

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4301**

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2000; 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:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of education for the fiscal year ending September 30, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

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1	Private foundations.....	8,000
2	State general fund/general purpose..... \$	2,319,400
3	Sec. 103. CENTRAL SUPPORT	
4	Full-time equated classified positions.....56.2	
5	Central support--47.2 FTE positions..... \$	5,369,500
6	Worker's compensation.....	76,500
7	Education commission of the states.....	92,700
8	Building occupancy charges - property management	
9	services.....	1,285,200
10	Training and orientation workshops.....	100,000
11	Administrative law operations--9.0 FTE positions.....	817,000
12	Terminal leave payments.....	500,000
13	State tenure commission, per diem.....	<u>11,100</u>
14	GROSS APPROPRIATION..... \$	8,252,000
15	Appropriated from:	
16	Interdepartmental grant from consumer and industry	
17	services.....	2,300
18	Interdepartmental grant from Michigan jobs commission	1,200
19	Interdepartmental grant from treasury.....	900
20	Federal revenues:	
21	Federal revenues.....	4,082,200
22	Special revenue funds:	
23	Certification fees.....	139,700
24	Commodity distribution fees.....	4,500
25	Driver fees.....	17,800
26	Local cost sharing.....	60,800

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1	Motorcycle license fees.....	3,500
2	Private occupational school license fees.....	12,800
3	Safety education fund.....	2,100
4	School loan exception fees.....	32,900
5	Teacher testing fees.....	8,000
6	Training and orientation workshop fees.....	100,000
7	State general fund/general purpose..... \$	3,783,300
8	Sec. 104. SCHOOL SUPPORT SERVICES	
9	Full-time equated classified positions.....41.4	
10	School support operations--41.4 FTE positions..... \$	<u>4,872,400</u>
11	GROSS APPROPRIATION..... \$	<u>4,872,400</u>
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues.....	3,892,000
15	Special revenue funds:	
16	Commodity distribution fees.....	41,300
17	Driver fees.....	470,400
18	Motorcycle license fees.....	136,700
19	Safety education fund.....	115,300
20	State general fund/general purpose..... \$	<u>216,700</u>
21	Sec. 105. TECHNOLOGY AND INFORMATION SERVICES	
22	Full-time equated classified positions.....37.2	
23	Technology and information operations--37.2 FTE	
24	positions..... \$	<u>6,421,700</u>
25	GROSS APPROPRIATION..... \$	<u>6,421,700</u>
26	Appropriated from:	

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1	Interdepartmental grant revenues:	
2	Interdepartmental grant from consumer and industry	
3	services.....	402,300
4	Interdepartmental grant from Michigan jobs commission	100,000
5	Interdepartmental grant from treasury.....	100,000
6	Federal revenues:	
7	Federal revenues.....	3,198,000
8	Special revenue funds:	
9	Certification fees.....	250,900
10	Driver fees.....	10,600
11	State general fund/general purpose..... \$	2,359,900
12	Sec. 106. STANDARDS, ASSESSMENT, AND ACCREDITATION SERVICES	
13	Full-time equated classified positions.....44.7	
14	Standards, assessment, and accreditation	
15	operations--44.7 FTE positions..... \$	3,548,300
16	Study of teacher preparation	250,000
16	Test development and administration.....	<u>13,000,000</u>
17	GROSS APPROPRIATION..... \$	<u>16,798,300</u>
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues.....	780,800
21	Special revenue funds:	
22	Michigan merit award trust fund.....	13,000,000
23	State general fund/general purpose..... \$	<u>3,017,500</u>
24	Sec. 107. SPECIAL EDUCATION SERVICES	
25	Full-time equated classified positions.....55.6	
26	Special education operations--55.6 FTE positions..... \$	<u>6,313,800</u>

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1	GROSS APPROPRIATION.....	\$	6,313,800
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		6,150,100
5	Special revenue funds:		
6	Certification fees.....		19,500
7	State general fund/general purpose.....	\$	144,200
8	Sec. 108. LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE		
9	General services.....	\$	<u>1,227,000</u>
10	GROSS APPROPRIATION.....	\$	1,227,000
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	Interdepartmental grant from corrections academy		
14	lease.....		478,000
15	Special revenue funds:		
16	Gifts, bequests, and donations.....		10,000
17	Lansing, Michigan school for the blind rent.....		739,000
18	State general fund/general purpose.....	\$	0
19	Sec. 109. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
20	Full-time equated classified positions.....120.3		
21	Michigan schools for the deaf and blind		
22	operations--117.0 FTE positions.....	\$	10,876,700
23	Technical resource and reproduction center.....		1,100,000
24	Summer institute.....		312,100
25	Michigan deaf/blind center--2.3 FTE positions.....		306,400
26	Camp Tuhsmeheeta--1.0 FTE position.....		250,100

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1	Private gifts - blind.....	90,000
2	Private gifts - deaf.....	<u>50,000</u>
3	GROSS APPROPRIATION.....	\$ 12,985,300
4	Appropriated from:	
5	Federal revenues:	
6	Federal revenues.....	2,420,800
7	Special revenue funds:	
8	Local cost sharing (schools for blind/deaf).....	6,080,900
9	Local school district service fees.....	102,600
10	Gifts, bequests, and donations.....	460,100
11	Student insurance revenue.....	205,100
12	State general fund/general purpose.....	\$ 3,715,800
13	Sec. 110. CAREER, CURRICULUM, ADULT, AND POSTSECONDARY SERVICES	
14	Full-time equated classified positions.....	73.9
15	Career, curriculum, and adult education	
16	operations--51.9 FTE positions.....	\$ 6,327,800
17	Postsecondary operations--22.0 FTE positions.....	<u>2,204,400</u>
18	GROSS APPROPRIATION.....	\$ 8,532,200
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues.....	5,999,900
22	Special revenue funds:	
23	Defaulted loan collection fees.....	100,000
24	Private foundations.....	14,400
25	Private occupational school license fees.....	255,500
26	State general fund/general purpose.....	\$ 2,162,400

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1	Sec. 111. PROFESSIONAL PREPARATION SERVICES		
2	Full-time equated classified positions.....	26.5	
3	Professional preparation operations--	26.5 FTE	
4	positions.....		\$ 3,104,100
5	Teacher quality enhancement.....		2,500,000
6	Department of attorney general.....		<u>50,000</u>
7	GROSS APPROPRIATION.....		\$ 5,654,100
8	Appropriated from:		
9	Federal revenues:		
10	Federal revenues.....		2,716,700
11	Special revenue funds:		
12	Certification fees.....		2,681,900
13	Teacher testing fees.....		255,500
14	State general fund/general purpose.....		\$ 0
15	Sec. 112. FIELD SERVICES		
16	Full-time equated classified positions.....	41.0	
17	Field services operations--	41.0 FTE positions.....	\$ <u>3,922,900</u>
18	GROSS APPROPRIATION.....		\$ 3,922,900
19	Appropriated from:		
20	Federal revenues:		
21	Federal revenues.....		3,511,500
22	State general fund/general purpose.....		\$ 411,400
23	Sec. 113. INNOVATION AND COMMUNITY SERVICES		
24	Full-time equated classified positions.....	29.8	
25	Innovation and community services operations--	29.8	
26	FTE positions.....		\$ <u>3,510,000</u>

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1	GROSS APPROPRIATION.....	\$	3,510,000
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		2,642,100
5	State general fund/general purpose.....	\$	867,900
6	Sec. 114. GRANTS AND DISTRIBUTIONS		
7	FEDERAL PROGRAMS:		
8	Adult basic education.....	\$	10,024,100
9	Acquired immunodeficiency syndrome education grants..		600,000
10	Class size reduction grants.....		50,275,700
11	Competitive child care and development.....		500,000
12	Drug-free schools grant.....		16,758,400
13	Eisenhower mathematics and science grants.....		12,940,000
14	Emergency immigrant.....		1,455,000
15	Gear-up program grants.....		2,000,000
16	Goals 2000 grants.....		17,082,200
17	Handicapped infants and toddlers.....		16,000,000
18	Homeless children and youth.....		1,041,000
19	Job training partnership act.....		7,952,700
20	Michigan charter school subgrant program.....		5,000,000
21	Migrant technology.....		576,300
22	Preschool grants (PL 94-142).....		13,500,000
23	School-age child care grants.....		301,500
24	School lunch program-federal share.....		237,300,000
25	School-to-work.....		1,800,000
26	Serve America grants.....		840,000

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1	Special education.....	20,089,800
2	Statewide systemic initiative grant.....	50,000
3	Surplus commodity.....	2,506,000
4	Technology literacy challenge grants.....	17,784,300
5	Title I, comprehensive school reform.....	5,889,200
6	Title I, disadvantaged children.....	346,000,000
7	Title I, even start.....	5,300,000
8	Title I, migrant.....	12,000,000
9	Title VI, innovative strategies.....	13,480,900
10	Vocational education act of 1963.....	39,500,000
11	STATE PROGRAMS:	
12	Christa McAuliffe grants..... \$	94,800
13	Driver education.....	7,600,000
14	Fast track and first step programs.....	300,000
15	Focus: HOPE.....	681,000
16	Motorcycle safety education.....	867,300
17	National board certification.....	20,000
18	Off-road vehicle safety training grant.....	194,300
19	Reading plan for Michigan grants.....	34,000,000
20	School lunch and breakfast programs.....	6,728,000
21	School readiness grants.....	<u>12,083,000</u>
22	GROSS APPROPRIATION..... \$	921,115,500
23	Appropriated from:	
24	Federal revenues:	
25	DAG-food and nutrition service, national school lunch	237,300,000
26	DAG-the emergency food assistance program.....	2,506,000

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1	DED-grants and contracts service, school-to-work.....	1,800,000
2	DED-OBEMLA, emergency immigrant education assistance.	1,455,000
3	DED-OESE, charter schools.....	5,000,000
4	DED-OESE, class size reduction.....	50,275,700
5	DED-OESE, drug-free schools and communities.....	16,758,400
6	DED-OESE, gear-up.....	2,000,000
7	DED-OESE, goals 2000.....	22,082,200
8	DED-OESE, Eisenhower mathematics and science	
9	administration.....	12,940,000
10	DED-OESE, migrant technology.....	576,300
11	DED-OESE, reading excellence act.....	29,000,000
12	DED-OESE, technology literacy challenge fund.....	17,784,300
13	DED-OESE, title I, comprehensive school reform.....	5,031,900
14	DED-OESE, title I, disadvantaged children.....	346,000,000
15	DED-OESE, title I, even start.....	5,300,000
16	DED-OESE, title I, migrant education.....	12,000,000
17	DED-OESE, title VI, innovative strategies.....	13,480,900
18	DED-OESE, title X, comprehensive school reform.....	857,300
19	DED-OSERS, handicapped infants and toddlers.....	16,000,000
20	DED-OSERS, handicapped preschool incentive grants....	13,500,000
21	DED-OSERS, handicapped program, individuals with dis-	
22	abilities act.....	20,089,800
23	DED-OVAE, adult education, state administered program	10,024,100
24	DED-OVAE, basic grants to states.....	39,500,000
25	DED-OVAE, homeless children and youth.....	1,041,000
26	DOL, job training partnership act.....	7,952,700

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1	Off-road vehicle safety training grant.....	194,300
2	School lunch and breakfast.....	<u>6,728,000</u>
3	TOTAL..... \$	27,492,600

4 (2) If it appears to the principal executive officer of a department
5 or branch that state spending to local units of government will be less
6 than the amount that was projected to be expended under subsection (1),
7 the principal executive officer shall immediately give notice of the
8 approximate shortfall to the state budget director.

9 Sec. 202. The appropriations made and the expenditures authorized
10 under this act and the departments, agencies, commissions, boards,
11 offices, and programs for which an appropriation is made under this act
12 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
13 18.1594.

14 Sec. 203. As used in this act:

15 (a) "DAG" means the United States department of agriculture.

16 (b) "DAG-FCS" means the DAG food and consumer service.

17 (c) "DED" means the United States department of education.

18 (d) "DED-OBEMLA" means the DED office of bilingual education and
19 minority languages affairs.

20 (e) "DED-OERI" means the DED office of educational research and
21 improvement.

22 (f) "DED-OESE" means the DED office of elementary and secondary
23 education.

24 (g) "DED-OPSE" means the DED office of postsecondary education.

25 (h) "DED-OSERS" means the DED office of special education and
26 rehabilitative services.

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1 (i) "DED-OVAE" means the DED office of vocational and adult
2 education.

3 (j) "Department" means the Michigan department of education.

4 (k) "District" means a local school district as defined in section
5 6 of the revised school code, 1976 PA 451, MCL 380.6.

6 (l) "DOL" means the United States department of labor.

7 (m) "DOL-ETA" means the DOL employment and training act.

8 (n) "HHS" means the United States department of health and human
9 services.

10 (o) "HHS-ACF" means the HHS administration for children and
11 families.

12 (p) "HHS-CDCP" means the HHS center for disease control and
13 prevention.

14 (q) "HHS-OHDS" means the HHS office of human development services.

15 (r) "RPM" means reading plan for Michigan.

16 Sec. 204. (1) Beginning October 1, 1999, a hiring freeze is imposed
17 on the state classified civil service. State departments and agencies
18 are prohibited from hiring any new full-time state classified civil serv-
19 ice employees and prohibited from filling any vacant state classified
20 civil service positions. This hiring freeze does not apply to internal
21 transfers of classified employees from 1 position to another within a
22 department or to positions that are funded with 80% or more federal or
23 restricted funds.

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

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1 the chairpersons of the senate and house appropriations committees the
2 number of exceptions to the hiring freeze approved during the previous
3 month and the reasons to justify the exception.

4 Sec. 205. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$20,000,000.00 for federal
6 contingency funds. These funds are not available for expenditure until
7 they have been transferred to another line item in this act under section
8 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

25 Sec. 206. The department of civil service shall bill each depart-
26 ment and agency at the end of the first fiscal quarter the 1% charge
27 authorized by section 5 of article XI of the state constitution of 1963.

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1 Payments shall be made for the total amount of the billings by the end of
2 the second fiscal quarter.

3 Sec. 207. The department may carry into the succeeding fiscal year
4 unexpended federal pass-through funds to local institutions and govern-
5 ments that do not require additional state matching funds. Federal
6 pass-through funds to local institutions and governments that are
7 received in amounts in addition to those included in part 1 and that do
8 not require additional state matching funds are appropriated for the pur-
9 poses intended.

10 Sec. 208. The department shall provide the state budget director
11 and the senate and house fiscal agencies with copies of the state board
12 of education agenda and all supporting documents at the time the agenda
13 and supporting documents are provided to state board of education
14 members.

15 Sec. 209. (1) The department shall submit to the department of man-
16 agement and budget, the house and senate appropriations committees, the
17 house and senate fiscal agencies, and the house and senate standing com-
18 mittees with jurisdiction over technology issues periodic reports on the
19 department's efforts to change the department's computer software and
20 hardware as necessary to perform properly in the year 2000 and beyond.
21 These reports shall identify actual progress in comparison to the
22 department's approved work plan for these efforts.

23 (2) The department may present progress billings to the department
24 of management and budget for the costs incurred in changing computer
25 software and hardware as necessary to perform properly in the year 2000
26 and beyond. At the time progress billings are presented for

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1 reimbursement, the department shall identify and forward as appropriate
2 the funding sources that should support the work performed.

3 Sec. 210. Money appropriated in part 1 shall not be used for the
4 purchase of foreign goods or services when competitively priced and of
5 comparable quality American goods or services are available. By May 1,
6 2000, the department shall submit a report to the state budget director,
7 the speaker and minority leader of the house of representatives, the
8 majority and minority leaders of the senate, and the chairpersons of the
9 house and senate appropriations committees on efforts to comply with this
10 section.

11 Sec. 211. The department shall receive and retain copies of all
12 reports from the appropriations in part 1.

13 Sec. 212. Of the amounts appropriated in part 1 for higher educa-
14 tion management operations, \$250,000.00 of private occupational school
15 license fees shall fund 3.0 FTE positions and related administrative
16 costs of the proprietary schools oversight unit within the department.

17 Sec. 213. Money in the school loan exception fee fund that is unex-
18 pended at the end of the fiscal year shall not revert to the general fund
19 but shall be carried over to the succeeding fiscal year.

20 Sec. 214. (1) The department of management and budget and each
21 principal executive department and agency shall provide to the senate and
22 house of representatives standing committees on appropriations and the
23 senate and house fiscal agencies a monthly report on all personal service
24 contracts awarded without competitive bidding, pricing, or rate-setting.
25 The notification shall include all of the following:

26 (a) The total dollar amount of the contract.

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1 (b) The duration of the contract.

2 (c) The name of the vendor.

3 (d) The type of service to be provided.

4 (2) For personal service contracts of \$100,000.00 or more, the
5 department of management and budget shall provide a monthly report
6 including all of the following:

7 (a) The total dollar amount of the contract.

8 (b) The duration of the contract.

9 (c) The name of the vendor.

10 (d) The type of service to be provided.

11 (3) The department of management and budget shall provide a monthly
12 listing of all bid requests or requests for proposal that were issued.

13 (4) Each principal executive department and agency shall provide a
14 monthly summary listing of information that identifies any authorization
15 for personal service contracts that are provided to the department of
16 civil service pursuant to delegated authority granted to each principal
17 executive department and agency related to personal service contracts.

18 Sec. 215. Sixty days before beginning any effort to privatize, the
19 department shall submit a complete project plan to the appropriate house
20 and senate appropriations subcommittees and the house and senate fiscal
21 agencies. The plan shall include the criteria under which the privatiza-
22 tion initiative will be evaluated. The evaluation shall be completed and
23 submitted to the appropriate house and senate appropriations subcommit-
24 tees and the house and senate fiscal agencies within 30 months.

25 Sec. 216. The department is appropriated an amount not to exceed
26 \$100,000.00 from collection of defaulted loans in the Martin Luther King,

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1 Jr. - Cesar Chavez - Rosa Parks programs to offset costs of
2 administering the loan collections.

3 Sec. 217. (1) From the amount appropriated in part 1 for innovation
4 and community services, \$200,000.00 shall fund 2.0 FTEs and the depart-
5 ment shall establish an office for safe schools within the department.
6 The office for safe schools shall work with local school boards, law
7 enforcement agencies, community leaders, and the office of drug control
8 policy for the prevention of school violence. The office for safe
9 schools shall develop and implement, and serve as coordinator of, a
10 statewide clearinghouse for information, program development, model pro-
11 grams and policies, and technical assistance on school violence
12 prevention.

13 (2) To accomplish its functions under this section, the office for
14 safe schools shall do all of the following:

15 (a) Evaluate the effectiveness of, and make recommendations to local
16 school boards concerning, public school violence prevention programs,
17 including but not limited to programs aimed at reducing the possession of
18 weapons and the incidence of other violent behaviors on school campuses,
19 violence prevention curricula, conflict resolution and peer mediation
20 training, interagency cooperative referral and treatment programs, paren-
21 tal involvement programs, and school safety planning.

22 (b) In consultation with appropriate organizations, develop and dis-
23 tribute to school districts and public school academies a model code of
24 conduct for pupils.

25 (c) Coordinate with the office of drug control policy in the depart-
26 ment of community health to ensure that there is a meaningful linkage
27 between the efforts under this act to provide safe schools and the

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1 initiatives undertaken through that office, including, but not limited
2 to, school districts' safe and drug-free school plans, and to facilitate
3 timely applications for and distribution of available grant money.

4 Sec. 218. (1) In the expenditure of funds appropriated under this
5 act, the department shall take all reasonable steps to ensure that busi-
6 nesses in deprived and depressed communities are given the opportunity to
7 compete for and perform contracts to provide services or supplies, or
8 both, for the department.

9 (2) The department shall strongly encourage firms with which the
10 department contracts to subcontract with businesses in depressed and
11 deprived communities for services or supplies, or both.

12 Sec. 219. The department shall provide a report prepared by the
13 department's internal auditor on the activities of the internal auditor
14 for the prior fiscal year. This report shall include a listing of each
15 audit or investigation performed by the internal auditor pursuant to sec-
16 tions 486(4) and 487 of the management and budget act, 1984 PA 431, MCL
17 18.1486 and 18.1487. The report shall identify the proportion of time
18 spent on each of the statutory responsibilities listed in sections
19 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431,
20 MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activ-
21 ities performed in the internal audit function. The first report shall
22 be due on March 1, 2000 and biennially thereafter beginning on May 1,
23 2001 and shall be submitted to the governor, auditor general, the senate
24 and house appropriations committees, the senate and house fiscal agen-
25 cies, and the director.

26 Sec. 220. The reports required in this act shall be made available
27 to the public primarily through Internet access, unless a printed version

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1 is requested. The department shall provide electronic notification to
2 all legislative offices for specific reports requested by the
3 legislature.

4 Sec. 221. The department shall consult with the attorney general to
5 ensure that the collection of information for the single record student
6 database within the Michigan education information system is done so in
7 compliance with section 444 of subpart 4 of part C of the general educa-
8 tion provisions act, title IV of Public Law 90-247, 20 U.S.C. 1232g, com-
9 monly referred to as the family educational rights and privacy act of
10 1974.

Sec. 222. The department shall require all public school districts
to maintain complete records within the personnel file of a teacher or
school employee of any complaints, investigations, and disciplinary actions
taken against the teacher or employee for sexual misconduct. The records
shall not be destroyed or removed from the teacher's or employee's
personnel file except as required by a court order.

Sec. 223. For fiscal year 1999-2000, the department shall provide
administration for not less than the same number of local sponsors that
participated in the emergency food assistance program under an agreement
that was agreed to by the department for fiscal year 1998-99.

11 STATE BOARD/OFFICE OF THE SUPERINTENDENT

12 Sec. 301. (1) The appropriations in part 1 may be used for per diem
13 payments to members of boards, committees, and commissions for each day's
14 board, committee, or commission work at which a quorum is present; for
15 attending a hearing as authorized by the respective board, committee, or
16 commission; or for performing official business as authorized by the
17 respective board, committee, or commission. The per diem payments shall
18 be at a rate as follows:

- 19 (a) State board of education - president..... \$ 110.00 per day
- 20 (b) State board of education - member other than
- 21 president..... \$ 100.00 per day
- 22 (c) State tenure commission - member..... \$ 50.00 per day

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

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1 (3) The administrative secretary of the state board of education
2 shall report to the public, the senate and house fiscal agencies, and the
3 state budget director the previous quarter's expenses by fund source for
4 members of the state board of education related to the performance of
5 their responsibilities.

6 Sec. 302. (1) From the amount appropriated in part 1 to the state
7 board of education, not more than \$27,500.00 shall be expended for
8 travel.

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

11 Sec. 303. (1) From the amount appropriated in part 1 for innovation
12 and community service, there is allocated \$500,000.00 and 5.0 FTE posi-
13 tions to operate a charter school office to administer charter school
14 legislation and associated regulations, and to coordinate the activities
15 of the department relating to charter schools.

16 (2) From the amount appropriated in part 1 for state
17 board/superintendent operations, there is allocated up to \$250,000.00 to
18 fund an exchange program between teachers in Michigan school districts
19 and public school academies and teachers in Michigan's sister state of
20 Shiga in Japan.

21 **TECHNOLOGY AND INFORMATION SERVICES**

22 Sec. 401. Included in the appropriation for technology and informa-
23 tion services in part 1 is \$50,000.00 to publish and distribute the
24 Michigan school report.

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1 Sec. 402. The department shall coordinate with the Michigan
2 information center on the development of an educational information
3 system.

4 STANDARDS, ASSESSMENT, AND ACCREDITATION SERVICES

5 Sec. 501. (1) From the allocations in part 1 for test development
6 and administration, the department shall provide tests to nonpublic
7 schools and home-schooled students upon request. The department shall
8 notify nonpublic schools that they are eligible to receive the tests
9 without cost to them.

10 (2) The department shall release test results at the same time to
11 all private schools and public school districts taking the tests.

12 (3) From the amount appropriated in section 106 for test development
13 and administration, \$200,000.00 shall be expended to expedite the report-
14 ing of Michigan educational assessment program high school test results
15 and to improve the method of reporting the results to enable pupils to
16 accurately interpret the information. Not later than 6 weeks after the
17 Michigan educational assessment program test results are first published,
18 the department shall submit to the senate and house appropriations com-
19 mittees the method used to report those test results to the school
20 districts.

21 Sec. 502. The funds appropriated in section 106 shall include a
22 fine arts consultant.

23 Sec. 503. If it appears to the director of the department that
24 there is not sufficient revenue to administer the Michigan educational
25 assessment program, the department shall immediately notify the senate

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1 and house appropriations committee. The Michigan educational assessment
2 program tests shall still be administered on a timely basis.

3 Sec. 504. Any deficits in amounts received from the tobacco settle-
4 ment revenue that are appropriated in section 106 for test development
5 and administration from the Michigan merit award trust fund shall be
6 appropriated from the state general fund/general purpose.

 Sec. 505. The funds provided in part 1 for a study of teacher
preparation shall be used by the department to assess the
satisfaction of employing school districts and new teachers with the
preparation they received prior to teaching. The study shall focus
on teachers newly hired to their first teaching job within the past
5 years. It shall be designed to learn from both those hired and
their current employing principal about the quality of preparation
the individuals received. Assessment of quality shall include, but
not be limited to, skills in classroom management and daily lesson
planning, understanding of child development and learning processes,
mastery of subject content, ability to engage in teamwork with other
teachers, and ability to work with parents and other responsible
adults.

 Sec. 506. The department shall establish provisions that
ensure programs resulting in certification of teachers shall count
hours of substitute teaching toward the hours of internship or
practice teaching required.

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

8 Sec. 601. The employees at the Michigan schools for the deaf and
9 blind who work on a school year basis shall be considered annual employ-
10 ees for purposes of service credits, retirement, and insurance benefits.

11 Sec. 602. For each student enrolled at the Michigan schools for the
12 deaf and blind, the department shall assess the intermediate school dis-
13 trict of residence 100% of the cost of operating the student's instruc-
14 tional program. The amount shall exclude room and board related costs
15 and the cost of weekend transportation between the school and the
16 student's home.

17 Sec. 603. (1) The department may assess rent to any state agency
18 for the use of any facility at the Michigan school for the blind's former
19 site in Lansing. The rental rates and all leasing arrangements shall be
20 subject to the approval of the department of management and budget. In
21 addition, the facilities at the Lansing site may also be available for
22 rent to private or publicly funded organizations.

23 (2) In addition to those funds appropriated in part 1, the depart-
24 ment may receive and expend additional funds from lease agreements at the
25 Michigan school for the blind's former site in Lansing that have been

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1 negotiated with the approval of the department of management and budget.
2 These funds are appropriated to the department for operation, mainte-
3 nance, and renovation expenses associated with the leased space.

4 (3) The department shall not rent, lease, or declare as surplus
5 property the superintendent's house on the Michigan school for the
6 blind's former site without prior consent from the house and senate
7 appropriations subcommittees on education. Amounts received under
8 section 108 for general services may be expended by the department for
9 operation, maintenance, and renovation expenses associated with the
10 superintendent's house.

11 (4) Security guards or other patrols at the Michigan school for the
12 blind's former site shall not be funded through section 109 funds appro-
13 priated for the Michigan schools for the deaf and blind.

14 (5) If the department leases real property to a person or organiza-
15 tion that is not a department of state government, the department shall
16 not expend funds in excess of the lease revenue received to replace, ren-
17 ovate, or repair that real property. This section shall not apply to
18 emergency repairs or costs associated with technological renovations.

19 (6) The department shall not lease real property for less than fair
20 market value.

21 Sec. 604. (1) The department may assess rent or lease excess prop-
22 erty located on the campus of the Michigan schools for the deaf and blind
23 in Flint to private or publicly funded organizations.

24 (2) In addition to those funds appropriated in part 1, the depart-
25 ment may receive and expend additional funds from lease agreements at the
26 Michigan schools for the deaf and blind Flint campus that have been
27 negotiated with the approval of the department of management and budget.

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1 These funds are appropriated to the department for the operation,
2 maintenance, and renovation expenses associated with the leased space.

3 (3) Proceeds from the sale of surplus property and facilities at the
4 Michigan schools for the deaf and blind are appropriated for the purposes
5 of repairs, renovations, and maintenance of the Flint campus.

6 (4) The unexpended balances of appropriations for school for deaf
7 and blind operations, and from proceeds of the sale of surplus property
8 and facilities at the Michigan schools for the deaf and blind shall not
9 lapse to the state general fund at the end of the fiscal year. Any unex-
10 pended and unencumbered funds remaining on September 30, 2000 shall be
11 carried forward as a work project or as restricted revenue and expended
12 for special maintenance and repairs of facilities at the campus of the
13 Michigan schools for the deaf and blind in Flint. The work shall be car-
14 ried out by state employees, or by contract as necessary, at an estimated
15 cost of \$250,000.00. The estimated completion date of the work is
16 September 30, 2001.

17 Sec. 605. The department may assist the department of community
18 health, other departments, and local school districts to secure reim-
19 bursement for eligible services provided in Michigan schools from the
20 federal Medicaid program. The department may submit reports of direct
21 expenses related to this effort to the department of community health for
22 reimbursement.

23 Sec. 606. (1) The unexpended balances of appropriations and any
24 surplus restricted revenue for the former school for the blind site in
25 Lansing shall not lapse to the state general fund at the end of the
26 fiscal year. Any unexpended and unencumbered funds remaining on
27 September 30, 2000, shall be carried forward as a work project or as

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1 restricted revenue and expended for special maintenance and repairs of
2 facilities at the former Michigan school for the blind site in Lansing.

3 (2) The work project carried out under this section shall be per-
4 formed by state employees or by contract when necessary at an estimated
5 cost of \$100,000.00. The estimated completion date of the work project
6 is September 30, 2001.

7 Sec. 607. (1) The Michigan schools for the deaf and blind may pro-
8 mote its residential program as a possible appropriate option for chil-
9 dren who are deaf or hard of hearing or who are blind or visually
10 impaired. The Michigan schools for the deaf and blind shall distribute
11 information detailing its services to all intermediate school districts
12 in the state.

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

19 Sec. 608. The department shall report to the house and senate
20 appropriations subcommittees on education detailed information on the
21 expenditures made from the amount authorized in part 1 for general serv-
22 ices for the Michigan school for the blind's former site.

23 Sec. 609. In addition to those funds appropriated in part 1, the
24 department may receive and expend funds from the mid-Michigan academy for
25 capital improvements. These additional funds are appropriated specifi-
26 cally for capital improvements authorized by the department of management
27 and budget and shall be negotiated as part of the lease agreement.

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1 PROFESSIONAL PREPARATION SERVICES

2 Sec. 701. From the funds appropriated in part 1 for professional
3 preparation services, the department shall maintain the professional per-
4 sonnel register and certificate revocation/felony conviction files.

5 GRANTS AND DISTRIBUTIONS

6 Sec. 801. The department shall disburse the funds to a general fund
7 grantee in accordance with the same standards of timing and amount that
8 apply to disbursements made by the department to a federal fund grantee.
9 The disbursement shall be restricted to the minimum amount needed for
10 immediate disbursement by the grantee. The department may waive this
11 section if extenuating circumstances warrant and are substantiated in the
12 grantee's application or other appropriate documentation. A waiver
13 granted pursuant to this section shall not be effective until 15 days
14 after written notice of the proposed waiver is given to the state budget
15 director and the chairpersons of the senate and house appropriations sub-
16 committees having jurisdiction over the department budget.

17 Sec. 802. The funds appropriated in part 1 for school breakfast
18 programs shall be made available to all eligible applicant public school
19 districts and public school academies as follows:

20 (a) The district or public school academy participates in the fed-
21 eral school breakfast program and meets all standards as prescribed by 7
22 C.F.R. parts 220 and 245.

23 (b) Payment is made for each breakfast served meeting standards pre-
24 scribed in subdivision (a).

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1 (c) The payment for a district or public school academy is at a per
2 meal rate equal to the lesser of the district's or public school
3 academy's actual cost, or 100% of the cost of a breakfast served by an
4 efficiently operated breakfast program as determined by the department,
5 less federal reimbursement, participant payments, and other state
6 reimbursement. Determination of efficient cost by the department shall
7 be determined by using a statistical sampling of statewide and regional
8 cost as reported in a manner approved by the department for the preceding
9 school year.

10 (d) The payment determined under subdivision (c) is prorated if the
11 appropriation in part 1 is not sufficient to fund all payments determined
12 under this section.

13 Sec. 803. (1) The funds appropriated in part 1 for school readiness
14 programs shall be made available through a competitive application pro-
15 cess as follows:

16 (a) An applicant may be any public or private nonprofit legal entity
17 or agency other than a local or intermediate school district except a
18 local or intermediate school district acting as a fiscal agent for a
19 child caring organization regulated under 1973 PA 116, MCL 722.111 to
20 722.128.

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

23 (c) Applications shall be reviewed by a diverse interagency commit-
24 tee composed of representatives of the department, appropriate community,
25 volunteer, and social service agencies and organizations, and parents.

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1 (d) Priority in the recommendation for awarding of grants by the
2 state board of education to applicants shall be based upon the following
3 criteria:

4 (i) Compliance with standards for early childhood development con-
5 sistent with programs for 4-year-olds, as approved by the state board of
6 education.

7 (ii) Active and continuous involvement of the parents or guardians
8 of the children participating in the program.

9 (iii) Employment of teachers possessing proper training in early
10 childhood development, including an early childhood (ZA) endorsement or
11 child development associate, and trained support staff.

12 (iv) Evidence of collaboration with the community of providers in
13 early childhood development programs including documentation of the total
14 number of children in the community who would meet the criteria estab-
15 lished in subparagraph (vi), and who are being served by other providers,
16 and the number of children who will remain unserved by other community
17 early childhood programs if this program is funded.

18 (v) The extent to which these funds will supplement other federal,
19 state, local, or private funds.

20 (vi) The extent to which these funds will be targeted to children
21 who will be at least 4, but less than 5, years of age as of December 1 of
22 the year in which the programs are offered and who show evidence of 2 or
23 more "at-risk" factors as defined in the state board of education report
24 entitled, "children at risk" that was adopted by the state board on
25 April 5, 1988.

26 (e) Whether the application contains a comprehensive evaluation plan
27 that includes implementation of all program components required and an

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1 assessment of the gains of children participating in an early childhood
2 development program.

3 (f) Applications shall provide for the establishment of a school
4 readiness advisory committee that shall be involved in the planning and
5 evaluation of the program and provides for the involvement of parents and
6 appropriate community, volunteer, and social service agencies and
7 organizations. There shall be on the committee at least 1 parent or
8 guardian of a program participant for every 18 children enrolled in the
9 program, with a minimum of 2 parent or guardian representatives. The
10 committee shall do all of the following:

11 (i) Review the mechanisms and criteria used to determine referrals
12 for participation in the school readiness program.

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

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

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

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

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

22 (g) More than 50% of the children participating in the program shall
23 meet the income eligibility criteria for free or reduced price lunch, as
24 determined under the national school lunch act, chapter 281, 60
25 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to 1766b,
26 and 1769 to 1769h, or meet income and all other eligibility criteria for

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1 participation in the Michigan family independence agency unified child
2 day care program.

3 (2) Grant awards by the state board of education may be at whatever
4 level the board determines appropriate. A grant, when combined with
5 other sources of state revenue for this program, shall not exceed
6 \$3,100.00 per child or the cost of the program, whichever is less.

7 (3) Except as otherwise provided, an applicant that received a grant
8 under this section in the 1998-1999 fiscal year shall receive priority
9 for funding in 1999-2000. However, continuation of funding is contingent
10 on the availability of funds and documented evidence of grantee compli-
11 ance with standards for early childhood development consistent with pro-
12 grams for 4-year-olds, as approved by the state board of education, and
13 with all operational, fiscal, administrative, and other program
14 requirements. After 3 years of funding, a program that received a grant
15 under this section may reapply for funding, but will compete for avail-
16 able funds with other new programs and other programs also completing
17 their third year of funding under this section. A program which offers
18 supplementary day care and thereby offers full-day programs as part of
19 its early childhood development program shall receive priority in the
20 allocation of these competitive funds.

21 Sec. 804. (1) The reading plan for Michigan (RPM) is a series of
22 elementary education strategies created for the purpose of improving
23 reading skills of K-3 students so that all students are reading at an
24 appropriate grade level prior to the start of the fourth grade. The RPM
25 shall be developed by the department in consultation with the RPM
26 advisory council as created by Executive Order 1998-4.

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1 (2) In order to implement the RPM, the department shall do at least
2 all of the following:

3 (a) Develop a model summer reading program for students who will be
4 attending grades 1 through 4 in the following school year and who have
5 demonstrated the need for additional reading skills training, as evi-
6 denced by standardized test results on tests approved by the department
7 for this purpose. The model reading program shall be in conformance with
8 the national education goals and shall also meet criteria for DED-OESE,
9 Title I program funding.

10 (b) Recommend diagnostic tools and student assessments to local dis-
11 tricts to determine reading readiness and ensure progress in reading
12 skills.

13 (c) Develop and disseminate reading readiness kits to parents of
14 students in preschool and kindergarten to provide parents with informa-
15 tion about how they can prepare their children for reading success.

16 (d) Develop and make available a statewide resource guide of public
17 and private service providers to assist parents in improving their
18 children's reading skills.

19 (3) The funds appropriated in part 1 for the reading plan for
20 Michigan grants shall be allocated by the department on a competitive
21 grant basis to districts, intermediate districts, or consortia of dis-
22 tricts which meet the following criteria:

23 (a) The district must offer a summer reading program based upon the
24 model reading program developed by the department under subsection (2)
25 beginning after the close of the 1998-99 school year.

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1 (b) The district must identify money from other sources available to
2 the district which will be used to support at least 50% of the total
3 costs of the summer reading program.

4 (4) Applications for funding must be submitted to the department no
5 later than December 31, 1999. The department shall notify recipients of
6 the grants no later than March 30, 2000.

7 (5) Not later than the 2002-2003 school year, a pupil shall not be
8 promoted to the next grade level at the end of the school year if the
9 pupil has not met the standards for pupil promotion adopted by the local
10 school district.

11 (6) If any requirement of this section is in conflict with federal
12 law, the federal law will control.

13 Sec. 805. If there is appropriated for fiscal year 1999-2000 not
14 more than \$2,000,000.00 from the general fund/general purpose revenues
15 from the state school aid fund to develop early childhood education pro-
16 grams for children ages 0 to 3, the department shall administer the grant
17 program in accordance with the criteria stated for the early childhood
18 education program in the state school aid act.

19 Sec. 806. From the funds appropriated in part 1 for national board
20 certification, the department shall pay 1/2 of the application fee for
21 teachers who are deemed by the department by March 1, 1999 to be quali-
22 fied to apply to the national board for professional teaching standards
23 for professional teaching certificates or licenses and to provide grants
24 to recognize and reward teachers who receive certification or licensure.

25 Sec. 809. The funds appropriated in part 1 for Focus: HOPE shall
26 be used only for the machinist training institute. Any funds not

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1 expended during the fiscal year 1999-2000 shall carry over to the fiscal
2 year 2000-2001.