



HOUSE BILL No. 5255

EXECUTIVE BUDGET BILL

December 23, 1993, Introduced by Reps. Oxender, Gilmer and Bobier and referred to the Committee on Appropriations.

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 1995; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of education
2 for the fiscal year ending September 30, 1995, from the funds
3 identified as follows:

1 DEPARTMENT OF EDUCATION

2 APPROPRIATIONS SUMMARY:

3	Full-time equated unclassified positions . . .	6.0	
4	Full-time equated classified positions . . .	930.5	
5	GROSS APPROPRIATION.		\$ 733,837,000
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and		
8	intradepartmental transfers		838,600
9	ADJUSTED GROSS APPROPRIATION		\$ 732,998,400
10	Federal revenues:		
11	Total federal revenues		673,087,300
12	Special revenue funds:		
13	Total local revenues		7,293,200
14	Total private revenues		299,200
15	Total other state restricted revenues		12,436,500
16	State general fund/general purpose		\$ 39,882,200
17	STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT		
18	Full-time equated unclassified positions . . .	6.0	
19	Full-time equated classified positions . . .	15.0	
20	State board of education, per diem payments . . .		\$ 19,400
21	State board of education-5.0 FTE positions . . .		445,200
22	Superintendent of public instruction-1.0		
23	FTE positions		87,300
24	Unclassified positions-5.0 FTE positions . . .		356,100
25	Executive director programs-10.0 FTE positions . .		<u>1,413,200</u>
26	GROSS APPROPRIATION		\$ 2,321,200
27	Appropriated from:		

1 Federal revenues:

2	DED-OESE, ECIA, chapter 2	708,300
3	DED-OPSE, higher education act of 1965,	
4	insured loans	50,500
5	DED-OSERS, handicapped program (IDEA)	66,900
6	DED-OVAE, basic grants to states	106,900

7 Special revenue funds:

8	Legal publications	40,000
9	State general fund/general purpose \$	1,348,600

10 FINANCE, PERSONNEL, AND TENURE ACTIVITIES

11	Full-time equated classified positions 35.0	
12	Finance, personnel, and tenure activities	
13	operations-35.0 FTE positions \$	2,379,800
14	State tenure commission, per diem	<u>11,100</u>
15	GROSS APPROPRIATION \$	2,390,900

16 Appropriated from:

17 Federal revenues:

18	DED-OESE, chapter 1, state administration	96,000
19	DED-OESE, ECIA, chapter 2	256,000
20	DED-OSERS, handicapped program (IDEA)	46,500
21	DAG-FNS, national school lunch	96,100
22	DED-OVAE, basic grants to states	63,700
23	DED-OESE, chapter 1, migrant education	4,700
24	DED-OESE, drug free schools and communities	6,800
25	DED-OSERS, rehabilitation services, basic support	6,100
26	DOL, JTPA	5,600

27 Special revenue funds:

1	Certification fees		41,500
2	State general fund/general purpose	\$	1,767,900
3	CENTRAL SUPPORT		
4	Workers' compensation	\$	322,400
5	Education commission of the states		79,600
6	Rent		7,100
7	Training and orientation workshops		50,000
8	Building occupancy charges - property		
9	management services		<u>1,787,200</u>
10	GROSS APPROPRIATION	\$	2,246,300
11	Appropriated from:		
12	Federal revenues:		
13	DED-OESE, ECIA, chapter 2		83,600
14	DAG-FNS, national school lunch		25,000
15	DAG-FNS, nutrition education and training		4,000
16	DED-OBEMLA, bilingual education		2,000
17	DED-OERI, fund for innovation in education		3,000
18	DED-OERI, national diffusion network		3,000
19	DED-OESE, chapter 1, migrant education		16,900
20	DED-OESE, chapter 1, state administration		43,500
21	DED-OESE, civil rights (national origin)		6,200
22	DED-OESE, civil rights (race)		4,200
23	DED-OESE, civil rights (sex)		7,100
24	DED-OESE, drug free schools		3,500
25	DED-OESE, even start		2,000
26	DED-OESE, mathematics and science administration		10,200
27	DED-OPSE, federal lenders allowance		100,900

1	DED-OPSE, higher education act of 1965,	
2	insured loans.	190,600
3	DED-OSERS, handicapped client assistance	10,800
4	DED-OSERS, handicapped infants and toddlers	9,700
5	DED-OSERS, handicapped program (IDEA)	94,800
6	DED-OSERS, rehabilitation services,	
7	basic support	451,500
8	DED-OSERS, technology assistance program	4,000
9	DED-OVAE, adult education for the homeless	5,900
10	DED-OVAE, adult education, state	
11	administered program.	18,800
12	DED-OVAE, basic grants to states	75,400
13	DED-OVAE, homeless children and youth	13,000
14	DED-OVAE, state councils	8,000
15	DOL, JTPA	17,400
16	HHS-CDC, AIDS education	13,400
17	HHS-SSA, supplemental security income	8,600
18	HHS-SSA, contract for services	7,300
19	National science foundation	8,600
20	National and community service commission	1,500
21	VA, contract	10,100
22	Special revenue funds:	
23	Certification fees	57,000
24	Driver fees	11,500
25	Motorcycle license fees	3,000
26	Private occupational school license fees	3,000
27	Training and orientation workshop fees	50,000

1	State general fund/general purpose	\$	857,300
2	ADMINISTRATIVE SERVICES		
3	Full-time equated classified positions	39.0	
4	Administration services operations-39.0 FTE		
5	positions	\$	<u>1,914,800</u>
6	GROSS APPROPRIATION	\$	1,914,800
7	Appropriated from:		
8	Federal revenues:		
9	DED-OESE, ECIA, chapter 2		265,400
10	DAG-FNS, national school lunch		47,300
11	DED-OPSE, federal lenders allowance		59,100
12	DED-OPSE, higher education act of 1965,		
13	insured loans		56,200
14	Special revenue funds:		
15	School loan exception fees		42,000
16	State general fund/general purpose	\$	1,444,800
17	SCHOOL MANAGEMENT SERVICES		
18	Full-time equated classified positions	44.1	
19	School management operations-41.6 FTE positions .	\$	2,986,700
20	National highway safety		90,000
21	Off-road vehicle safety training-1.5		
22	FTE positions		109,900
23	Child care audit		282,200
24	Surplus commodity distribution expense-1.0		
25	FTE position		<u>117,600</u>
26	GROSS APPROPRIATION	\$	3,586,400
27	Appropriated from:		

1	Federal revenues:		
2	DAG-Commodity supplemental food program	51,000	
3	DAG-FNS, national school lunch	2,388,700	
4	DAG-TEFAP	66,600	
5	DOT-NHTSA, highway safety	90,000	
6	Special revenue funds:		
7	Commodity distribution fees	39,700	
8	Driver fees	441,400	
9	Motorcycle license fees	128,300	
10	Safety education fund	109,900	
11	State general fund/general purpose \$	270,800	
12	OFFICE OF GRANTS AND TECHNOLOGY		
13	Full-time equated classified positions 25.5		
14	Evaluation operations—2.0 FTE positions \$	168,500	
15	Research and information operations—9.5		
16	FTE positions.	687,300	
17	Grants and technology operations—14.0		
18	FTE positions	<u>1,069,200</u>	
19	GROSS APPROPRIATION \$	1,925,000	
20	Appropriated from:		
21	Federal revenues:		
22	DED-OESE, chapter 1, state administration	168,500	
23	DED-OESE, ECIA, chapter 2	1,223,400	
24	National and community service commission	47,600	
25	DED-OERI, national diffusion network	174,900	
26	State general fund/general purpose \$	310,600	
27	OFFICE OF ENRICHMENT AND COMMUNITY SERVICES		

1	Full-time equated classified positions	49.8	
2	Enrichment and community services-49.8		
3	FTE positions	\$	<u>4,027,300</u>
4	GROSS APPROPRIATION	\$	4,027,300
5	Appropriated from:		
6	Federal revenues:		
7	DED-OESE, civil rights (national origin)		218,900
8	DED-OESE, civil rights (race)		247,300
9	DED-OESE, civil rights (sex)		257,900
10	DED-OESE, migrant even start		1,500
11	DED-OESE, chapter 1, migrant education		765,400
12	DED-OESE, chapter 1, state administration		1,750,400
13	DED-OVAE, homeless children and youth		228,500
14	DED-OBEMLA, bilingual education		141,300
15	DED-OBEMLA, emergency immigrant		
16	education assistance		4,400
17	State general fund/general purpose	\$	411,700
18	SCHOOL PROGRAM QUALITY SERVICES		
19	Full-time equated classified positions	79.9	
20	Comprehensive school health-12.1 FTE positions . .	\$	923,500
21	Essential and employability skills assessment-4.0		
22	FTE positions		550,900
23	Michigan accreditation program-6.0		
24	FTE positions		556,900
25	Michigan educational assessment program-9.0		
26	FTE positions		616,400
27	Michigan educational assessment program tests . .		1,151,700

1	School program quality operations-35.6	
2	FTE positions	3,233,800
3	Education reform implementation	2,000,000
4	Endorsed diploma retest	200,000
5	Early childhood education-13.2 FTE positions . . .	1,236,100
6	Proficiency test development	508,700
7	Proficiency test administration	<u>300,000</u>
8	GROSS APPROPRIATION	\$ 11,278,000
9	Appropriated from:	
10	Federal revenues:	
11	DED-OERI, fund for innovation in education	355,700
12	DED-OESE, chapter 1, state administration	99,200
13	DED-OESE, Christa McAuliffe fellowships	2,400
14	DED-OESE, drug free schools and communities . . .	155,200
15	DED-OESE, ECIA, chapter 2	710,600
16	DED-OESE, foreign language assistance	46,700
17	DED-OESE, mathematics and science	
18	administration	414,800
19	DED-OSERS, handicapped preschool incentive	
20	grants	298,900
21	HHS-ACF, at risk child care	50,300
22	HHS-CDC, AIDS education	684,700
23	DAG-FNS, nutrition education and training	186,000
24	DED-OSERS, handicapped infants and toddlers . . .	605,400
25	HHS-OHDS, dependent care block grant	33,000
26	DED-OESE, even start	176,300
27	National science foundation	207,400

1	State general fund/general purpose	\$	7,251,400
2	SPECIAL EDUCATION SERVICES		
3	Full-time equated classified positions	48.1	
4	Special education operations-48.1 FTE positions	\$	<u>3,996,100</u>
5	GROSS APPROPRIATION	\$	3,996,100
6	Appropriated from:		
7	Federal revenues:		
8	DED-OESE, chapter 1, state administration		45,400
9	DED-OSERS, handicapped program (IDEA)		3,578,900
10	HHS-HCFA, medical assistance program,		
11	title XIX		80,000
12	Special revenue funds:		
13	Certification fees		18,300
14	State general fund/general purpose	\$	273,500
15	MICHIGAN SCHOOL FOR THE BLIND		
16	Full-time equated classified positions	105.6	
17	School for the blind operation-103.3		
18	FTE positions	\$	5,010,700
19	Corrections academy lease		299,900
20	Corrections food service		270,100
21	Michigan deaf/blind center-2.3 FTE positions		246,000
22	Private gifts		203,200
23	State employee child care center		<u>90,000</u>
24	GROSS APPROPRIATION	\$	6,119,900
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from corrections academy food service		270,100

1	IDG from corrections academy lease	299,900
2	Federal revenues:	
3	DAG-FNS, national school lunch	21,200
4	DED-OSERS, handicapped children, ECIA	
5	chapter 1	63,300
6	DED-OSERS, handicapped innovative programs	246,000
7	DED-OSERS, handicapped program (IDEA)	200,000
8	Special revenue funds:	
9	Local-cost sharing (schools for blind/deaf)	2,778,200
10	Private-gifts, bequests, and donations	203,200
11	Living and learning resource center - rent	6,000
12	State employee child care center	90,000
13	State general fund/general purpose \$	1,942,000
14	MICHIGAN SCHOOL FOR THE DEAF	
15	Full-time equated classified positions 123.0	
16	School for the deaf operations-123.0 FTE	
17	positions \$	7,421,400
18	Private gifts	<u>50,000</u>
19	GROSS APPROPRIATION \$	7,471,400
20	Appropriated from:	
21	Federal revenues:	
22	DAG-FNS, national school lunch	51,400
23	DED-OSERS, captioned films	14,000
24	DED-OSERS, handicapped children, ECIA	
25	chapter 1	204,600
26	DED-OSERS, handicapped program (IDEA)	261,100
27	DED-OESE, drug free schools and communities	4,000

1 Special revenue funds:

2	Local-cost sharing (schools for blind/deaf) . . .	4,515,000
3	Private-gifts, bequests, and donations	50,000
4	State general fund/general purpose \$	2,371,300

5 CAREER AND TECHNICAL EDUCATION

6	Full-time equated classified positions 45.5	
7	Career and technical education operations-39.5	
8	FTE positions \$	2,745,800
9	Michigan council on vocational education-4.0	
10	FTE positions	334,100
11	Operation graduation oversight-2.0	
12	FTE positions	<u>128,600</u>
13	GROSS APPROPRIATION \$	3,208,500
14	Appropriated from:	

15 Federal revenues:

16	DED-OVAE, basic grants to states	1,906,600
17	DED-OVAE, state councils	334,100

18 Special revenue funds:

19	State general fund/general purpose \$	967,800
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20 HIGHER EDUCATION MANAGEMENT SERVICES

21	Full-time equated classified positions 37.0	
22	Higher education management operations-29.0 FTE	
23	positions \$	2,149,900
24	Office of minority equity-7.0 FTE positions . . .	443,000
25	Mathematics and science program-1.0 FTE position .	<u>118,800</u>
26	GROSS APPROPRIATION \$	2,711,700
27	Appropriated from:	

1 Federal revenues:

2	DED-OESE, mathematics and science administration .	118,800
3	DED-OPSE, higher education act of 1965,	
4	insured loans	929,100
5	DED-OVAE, basic grants to states	686,500
6	VA, contract	106,500

7 Special revenue funds:

8	Certification fees	70,800
9	Private occupational school license fees	146,200
10	State general fund/general purpose \$	653,800

11 TEACHER PREPARATION AND CERTIFICATION SERVICES

12	Full-time equated classified positions 30.0	
13	Teacher certification operations-24.0	
14	FTE positions \$	1,793,100
15	Teacher preparation operations-6.0 FTE positions .	473,000
16	Department of attorney general	<u>40,000</u>
17	GROSS APPROPRIATION \$	2,306,100

18 Appropriated from:

19 Special revenue funds:

20	Certification fees	2,306,100
21	State general fund/general purpose \$	0

22 STUDENT FINANCIAL ASSISTANCE SERVICES

23	Full-time equated classified positions . . . 180.5	
24	Student financial assistance operations-129.0	
25	FTE positions \$	19,943,500
26	Department of attorney general	396,300
27	Department of treasury	5,500,000

1	State direct loan program-51.5 FTE positions . . .	<u>10,536,000</u>
2	GROSS APPROPRIATION	\$ 36,375,800
3	Appropriated from:	
4	Federal revenues:	
5	DED-OPSE, federal lenders allowance	10,582,300
6	DED-OPSE, higher education act of 1965,	
7	insured loans.	24,297,000
8	Special revenue funds:	
9	Private-college work study	46,000
10	MI-CASHE fees	354,400
11	State general fund/general purpose	\$ 1,096,100
12	ADULT EXTENDED LEARNING SERVICES	
13	Full-time equated classified positions	27.0
14	Adult extended learning operations-27.0	
15	FTE positions	\$ <u>2,343,400</u>
16	GROSS APPROPRIATION	\$ 2,343,400
17	Appropriated from:	
18	Federal revenues:	
19	DED-OVAE, adult education, state	
20	administered program	744,100
21	DED-OVAE, adult education for the homeless	162,400
22	DOL, JTPA	755,400
23	VA, contract	511,800
24	Special revenue funds:	
25	Certification fees	32,900
26	State general fund/general purpose	\$ 136,800
27	INFORMATION SERVICE CENTER	

1	Full-time equated classified positions	45.5	
2	Information service center operations-45.5		
3	FTE positions	\$	3,692,000
4	Educational information network		<u>300,000</u>
5	GROSS APPROPRIATION	\$	3,992,000
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from commerce, ADP		174,600
9	Federal revenues:		
10	DAG-FNS, national school lunch		61,800
11	DED-OESE, ECIA, chapter 2		290,300
12	DED-OPSE, federal lenders allowance		227,900
13	DED-OPSE, higher education act of 1965,		
14	insured loans.		54,400
15	DED-OSERS, rehabilitation services,		
16	basic support		786,700
17	Special revenue funds:		
18	Certification fees		239,800
19	Driver fees		10,400
20	State general fund/general purpose	\$	2,146,100
21	GRANTS AND DISTRIBUTIONS		
22	FEDERAL PROGRAMS:		
23	Adult basic education	\$	8,024,100
24	AIDS education grants		100,000
25	Competitive child care and development		450,000
26	Christa McAuliffe grants		77,600
27	DED-OESE, even start		3,326,900

1	Drug free schools grant	14,000,000
2	ECIA, chapter 1	260,000,000
3	ECIA, chapter 1, handicapped	7,589,800
4	ECIA, chapter 1, migrant	12,000,000
5	ECIA, chapter 2, grants	13,480,900
6	Framework grants	1,136,900
7	Foreign language grants	593,600
8	Emergency immigrant	300,000
9	Handicapped infants and toddlers	16,000,000
10	Homeless children and youth	833,000
11	Homeless education grant	400,000
12	Job training partnership act	7,952,700
13	Mathematics and science grants	9,356,000
14	Migrant even start	282,300
15	Pre-school grants (IDEA)	12,136,800
16	School age child care grants	261,700
17	School lunch program-federal share	196,800,000
18	Serve America grants	585,400
19	Special education	1,500,000
20	Special studies	81,300
21	Statewide systemic initiative grant	1,900,000
22	Surplus commodity	2,506,000
23	Systems change for inclusive education	266,400
24	Training personnel for education of	
25	the handicapped.	253,600
26	Vocational education act of 1963	38,507,200

27 STATE PROGRAMS

1	Communities first pilot projects	\$	95,000
2	Driver education		7,250,000
3	School readiness grants		11,753,000
4	Eastern Upper Peninsula telecommunications		125,000
5	National geographic alliance		36,800
6	Motorcycle safety education		750,000
7	Off-road vehicle safety training grant		194,300
8	School lunch program - state share		2,275,600
9	School lunch program - supplemental		
10	state grants		2,032,100
11	State breakfast program		320,300
12	State match-school age child care grants		<u>87,900</u>
13	GROSS APPROPRIATION	\$	635,622,200
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from social services		94,000
17	Federal revenues:		
18	DAG-FNS, national school lunch		196,800,000
19	DAG-TEFAP		2,506,000
20	DED-OBEMLA, emergency immigrant education		
21	assistance		300,000
22	DED-OERI, fund for innovation in education		1,136,900
23	DED-OESE, chapter 1, local educational agencies		260,000,000
24	DED-OESE, chapter 1, migrant education		12,000,000
25	DED-OESE, Christa McAuliffe fellowships		77,600
26	DED-OESE, drug free schools and communities		14,000,000
27	DED-OESE, ECIA, chapter 2		13,480,900

1	DED-OESE, foreign language assistance	593,600
2	DED-OESE, even start	3,326,900
3	DED-OESE, mathematics and science	
4	administration	9,356,000
5	DED-OESE, migrant even start	282,300
6	DED-OSERS, handicapped children, ECIA	
7	chapter 1	7,589,800
8	DED-OSERS, handicapped infants and toddlers . . .	16,000,000
9	DED-OSERS, handicapped preschool	
10	incentive grants	12,136,800
11	DED-OSERS, handicapped program (IDEA)	1,500,000
12	DED-OSERS, handicappers special studies	81,300
13	DED-OSERS, personnel development	253,600
14	DED-OSERS, severely handicapped	266,400
15	DED-OVAE, adult education, state	
16	administered program	8,024,100
17	DED-OVAE, basic grants to states	38,507,200
18	DED-OVAE, adult education for the homeless	400,000
19	DED-OVAE, homeless children and youth	833,000
20	DOL, JTPA	7,952,700
21	HHS-ACF at risk child care	450,000
22	HHS-CDC, AIDS education	100,000
23	HHS-OHDS, dependent care block grant	261,700
24	National science foundation	1,900,000
25	National and community service commission	585,400
26	Special revenue funds:	
27	Driver fees	7,250,000

1	Motorcycle license fees	750,000
2	safety education fund	194,300
3	state general fund/general purpose	\$ 16,631,700

4 GENERAL SECTIONS

5 Sec. 201. (1) In accordance with the provisions of section 30 of
6 article IX of the state constitution of 1963, total state spending in
7 this bill is \$52,318,700.00 and state spending to units of local
8 government is as follows:

9 DEPARTMENT OF EDUCATION

10	State school breakfast program	\$ 320,300
11	School lunch program - state share	2,275,600
12	School lunch program - supplemental	
13	state grants	2,032,100
14	Motorcycle safety	750,000
15	Driver education	7,250,000
16	Total	\$ 12,628,000

17 (2) When it appears to the director of the department that state
18 spending to local units of government will be less than the amount that
19 was projected to be expended for any quarter, the director shall
20 immediately give notice of the approximate shortfall to the department
21 of management and budget, the senate and house appropriations
22 committees, and the senate and house fiscal agencies.

23 Sec. 202. The appropriations made and the expenditures authorized
24 under this act and the departments, agencies, commissions, boards,
25 offices, and programs for which an appropriation is made under this act
26 are subject to the management and budget act, Act No. 431 of the Public
27 Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan

1 Compiled Laws.

2 Sec. 203. As used in this act:

3 (a) "AIDS" means acquired immunodeficiency syndrome.

4 (b) "CDC" means center for disease control.

5 (c) "DAG" means the United States department of agriculture.

6 (d) "DED" means the United States department of education.

7 (e) "Department" means the Michigan department of education.

8 (f) "DOL" means the United States department of labor.

9 (g) "ECIA" means the education consolidation and improvement act.

10 (h) "FNS" means food and nutrition service of the USDA.

11 (i) "HHS" means the United States department of health and human
12 services.

13 (j) "HCFA" means the health care financing administration.

14 (k) "IDEA" means the individuals with disabilities education act.

15 (l) "IDG" means interdepartmental grant.

16 (m) "JTPA" means the job training partnership act.

17 (n) "NHTSA" means the national highway traffic safety
18 administration.

19 (o) "OBEMLA" means office of bilingual education and minority
20 languages affairs.

21 (p) "OERI" means office of educational research and improvement.

22 (q) "OESE" means office of elementary and secondary education.

23 (r) "OHDS" means office of human development services.

24 (s) "OPSE" means office of postsecondary education.

25 (t) "OSERS" means the office of special education rehabilitation
26 service.

27 (u) "OVAE" means office of vocational and adult education.

28 (v) "SSA" means the social security administration.

1 (w) "TEFAP" means the emergency food assistance program.

2 (x) "USDA" means the United States department of agriculture.

3 (y) "VA" means the United States veterans administration.

4 Sec. 204. A position created under this act that is fully funded
5 by federal funds shall not be continued as a state funded position when
6 the federal funds are discontinued or reduced to the point that the
7 federal funds will not sustain the position 100%.

8 Sec. 205. The department may carry into the succeeding fiscal
9 year unexpended federal pass-through funds to local institutions and
10 governments that do not require additional state matching funds.
11 Federal pass-through funds to local institutions and governments that
12 are received in amounts in addition to those included in section 101
13 and that do not require additional state matching funds are
14 appropriated for the purposes intended.

15 Sec. 206. (1) Beginning October 1, 1994, there shall be a hiring
16 freeze imposed on the state classified civil service. State
17 departments and agencies shall be prohibited from hiring any new
18 full-time state classified civil service employees and prohibited from
19 filling any vacant state classified civil service positions. This
20 hiring freeze does not apply to internal transfers from one position to
21 another within a department or to positions that are funded 80% or more
22 from federal or restricted funds.

23 (2) The director of the department of management and budget shall
24 grant exceptions to this hiring freeze when the director believes that
25 such a hiring freeze will result in rendering a state department or
26 agency unable to deliver basic services. The director of the
27 department of management and budget shall report by the fifteenth of
28 each month to the chairpersons of the senate and house appropriations

1 committees the number of exclusions to the hiring freeze approved
2 during the previous month and the reasons to justify the exclusion.

3 Sec. 207. (1) The department shall provide the department of
4 management and budget and the senate and house fiscal agencies with
5 copies of the state board of education agenda and all supporting
6 documents at the time the agenda and supporting documents are provided
7 to state board of education members.

8 (2) The department shall furnish budget development documentation
9 to the department of management and budget as required by section 331
10 of the management and budget act, Act No. 431 of the Public Acts of
11 1984, being section 18.1331 of the Michigan Compiled Laws.

12 Sec. 208. The amounts appropriated for utilities and that portion
13 of contractual services, supplies, and materials used to pay for
14 utility service to state facilities in section 101 may be expended in a
15 manner consistent with the provisions of section 253 of the management
16 and budget act, Act 431 of the Public Acts of 1984, being section
17 18.1253 of the Michigan Compiled Laws.

18 Sec. 209. In addition to the funds appropriated in section 101,
19 there is hereby appropriated such federal, local, or private funds as
20 the department may be eligible to receive up to a total of
21 \$20,000,000.00. These funds shall not be available for expenditure
22 unless transferred to a line item in this act in compliance with the
23 applicable provisions of section 393 of the management and budget act,
24 Act 431 of the Public Acts of 1984, being section 18.1393 of the
25 Michigan Compiled Laws.

26 **STATE BOARD/OFFICE OF THE SUPERINTENDENT**

27 Sec. 301. (1) The appropriations in section 101 may be used for
28 per diem payments to members of boards, committees, and commissions for

1 each day's board, committee, or commission work at which a quorum is
 2 present; for attending a hearing as authorized by the respective board,
 3 committee, or commission; or for performing official business as
 4 authorized by the respective board, committee, or commission. The per
 5 diem payments shall be at a rate as follows:

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

7 (b) State board of education - member other
 8 than president 100.00 per day

9 (c) State tenure commission - member \$ 50.00 per day

10 (2) A state board of education member shall not be paid a per diem
 11 for more than 24 days per year.

12 (3) The administrative secretary of the state board of education
 13 shall report to the public, the house and senate fiscal agencies, and
 14 the department of management and budget the previous month's expenses
 15 by fund source for members of the state board of education related to
 16 the performance of their responsibilities.

17 Sec. 302. Included in section 101 are funds for the office of
 18 minority equity in postsecondary education. That office shall review
 19 and make recommendations for enhancing the state's progress in
 20 responding to the educational needs of minorities, handicappers, and
 21 women in postsecondary education. The office shall serve as ombudsman
 22 to investigate and resolve reports of barriers to minority success on
 23 state university campuses.

24 Sec. 303. (1) From the amount appropriated in section 101 to the
 25 state board of education, not more than \$27,500.00 shall be expended
 26 for travel.

27 (2) The state board of education shall not expend amounts for
 28 travel appropriated from DED-OVAE, basic grants to states.

1 FINANCE, PERSONNEL, AND TENURE ACTIVITIES

2 Sec. 401. Of the funds appropriated in section 101 for finance,
3 personnel, and tenure activities, there is allocated an amount
4 sufficient to provide 2.0 full-time equated classified positions for
5 the purpose of reviewing school district federal single audits in
6 compliance with OMB circular A-128.

7 SCHOOL PROGRAM QUALITY SERVICES

8 Sec. 501. (1) The contracts provided for in section 101 that
9 relate to the Michigan education assessment program shall be awarded on
10 the basis of competitive bidding. All public school districts in this
11 state shall participate in the tenth grade assessment program.

12 (2) The department shall release the results of the tests at the
13 same time to all private schools and public school districts taking the
14 tests at the same time.

15 Sec. 502. (1) The department shall continue to redevelop tests for
16 use in the essential skills assessment of students in the fourth,
17 seventh, and tenth grades in the areas of language arts and
18 mathematics. The reading and the mathematics tests shall be
19 administered annually in all public school districts.

20 (2) The science test shall be administered annually in all public
21 school districts to students in the fifth, eighth, and eleventh grades.

22 (3) The department shall develop materials to assist local school
23 districts in using and reporting Michigan education assessment program
24 tests results.

25 (4) The general fund allocations in section 101 include funding to
26 provide assessment program tests to nonpublic schools. The department
27 shall notify nonpublic schools that they are eligible to receive the
28 tests without cost to them.

1 Sec. 503. The department shall provide a progress report to the
2 chairs of the house and senate education appropriations subcommittees
3 and the department of management and budget no later than May 15 of
4 each year describing the activities of the department during the
5 previous fiscal year and current status relative to the implementation
6 of sections 1204a, 1277, 1278, and 1280, of Act No. 25 of the Public
7 Acts of 1990, being sections 380.1204a, 380.1277, 380.1278, and
8 380.1280 of the Michigan Compiled Laws.

9 Sec. 504. In order to assist local school districts in
10 establishing in-district schools of choice programs, the department
11 shall do all of the following:

12 (a) Provide technical assistance and administrative support to
13 districts as requested.

14 (b) Disseminate information to districts, the public, and the
15 legislature on the characteristics and outcomes of the various
16 in-district schools of choice plans implemented under this section.

17 (c) Develop guidelines and recommendations for a possible
18 transition to an intermediate district schools of choice program within
19 the boundaries of an intermediate district.

20 Sec. 505. The Michigan employment skills assessment shall be
21 offered to all Michigan school districts. Participation in this
22 component is voluntary. During the 1994-95 school year, participating
23 districts shall offer the program to all students in grades 8 through
24 12. The department shall provide the materials local districts need
25 to implement the program.

26 Sec. 506. The department may contract with a private or nonprofit
27 agency, a college or university, a local school district, an
28 intermediate district, or a combination of those entities, as well as

1 with testing companies, for the development, pilot-testing, and
2 implementation of the standards for the Michigan accreditation program.

3 Sec. 507. From the amount appropriated in section 101 for
4 proficiency test development, there is allocated \$508,700.00 for
5 developing the proficiency test required pursuant to this section. Not
6 later than July 31, 1995, the department shall develop and the state
7 board shall approve assessment instruments to determine pupil
8 proficiency in communication arts, mathematics, science, and other
9 subject areas specified by the state board. The assessment instruments
10 shall be based on the state board model core curriculum outcomes.

11 **SPECIAL EDUCATION SERVICES/MSB/MSD PROGRAMS**

12 Sec. 601. The employees at the Michigan school for the blind and
13 the Michigan school for the deaf who work on a school year basis shall
14 be considered annual employees for purposes of service credits,
15 retirement, and insurance benefits.

16 Sec. 602. For each student enrolled at the Michigan school for the
17 blind and the Michigan school for the deaf, the department shall assess
18 the intermediate school district of residence 100% of the cost of
19 operating the student's instructional program. The amount shall exclude
20 room and board related costs and the cost of weekend transportation
21 between the school and the student's home.

22 Sec. 603. (1) The department may assess rent to the department of
23 corrections for Michigan school for the blind space occupied by the
24 corrections staff training academy. The rental rates and all leasing
25 arrangements shall be subject to the approval of the department of
26 management and budget. Amounts received under section 101 for the
27 corrections academy lease program may be expended by the department for
28 operation, maintenance, and renovation expenses associated with the

1 lease space. The balance of the unexpended and unencumbered funds
2 shall revert to the general fund.

3 (2) In addition, the department may receive and expend funds in
4 addition to those authorized in section 101 for the rental of
5 facilities at the Michigan school for the blind to private or publicly
6 funded organizations.

7 Sec. 604. The department shall assess rent to the state employee
8 child care center for the rental of space it occupies at the Michigan
9 school for the blind. The rental rates and all leasing arrangements
10 shall be subject to the approval of the department of management and
11 budget. Amounts received under section 101 for the child care center
12 may be expended by the department for the operation, maintenance, and
13 renovation of the leased space.

14 Sec. 605. From the funds appropriated in section 101 for salaries,
15 wages, and fringe benefits for employees of the school for the blind,
16 not more than 1% may be expended to cover the costs of salaries, wages,
17 and fringe benefits for time necessary to prepare for the opening and
18 closing of camp Tuhsmeheeta for summer activities.

19 Sec. 606. Proceeds from the sale of surplus property and
20 facilities at the Michigan school for the deaf are hereby appropriated
21 for the purposes of repairs, renovations, and maintenance of the
22 school's campus. Any unexpended and unencumbered funds remaining on
23 September 30, 1995 from such proceeds shall be carried forward as a
24 work project for the purposes of repairs, renovations, and maintenance
25 of the school's campus at a total estimated cost not to exceed the
26 proceeds of the sales. The work is to be completed by September 30,
27 1997.

28 Sec. 607. The department is authorized to assist the department

1 of social services, other departments, and local school districts
2 secure reimbursement for eligible services provided in Michigan schools
3 from the federal medicaid program. The department may submit reports
4 of direct expenses related to this effort to the department of social
5 services for reimbursement.

6 **TEACHER PREPARATION AND CERTIFICATION SERVICES/HIGHER EDUCATION**

7 **MANAGEMENT SERVICES**

8 Sec. 701. From the funds appropriated in section 101 for teacher
9 preparation and certification services, the department shall expend the
10 funds to provide 1 full-time equated classified position to handle the
11 professional personnel register and certificate revocation/felony
12 conviction files.

13 Sec. 702. Not later than November 30, 1994, the department shall
14 submit to the senate and house appropriations subcommittees respon-
15 sible for the department's budget, the senate and house fiscal
16 agencies, and the department of management and budget, a report on the
17 status of activities to meet the requirements of section 1531 of the
18 school code of 1976, Act No. 451 of the Public Acts of 1976, being
19 section 380.1531 of the Michigan Compiled Laws, relating to teacher
20 test development, validation, and implementation.

21 Sec. 703. In addition to the funds appropriated in section 101,
22 the department is authorized to receive and expend additional revenues
23 which might result from the enactment of legislation increasing fees
24 for the regulation of private occupational schools. The department
25 shall submit a spending plan for approval by the department of
26 management and budget prior to expending such additional funds.

27 **VOCATIONAL-TECHNICAL EDUCATION SERVICES/ADULT EXTENDED LEARNING**

28 **SERVICES**

1 Sec. 801. The department may contract responsibility to an
2 intermediate school district to operate the Michigan occupational
3 information system and allow the intermediate school district to charge
4 local users for the services.

5 Sec. 802. The department may enter into an agreement with the
6 Michigan jobs commission established by Executive Order 1993-3 to
7 receive federal JOBS administrative funds for costs related to
8 administering the EDGE program. The department may not allot or expend
9 these funds until a spending plan has been submitted to and approved by
10 the department of management and budget.

11 **INFORMATION SERVICE CENTER/STUDENT FINANCIAL ASSISTANCE SERVICES**

12 Sec. 901. From the general fund/general purpose appropriation in
13 section 101, there is allocated \$300,000.00 for a pilot project to
14 establish an educational information network by linking electronically
15 a number of intermediate school districts with the department in order
16 to collect and disseminate information. It is the intent of the pilot
17 project to develop the technology and skills necessary to link
18 intermediate school districts with local school districts, forming a
19 statewide network. The funds shall be used for equipment for
20 intermediate school districts, staff training, and the administration
21 of the educational information network.

22 Sec. 902. In addition to the funds appropriated in section 101,
23 the department may utilize collections from defaulted loans in the
24 Martin Luther King, Jr.-Cesar Chavez-Rosa Parks program to offset the
25 associated administrative costs of administering the collection
26 program.

27 **GRANTS AND DISTRIBUTIONS**

28 Sec. 1001. As a condition of receiving a grant under this act from

1 the Carl D. Perkins vocational and applied technology education act, 20
2 U.S.C. 2301 et seq., a local school district or intermediate school
3 district shall report all of the following to the department within 30
4 days after an audit exception occurs:

5 (a) The name of the intermediate school district or local school
6 district having the audit exception.

7 (b) The amount in controversy.

8 (c) The steps that are being taken to recover any losses.

9 (d) The corrective measures that are being taken.

10 (e) Any other information relative to an audit exception that the
11 department considers necessary.

12 Sec. 1002. The department shall disburse the funds to a general
13 fund grantee in accordance with the same standards of timing and amount
14 that apply to disbursements made by the department to a federal fund
15 grantee. The disbursement shall be restricted to the minimum amount
16 needed for immediate disbursement by the grantee. The department may
17 waive this section if extenuating circumstances warrant and are
18 substantiated in the grantee's application or other appropriate
19 documentation.

20 Sec. 1003. The funds appropriated in section 101 for school
21 breakfast programs in combination with funds appropriated under the
22 school aid act for school breakfast programs shall be made available to
23 all public school districts as follows:

24 (a) The district participates in the school breakfast program and
25 meets all standards as prescribed by 7 C.F.R. parts 220 and 245 of the
26 USDA regulations.

27 (b) Payment shall be made for each breakfast served meeting
28 standards prescribed in subdivision (a) above.

1 (c) The payment shall be a per meal rate equal to the lesser of
2 the school district's actual cost or 100% of the cost of a breakfast
3 served by an efficiently operated breakfast program, as determined by
4 the department, less any participant's payments, and federal
5 reimbursement.

6 (d) Determination of efficient cost shall be derived from a
7 statistical sampling of statewide and regional cost as reported in a
8 manner approved by the department for the preceding school year.

9 Sec. 1004. The funds appropriated in section 101 for drug-free
10 schools and communities shall be expended to provide for technical
11 assistance and to provide grants to, or contracts with, local school
12 districts, intermediate school districts, and community agencies for
13 the provision of K-12 school drug education and prevention
14 programming, and related parent education programs and other drug
15 education prevention programming consistent with federal requirements
16 and the state's application approved by the United States department of
17 education for funding under part B of the amended drug-free schools and
18 communities act of 1986, title V of the elementary and secondary
19 education act of 1965, Public Law 89-10, 20 U.S.C. 3191 to 3197.

20 Sec. 1005. (1) The funds appropriated in section 101 for school
21 readiness grants shall be made available through a competitive
22 application process as follows:

23 (a) An applicant may be any public or private nonprofit legal
24 entity or agency other than a local or intermediate school district
25 except a local or intermediate school district acting as a fiscal agent
26 for a child caring organization regulated under Act No. 116 of the
27 Public Acts of 1973, being sections 722.111 to 722.128 of the Michigan
28 Compiled Laws.

1 (b) Applications shall be submitted in a form and manner as
2 required by the department.

3 (c) Applications shall be reviewed by a diverse interagency
4 committee composed of representatives of the department, appropriate
5 community, volunteer, social service agencies and organizations, and
6 parents.

7 (d) The recommendation for awarding of grants by the state board
8 of education to applicants shall be based upon meeting the following
9 criteria:

10 (i) Compliance with standards for early childhood development
11 consistent with programs for 4-year-olds, as approved by the state
12 board of education.

13 (ii) Employment of teachers possessing proper training in early
14 childhood development, including an early childhood (2A) endorsement
15 and/or child development associate, and trained support staff.

16 (iii) Evidence of collaboration with the community of providers in
17 early childhood development programs including documentation of the
18 total number of children in the community who would meet the criteria
19 established in subparagraph (v), and who are being served by other
20 providers, and the number of children who will remain unserved by other
21 community early childhood programs if this program is funded.

22 (iv) The extent to which these funds will supplement other
23 federal, state, local, or private funds.

24 (v) The extent to which these funds will be targeted to children
25 who will be at least 4, but less than 5 years of age as of December 1
26 of the year in which the programs are offered and who show evidence of
27 two or more "at risk" factors as defined in the state board of
28 education report entitled, "children at risk" that was adopted by the

1 state board on April 5, 1988.

2 (vi) Inclusion of nutritional services, health screening for
3 participating children, and provision of referral services for families
4 eligible for community social services.

5 (vii) Whether the application contains a comprehensive evaluation
6 plan which includes implementation of all program components required,
7 and an assessment of the gains of children participating in a school
8 readiness preschool program.

9 (e) Applications shall provide for the establishment of a school
10 readiness advisory committee that shall be involved in the planning and
11 evaluation of the program and provides for the involvement of parents
12 and appropriate community, volunteer, and social service agencies and
13 organizations. At least 50% of the committee members shall be parents
14 or legal guardians of current or former program participants. The
15 committee shall do all of the following:

16 (i) Review all referrals for participation in the school
17 readiness program and recommend children for placement.

18 (ii) Review the health screening program for all participants.

19 (iii) Review the nutritional services provided to all
20 participants.

21 (iv) Review the mechanisms in place for the referral of families
22 to community social service agencies, as appropriate.

23 (v) Review the collaboration with and the involvement of
24 appropriate community, volunteer, and social service agencies and
25 organizations in addressing all aspects of education disadvantage.

26 (vi) Review, evaluate, and make recommendations for changes in the
27 school readiness program.

28 (f) The application shall identify the number of participants at

1 least partially supported by fees, the amount of fees collected, and
2 the amount of fees and purposes for which the fees were expended in the
3 previous program year.

4 (2) A grant, when combined with other sources of state revenue
5 for this program, shall not exceed \$3,000.00 per child or the cost of
6 the program.

7 (3) An applicant that received a grant under this section in the
8 1993-94 fiscal year shall receive priority for funding in 1994-95.
9 However, continuation of funding beyond 3 state fiscal years is
10 contingent on the availability of funds and documented evidence of
11 grantee compliance with standards for early childhood development
12 consistent with programs for 4-year-olds, as approved by the state
13 board of education, and with all operational, fiscal, administrative,
14 and other program requirements.

15 (4) An eligible district which indicates that it will offer full
16 day programs in its application shall receive priority in funding over
17 other eligible districts, other than those districts funded under
18 subsection (3).

19 (5) At least 50% of the children participating in the program
20 shall meet the income eligibility criteria for free and reduced price
21 lunch as determined under the national school lunch act, chapter 281,
22 60 stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to
23 1766a, and 1769 to 1769e.

24 (6) The department of education shall promulgate rules to
25 establish a fee schedule based on the ability to pay as follows:

26 (a) A fee equal to 50% of actual costs or \$1,500 per participant,
27 whichever is less, shall be paid by each participant whose family
28 income exceeds 300% of the poverty level for Michigan citizens, as

1 determined by the department. The fee shall be reduced proportionately
2 for participants whose families income is less than 300% of poverty,
3 but more than the low income eligibility criteria for free and reduced
4 price lunch. Participants whose family income is less than the low
5 income eligibility criteria for free and reduced price lunch shall not
6 be charged a fee to participate in the state school readiness preschool
7 program.

8 (b) School readiness grant recipients shall implement the fee
9 schedule for the 1994-95 program year.

10 (c) The department may waive the fee requirement for documented,
11 exceptional conditions in which payment of the fee would cause an undue
12 hardship for a participant.

13 (d) Fees shall be retained by the grant recipient and used
14 exclusively for direct expenses related to school readiness preschool
15 programs.

16 (e) The department shall reduce the per child allocation of state
17 funds provided for in subsection 2 by the amount of fees collected for
18 each participant.

19 Sec. 1006. The department is authorized to transfer funds from
20 other accounts in section 101 into the communities first pilot projects
21 line item in order to support such projects. Such transfers shall be
22 subject to section 393(2) of the management and budget act, Act No. 431
23 of the Public Acts of 1984, being section 18.1393 of the Michigan
24 Compiled Laws.

25 Sec. 1007. From the funds appropriated in section 101, the
26 department shall develop bid specifications for bidding through the
27 department of management and budget for the warehousing and
28 distribution of the United States department of agriculture surplus

1 commodities before the expiration of existing contracts.

2 Sec. 1008. (1) From the funds in section 101 for grants and
3 distributions, federal programs, section 344 of part E of title III of
4 the Carl D. Perkins vocational and applied technology education act,
5 Public Law 88-210, 20 U.S.C. 239b, \$400,000.00 may be allocated by the
6 state board of education to award to an applicant consortium composed
7 of an intermediate school district or a community college or/and K-12
8 district or a combination of an intermediate school district, community
9 college, or K-12 district, in collaboration with the national center
10 for manufacturing sciences to implement mobile manufacturing technology
11 laboratories. The goal of the mobile manufacturing technology
12 laboratories shall be to provide learning opportunities for students to
13 acquire the cognitive skills required to achieve technological
14 literacy. The mobile manufacturing technology laboratories program
15 shall conform to prescribed guidelines governing section 344 of part E
16 of title III of the Carl D. Perkins vocational and applied technology
17 education act, Public Law 88-210, 20 U.S.C. 239b, including serving
18 special target populations.

19 (2) The mobile manufacturing technology laboratories shall be
20 primarily assembled by Michigan based companies. Ownership of the
21 mobile manufacturing technology laboratories shall be vested to the
22 public educational entities composing the consortium.

23 (3) It is the intent of the legislature that these funds shall be
24 used for the purposes specified in subsection (1).