



SENATE BILL No. 1188

September 26, 1996, Introduced by Senators PETERS, CHERRY, BERRYMAN, DE BEAUSSAERT, MILLER, A. SMITH, STALLINGS, HART, BYRUM, V. SMITH, O'BRIEN, CONROY, VAUGHN, KOIVISTO, DINGELL and YOUNG and referred to the Committee on Appropriations.

A bill to amend section 22 of Act No. 270 of the Public Acts of 1984, entitled
"Michigan strategic fund act,"
being section 125.2022 of the Michigan Compiled Laws; and to add chapter 8a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 22 of Act No. 270 of the Public Acts of
2 1984, being section 125.2022 of the Michigan Compiled Laws, is
3 amended and chapter 8a is added to read as follows:

4 Sec. 22. (1) Upon the expiration of 180 days after the
5 effective date of this act, the fund shall succeed to the owner-
6 ship and operation of the economic development fund created by
7 Act No. 70 of the Public Acts of 1982, being sections 125.1901 to
8 125.1934 of the Michigan Compiled Laws. Payments into the
9 economic development fund pursuant to the heritage trust act of

1 1982, Act No. 327 of the Public Acts of 1982, being sections
2 318.421 to 318.434 of the Michigan Compiled Laws, shall continue
3 to be made as provided by that act upon and after the fund suc-
4 ceeds to the ownership and operation of the economic development
5 fund.

6 (2) The fund shall pay into the economic development fund
7 any money appropriated or otherwise provided by this state for
8 the economic development fund and any other money made available
9 to the fund for the economic development fund from any other
10 source, public or private.

11 (3) After the fund succeeds to ownership and operation of
12 the economic development fund, money in the economic development
13 fund shall be utilized to achieve the purposes and objectives of
14 the fund, this act, and other acts related to the fund and shall
15 be expended in the following order of priority:

16 (a) To pay the principal and interest on bonds and notes
17 issued pursuant to section 7 of Act No. 70 of the Public Acts of
18 1982, being section 125.1907 of the Michigan Compiled Laws, as
19 provided in and to the extent authorized by the authorizing reso-
20 lution pledging such funds for payment of such bonds or notes.

21 (b) To pay the principal and interest on bonds and notes
22 issued by the fund, as provided in and to the extent authorized
23 by the authorizing resolution pledging such funds for payment of
24 such bonds or notes.

25 (c) To pay the costs of administration of the authority
26 including the cost of administration of the economic development
27 fund.

1 (d) To make a transfer to any of the accounts or funds
2 created or operated by the fund in such amounts and at such times
3 as the fund shall by resolution determine.

4 (4) After the fund succeeds to ownership and operation of
5 the economic development fund, money previously transferred from
6 the economic development fund to other funds created by Act
7 No. 70 of the Public Acts of 1982 but not yet expended or obli-
8 gated shall be transferred to the economic development fund or to
9 1 or more of the accounts or funds to which a transfer may be
10 made under subsection (3)(d).

11 (5) After the fund succeeds to ownership and operation of
12 the economic development fund, repayments of money expended from
13 a fund created by Act No. 70 of the Public Acts of 1982 shall be
14 made to 1 or more of the accounts or funds to which a transfer
15 may be made under subsection (3)(d), as specified by the fund.

16 (6) Money deposited in the economic development fund from
17 the proceeds of a bond or note of the fund or to which the fund
18 succeeds pledging money directly derived from payments from the
19 heritage trust fund created by Act No. 327 of the Public Acts of
20 1982, shall be utilized by the fund only in carrying out its
21 powers in relation to an economic development project, to an
22 export related transaction pursuant to section 7(r), to an enter-
23 prise eligible to receive financial aid from the research center
24 fund, or to a process, technique, product, or device eligible to
25 receive financial aid from the product development program
26 account.

1 (7) BEGINNING JANUARY 1, 1997, ALL OF THE MONEY THAT IS NOT
2 OTHERWISE ENCUMBERED UNDER THIS ACT AND THAT IS PAID INTO THE
3 FUND SHALL BE ALLOCATED TO THE CENTER FOR PUBLIC SCHOOL TECHNOL-
4 OGY AND INFRASTRUCTURE IMPROVEMENT FOR DEPOSIT INTO THE PUBLIC
5 SCHOOL TECHNOLOGY AND INFRASTRUCTURE IMPROVEMENT FUND DESCRIBED
6 IN CHAPTER 8A.

7 CHAPTER 8A

8 SEC. 88A. (1) THE FUND SHALL ESTABLISH AND OPERATE A CENTER
9 FOR PUBLIC SCHOOL TECHNOLOGY AND INFRASTRUCTURE IMPROVEMENT.

10 (2) AS USED IN THIS CHAPTER:

11 (A) "BOARD" MEANS THE PUBLIC SCHOOL TECHNOLOGY AND INFRA-
12 STRUCTURE IMPROVEMENT ADVISORY BOARD CREATED IN SECTION 88D.

13 (B) "CENTER" MEANS THE CENTER FOR PUBLIC SCHOOL TECHNOLOGY
14 AND INFRASTRUCTURE IMPROVEMENT CREATED IN THIS SECTION.

15 (C) "EDUCATIONAL TECHNOLOGY CURRICULUM PLAN" MEANS A PLAN
16 THAT DETAILS THE LOCAL OR INTERMEDIATE SCHOOL DISTRICT'S NEEDS
17 AND GOALS REGARDING INFRASTRUCTURE IMPROVEMENTS AND TECHNOLOGICAL
18 IMPROVEMENTS. A PLAN SHALL PROVIDE THAT WITH APPROPRIATE FUNDING
19 THERE SHALL BE AT LEAST 1 COMPUTER FOR EVERY 5 STUDENTS WITHIN
20 THAT DISTRICT.

21 (D) "INFRASTRUCTURE IMPROVEMENTS" MEANS THE ACQUISITION,
22 CONSTRUCTION, RECONSTRUCTION, CONVERSION, OR LEASING OF A BUILD-
23 ING USED BY A LOCAL OR INTERMEDIATE SCHOOL DISTRICT, INCLUDING,
24 BUT NOT LIMITED TO, ACQUISITION OF LAND OR INTEREST IN LAND,
25 BUILDINGS, STRUCTURES, OR OTHER PLANNED IMPROVEMENTS THAT MAY
26 INCLUDE MACHINERY AND FURNISHINGS.

1 (E) "PUBLIC SCHOOL TECHNOLOGY AND INFRASTRUCTURE IMPROVEMENT
2 FUND" IS AN ACCOUNT WITHIN THE FUND TO BE USED AS PROVIDED IN
3 THIS CHAPTER.

4 (F) "TECHNOLOGICAL IMPROVEMENTS" MEANS THE PURCHASE, LEAS-
5 ING, AND MAINTENANCE OF COMPUTERS, MODEMS, SCANNERS, PRINTERS,
6 DISTANCE LEARNING SYSTEMS, AUDIO AND VISUAL DATA TRANSMISSION
7 EQUIPMENT, OTHER TECHNOLOGICALLY ADVANCED EQUIPMENT, APPROPRIATE
8 SOFTWARE, AND THE PHYSICAL INFRASTRUCTURE IMPROVEMENTS TO SUPPORT
9 THESE SYSTEMS. TECHNOLOGICAL IMPROVEMENTS INCLUDE THE COSTS OF
10 TRAINING SCHOOL PERSONNEL IN THESE SYSTEMS.

11 SEC. 88B. (1) THE CENTER FOR PUBLIC SCHOOL TECHNOLOGY AND
12 INFRASTRUCTURE IMPROVEMENT SHALL BE FUNDED BY THE PUBLIC SCHOOL
13 TECHNOLOGY AND INFRASTRUCTURE IMPROVEMENT FUND.

14 (2) THE FUND SHALL DEPOSIT INTO THE PUBLIC SCHOOL TECHNOLOGY
15 AND INFRASTRUCTURE IMPROVEMENT FUND ALL MONEY DEDICATED UNDER
16 SECTION 22(7), ALL MONEY APPROPRIATED OR OTHERWISE PROVIDED BY
17 THIS STATE FOR THE CENTER, AND ANY OTHER MONEY MADE AVAILABLE TO
18 THE FUND FOR THE CENTER FROM ANY OTHER SOURCE, PUBLIC OR
19 PRIVATE.

20 SEC. 88C. (1) MONEY IN THE PUBLIC SCHOOL TECHNOLOGY AND
21 INFRASTRUCTURE IMPROVEMENT FUND SHALL BE USED ONLY TO MAKE GRANTS
22 TO LOCAL AND INTERMEDIATE SCHOOL DISTRICTS WITHIN THIS STATE FOR
23 TECHNOLOGY IMPROVEMENTS AND INFRASTRUCTURE IMPROVEMENTS THAT BEN-
24 EFIT PUPILS IN KINDERGARTEN THROUGH FOURTH GRADE.

25 (2) THE FUND SHALL MAKE GRANTS OUT OF THE PUBLIC SCHOOL
26 TECHNOLOGY AND INFRASTRUCTURE IMPROVEMENT FUND ONLY TO LOCAL AND

1 INTERMEDIATE SCHOOL DISTRICTS SELECTED BY THE BOARD UNDER THIS
2 CHAPTER.

3 SEC. 88D. (1) THE PUBLIC SCHOOL TECHNOLOGY AND INFRASTRUC-
4 TURE IMPROVEMENT ADVISORY BOARD IS CREATED WITHIN THE DEPARTMENT
5 OF EDUCATION.

6 (2) THE BOARD SHALL CONSIST OF INDIVIDUALS WITH KNOWLEDGE OR
7 EXPERIENCE IN THE FIELD OF EDUCATION TECHNOLOGY WHO ARE APPOINTED
8 AS FOLLOWS:

9 (A) ONE MEMBER APPOINTED BY THE SPEAKER OF THE HOUSE OF
10 REPRESENTATIVES.

11 (B) ONE MEMBER APPOINTED BY THE MINORITY LEADER OF THE HOUSE
12 OF REPRESENTATIVES.

13 (C) ONE MEMBER APPOINTED BY THE MAJORITY LEADER OF THE
14 SENATE.

15 (D) ONE MEMBER APPOINTED BY THE MINORITY LEADER OF THE
16 SENATE.

17 (E) ALL OF THE FOLLOWING APPOINTED BY THE GOVERNOR WITH THE
18 ADVICE AND CONSENT OF THE SENATE:

19 (i) ONE REPRESENTATIVE OF LOCAL OR INTERMEDIATE SCHOOL
20 DISTRICTS.

21 (ii) ONE REPRESENTATIVE FROM THE PRIVATE SECTOR.

22 (iii) ONE REPRESENTATIVE FROM PUBLIC INSTITUTIONS OF HIGHER
23 EDUCATION.

24 (3) MEMBERS OF THE BOARD SHALL SERVE FOR TERMS OF 4 YEARS OR
25 UNTIL A SUCCESSOR IS APPOINTED, WHICHEVER IS LATER.

1 (4) IF A VACANCY OCCURS ON THE BOARD, THE PERSON WHO
2 APPOINTED THAT PERSON SHALL MAKE AN APPOINTMENT FOR THE UNEXPIRED
3 TERM IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT.

4 (5) A MAJORITY OF THE MEMBERS OF THE BOARD CONSTITUTE A
5 QUORUM FOR THE TRANSACTION OF BUSINESS AT A MEETING OF THE
6 BOARD. ACTION BY THE BOARD SHALL BE BY A MAJORITY OF THE VOTES
7 CAST.

8 (6) THE BUSINESS WHICH THE BOARD MAY PERFORM SHALL BE CON-
9 DUCTED AT A PUBLIC MEETING OF THE BOARD HELD IN COMPLIANCE WITH
10 THE OPEN MEETINGS ACT, ACT NO. 267 OF THE PUBLIC ACTS OF 1976,
11 BEING SECTIONS 15.261 TO 15.275 OF THE MICHIGAN COMPILED LAWS.

12 (7) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF,
13 OR RETAINED BY THE BOARD IN THE PERFORMANCE OF AN OFFICIAL FUNC-
14 TION IS SUBJECT TO THE FREEDOM OF INFORMATION ACT, ACT NO. 442 OF
15 THE PUBLIC ACTS OF 1976, BEING SECTIONS 15.231 TO 15.246 OF THE
16 MICHIGAN COMPILED LAWS.

17 (8) MEMBERS OF THE BOARD SHALL SERVE WITHOUT COMPENSATION.
18 HOWEVER, MEMBERS OF THE BOARD MAY BE REIMBURSED FOR THEIR ACTUAL
19 AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFI-
20 CIAL DUTIES AS MEMBERS OF THE BOARD.

21 SEC. 88E. A LOCAL OR INTERMEDIATE SCHOOL DISTRICT MAY MAKE
22 APPLICATION TO THE BOARD FOR A GRANT FOR TECHNOLOGY IMPROVEMENTS
23 AND INFRASTRUCTURE IMPROVEMENTS. THE APPLICATION SHALL BE IN A
24 FORM AND MANNER PRESCRIBED BY THE BOARD. IN ADDITION TO THE
25 APPLICATION, A LOCAL OR INTERMEDIATE SCHOOL DISTRICT SHALL FILE
26 AN EDUCATIONAL TECHNOLOGY CURRICULUM PLAN FOR THE DISTRICT.

1 SEC. 88F. (1) THE BOARD SHALL RECOMMEND TO THE FUND AND
2 DIRECT THE FUND TO AWARD GRANTS EACH FISCAL YEAR. THE GRANTS
3 SHALL BE AWARDED ON THE BASIS OF NEED AND THE QUALITY AND CONTENT
4 OF THE EDUCATIONAL TECHNOLOGY CURRICULUM PLAN OF THE LOCAL OR
5 INTERMEDIATE SCHOOL DISTRICT.

6 (2) A GRANT TO A LOCAL OR INTERMEDIATE SCHOOL DISTRICT SHALL
7 NOT EXCEED 20% OF THE AVAILABLE MONEY IN THE PUBLIC SCHOOL TECH-
8 NOLOGY AND INFRASTRUCTURE IMPROVEMENT FUND.

9 (3) ALL GRANTS SHALL BE MADE ON THE CONDITION THAT THE LOCAL
10 OR INTERMEDIATE SCHOOL DISTRICT WILL MATCH THE GRANT WITH ITS OWN
11 FUNDS OR FUNDS RAISED FROM THE PRIVATE SECTOR IN THE FOLLOWING
12 AMOUNT:

13 (A) IF THE AMOUNT OF THAT SCHOOL DISTRICT'S FOUNDATION
14 ALLOWANCE IS LESS THAN OR EQUAL TO THE AMOUNT OF THE BASIC FOUN-
15 DATION ALLOWANCE, BOTH AS CALCULATED UNDER SECTION 20 OF THE
16 STATE SCHOOL AID ACT OF 1979, ACT NO. 94 OF THE PUBLIC ACTS OF
17 1979, BEING SECTION 388.1620 OF THE MICHIGAN COMPILED LAWS, AT
18 LEAST 10% OF THE GRANT AMOUNT.

19 (B) IF THE AMOUNT OF THAT SCHOOL DISTRICT'S FOUNDATION
20 ALLOWANCE IS GREATER THAN THE AMOUNT OF THE BASIC FOUNDATION
21 ALLOWANCE, BOTH AS CALCULATED UNDER SECTION 20 OF THE STATE
22 SCHOOL AID ACT OF 1979, ACT NO. 94 OF THE PUBLIC ACTS OF 1979,
23 BEING SECTION 388.1620 OF THE MICHIGAN COMPILED LAWS, AND DOES
24 NOT MEET THE CRITERIA UNDER SUBDIVISION (C), AT LEAST 25% OF THE
25 GRANT AMOUNT.

26 (C) IF THE LOCAL SCHOOL DISTRICT IS ELIGIBLE TO LEVY HOLD
27 HARMLESS MILLAGE UNDER SECTION 1211 OF THE REVISED SCHOOL CODE,

1 ACT NO. 451 OF THE PUBLIC ACTS OF 1976, BEING SECTION 380.1211 OF
2 THE MICHIGAN COMPILED LAWS, AT LEAST 35% OF THE GRANT AMOUNT.

3 (4) A LOCAL OR INTERMEDIATE SCHOOL DISTRICT SHALL NOT
4 RECEIVE MORE THAN 2 GRANTS IN A 5-YEAR PERIOD.

5 (5) A GRANT AWARDED UNDER THIS CHAPTER SHALL MEET ALL THE
6 FOLLOWING:

7 (A) NOT EXCEED 40% OF THE TOTAL STATE SCHOOL AID ALLOCATION
8 FOR THAT FISCAL YEAR TO THAT SCHOOL DISTRICT UNDER THE STATE
9 SCHOOL AID ACT OF 1979, ACT NO. 94 OF THE PUBLIC ACTS OF 1979,
10 BEING SECTIONS 388.1601 TO 388.1772 OF THE MICHIGAN COMPILED
11 LAWS.

12 (B) PROVIDE THAT NOT LESS THAN 10% OF THE GRANT BE USED FOR
13 TRAINING PURPOSES.

14 (C) PROVIDE THAT NOT LESS THAN 10% OF THE GRANT BE USED FOR
15 APPROPRIATE SOFTWARE PURCHASES.

16 (6) TO THE EXTENT PRACTICABLE, ALL GRANTS AWARDED UNDER THIS
17 CHAPTER SHALL BE AWARDED EQUITABLY BETWEEN RURAL AND URBAN LOCAL
18 AND INTERMEDIATE SCHOOL DISTRICTS.