Dear Colleague,

The State of Michigan has been identified as needing follow up to address the matter that ACL has issued two Part B Notices of Awards (NoAs) to your State.  The latest FY17 NoA’s Special Remarks state:

As the final rule, displayed in the Federal Register on October 26, 2016, makes clear, statute permits only one DSE per state. This means, one DSE is responsible to receive, account for, and disburse funds received by the state under this chapter based on the SPIL. Your state has been identified as receiving two Part B awards, representing two DSEs. ACL will provide continued Federal Fiscal Year (FFY) 2017 funding to more than one DSE in your state until such time that your State Plan for Independent Living is amended. The change of a DSE and/or the subsequent reallocation of funds is a substantial and material change to the SPIL. SPIL amendments must be made to the FY2017 - FY2019 SPIL that identifies one DSE in the State and/or reallocates the related funds. Your State must submit an approvable SPIL to ACL **no later than 11:59PM EDT June 30, 2017.** As a result, beginning October 1, 2017 (FFY 2018), ACL will recognize only one DSE who will receive the entire Part B award.

After a review of your state’s FY2017-FY2019 State Plan for Independent Living (SPIL) in November 2016, the DSE received a direct email from ACL confirming the status of two DSEs receiving funds in the state.

This correspondence serves as a reminder that your State must submit approvable SPIL amendments to ACL that identifies one DSE, **no later than** **11:59PM EDT** **June 30, 2017**.

To assist you in these efforts, ACL is offering the following options:

1. Substantial and Material Change Amendment: To change the DSE to a DSE NOT currently identified in the SPIL, conduct public hearings and submit an approvable SPIL amendment request that includes all required signatures; or
2. Technical Amendment: To maintain one of two DSEs currently identified in the State SPIL, submit an approvable SPIL amendment request that includes all required signatures. No public hearing is required but the SILC could choose to hold one.

We urge you to carefully consider and move forward on one of these options. Consistent with previous ACL guidance, a change in DSE (Option 1) is a substantial and material change. Required steps for a substantial and material change to a SPIL include:

* SILCs must hold public hearings to solicit input from individuals with disabilities and other stakeholders in the State; and
* Amendments must be signed by three parties: the chair of the SILC, acting on behalf of and at the direction of the SILC; not less than 51 percent of the directors of the Centers in the State; and the director of the DSE with a statement affirming their agreement to fulfill all the DSE responsibilities set forth in the law.

To maintain a current DSE (Option 2), a technical amendment can be completed to reflect the State’s intention. Required steps for a technical amendment to a SPIL include:

* A written statement to ACL via the state project officer, requesting a technical amendment to the FY2017-2019 SPIL identifying which DSE reflected in the FY2017-2019 SPIL will continue as the sole DSE; and
* Signatures by FOUR parties: the chair of the SILC, acting on behalf of and at the direction of the SILC; not less than 51 percent of the directors of the Centers in the State; the director of the identified sole DSE with a statement affirming their agreement to fulfill all the DSE responsibilities set forth in the law, and the director of the removed DSE with a statement affirming their understanding of a release to fulfill the DSE responsibilities set forth in the law.

ACL recommends you communicate the State’s intention with your State project officer (noted below) well before the SPIL amendment due date. All requests and attachments for the SPIL amendment process should be submitted in accessible PDF formats or as Word documents. The assigned State project officer will make amendments into the ACL-MIS SPIL on behalf of each State. A revised SPIL will be provided back to the State upon completion.

Once your project officer receives notice of the State’s intention, the project officer will work one-on-one with each state and provide appropriate follow up information.

If additional guidance is needed immediately, please reach out to your project officer or the training and technical assistance center which can be reached at <http://www.ilru.org>.

Thank you for your leadership in independent living and your prompt attention to this matter.

Bob Williams

Acting Commissioner, Administration on Disabilities

Director, Independent Living Administration

Kimball Gray

Project Officer

kimball.gray@acl.hhs.gov

(202)795-7353