

**SUBSTITUTE FOR
SENATE BILL NO. 147**

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2018; 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, 2018, from the
5 following funds:

6 **DEPARTMENT OF EDUCATION**

7 APPROPRIATION SUMMARY

8 Full-time equated unclassified positions..... 6.0

9 Full-time equated classified positions..... 599.5

10 GROSS APPROPRIATION..... \$ 353,009,500

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION.....	\$	353,009,500
5	Federal revenues:		
6	IMLS, library services and technology act		5,611,400
7	Federal revenues.....		239,426,900
8	Federal indirect funds.....		4,716,400
9	Total federal revenues.....		255,554,700
10	Special revenue funds:		
11	Local cost sharing (schools for deaf/blind)		5,805,500
12	Local school district service fees.....		11,700
13	Total local revenues.....		5,817,200
14	Gifts, bequests, and donations.....		646,100
15	Private foundations.....		1,388,200
16	Total private revenues.....		2,034,300
17	Total local and private revenues.....		7,851,500
18	Certification fees.....		7,008,300
19	Commodity distribution fees.....		71,700
20	Drinking water declaration of emergency reserve fund.		100
21	Library fees.....		300,000
22	Low incidence outreach fund.....		450,000
23	Student insurance revenue.....		218,600
24	Teacher testing fees.....		368,900
25	Training and orientation workshop fees.....		150,000
26	Total other state restricted revenues.....		8,567,600
27	State general fund/general purpose.....	\$	81,035,700

1	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE		
2	SUPERINTENDENT		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	11.0	
5	State board of education, per diem payments	\$	24,400
6	Unclassified positions--6.0 FTE positions		851,900
7	Education commission of the state		120,800
8	State board/superintendent operations--11.0 FTE		
9	positions		<u>2,104,200</u>
10	GROSS APPROPRIATION	\$	3,101,300
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues		234,800
14	Special revenue funds:		
15	Private foundations		28,100
16	Certification fees		773,300
17	State general fund/general purpose	\$	2,065,100
18	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
19	Full-time equated classified positions.....	23.6	
20	Central support--23.6 FTE positions	\$	3,712,000
21	Worker's compensation		25,100
22	Building occupancy charges		3,181,700
23	Training and orientation workshops		150,000
24	Terminal leave payments		353,300
25	Grant		<u>3,000,000</u>
26	GROSS APPROPRIATION	\$	10,422,100
27	Appropriated from:		

1	Federal revenues:	
2	Federal revenues.....	3,685,200
3	Federal indirect funds.....	2,389,100
4	Special revenue funds:	
5	Private foundation.....	1,000,000
6	Certification fees.....	400,000
7	Teacher testing fees.....	4,000
8	Training and orientation workshop fees.....	150,000
9	State general fund/general purpose.....	\$ 2,793,800
10	Sec. 104. INFORMATION TECHNOLOGY SERVICES	
11	Information technology operations.....	\$ <u>4,225,200</u>
12	GROSS APPROPRIATION.....	\$ 4,225,200
13	Appropriated from:	
14	Federal revenues:	
15	Federal revenues.....	621,700
16	Federal indirect funds.....	1,838,500
17	Special revenue funds:	
18	Certification fees.....	400,600
19	State general fund/general purpose.....	\$ 1,364,400
20	Sec. 105. SPECIAL EDUCATION SERVICES	
21	Full-time equated classified positions.....	47.0
22	Special education operations--47.0 FTE positions.....	\$ <u>9,164,800</u>
23	GROSS APPROPRIATION.....	\$ 9,164,800
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues.....	8,584,200
27	Special revenue funds:	

1	Private foundations.....		110,100
2	Certification fees.....		44,700
3	State general fund/general purpose.....	\$	425,800
4	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
5	Full-time equated classified positions.....	82.0	
6	Michigan Schools for the Deaf and Blind		
7	operations--81.0 FTE positions.....	\$	13,456,000
8	Camp Tuhsmeheeta--1.0 FTE position.....		296,100
9	Low incidence outreach program.....		450,000
10	Private gifts - blind.....		200,000
11	Private gifts - deaf.....		<u>150,000</u>
12	GROSS APPROPRIATION.....	\$	14,552,100
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		7,431,900
16	Special revenue funds:		
17	Local cost sharing (schools for deaf/blind)		5,805,500
18	Gifts, bequests, and donations.....		646,100
19	Low incidence outreach fund.....		450,000
20	Student insurance revenue.....		218,600
21	State general fund/general purpose.....	\$	0
22	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
23	Full-time equated classified positions.....	33.0	
24	Professional preparation operations--33.0 FTE		
25	positions	\$	<u>5,679,600</u>
26	GROSS APPROPRIATION.....	\$	5,679,600
27	Appropriated from:		

1	Federal revenues:	
2	Federal revenues.....	1,465,900
3	Special revenue funds:	
4	Certification fees.....	3,623,900
5	Teacher testing fees.....	364,900
6	State general fund/general purpose.....	\$ 224,900
7	Sec. 108. MICHIGAN OFFICE OF GREAT START	
8	Full-time equated classified positions.....	\$ 66.0
9	Michigan office of great start operations--65.0 FTE	
10	positions	24,598,400
11	Head start collaboration office--1.0 FTE position....	310,600
12	Child development and care external support	28,368,900
13	Child development care public assistance	<u>163,566,100</u>
14	GROSS APPROPRIATION.....	\$ 216,844,000
15	Appropriated from:	
16	Federal revenues:	
17	Federal revenues.....	176,526,100
18	Special revenue funds:	
19	Private foundations.....	250,000
20	Certification fees.....	64,600
21	State general fund/general purpose.....	\$ 40,003,300
22	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
23	Full-time equated classified positions..... 11.5	
24	State aid and school finance operations--11.5 FTE	
25	positions	\$ <u>1,648,600</u>
26	GROSS APPROPRIATION.....	\$ 1,648,600
27	Appropriated from:	

1	State general fund/general purpose	\$	1,648,600
2	Sec. 110. AUDIT SERVICES		
3	Full-time equated classified positions	4.5	
4	Audit operations--4.5 FTE positions	\$	<u>615,300</u>
5	GROSS APPROPRIATION	\$	615,300
6	Appropriated from:		
7	Federal revenues:		
8	Federal indirect funds		488,800
9	Special revenue funds:		
10	Certification fees		62,500
11	State general fund/general purpose	\$	64,000
12	Sec. 111. ADMINISTRATIVE LAW SERVICES		
13	Full-time equated classified positions	2.0	
14	Administrative law operations--2.0 FTE positions	\$	<u>1,375,400</u>
15	GROSS APPROPRIATION	\$	1,375,400
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues		568,000
19	Special revenue funds:		
20	Certification fees		707,700
21	State general fund/general purpose	\$	99,700
22	Sec. 112. ACCOUNTABILITY SERVICES		
23	Full-time equated classified positions	64.6	
24	Accountability services operations--64.6 FTE positions	\$	<u>14,666,300</u>
25	GROSS APPROPRIATION	\$	14,666,300
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues.....	12,517,200
2	State general fund/general purpose.....	\$ 2,149,100
3	Sec. 113. SCHOOL SUPPORT SERVICES	
4	Full-time equated classified positions.....	83.6
5	School support services operations--83.6 FTE positions	\$ <u>15,571,200</u>
6	GROSS APPROPRIATION.....	\$ 15,571,200
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues.....	14,522,300
10	Special revenue funds:	
11	Local school district service fees.....	11,700
12	Commodity distribution fees.....	71,700
13	Certification fees.....	87,600
14	State general fund/general purpose.....	\$ 877,900
15	Sec. 114. FIELD SERVICES	
16	Full-time equated classified positions.....	47.0
17	Field services operations--47.0 FTE positions	\$ <u>9,400,800</u>
18	GROSS APPROPRIATION.....	\$ 9,400,800
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues.....	8,636,300
22	Special revenue funds:	
23	Certification fees.....	37,300
24	State general fund/general purpose.....	\$ 727,200
25	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
26	SERVICES	
27	Full-time equated classified positions.....	44.7

1	Educational improvement and innovation	
2	operations--44.7 FTE positions.....	\$ <u>9,010,100</u>
3	GROSS APPROPRIATION.....	\$ 9,010,100
4	Appropriated from:	
5	Federal revenues:	
6	Federal revenues.....	5,898,200
7	Special revenue funds:	
8	Certification fees.....	565,100
9	State general fund/general purpose.....	\$ 2,546,800
10	Sec. 116. CAREER AND TECHNICAL EDUCATION	
11	Full-time equated classified positions..... 29.0	
12	Career and technical education operations--29.0 FTE	
13	positions	\$ <u>5,252,700</u>
14	GROSS APPROPRIATION.....	\$ 5,252,700
15	Appropriated from:	
16	Federal revenues:	
17	Federal revenues.....	3,904,900
18	State general fund/general purpose.....	\$ 1,347,800
19	Sec. 117. LIBRARY OF MICHIGAN	
20	Full-time equated classified positions..... 33.0	
21	Library of Michigan operations--31.0 FTE positions ...	\$ 4,826,400
22	Library services and technology program--1.0 FTE	
23	position	5,611,400
24	State aid to libraries.....	12,726,000
25	Michigan eLibrary--1.0 FTE position.....	1,753,100
26	Renaissance zone reimbursements.....	<u>3,300,000</u>
27	GROSS APPROPRIATION.....	\$ 28,216,900

1	Appropriated from:	
2	Federal revenues:	
3	IMLS, library services and technology act	5,611,400
4	Special revenue funds:	
5	Library fees	300,000
6	State general fund/general purpose	\$ 22,305,500
7	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	
8	Full-time equated classified positions	17.0
9	School reform office operations--17.0 FTE positions ..	\$ <u>2,621,200</u>
10	GROSS APPROPRIATION	\$ 2,621,200
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues	630,200
14	Special revenue funds:	
15	Certification fees	241,000
16	State general fund/general purpose	\$ 1,750,000
17	Sec. 119. PARTNERSHIP DISTRICT SUPPORT	
18	Full-time equated classified positions	4.0
19	Partnership district support operations--4.0 FTE	
20	positions	\$ 100
21	Academic early warning and intervention	<u>641,700</u>
22	GROSS APPROPRIATION	\$ 641,800
23	Appropriated from:	
24	State general fund/general purpose	\$ 641,800
25	Sec. 120. ONE-TIME BASIS ONLY APPROPRIATIONS	
26	Drinking water declaration of emergency	\$ <u>100</u>
27	GROSS APPROPRIATION	\$ 100

5 PART 2

6 PROVISIONS CONCERNING APPROPRIATIONS

7 FOR FISCAL YEAR 2017-2018

9 Sec. 201. Pursuant to section 30 of article IX of the state
0 constitution of 1963, total state spending from state resources
1 under part 1 for fiscal year 2017-2018 is \$89,603,300.00 and state
2 spending from state resources to be paid to local units of
3 government for fiscal year 2017-2018 is \$16,026,000.00. The
4 itemized statement below identifies appropriations from which
5 spending to local units of government will occur:

7	State aid to libraries.....	\$	12,726,000
8	Renaissance zone reimbursements.....		<u>3,300,000</u>
9	Total department of education.....	\$	16,026,000

Sec. 202. The appropriations authorized under this part and
part 1 are subject to the management and budget act, 1984 PA 431,
MCL 18.1101 to 18.1594.

4 (a) "ACT" means the American College Testing Corporation.

15 (b) "Department" means the Michigan department of education.

1 (c) "District" means a local school district as defined in
2 section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a
3 public school academy as defined in section 5 of the revised school
4 code, 1976 PA 451, MCL 380.5.

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

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

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

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

1 depressed and deprived communities for services, supplies, or both.

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

12 (a) The dates of each travel occurrence.

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

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

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

1 projected year-end general fund/general purpose appropriation
2 lapses by major departmental program or program areas. The report
3 shall be transmitted to the chairpersons of the senate and house
4 appropriations committees and the senate and house fiscal agencies.

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

11 (2) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$700,000.00 for state
13 restricted contingency funds. These funds are not available for
14 expenditure until they have been transferred to another line item
15 in part 1 under section 393(2) of the management and budget act,
16 1984 PA 431, MCL 18.1393.

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

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

1 MCL 18.1393.

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

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

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

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

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

13 (e) Job specifications and wage rates.

14 Sec. 212. Within 14 days after the release of the executive
15 budget recommendation, the department shall cooperate with the
16 state budget office to provide the senate and house appropriations
17 chairpersons, the chairpersons of the senate and house
18 appropriations subcommittees responsible for the department budget,
19 and the senate and house fiscal agencies with an annual report on
20 estimated state restricted fund balances, state restricted fund
21 projected revenues, and state restricted fund expenditures for the
22 fiscal years ending September 30, 2017 and September 30, 2018.

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

27 Sec. 214. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2018 are estimated at \$15,429,100.00. From this amount, total
3 agency appropriations for pension-related legacy costs are
4 estimated at \$7,939,900.00. Total agency appropriations for retiree
5 health care legacy costs are estimated at \$7,489,200.00.

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

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

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

25 Sec. 219. From the funds appropriated in part 1, the
26 department shall ensure that kindergarten benchmark data include a
27 method for information to be provided regarding a child's

1 participation in the great start readiness program.

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

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

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

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

24 Sec. 226. From the funds appropriated in part 1, the
25 department shall coordinate with the other departments to
26 streamline state services and resources, reduce duplication, and
27 increase efficiency. This includes, but is not limited to, working

1 with the department of technology, management, and budget to
2 coordinate with the school reform office, working with the
3 department of treasury to coordinate with the financial
4 independence team and overseeing deficit districts, and working
5 with the department of health and human services and department of
6 licensing and regulatory affairs to coordinate with early childhood
7 programs and overseeing child care providers.

8 Sec. 227. (1) The department shall provide data requested by a
9 member of the legislature, his or her staff, or the house and
10 senate fiscal agencies in a timely manner. If the department fails
11 to provide reasonably requested data within 30 days after the
12 request, the state money appropriated in part 1 for state
13 board/superintendent operations shall be reduced by 1%.

14 (2) If the department fails to provide to the legislature
15 reports and other data required by boilerplate or statute within 30
16 days after the date the information is due, the state money
17 appropriated in part 1 for state board/superintendent operations
18 shall be reduced by 1%.

19 Sec. 229. The department shall not enter into a contract
20 funded under part 1 that exceeds \$1,000,000.00, submit federal
21 accountability plans, or request amendments to federal
22 accountability plans until after notification of the content to
23 both the house and senate appropriations committees and the state
24 budget director.

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

26 Sec. 301. (1) The appropriations in part 1 may be used for per

1 diem payments to the state board for meetings at which a quorum is
2 present or for performing official business authorized by the state
3 board. The per diem payments shall be at a rate as follows:

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

5 (b) State board of education - member other than president -
6 \$100.00 per day.

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

9 Sec. 302. From the amount appropriated in part 1 to the state
10 board of education, not more than \$35,000.00 shall be expended in
11 the current fiscal year for in-state travel and out-of-state travel
12 directly related to the duties of the state board of education.

13 **CENTRAL SUPPORT**

14 Sec. 325. Within 10 days of the receipt of a grant
15 appropriated in the federal and private grants line item in part 1,
16 the department shall notify the house and senate chairpersons of
17 the appropriations subcommittees responsible for the department
18 budget, the house and senate fiscal agencies, and the state budget
19 director of the receipt of the grant, including the funding source,
20 purpose, and amount of the grant.

21 **SPECIAL EDUCATION SERVICES**

22 Sec. 350. From the funds in part 1 for special education
23 operations, the department shall perform the following activities:

24 (a) Design and distribute to all parents of a newly identified
25 student with a disability information about federal and state

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

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

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

18 Sec. 401. The employees at the Michigan Schools for the Deaf
19 and Blind who work on a school-year basis are considered annual
20 employees for purposes of service credits, retirement, and
21 insurance benefits.

22 Sec. 402. For each student enrolled at the Michigan Schools
23 for the Deaf and Blind, the department shall assess the
24 intermediate school district of residence 100% of the cost of
25 operating the student's instructional program. The amount shall
26 exclude room and board related costs and the cost of weekend

1 transportation between the school and the student's home.

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

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

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

16 Sec. 407. Revenue received by the Michigan Schools for the
17 Deaf and Blind from gifts, bequests, donations, and local district
18 service fees that is unexpended at the end of the state fiscal year
19 may be carried over to the succeeding fiscal year and shall not
20 revert to the general fund.

21 Sec. 408. (1) The funds appropriated in part 1 for the low
22 incidence outreach fund are appropriated from money collected by
23 the Michigan Schools for the Deaf and Blind and the low incidence
24 outreach program for providing qualified services and may be used
25 for any expenses necessary to provide the qualified services. Any
26 money that is unexpended at the end of the current fiscal year may
27 be carried forward into the succeeding fiscal year.

1 (2) As used in this section, "qualified services" means
2 document reproduction and services; conducting conferences,
3 workshops, and training classes; and providing specialized
4 equipment, facilities, and software.

5 **PROFESSIONAL PREPARATION SERVICES**

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

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

18 Sec. 503. From the funds appropriated in part 1, the
19 department shall upon request consult with the Michigan Virtual
20 Research Institute and external stakeholders in connection with the
21 department's implementation and administration of professional
22 development training described in section 35a of the state school
23 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
24 limited to, the online training of educators of pupils in grades K
25 to 3 described in that section.

26 Sec. 506. Revenue received from teacher testing fees that is

unexpended at the end of the current fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

Sec. 507. From the funds appropriated in part 1, the department shall adopt a teacher certification test that ensures that all newly certified elementary teachers have the skills to deliver evidence-based literacy instruction. The department may use teacher certification or teacher testing fee revenue to the extent allowable under law to implement this section, or may pass along increased testing fees to teachers as allowable and appropriate.

FIELD SERVICES

Sec. 701. (1) From the funds appropriated in part 1 for field services operations, the department shall produce a report detailing the progress made by districts with grades K to 3 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school fiscal year for grades 4 to 8, and in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 3.

(2) The report described in subsection (1) shall include, at a minimum:

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

1 (b) A list of districts determined by the department to have
2 successfully implemented multitiered systems of supports and
3 reading intervention programs.

4 (c) A list of best practices that the department has
5 identified that may be used by districts to implement multitiered
6 systems of supports and reading intervention programs.

7 (d) Other information the department determines would be
8 useful to understanding the status of districts' implementation of
9 effective multitiered systems of supports and reading intervention
10 programs.

11 (3) The department shall provide the report described in
12 subsection (1) to the state budget director, the house and senate
13 subcommittees that oversee the department of education and school
14 aid budgets, and the house and senate fiscal agencies by September
15 30, 2017.

16 **LIBRARY OF MICHIGAN**

17 Sec. 801. (1) The funds appropriated in part 1 for library
18 fees are appropriated from money collected by the Library of
19 Michigan for providing qualified services and may be used for any
20 expenses necessary to provide the qualified services. Any money
21 that is unexpended at the end of the current fiscal year may be
22 carried forward into the succeeding fiscal year.

23 (2) As used in this section, "qualified services" means
24 document reproduction and services; conducting conferences,
25 workshops, and training classes; and providing specialized
26 equipment, facilities, and software.

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

5 Sec. 804. (1) The funds appropriated in part 1 for renaissance
6 zone reimbursements shall be used to reimburse public libraries
7 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
8 MCL 125.2692, for taxes levied in 2017. The allocations shall be
9 made not later than 60 days after the department of treasury
10 certifies to the department and to the state budget director that
11 the department of treasury has received all necessary information
12 to properly determine the amounts due to each eligible recipient.

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

17 **MICHIGAN OFFICE OF GREAT START**

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

24 (a) Total funding appropriated to the Early Childhood
25 Investment Corporation by the state during the previous fiscal
26 year.

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

2 (c) The grant recipients.

3 (d) The activities funded by each grant.

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

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

10 Sec. 1004. (1) From the funds appropriated in part 1 for child
11 development and care public assistance, there is allocated
12 \$23,780,000.00 for the following purposes:

13 (a) For the TEACH scholarship program, \$1,000,000.00 in
14 federal discretionary funds, to ensure that the program gives
15 preference to the following providers:

16 (i) Providers that currently have a great start to quality
17 star rating or are in the process to receive a star rating.

18 (ii) Providers that are seeking to increase their great start
19 to quality star rating and are only restricted from receiving the
20 increased rating because they lack employees with the proper
21 education level.

22 (b) To increase the provider reimbursement rates under the
23 following guidelines:

24 (i) Increase the reimbursement rate for child care center
25 providers with an empty star rating not more than \$0.50 per hour
26 for each child.

27 (ii) Increase the reimbursement rate for child care center

1 providers with a 1-star or 2-star rating not more than \$1.00 per
2 hour for each child.

3 (iii) Increase the reimbursement rate for child care center
4 providers with a 3-star or 4-star rating not more than \$1.25 per
5 hour for each child.

6 (iv) Increase the reimbursement rate for child care center
7 providers with a 5-star rating not more than \$1.50 per hour for
8 each child.

9 (v) Increase the reimbursement rate for unlicensed infant or
10 toddler providers not more than \$0.25 per hour for each child.

11 (c) If there are any remaining funds, to increase the
12 reimbursement rate for group homes and registered families to the
13 seventy-fifth percentile of the market, while ensuring that
14 increases to empty and lower star ratings are not greater than
15 increases to the higher star ratings.

16 (d) The department shall ensure that the final provider
17 reimbursement rates determined under this section are published on
18 the department and great start to quality webpages by the date that
19 the new rates take effect.

20 Sec. 1005. From the increased funds appropriated in part 1 for
21 child development and care external support, the department shall
22 work with the department of licensing and regulatory affairs to
23 provide fingerprinting services and background checks of employees
24 of child care providers as required under the terms of the federal
25 child care and development block grant.

26 Sec. 1007. (1) From the funds appropriated in part 1 for child
27 development and care - external support, the department shall

1 create progress reports that shall include, but are not limited to,
2 the following:

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

6 (b) How many on-site visits a single licensing consultant has
7 made since the start of the current fiscal year.

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

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

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

19 (2) The progress reports shall be sent to the state budget
20 director, the house and senate subcommittees that oversee the
21 department of education, and the house and senate fiscal agencies
22 by April 1, 2018 and September 30, 2018.

23 Sec. 1008. From the amount appropriated in part 1 for office
24 of great start operations, the department shall work with the
25 department of health and human services to coordinate services
26 provided to families for home visits, reduce duplication of state
27 services and spending, and increase efficiencies including the home

visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p.

Sec. 1009. From the funds appropriated in part 1 for child development and care public assistance, there is allocated \$5,800,000.00 to raise the entrance threshold of the child development and care program from 125% of the federal poverty guidelines to 130% of the federal poverty guidelines.

ACCOUNTABILITY SERVICES

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

PARTNERSHIP DISTRICT SUPPORT

Sec. 1030. The funds appropriated in part 1 for academic early warning and intervention are not available for expenditure by the department unless it identifies and requests a legislative transfer from that budgetary line item to the partnership district support

- 1 line item under section 393(2) of the management and budget act,
- 2 1984 PA 431, MCL 18.1393.