 328, MCL 750.145m, or a state or  
14 federal crime that is substantially similar to a misdemeanor  
15 described in this subdivision within the 10 years immediately  
16 preceding the application.

17 (10) If the department has revoked, suspended, or refused to  
18 renew a person's license, **OR DENIED AN APPLICATION FOR A LICENSE,**  
19 for an adult foster care facility according to section 22, the  
20 department may refuse to issue a license to or renew a license of  
21 that person for a period of 5 years after the suspension,  
22 revocation, or nonrenewal of the license, **OR DENIAL OF THE**  
23 **APPLICATION.**

24 (11) The department may refuse to issue a license to or renew  
25 the license of an applicant if the department determines that the  
26 applicant has a relationship with a former licensee whose license  
27 under this act has been suspended, revoked, or nonrenewed under

1 subsection (9) or section 22 or a convicted person to whom a  
2 license has been denied under subsection (9). This subsection  
3 applies for 5 years after the suspension, revocation, or nonrenewal  
4 of the former licensee's license or the denial of the convicted  
5 person's license. For purposes of this subsection, an applicant has  
6 a relationship with a former licensee or convicted person if the  
7 former licensee or convicted person is involved with the facility  
8 in 1 or more of the following ways:

9 (a) Participates in the administration or operation of the  
10 facility.

11 (b) Has a financial interest in the operation of the facility.

12 (c) Provides care to residents of the facility.

13 (d) Has contact with residents or staff on the premises of the  
14 facility.

15 (e) Is employed by the facility.

16 (f) Resides in the facility.

17 (12) If the department determines that an unlicensed facility  
18 is an adult foster care facility, the department shall notify the  
19 owner or operator of the facility that it is required to be  
20 licensed under this act. A person receiving the notification  
21 required under this section who does not apply for a license within  
22 30 days is subject to the penalties described in subsection (13).

23 (13) Subject to subsection (12), a person who violates  
24 subsection (1) is guilty of a misdemeanor, punishable by  
25 imprisonment for not more than 2 years or a fine of not more than  
26 \$50,000.00, or both. A person who has been convicted of a violation  
27 of subsection (1) who commits a second or subsequent violation is

1 guilty of a felony, punishable by imprisonment for not more than 5  
2 years or a fine of not more than \$75,000.00, or both.

3 (14) The department shall issue an initial or renewal license  
4 not later than 6 months after the applicant files a completed  
5 application. Receipt of the application is considered the date the  
6 application is received by ~~any~~**AN** agency or department of this  
7 state. If the application is considered incomplete by the  
8 department, the department shall notify the applicant in writing or  
9 make notice electronically available within 30 days after receipt  
10 of the incomplete application, describing the deficiency and  
11 requesting additional information. If the department identifies a  
12 deficiency or requires the fulfillment of a corrective action plan,  
13 the 6-month period is tolled until either of the following occurs:

14 (a) Upon notification by the department of a deficiency, until  
15 the date the requested information is received by the department.

16 (b) Upon notification by the department that a corrective  
17 action plan is required, until the date the department determines  
18 the requirements of the corrective action plan have been met.

19 (15) The determination of the completeness of an application  
20 does not operate as an approval of the application for the license  
21 and does not confer eligibility of an applicant determined  
22 otherwise ineligible for issuance of a license.

23 (16) If the department fails to issue or deny a license within  
24 the time required by this section, the department shall return the  
25 license fee and shall reduce the license fee for the applicant's  
26 next renewal application, if any, by 15%. Failure to issue or deny  
27 a license within the time period required under this section does

1 not allow the department to otherwise delay processing an  
2 application. The completed application shall be placed in sequence  
3 with other completed applications received at that same time. The  
4 department shall not discriminate against an applicant in the  
5 processing of an application based on the fact that the application  
6 fee was refunded or discounted under this subsection.

7 (17) If, on a continual basis, inspections performed by a  
8 local health department delay the department in issuing or denying  
9 licenses under this act within the 6-month period, the department  
10 may use department staff to complete the inspections instead of the  
11 local health department causing the delays.

12 (18) The department director shall submit a report by December  
13 1 of each year to the standing committees and appropriations  
14 subcommittees of the senate and house of representatives concerned  
15 with human services issues. The department director shall include  
16 all of the following information in the report concerning the  
17 preceding fiscal year:

18 (a) The number of initial and renewal applications the  
19 department received and completed within the 6-month time period  
20 described in subsection (14).

21 (b) The number of applications requiring a request for  
22 additional information.

23 (c) The number of applications rejected.

24 (d) The number of licenses not issued within the 6-month  
25 period.

26 (e) The average processing time for initial and renewal  
27 licenses granted after the 6-month period.

1 (19) An applicant, if an individual, **OR AN OWNER, PARTNER, OR**  
 2 **DIRECTOR OF THE APPLICANT WHO HAS REGULAR DIRECT ACCESS TO**  
 3 **RESIDENTS OR WHO HAS ON-SITE FACILITY OPERATIONAL RESPONSIBILITIES**  
 4 shall give written consent at the time of original license  
 5 application and a licensee designee shall give written consent at  
 6 the time of appointment for the department of state police to  
 7 conduct both of the following:

8 (a) A criminal history check.

9 (b) A criminal records check through the ~~federal bureau of~~  
 10 ~~investigation.~~ **FEDERAL BUREAU OF INVESTIGATION.**

11 (20) ~~Unless already submitted under subsection (19), an~~ **AN**  
 12 **owner, partner, or director of the applicant who has regular direct**  
 13 **access to residents or who has on-site facility operational**  
 14 **responsibilities shall give written consent at the time of original**  
 15 **license application for the department of state police to conduct**  
 16 **both of the following:**

17 ~~—— (a) A criminal history check.~~

18 ~~—— (b) A criminal records check through the federal bureau of~~  
 19 ~~investigation.~~ **IS EXEMPT FROM THE REQUIREMENTS OF SUBSECTION (19) IF**

20 **HE OR SHE HAS ALREADY SUBMITTED CONSENT DESCRIBED IN SUBSECTION**  
 21 **(19) AND WERE CONTINUOUSLY AFFILIATED WITH A LICENSED ADULT FOSTER**  
 22 **CARE FACILITY AS AN APPLICANT, OWNER, PARTNER, OR DIRECTOR.**

23 (21) The department shall require the applicant, if an  
 24 individual, the licensee designee, owner, partner, or director of  
 25 the applicant who has regular direct access to residents or who has  
 26 on-site facility operational responsibilities to submit his or her  
 27 fingerprints to the department of state police for the criminal

1 history check and criminal records check described in ~~subsections~~  
2 **SUBSECTION** (19). ~~and (20).~~

3 (22) The department shall request a criminal history check and  
4 criminal records check required under this section in the manner  
5 prescribed by the department of state police. The department of  
6 state police shall conduct the criminal history check and provide a  
7 report of the results to the licensing or regulatory bureau of the  
8 department. The report shall contain any criminal history

9 information on the person maintained by the department of state  
10 police and the results of the criminal records check from the  
11 ~~federal bureau of investigation.~~ **FEDERAL BUREAU OF INVESTIGATION.**

12 The department of state police may charge the person on whom the  
13 criminal history check and criminal records check are performed  
14 under this section a fee that does not exceed the actual and  
15 reasonable cost of conducting the checks.

16 ~~—— (23) Not later than 1 year after the effective date of the~~  
17 ~~2012 amendatory act that amended this subsection, all licensees and~~  
18 ~~licensee designees of facilities licensed on the effective date of~~  
19 ~~the 2012 amendatory act that amended this subsection and all~~  
20 ~~persons described in subsection (20) shall comply with the~~  
21 ~~requirements of this section.~~

22 **(23)** ~~(24) Beginning the effective date of the 2012 amendatory~~  
23 ~~act that amended this subsection, **MARCH 13, 2012,** if an applicant~~  
24 ~~or licensee designee or person described in subsection (20) applies~~  
25 ~~for a license or to renew a license to operate an adult foster care~~  
26 ~~facility and he or she or the licensee designee previously~~  
27 ~~underwent a criminal history check and criminal records check~~



1 required under subsection (19) ~~or (20)~~ or under section 134a of the  
2 mental health code, 1974 PA 258, MCL 330.1134a, and has remained  
3 continuously licensed or continuously employed under section 34b or  
4 under section 20173a of the public health code, 1978 PA 368, MCL  
5 333.20173a, after the criminal history check and criminal records  
6 check have been performed, that person is not required to submit to  
7 another criminal history check or criminal records check upon  
8 renewal of the license obtained under subsection (3).

9       **(24)** ~~(25)~~—The department of state police shall store and  
10 maintain all fingerprints submitted under this act in an automated  
11 fingerprint identification system database that provides for an  
12 automatic notification at the time of a subsequent criminal arrest  
13 fingerprint card submitted into the system that matches a set of  
14 fingerprints previously submitted in accordance with this act. Upon  
15 notification, the department of state police shall immediately  
16 notify the department and the department shall take the appropriate  
17 action.

18       **(25)** ~~(26)~~—A licensee, licensee designee, owner, partner, or  
19 director of the licensee shall not be permitted on the premises of  
20 an adult foster care facility **OR HAVE DIRECT ACCESS TO RESIDENTS OR**  
21 **RESIDENT RECORDS** if he or she has been convicted of any of the  
22 following: adult abuse, neglect, or financial exploitation; or  
23 listed offenses as defined in section 2 of the sex offenders  
24 registration act, 1994 PA 295, MCL 28.722.

25       **(26) AN ADULT FOSTER FAMILY CARE HOME OR AN ADULT FOSTER CARE**  
26 **GROUP HOME SHALL NOT BE CONCURRENTLY LICENSED AS A GROUP CHILD CARE**  
27 **HOME OR A FAMILY CHILD CARE HOME.**

1 (27) As used in this section, "completed application" means an  
 2 application complete on its face **WITH ALL REQUESTED INFORMATION**  
 3 **PROVIDED AND ANSWERS TO ALL QUESTIONS PROVIDED** and submitted with  
 4 any applicable licensing fees as well as any other information,  
 5 records, approval, security, or similar item required by law or  
 6 rule from a local unit of government, a federal agency, or a  
 7 private entity but not from another department or agency of this  
 8 state. A completed application does not include a health inspection  
 9 performed by a local health department.

10 Sec. 13a. (1) ~~Application~~ **UNTIL DECEMBER 31, 2019, APPLICATION**  
 11 fees for an individual, partnership, firm, corporation,  
 12 association, governmental organization, or nongovernmental  
 13 organization licensed or seeking licensure under this act are as  
 14 follows:

15 (a) Application fee for a temporary license:

16	(i)	Family home.....	\$ 65.00
17	(ii)	Small group home (1-6).....	105.00
18	(iii)	Small group home (7-12).....	135.00
19	(iv)	Large group home.....	170.00
20	(v)	Congregate facility.....	220.00
21	(vi)	Camp.....	40.00

22 (b) Application fee for subsequent licenses:

23	(i)	Family home.....	\$ 25.00
24	(ii)	Small group home (1-6).....	25.00
25	(iii)	Small group home (7-12).....	60.00
26	(iv)	Large group home.....	100.00
27	(v)	Congregate facility.....	150.00
28	(vi)	Camp.....	25.00

1 (2) Fees ~~UNTIL DECEMBER 31, 2019, FEES~~ collected under this  
 2 act shall be credited to the general fund of the state to be  
 3 appropriated by the legislature to the department for the  
 4 enforcement of this act.

5 (3) ~~The department shall use a portion of the fees collected~~  
 6 ~~to inspect new adult foster care facilities for fiscal year 1991-~~

7 ~~1992.~~ **APPLICATION FEES FOR AN INDIVIDUAL, PARTNERSHIP, FIRM,**  
 8 **CORPORATION, ASSOCIATION, GOVERNMENTAL ORGANIZATION, OR**  
 9 **NONGOVERNMENTAL ORGANIZATION LICENSED OR SEEKING LICENSURE UNDER**  
 10 **THIS ACT FOR A TEMPORARY OR RENEWAL LICENSE ARE AS FOLLOWS:**

11 (A) BEGINNING JANUARY 1, 2020, AS FOLLOWS:

12	(i)	FAMILY HOME (3-6).....	\$ 85.00
13	(ii)	SMALL GROUP HOME (3-6).....	130.00
14	(iii)	SMALL GROUP HOME (7-12).....	170.00
15	(iv)	LARGE GROUP HOME.....	320.00
16	(v)	CONGREGATE FACILITY (RENEWAL ONLY).....	360.00
17	(vi)	CAMP.....	120.00

18 (B) BEGINNING JANUARY 1, 2022, AS FOLLOWS:

19	(i)	FAMILY HOME.....	\$ 100.00
20	(ii)	SMALL GROUP HOME (3-6).....	150.00
21	(iii)	SMALL GROUP HOME (7-12).....	200.00
22	(iv)	LARGE GROUP HOME.....	500.00
23	(v)	CONGREGATE FACILITY (RENEWAL ONLY).....	500.00
24	(vi)	CAMP.....	200.00

25 Sec. 14. (1) A temporary license shall be issued to an adult  
 26 foster care facility for the first 6 months of operation. ~~if the~~  
 27 ~~adult foster care facility has not previously been licensed as an~~

1 ~~adult foster care facility.~~ At the end of the first 6 months of  
 2 operation, the department shall **EITHER** issue a regular license,  
 3 issue a provisional license, or refuse to issue a license in the  
 4 manner provided for in section 22. A temporary license shall not be  
 5 renewed.

6 (2) Before issuing a temporary license, the department may  
 7 require an adult foster care facility to submit to the department  
 8 an acceptable plan of correction for the adult foster care  
 9 facility. The adult foster care facility shall implement the plan  
 10 of correction within the time limitations of the temporary license  
 11 period.

12 Sec. 15. ~~(1)~~ The department shall not issue a temporary  
 13 license to an adult foster care congregate facility, except a  
 14 ~~facility which is to replace an adult foster care~~ **EXISTING ADULT**  
 15 **FOSTER CARE** congregate facility. ~~licensed on March 27, 1984 and is~~  
 16 ~~a~~ **THE** new construction ~~;~~ ~~satisfies~~ **MUST SATISFY** all applicable  
 17 state construction code requirements and the fire safety  
 18 requirements prescribed by section 20; and the bed capacity ~~does~~  
 19 **MUST** not exceed that of the licensed facility ~~which~~ **THAT** it  
 20 replaces.

21 Sec. 22. (1) The department may deny, suspend, revoke, or  
 22 refuse to renew a license, or modify a regular license to a  
 23 provisional license, if the licensee falsifies information on the  
 24 application for license or willfully and substantially violates  
 25 this act, the rules promulgated under this act, or the terms of the  
 26 license.

27 (2) The department may **DENY**, suspend, revoke, or modify a

1 ~~license of an applicant~~ **APPLICATION FOR LICENSURE OR A LICENSE OF A**  
2 **LICENSEE** if the department determines that the applicant **OR**  
3 **LICENSEE** has a relationship with a former **APPLICANT WHOSE**  
4 **APPLICATION UNDER THIS ACT HAS BEEN DENIED OR A FORMER** licensee  
5 whose license under this act has been suspended, revoked, or  
6 ~~nonrenewed~~ **REFUSED RENEWAL** under this section or section 13(9) or a  
7 convicted person to whom a license has been denied under section  
8 13(9). This subsection applies for 10 years after the suspension,  
9 revocation, or ~~nonrenewal~~ **REFUSED RENEWAL** of the former licensee's  
10 license, **THE DENIAL OF THE FORMER APPLICANT'S APPLICATION FOR**  
11 **LICENSURE**, or the denial of the convicted person's ~~license~~.  
12 **APPLICATION FOR LICENSURE**. As used in this subsection, an applicant  
13 has a relationship with a former licensee or convicted person if  
14 the former **APPLICANT**, licensee, or convicted person is involved  
15 with the facility in 1 or more of the following ways:

16 (a) Participates in the administration or operation of the  
17 facility.

18 (b) Has a financial interest in the operation of the facility.

19 (c) Provides care to residents of the facility.

20 (d) Has contact with residents or staff on the premises of the  
21 facility.

22 (e) Is employed by the facility.

23 (f) Resides in the facility.

24 **(3) THE DEPARTMENT MAY DENY AN APPLICATION FOR LICENSURE BASED**  
25 **ON A PRIOR SETTLEMENT AGREEMENT THAT PROHIBITS A PERSON FROM**  
26 **PROVIDING ADULT FOSTER CARE.**

27 **(4) AN APPLICATION FOR LICENSURE SHALL NOT BE DENIED, A**

1 LICENSE SHALL NOT BE REVOKED, A RENEWAL SHALL NOT BE REFUSED, AND A  
2 REGULAR LICENSE SHALL NOT BE MODIFIED TO A PROVISIONAL LICENSE  
3 UNLESS THE DEPARTMENT GIVES THE APPLICANT OR LICENSEE WRITTEN  
4 NOTICE OF THE GROUNDS FOR THE PROPOSED DENIAL, REVOCATION, REFUSAL  
5 TO RENEW, OR MODIFICATION. IF THE PROPOSED DENIAL, REVOCATION,  
6 REFUSAL TO RENEW, OR MODIFICATION IS NOT APPEALED WITHIN 30 DAYS  
7 AFTER RECEIPT, THE DEPARTMENT SHALL DENY, REVOKE, REFUSE TO RENEW,  
8 OR MODIFY THE APPLICATION OR LICENSE. THE APPLICANT OR LICENSEE  
9 MUST APPEAL IN WRITING TO THE DEPARTMENT DIRECTOR, OR THE  
10 DIRECTOR'S DESIGNEE, A PROPOSED DENIAL, REVOCATION, REFUSAL TO  
11 RENEW, OR MODIFICATION WITHIN 30 DAYS AFTER RECEIPT OF THE WRITTEN  
12 NOTICE. UPON RECEIPT OF THE WRITTEN REQUEST FOR APPEAL, THE  
13 DIRECTOR OR THE DIRECTOR'S DESIGNEE MUST CONDUCT A CONTESTED CASE  
14 HEARING UNDER THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA  
15 306, MCL 24.301 TO 24.328. NOTICE OF THE HEARING MUST BE GIVEN TO  
16 THE APPLICANT OR LICENSEE BY PERSONAL SERVICE OR DELIVERY TO THE  
17 PROPER ADDRESS BY REGISTERED MAIL NOT LESS THAN 2 WEEKS BEFORE THE  
18 DATE OF THE HEARING. THE DECISION OF THE DIRECTOR OR HIS OR HER  
19 DESIGNEE SHALL BE ISSUED AS SOON AS PRACTICABLE AFTER THE HEARING  
20 AND FORWARDED TO THE PROTESTING PARTY BY REGISTERED MAIL. THE  
21 FORMAL NOTICE AND HEARING REQUIREMENT IN THIS SUBSECTION DOES NOT  
22 APPLY IF THE LICENSEE AND THE DEPARTMENT COMPLY WITH SECTION 22A.

23 (5) ~~(3)~~—A license shall not be denied, suspended, or revoked,  
24 a renewal shall not be refused, and a regular license shall not be  
25 modified to a provisional license unless the department gives the  
26 licensee or applicant written notice of the grounds of the proposed  
27 denial, revocation, refusal to renew, or modification. If the

1 licensee or applicant appeals the denial, revocation, refusal to  
2 renew, or modification by filing a written appeal with the director  
3 within 30 days after receipt of the written notice, the director or  
4 the director's designated representative shall conduct a **CONTESTED**  
5 **CASE** hearing at which the licensee or applicant may present  
6 testimony and confront witnesses. Notice of the hearing shall be  
7 given to the licensee or applicant by personal service or delivery  
8 to the proper address by registered mail not less than 2 weeks  
9 before the date of the hearing. The decision of the director shall  
10 be made and forwarded to the protesting party by registered mail  
11 not more than 30 days after the hearing. If the proposed denial,  
12 revocation, refusal to renew, or modification is not protested  
13 within 30 days, the license shall be denied, revoked, refused, or  
14 modified.

15       (6) ~~(4)~~—If the department has revoked, suspended, or refused  
16 to renew a license, the former licensee shall not receive or  
17 maintain in that facility an adult who requires foster care. A  
18 person who violates this subsection is guilty of a felony,  
19 punishable by imprisonment for not more than 5 years or a fine of  
20 not more than \$75,000.00, or both.

21       (7) ~~(5)~~—If the department has revoked, suspended, or refused  
22 to renew a license, relocation services shall be provided to adults  
23 who were being served by the formerly licensed facility, upon the  
24 department's determination that the adult or his or her designated  
25 representative is unable to relocate the adult in another facility  
26 without assistance. The relocation services shall be provided by  
27 the responsible agency, as defined in administrative rules, or, if

1 the adult has no agency designated as responsible, by the  
2 department **OF HEALTH AND HUMAN SERVICES.**

3 ~~—— (6) In the case of facilities that are operated under lease  
4 with a state department or a community mental health services  
5 board, the department may issue an emergency license for a 90-day  
6 period to avoid relocation of residents following the revocation,  
7 suspension, or nonrenewal of a license, if all of the following  
8 requirements are met:~~

9 ~~—— (a) The leased physical plant is in substantial compliance  
10 with all licensing requirements.~~

11 ~~—— (b) The applicant for the emergency license is a licensee who  
12 is in compliance with all applicable regulations under this act and  
13 under contract with a state department or a community mental health  
14 services board to operate the leased physical plant temporarily.~~

15 ~~—— (c) The former licensee's access to the facility according to  
16 a lease, sublease, or contract has been lawfully terminated by the  
17 owner or lessee of the facility.~~

18 **SEC. 22A. THE DEPARTMENT MAY IMMEDIATELY SUSPEND, REVOKE,**  
19 **MODIFY, OR REFUSE TO RENEW A LICENSE OR DENY AN APPLICATION FOR A**  
20 **LICENSE WITHOUT PROVIDING WRITTEN NOTICE OF THE GROUNDS FOR THE**  
21 **PROPOSED ACTION OR GIVING THE LICENSEE OR APPLICANT 30 DAYS TO**  
22 **APPEAL IF THE LICENSEE OR APPLICANT AGREES IN WRITING TO DO ALL OF**  
23 **THE FOLLOWING:**

24 **(A) WAIVE THE REQUIREMENT THAT THE DEPARTMENT PROVIDE WRITTEN**  
25 **NOTICE OF THE GROUNDS FOR THE PROPOSED ACTION.**

26 **(B) WAIVE THE 30-DAY TIME FRAME IN WHICH TO SUBMIT A WRITTEN**  
27 **APPEAL TO THE PROPOSED ACTION.**



1           (C) WAIVE THE RIGHT TO A CONTESTED CASE HEARING UNDER THE  
2 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.301 TO  
3 24.328.

4           SEC. 22C. WHEN THE DEPARTMENT ISSUES A SUMMARY SUSPENSION  
5 ORDER FOR CLOSURE OF AN ADULT FOSTER CARE FACILITY, OR WHEN AN  
6 ADULT FOSTER CARE FACILITY CANNOT PROVIDE ADEQUATE RESIDENT CARE,  
7 THE DEPARTMENT MUST DO THE FOLLOWING:

8           (A) ENSURE THAT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES  
9 HAS BEEN NOTIFIED TO MAKE ARRANGEMENTS FOR THE ORDERLY AND SAFE  
10 DISCHARGE AND TRANSFER OF THE RESIDENTS TO ANOTHER FACILITY OR  
11 APPROPRIATE SETTING.

12           (B) DETERMINE WHETHER A REPRESENTATIVE OF THE DEPARTMENT MUST  
13 BE PLACED IN A FACILITY ON A DAILY BASIS TO MONITOR THE DELIVERY OF  
14 SERVICES DURING THE DISCHARGE OF RESIDENTS TO ANOTHER FACILITY OR  
15 LOCATION.

16           (C) DETERMINE IF THE APPOINTMENT OF A TEMPORARY ADMINISTRATIVE  
17 ADVISOR OR A TEMPORARY CLINICAL ADVISOR, OR BOTH, IS NECESSARY,  
18 WITH AUTHORITY AND DUTIES SPECIFIED BY THE DEPARTMENT TO ASSIST THE  
19 FACILITY MANAGEMENT AND STAFF TO OVERSEE THE ORDERLY CLOSURE OF THE  
20 FACILITY. THE LICENSEE MUST PAY THE EXPENSE OF THE PERSON  
21 APPOINTED.

22           Enacting section 1. This amendatory act takes effect 90 days  
23 after the date it is enacted into law.

24           Enacting section 2. This amendatory act does not take effect  
25 unless House Bill No. 5506 of the 99th Legislature is enacted into  
26 law.