

SUBSTITUTE FOR

SENATE BILL NO. 786

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. There is appropriated for the department of
4 education for the fiscal year ending September 30, 2017, from the
5 following funds:

6 DEPARTMENT OF EDUCATION

7 APPROPRIATION SUMMARY

8	Full-time equated unclassified positions.....	6.0
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9	Full-time equated classified positions.....	596.5
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1	GROSS APPROPRIATION.....	\$	321,209,100
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		0
5	ADJUSTED GROSS APPROPRIATION.....	\$	321,209,100
6	Federal revenues:		
7	IMLS, library services and technology act		5,610,100
8	Federal revenues.....		215,490,700
9	Federal indirect funds.....		4,255,000
10	Total federal revenues.....		225,355,800
11	Special revenue funds:		
12	Local cost sharing (schools for deaf/blind)		5,233,000
13	Local school district service fees.....		324,200
14	Total local revenues.....		5,557,200
15	Gifts, bequests, and donations.....		646,000
16	Private foundations.....		1,388,200
17	Total private revenues.....		2,034,200
18	Total local and private revenues.....		7,591,400
19	Certification fees.....		6,916,900
20	Commodity distribution fees.....		71,700
21	Flint emergency reserve fund.....		100
22	Library fees.....		300,000
23	Low incidence outreach fund.....		300,000
24	Student insurance revenue.....		218,600
25	Teacher testing fees.....		423,400
26	Training and orientation workshop fees		150,000
27	Total other state restricted revenues.....		8,380,700

1	State general fund/general purpose	\$	79,881,200
2	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE		
3	SUPERINTENDENT		
4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	10.0	
6	State board of education, per diem payments	\$	24,400
7	Unclassified positions--6.0 FTE positions		827,200
8	Education commission of the state		120,800
9	State board/superintendent operations--10.0 FTE		
10	positions		<u>1,888,700</u>
11	GROSS APPROPRIATION	\$	2,861,100
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues		227,000
15	Special revenue funds:		
16	Private foundations		28,100
17	Certification fees		771,400
18	State general fund/general purpose	\$	1,834,600
19	Sec. 103. CENTRAL SUPPORT		
20	Full-time equated classified positions.....	23.6	
21	Central support--23.6 FTE positions	\$	6,686,700
22	Worker's compensation		24,300
23	Building occupancy charges - property management		
24	services		3,196,200
25	Training and orientation workshops		150,000
26	Terminal leave payments		<u>353,300</u>
27	GROSS APPROPRIATION	\$	10,410,500

1	Appropriated from:	
2	Federal revenues:	
3	Federal revenues.....	3,690,100
4	Federal indirect funds.....	2,430,700
5	Special revenue funds:	
6	Private foundations.....	1,000,000
7	Certification fees.....	399,300
8	Teacher testing fees.....	4,000
9	Training and orientation workshop fees.....	150,000
10	State general fund/general purpose.....	\$ 2,736,400
11	Sec. 104. INFORMATION TECHNOLOGY SERVICES	
12	Information technology operations.....	\$ <u>4,192,600</u>
13	GROSS APPROPRIATION.....	\$ 4,192,600
14	Appropriated from:	
15	Federal revenues:	
16	Federal revenues.....	616,900
17	Federal indirect funds.....	1,824,300
18	Special revenue funds:	
19	Certification fees.....	397,500
20	State general fund/general purpose.....	\$ 1,353,900
21	Sec. 105. SPECIAL EDUCATION SERVICES	
22	Full-time equated classified positions..... 47.0	
23	Special education operations--47.0 FTE positions.....	\$ <u>9,320,500</u>
24	GROSS APPROPRIATION.....	\$ 9,320,500
25	Appropriated from:	
26	Federal revenues:	
27	Federal revenues.....	8,544,000

1	Special revenue funds:	
2	Private foundations.....	110,100
3	Certification fees.....	44,700
4	State general fund/general purpose.....	\$ 621,700
5	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
6	Full-time equated classified positions.....	77.0
7	Michigan schools for the deaf and blind	
8	operations--76.0 FTE positions.....	\$ 12,812,700
9	Camp Tuhsmeheeta--1.0 FTE position.....	296,000
10	Low incidence outreach program.....	300,000
11	Private gifts - blind.....	200,000
12	Private gifts - deaf.....	<u>150,000</u>
13	GROSS APPROPRIATION.....	\$ 13,758,700
14	Appropriated from:	
15	Federal revenues:	
16	Federal revenues.....	7,048,600
17	Special revenue funds:	
18	Local cost sharing (schools for deaf/blind)	5,233,000
19	Local school district service fees.....	312,500
20	Gifts, bequests, and donations.....	646,000
21	Low incidence outreach fund.....	300,000
22	Student insurance revenue.....	218,600
23	State general fund/general purpose.....	\$ 0
24	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
25	Full-time equated classified positions.....	33.0
26	Professional preparation operations--33.0 FTE	
27	positions	\$ <u>5,653,900</u>

1	GROSS APPROPRIATION.....	\$	5,653,900
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		1,464,100
5	Special revenue funds:		
6	Certification fees.....		3,546,700
7	Teacher testing fees.....		419,400
8	State general fund/general purpose.....	\$	223,700
9	Sec. 108. MICHIGAN OFFICE OF GREAT START		
10	Full-time equated classified positions.....	66.0	
11	Michigan office of great start operations--65.0 FTE		
12	positions	\$	23,177,400
13	Child development and care external support		27,374,500
14	Head start collaboration office--1.0 FTE position....		309,900
15	Child development care public assistance		<u>124,200,000</u>
16	GROSS APPROPRIATION.....	\$	175,061,800
17	Appropriated from:		
18	Federal revenues:		
19	Federal revenues.....		137,156,500
20	Special revenue funds:		
21	Private foundations.....		250,000
22	Certification fees.....		64,600
23	State general fund/general purpose.....	\$	37,590,700
24	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		
25	Full-time equated classified positions.....	11.5	
26	State aid and school finance operations--11.5 FTE		
27	positions	\$	<u>1,638,600</u>

1	GROSS APPROPRIATION.....	\$	1,638,600
2	Appropriated from:		
3	State general fund/general purpose.....	\$	1,638,600
4	Sec. 110. AUDIT SERVICES		
5	Full-time equated classified positions.....	4.5	
6	Audit operations--4.5 FTE positions.....	\$	<u>612,500</u>
7	GROSS APPROPRIATION.....	\$	612,500
8	Appropriated from:		
9	Federal revenues:		
10	Federal indirect funds.....		486,800
11	Special revenue funds:		
12	Certification fees.....		62,300
13	State general fund/general purpose.....	\$	63,400
14	Sec. 111. ADMINISTRATIVE LAW SERVICES		
15	Full-time equated classified positions.....	2.0	
16	Administrative law operations--2.0 FTE positions.....	\$	<u>1,364,300</u>
17	GROSS APPROPRIATION.....	\$	1,364,300
18	Appropriated from:		
19	Federal revenues:		
20	Federal revenues.....		564,200
21	Special revenue funds:		
22	Certification fees.....		701,500
23	State general fund/general purpose.....	\$	98,600
24	Sec. 112. ACCOUNTABILITY SERVICES		
25	Full-time equated classified positions.....	64.6	
26	Accountability services operations--64.6 FTE positions.....	\$	<u>14,619,400</u>
27	GROSS APPROPRIATION.....	\$	14,619,400

1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues.....		13,476,200
4	State general fund/general purpose.....	\$	1,143,200
5	Sec. 113. SCHOOL SUPPORT SERVICES		
6	Full-time equated classified positions.....	83.6	
7	School support services operations--83.6 FTE positions	\$	<u>15,495,200</u>
8	GROSS APPROPRIATION.....	\$	15,495,200
9	Appropriated from:		
10	Federal revenues:		
11	Federal revenues.....		14,455,700
12	Special revenue funds:		
13	Local school district service fees.....		11,700
14	Commodity distribution fees.....		71,700
15	Certification fees.....		86,900
16	State general fund/general purpose.....	\$	869,200
17	Sec. 114. FIELD SERVICES		
18	Full-time equated classified positions.....	45.0	
19	Field services operations--45.0 FTE positions	\$	<u>9,349,200</u>
20	GROSS APPROPRIATION.....	\$	9,349,200
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		8,599,200
24	Special revenue funds:		
25	Certification fees.....		37,300
26	State general fund/general purpose.....	\$	712,700
27	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION		

1	SERVICES		
2	Full-time equated classified positions.....	49.7	
3	Educational improvement and innovation		
4	operations--49.7 FTE positions.....		\$ <u>9,689,900</u>
5	GROSS APPROPRIATION.....		\$ 9,689,900
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues.....		6,596,600
9	Special revenue funds:		
10	Certification fees.....		565,100
11	State general fund/general purpose.....		\$ 2,528,200
12	Sec. 116. CAREER AND TECHNICAL EDUCATION		
13	Full-time equated classified positions.....	29.0	
14	Career and technical education operations--29.0 FTE		
15	positions		\$ <u>5,220,800</u>
16	GROSS APPROPRIATION.....		\$ 5,220,800
17	Appropriated from:		
18	Federal revenues:		
19	Federal revenues.....		3,887,400
20	State general fund/general purpose.....		\$ 1,333,400
21	Sec. 117. LIBRARY OF MICHIGAN		
22	Full-time equated classified positions.....	33.0	
23	Library of Michigan operations--31.0 FTE positions ...		\$ 4,797,400
24	Library services and technology program--1.0 FTE		
25	position		5,610,100
26	State aid to libraries.....		9,876,000
27	Michigan eLibrary.....		1,752,300

1	Renaissance zone reimbursements	<u>5,300,000</u>
2	GROSS APPROPRIATION	\$ 27,335,800
3	Appropriated from:	
4	Federal revenues:	
5	IMLS, library services and technology act	5,610,100
6	Special revenue funds:	
7	Library fees	300,000
8	State general fund/general purpose	\$ 21,425,700
9	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	
10	Full-time equated classified positions..... 17.0	
11	School reform office operations--17.0 FTE positions ..	\$ <u>2,574,200</u>
12	GROSS APPROPRIATION	\$ 2,574,200
13	Appropriated from:	
14	Federal revenues:	
15	Federal revenues	627,400
16	Special revenue funds:	
17	Certification fees	239,600
18	State general fund/general purpose	\$ 1,707,200
19	Sec. 119. ONE-TIME BASIS ONLY APPROPRIATIONS	
20	Certification fees subsidy	\$ 500,000
21	Voluntary water testing	3,500,000
22	Drinking water declaration of emergency	<u>8,050,100</u>
23	GROSS APPROPRIATION	\$ 12,050,100
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues	8,050,000
27	Special revenue funds:	

1	Flint emergency reserve fund.....	100
2	State general fund/general purpose.....	\$ 4,000,000

3 PART 2

4 PROVISIONS CONCERNING APPROPRIATIONS

5 FOR FISCAL YEAR 2016-2017

6 **GENERAL SECTIONS**

7 Sec. 201. Pursuant to section 30 of article IX of the state

8 constitution of 1963, total state spending from state resources

9 under part 1 for fiscal year 2016-2017 is \$88,261,900.00 and state

10 spending from state resources to be paid to local units of

11 government for fiscal year 2016-2017 is \$18,676,000.00. The

12 itemized statement below identifies appropriations from which

13 spending to local units of government will occur:

14 DEPARTMENT OF EDUCATION

15	Voluntary water testing.....	\$ 3,500,000
16	State aid to libraries.....	9,876,000
17	Renaissance zone reimbursements.....	<u>5,300,000</u>
18	Total department of education.....	\$ 18,676,000

19 Sec. 202. The appropriations authorized under this part and

20 part 1 are subject to the management and budget act, 1984 PA 431,

21 MCL 18.1101 to 18.1594.

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

- 23 (a) "ACT" means the American College Testing Corporation.
- 24 (b) "Department" means the Michigan department of education.
- 25 (c) "District" means a local school district as defined in

1 section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a
2 public school academy as defined in section 5 of the revised school
3 code, 1976 PA 451, MCL 380.5.

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

5 Sec. 204. The departments and agencies receiving
6 appropriations in part 1 shall use the Internet to fulfill the
7 reporting requirements of this part. This requirement may include
8 transmission of reports via electronic mail to the recipients
9 identified for each reporting requirement, or it may include
10 placement of reports on an Internet or Intranet site.

11 Sec. 205. Funds appropriated in part 1 shall not be used for
12 the purchase of foreign goods or services, or both, if
13 competitively priced and of comparable quality American goods or
14 services, or both, are available. Preference shall be given to
15 goods or services, or both, manufactured or provided by Michigan
16 businesses, if they are competitively priced and of comparable
17 quality. In addition, preference should be given to goods or
18 services, or both, that are manufactured or provided by Michigan
19 businesses owned and operated by veterans, if they are
20 competitively priced and of comparable quality.

21 Sec. 206. The state superintendent of public instruction shall
22 take all reasonable steps to ensure businesses in deprived and
23 depressed communities compete for and perform contracts to provide
24 services or supplies, or both. The state superintendent of public
25 instruction shall strongly encourage firms with which the
26 department contracts to subcontract with certified businesses in
27 depressed and deprived communities for services, supplies, or both.

1 Sec. 207. The departments and agencies receiving
2 appropriations in part 1 shall prepare a report on out-of-state
3 travel expenses not later than January 1 of each year. The travel
4 report shall be a listing of all travel by classified and
5 unclassified employees outside this state in the immediately
6 preceding fiscal year that was funded in whole or in part with
7 funds appropriated in the department's budget. The report shall be
8 submitted to the senate and house appropriations committees, the
9 house and senate fiscal agencies, and the state budget director.
10 The report must include the following information:

11 (a) The dates of each travel occurrence.

12 (b) The transportation and related costs of each travel
13 occurrence, including the proportion funded with state general
14 fund/general purpose revenues, the proportion funded with state
15 restricted revenues, the proportion funded with federal revenues,
16 and the proportion funded with other revenues.

17 Sec. 208. Funds appropriated in part 1 shall not be used by a
18 principal executive department, state agency, or authority to hire
19 a person to provide legal services that are the responsibility of
20 the attorney general. This prohibition does not apply to legal
21 services for bonding activities and for those outside services that
22 the attorney general authorizes.

23 Sec. 209. Not later than November 30, the state budget office
24 shall prepare and transmit a report that provides for estimates of
25 the total general fund/general purpose appropriation lapses at the
26 close of the prior fiscal year. This report shall summarize the
27 projected year-end general fund/general purpose appropriation

1 lapses by major departmental program or program areas. The report
2 shall be transmitted to the chairpersons of the senate and house
3 appropriations committees and the senate and house fiscal agencies.

4 Sec. 210. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$10,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in this article under section 393(2) of the management and budget
9 act, 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$700,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in this article under section 393(2) of the management and budget
15 act, 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$250,000.00 for local
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in this
20 article under section 393(2) of the management and budget act, 1984
21 PA 431, MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$3,000,000.00 for private
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in this
26 article under section 393(2) of the management and budget act, 1984
27 PA 431, MCL 18.1393.

1 Sec. 211. The department shall cooperate with the department
2 of technology, management, and budget to maintain a searchable
3 website accessible by the public at no cost that includes, but is
4 not limited to, all of the following for each department or agency:

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

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

7 (c) Fiscal year-to-date payments to a selected vendor,
8 including the vendor name, payment date, payment amount, and
9 payment description.

10 (d) The number of active department employees by job
11 classification.

12 (e) Job specifications and wage rates.

13 Sec. 212. Within 14 days after the release of the executive
14 budget recommendation, the department shall cooperate with the
15 state budget office to provide the senate and house appropriations
16 chairs, the senate and house appropriations subcommittees
17 responsible for the department budget, and the senate and house
18 fiscal agencies with an annual report on estimated state restricted
19 fund balances, state restricted fund projected revenues, and state
20 restricted fund expenditures for the fiscal years ending September
21 30, 2016 and September 30, 2017.

22 Sec. 213. The department shall maintain, on a publicly
23 accessible website, a department scorecard that identifies, tracks,
24 and regularly updates key metrics that are used to monitor and
25 improve the agency's performance.

26 Sec. 214. Total authorized appropriations from all sources
27 under part 1 for legacy costs for the fiscal year ending September

1 30, 2017 are estimated at \$16,971,500.00. From this amount, total
2 agency appropriations for pension-related legacy costs are
3 estimated at \$9,410,700.00. Total agency appropriations for retiree
4 health care legacy costs are estimated at \$7,560,800.00.

5 Sec. 215. The department shall provide through the Internet
6 the state board of education agenda and all supporting documents,
7 and shall notify the state budget director and the senate and house
8 fiscal agencies that the agenda and supporting documents are
9 available on the Internet, at the time the agenda and supporting
10 documents are provided to state board of education members.

11 Sec. 216. To the extent that the state continues to identify
12 schools as meeting proficiency targets, before publishing a list of
13 schools or districts determined to have failed to make adequate
14 yearly progress as required by the no child left behind act of
15 2001, Public Law 107-110, the department shall allow a school or
16 district to appeal that determination. Those appeals shall be
17 addressed before designations may be published.

18 Sec. 217. The department may assist the department of health
19 and human services, other departments, and local school districts
20 to secure reimbursement for eligible services provided in Michigan
21 schools from the federal Medicaid program. The department may
22 submit reports of direct expenses related to this effort to the
23 department of health and human services for reimbursement.

24 Sec. 218. The department shall not seek a federal waiver from
25 the no child left behind act of 2001, Public Law 107-110, or an
26 amendment to the federal waiver, until after notification of the
27 content to both the house and senate appropriations committees and

1 the state budget director.

2 Sec. 219. From the funds appropriated in part 1, the
3 department shall ensure that kindergarten benchmark data include a
4 method for information to be provided regarding a child's
5 participation in the great start readiness program.

6 Sec. 220. The department shall post on its website a link to
7 the federal Institute of Education Sciences' What Works
8 Clearinghouse. The department also shall work to disseminate
9 knowledge about the What Works Clearinghouse to districts and
10 intermediate districts so that it may be used to improve reading
11 proficiency for pupils in grades K to 3.

12 Sec. 221. The department shall require all districts and
13 intermediate school districts to maintain complete records within
14 the personnel file of a teacher or school employee of any
15 disciplinary actions taken by the governing board against the
16 teacher or employee for sexual misconduct. The records shall not be
17 destroyed or removed from the teacher's or employee's personnel
18 file except as required by a court order.

19 Sec. 222. The department shall not take disciplinary action
20 against an employee who communicates truthfully and factually with
21 a member of the legislature or his or her staff.

22 Sec. 223. The department and agencies receiving appropriations
23 in part 1 shall receive and retain copies of all reports funded
24 from appropriations in part 1. Federal and state guidelines for
25 short-term and long-term retention of records shall be followed.
26 The department may electronically retain copies of reports unless
27 otherwise required by federal and state guidelines.

1 Sec. 224. In addition to the metrics required under section
2 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
3 each new program or program enhancement for which funds in excess
4 of \$500,000.00 are appropriated in part 1, the department shall
5 provide not later than November 1, 2016 a list of program-specific
6 metrics intended to measure its performance based on a return on
7 taxpayer investment. The department shall deliver the program-
8 specific metrics to members of the senate and house subcommittees
9 that have subject matter jurisdiction for this budget, fiscal
10 agencies, and the state budget director. The department shall
11 provide an update on its progress in tracking program-specific
12 metrics and the status of program success at an appropriations
13 subcommittee meeting called for by the subcommittee chair.

14 Sec. 225. The department shall not enter into a contract
15 funded under part 1 that exceeds \$1,000,000.00 or seek a federal
16 waiver from the no child left behind act of 2001, Public Law 107-
17 110, or an amendment to the federal waiver, until after
18 notification of the content to both the house and senate
19 appropriations committees.

20 Sec. 226. From the funds appropriated in part 1, the
21 department shall coordinate with the other departments to
22 streamline state services and resources, reduce duplication, and
23 increase efficiency. This includes, but is not limited to, working
24 with the department of technology, management, and budget to
25 coordinate with the school reform office, working with the
26 department of treasury to coordinate with the financial
27 independence team and overseeing deficit districts, and working

1 with the department of health and human services and department of
2 licensing and regulatory affairs to coordinate with early childhood
3 programs and overseeing child care providers.

4 **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

5 Sec. 301. (1) The appropriations in part 1 may be used for per
6 diem payments to the state board for meetings at which a quorum is
7 present or for performing official business authorized by the state
8 board. The per diem payments shall be at a rate as follows:

9 (a) State board of education - president - \$110.00 per day.

10 (b) State board of education - member other than president -
11 \$100.00 per day.

12 (2) A state board of education member shall not be paid a per
13 diem for more than 30 days per year.

14 Sec. 302. From the amount appropriated in part 1 to the state
15 board of education, not more than \$35,000.00 for the fiscal year
16 ending September 30, 2017 shall be expended for in-state travel and
17 out-of-state travel directly related to the duties of the state
18 board of education.

19 **MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

20 Sec. 401. The employees at the Michigan schools for the deaf
21 and blind who work on a school-year basis are considered annual
22 employees for purposes of service credits, retirement, and
23 insurance benefits.

24 Sec. 402. For each student enrolled at the Michigan schools
25 for the deaf and blind, the department shall assess the

1 intermediate school district of residence 100% of the cost of
2 operating the student's instructional program. The amount shall
3 exclude room and board related costs and the cost of weekend
4 transportation between the school and the student's home.

5 Sec. 406. (1) The Michigan schools for the deaf and blind may
6 promote its residential program as a possible appropriate option
7 for children who are deaf or hard of hearing or who are blind or
8 visually impaired. The Michigan schools for the deaf and blind
9 shall distribute information detailing its services to all
10 intermediate school districts in the state.

11 (2) Upon knowledge of or recognition by an intermediate school
12 district that a child in the district is deaf or hard of hearing or
13 blind or visually impaired, the intermediate school district shall
14 provide to the parents of the child the literature distributed by
15 the Michigan schools for the deaf and blind to intermediate school
16 districts under subsection (1).

17 (3) Parents will continue to have a choice regarding the
18 educational placement of their deaf or hard-of-hearing children.

19 Sec. 407. Revenue received by the Michigan schools for the
20 deaf and blind from gifts, bequests, donations, and local district
21 service fees that is unexpended at the end of the state fiscal year
22 may be carried over to the succeeding fiscal year and shall not
23 revert to the general fund.

24 Sec. 408. For the funds appropriated in part 1 for the low
25 incidence outreach fund, the funds collected by the Michigan
26 schools for the deaf and the low incidence outreach program for
27 document reproduction and services; conferences, workshops, and

1 training classes; and the use of specialized equipment, facilities,
2 and software are appropriated for all expenses necessary to provide
3 the required services. These funds are available for expenditure
4 when they are received and may be carried forward into the next
5 succeeding fiscal year.

6 **PROFESSIONAL PREPARATION SERVICES**

7 Sec. 501. From the funds appropriated in part 1 for
8 professional preparation services, the department shall maintain
9 certificate revocation/felony conviction files of educational
10 personnel.

11 Sec. 502. The department shall authorize teacher preparation
12 institutions to provide an alternative program by which up to 1/2
13 of the required student internship or student teaching credits may
14 be earned through substitute teaching. The department shall require
15 that teacher preparation institutions collaborate with school
16 districts to ensure that the quality of instruction provided to
17 student teachers is comparable to that required in a traditional
18 student teaching program.

19 Sec. 506. Revenue received from teacher testing fees that is
20 unexpended at the end of the state fiscal year may be carried over
21 to the succeeding fiscal year and shall not revert to the general
22 fund.

23 Sec. 507. From the funds appropriated in part 1, the
24 department shall adopt a teacher certification test that ensures
25 that all newly certified elementary teachers have the skills to
26 deliver evidence-based literacy instruction. The department may use

1 teacher certification or teacher testing fee revenue to the extent
2 allowable under law to implement this section, or may pass along
3 increased testing fees to teachers as allowable and appropriate.

4 **FIELD SERVICES**

5 Sec. 701. (1) From the funds appropriated in part 1 for field
6 services operations, the department shall produce a report
7 detailing the progress made by districts with grades K-3 receiving
8 at-risk funding under section 31a of the state school aid act of
9 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
10 systems of supports in the prior school fiscal year.

11 (2) The report shall include, at a minimum:

12 (a) A description of the training, coaching, and technical
13 assistance offered by the department to districts to support the
14 implementation of effective multitiered systems of supports.

15 (b) A list of districts determined by the department to have
16 successfully implemented multitiered systems of supports.

17 (c) A list of best practices that the department has
18 identified that may be used by districts to implement multitiered
19 systems of supports.

20 (d) Other information the department determines would be
21 useful to understanding the status of districts' implementation of
22 effective multitiered systems of supports.

23 (3) The report shall be provided to the state budget director,
24 the house and senate subcommittees that oversee the department of
25 education and school aid budgets, and the house and senate fiscal
26 agencies by September 30, 2017.

LIBRARY OF MICHIGAN

Sec. 801. For the funds appropriated in part 1 for library fees, the funds collected by the department for document reproduction and services; conferences, workshops, and training classes; and the use of specialized equipment, facilities, and software are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

Sec. 803. It is the intent of the legislature that the library of Michigan and the component programs currently within the library of Michigan with the exception of the genealogical collections shall be kept together in a state department.

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2016. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments shall be prorated on an equal basis among all eligible public libraries.

SPECIAL EDUCATION SERVICES

1 Sec. 901. From the increased funds in part 1 for special
2 education operations, the department shall perform the following
3 activities:

4 (a) Design and distribute information about federal and state
5 mandates regarding the rights and protections of students with
6 disabilities, including, but not limited to, individualized
7 education programs to ensure that parents and legal guardians are
8 fully informed about laws, rules, procedural safeguards, problem-
9 solving options, and any other information the department
10 determines is necessary so that parents and legal guardians may be
11 able to provide meaningful input in collaboration with districts to
12 develop and implement an individualized education program.

13 (b) Train mediators who are knowledgeable about the dispute
14 resolution system and state and federal mandates pertaining to the
15 rights and protections of students with disabilities outlined in
16 the federal individuals with disabilities education act, 20 USC
17 1400 to 1482, and the Michigan administrative rules for special
18 education programs and services, R 340.1701 to R 340.1862 of the
19 Michigan Administrative Code. This annual training will include
20 coursework, resources, and materials.

21 **MICHIGAN OFFICE OF GREAT START**

22 Sec. 1003. (1) The department shall provide the house and
23 senate appropriations subcommittees on the department budget with
24 an annual report on all funding appropriated to the Early Childhood
25 Investment Corporation by the state during the previous fiscal
26 year. The report is due by February 15 and must contain at least

1 the following information:

2 (a) Total funding appropriated to the Early Childhood
3 Investment Corporation by the state during the previous fiscal
4 year.

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

6 (c) The grant recipients.

7 (d) The activities funded by each grant.

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

11 (2) All department contracts for early childhood comprehensive
12 systems planning shall be bid out through a statewide request-for-
13 proposal process.

14 Sec. 1007. (1) From the funds appropriated in part 1 for child
15 development and care - external support, the department shall
16 create progress reports that shall include, but are not limited to,
17 the following:

18 (a) Both the on-site and off-site activities that are intended
19 to improve child care provider quality and the number of times
20 those activities are performed by the licensing consultants.

21 (b) How many on-site visits a single licensing consultant has
22 made since the start of the 2016-2017 fiscal year.

23 (c) The types of on-site visits and the number of visits for
24 each type that a single consultant has made since the start of
25 fiscal year 2016-2017.

26 (d) The number of providers that have improved their quality
27 rating since the start of fiscal year 2016-2017 compared to the

1 same time period in fiscal year 2015-2016.

2 (e) The types of activities that are intended to improve
3 licensing consultant performance and child care provider quality
4 and the number of times those activities are performed by the
5 managers and administrators.

6 (2) The progress reports shall be sent to the state budget
7 director, the house and senate subcommittees that oversee the
8 department of education, and the house and senate fiscal agencies
9 by April 1, 2017 and September 30, 2017.

10 Sec. 1008. From the amount appropriated in part 1 for office
11 of great start operations, the department shall work with the
12 department of health and human services to coordinate services
13 provided to families for home visits, reduce duplication of state
14 services and spending, and increase efficiencies including the home
15 visits funded under section 32p of the state school aid act of
16 1979, 1979 PA 94, MCL 388.1632p.

17 ACCOUNTABILITY SERVICES

18 Sec. 1021. Using the funds appropriated in part 1, the
19 department shall work in collaboration with the department of
20 technology, management, and budget to renegotiate the contract with
21 the ACT to ensure that it registers, issues, and ships to schools a
22 printed national career readiness certificate (NCRC) to each
23 Michigan student who takes the ACT WorkKeys test, successfully
24 completes the exam, qualifies for the certificate, and ensures that
25 the renegotiated contract results in minimal or no additional costs
26 to the state. If a renegotiation cannot be completed that results

1 in minimal or no additional costs to the state, the department
2 shall rebid the contract for the workskills portion of the Michigan
3 merit exam (MME).

4 **ONE-TIME APPROPRIATIONS**

5 Sec. 1101. (1) From the funds appropriated in part 1 for
6 drinking water declaration of emergency, the department shall
7 allocate funding to address the child care needs in a city in which
8 a declaration of emergency was issued because of drinking water
9 contamination. Funds shall be used to support the following
10 activities in the city:

11 (a) Pilot the expansion of child development and care
12 eligibility to children ages birth to 3 for 1/2-day child care
13 services by removing household income as a determinate of
14 eligibility.

15 (b) Provide information to child care providers on
16 identification and intervention services for children demonstrating
17 potential developmental delays associated with exposure to lead.

18 (2) The department shall amend definitions and eligibility
19 requirements in the child care and development fund state plan as
20 necessary to implement this section.

21 Sec. 1102. (1) From the funds appropriated in part 1 for
22 voluntary water testing, there is allocated an amount not to exceed
23 \$3,500,000.00 for 2016-2017 for reimbursements to districts and
24 intermediate districts for costs associated with testing for lead
25 in water and for the purchase of filtration devices. Funds
26 appropriated for voluntary water testing are intended to ensure

1 that districts and intermediate districts are providing safe
2 drinking water.

3 (2) Not later than April 1, 2016, the department, in
4 collaboration with the department of environmental quality and the
5 department of licensing and regulatory affairs, shall develop a
6 strategic statewide plan for the voluntary testing for lead in
7 water by districts and intermediate districts served by municipal
8 water systems that provides criteria for prioritizing what
9 facilities, water pipes, and plumbing fixtures should be tested. At
10 a minimum, the age of the facility should be considered, as well as
11 fixtures that are high-risk such as drinking fountains, ice makers,
12 kitchen taps, or any other fixtures that deliver water commonly
13 used for consumption. The plan shall also identify the proper
14 sampling and analysis protocols for testing for lead in water and
15 measures for reducing lead exposure as recommended by the United
16 States Environmental Protection Agency.

17 (3) Not later than April 30, 2016, the department shall
18 provide notice to all districts and intermediate districts of the
19 strategic statewide plan and the application process for
20 reimbursement of voluntary testing for lead in water and for the
21 purchase of filtration devices.

22 (4) The application for reimbursement shall include the
23 collection of data that, at a minimum, allows the department to
24 prepare a report to the governor, the legislature, the house and
25 senate fiscal agencies, and the state budget director not later
26 than 60 days after the end of the state fiscal year containing the
27 following information:

1 (a) The total number of fixtures within the facilities of the
2 district or intermediate district providing water for consumption
3 that met the prioritization criteria contained in the statewide
4 strategic plan.

5 (b) The total number of fixtures tested for lead using the
6 sampling and analysis protocols recommended in the statewide
7 strategic plan.

8 (c) The number of fixtures tested that showed elevated levels
9 of lead.

10 (d) The number of filtration devices purchased and unit costs.

11 (e) A description of the measures implemented by the district
12 or intermediate district to reduce elevated levels of lead.

13 (f) Any financial or other information that the department
14 determines would be necessary to properly reimburse districts and
15 intermediate districts.

16 (g) Assurance that the district or intermediate district has
17 posted the testing results on its website in a form and manner
18 approved by the department.

19 (5) If eligible testing requests for reimbursement exceed the
20 appropriation contained in the voluntary water testing line item,
21 those reimbursement requests shall be prorated on an equal dollar
22 basis.

23 (6) As used in this section, "eligible testing request" means
24 a reimbursement request for reasonable costs not to exceed
25 \$1,000.00 per school building associated with water testing or
26 purchase of water filtration devices that occurred after October 1,
27 2015, that meets the prioritization criteria in the statewide

1 strategic plan, and that has been tested according to the sampling
2 and analysis protocols contained in the statewide strategic plan.
3 To be eligible for reimbursement of water filtration devices, a
4 school building must have first tested its water for elevated lead
5 levels and the test results indicated elevated lead levels in the
6 water above acceptable levels.

7 (7) For purposes of this section, a state-approved nonpublic
8 school is considered to be a district.

9 PART 2A

10 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

11 FOR FISCAL YEAR 2017-2018

12 **GENERAL SECTIONS**

13 Sec. 1201. It is the intent of the legislature to provide
14 appropriations for the fiscal year ending on September 30, 2018 for
15 the line items listed in part 1. The fiscal year 2017-2018
16 appropriations are anticipated to be the same as those for fiscal
17 year 2016-2017, except that the line items will be adjusted for
18 changes in caseload and related costs, federal fund match rates,
19 economic factors, and available revenue. These adjustments will be
20 determined after the January 2017 consensus revenue estimating
21 conference.