

SENATE BILL NO. 363

EXECUTIVE BUDGET BILL

February 23, 1999, Introduced by Senators BENNETT, STEIL, GOUGEON,
GOSCHKA and MC MANUS 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, 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:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this bill, the
4 amounts listed in this part are appropriated for the department of

1 education for the fiscal year ending September 30, 2000, from the funds
2 indicated in this part. The following is a summary of the
3 appropriations in this part:

4 **DEPARTMENT OF EDUCATION**

5 APPROPRIATION SUMMARY:

6 Full-time equated unclassified positions . . . 6.0

7 Full-time equated classified positions . . . 542.6

8 GROSS APPROPRIATION \$ 983,215,900

9 Total interdepartmental grants and

10 intradepartmental transfers 1,056,700

11 ADJUSTED GROSS APPROPRIATION \$ 982,159,200

12 Federal revenues:

13 Total federal revenues 910,165,900

14 Special revenue funds:

15 Total local revenues 6,244,300

16 Total private revenues 587,300

17 Total state restricted revenues 27,294,700

18 State general fund/general purpose \$ 37,867,000

19 **Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

20 Full-time equated unclassified positions . . . 6.0

21 Full-time equated classified positions 16.0

22 State board of education, per diem payments . . . \$ 19,400

23 Unclassified positions 505,500

24 State board/superintendent operations--16.0

25 FTE positions 2,369,500

26 GROSS APPROPRIATION \$ 2,894,400

27 Appropriated from:

28 Federal revenues:

29 Federal revenues 567,000

30 Special revenue funds:

31 Private revenues 8,000

1	State general fund/general purpose	\$	2,319,400
2	Sec. 103. CENTRAL SUPPORT		
3	Full-time equated classified positions	56.2	
4	Central support--47.2 FTE positions	\$	5,369,500
5	Worker's compensation		76,500
6	Education commission of the states		92,700
7	Building occupancy charges - property management		
8	services		1,285,200
9	Training and orientation workshops		100,000
10	Terminal leave payments		500,000
11	State tenure commission, per diem		11,100
12	Administrative law operations--9.0 FTE positions .		<u>817,000</u>
13	GROSS APPROPRIATION	\$	8,252,000
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	Interdepartmental grant from consumer and		
17	industry services		2,300
18	Interdepartmental grant from career development .		1,200
19	Interdepartmental grant from treasury		900
20	Federal revenues:		
21	Federal revenues		4,082,200
22	Special revenue funds:		
23	Local cost sharing		60,800
24	Certification fees		139,700
25	Commodity distribution fees		4,500
26	Driver fees		17,800
27	Motorcycle license fees		3,500
28	Private occupational school license fees		12,800
29	Safety education fund		2,100
30	School loan exception fees		32,900
31	Teacher testing fees		8,000
32	Training and orientation workshop fees		100,000

1	State general fund/general purpose	\$	3,783,300
2	Sec. 104. SCHOOL SUPPORT SERVICES		
3	Full-time equated classified positions	41.4	
4	School support operations--41.4 FTE positions . .	\$	<u>4,847,400</u>
5	GROSS APPROPRIATION	\$	4,847,400
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues		3,879,500
9	Special revenue funds:		
10	Commodity distribution fees		41,300
11	Driver fees		470,400
12	Motorcycle license fees		136,700
13	Safety education fund		115,300
14	State general fund/general purpose	\$	204,200
15	Sec. 105. DATA AND TECHNOLOGY SERVICES		
16	Full-time equated classified positions	37.2	
17	Data and technology operations--37.2 positions . .	\$	<u>6,421,700</u>
18	GROSS APPROPRIATION	\$	6,421,700
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	Interdepartmental grant from consumer and		
22	industry services		402,300
23	Interdepartmental grant from career development .		100,000
24	Interdepartmental grant from treasury		100,000
25	Federal revenues:		
26	Federal revenues		3,198,000
27	Special revenue funds:		
28	Certification fees		250,900
29	Driver fees		10,600
30	State general fund/general purpose	\$	2,359,900
31	Sec. 106. STANDARDS, ASSESSMENT, AND ACCREDITATION SERVICES		

1	Full-time equated classified positions	44.7	
2	Standards, assessment, and accreditation		
3	operations--44.7 FTE positions	\$	3,548,300
4	Test development and administration		<u>13,002,100</u>
5	GROSS APPROPRIATION	\$	16,550,400
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues		780,800
9	Special revenue funds:		
10	Michigan merit award trust fund		13,002,100
11	State general fund/general purpose	\$	2,767,500
12	Sec. 107. SPECIAL EDUCATION SERVICES		
13	Full-time equated classified positions	55.6	
14	Special education operations--55.6 FTE positions .	\$	<u>6,313,800</u>
15	GROSS APPROPRIATION	\$	6,313,800
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues		6,150,100
19	Special revenue funds:		
20	Certification fees		19,500
21	State general fund/general purpose	\$	144,200
22	Sec. 108. LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE		
23	General services	\$	<u>1,227,000</u>
24	GROSS APPROPRIATION	\$	1,227,000
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	Interdepartmental grant from corrections		
28	academy lease		450,000
29	Special revenue funds:		
30	Private gifts, bequests, and donations		10,000
31	Lansing, Michigan school for the blind rent . . .		767,000

1	State general fund/general purpose	\$	0
2	Sec. 109. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
3	Full-time equated classified positions . . .	120.3	
4	Michigan schools for the deaf and blind		
5	operations--117.0 FTE positions	\$	10,876,700
6	Technical resource and reproduction center		1,100,000
7	Summer institute		312,100
8	Michigan deaf/blind center--2.3 FTE positions . .		306,400
9	Camp Tuhsmeheeta - 1.0 FTE position		250,100
10	Private gifts - blind		90,000
11	Private gifts - deaf		<u>50,000</u>
12	GROSS APPROPRIATION	\$	12,985,300
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues		2,420,800
16	Special revenue funds:		
17	Local cost sharing (schools for blind/deaf) . . .		6,080,900
18	Local school district service fees		102,600
19	Private gifts, bequests, and donations		460,100
20	Student insurance revenue		205,100
21	State general fund/general purpose	\$	3,715,800
22	Sec. 110. CAREER, CURRICULUM, AND POSTSECONDARY SERVICES		
23	Full-time equated classified positions	73.9	
24	Career and curriculum operations--51.9 FTE		
25	positions	\$	5,948,000
26	Postsecondary operations--22.0 FTE positions . . .		<u>2,204,400</u>
27	GROSS APPROPRIATION	\$	8,152,400
28	Appropriated from:		
29	Federal revenues:		
30	Federal revenues		5,620,100
31	Special revenue funds:		

1	Private revenues	14,400
2	Defaulted loan collection fees	100,000
3	Private occupational school license fees	255,500
4	State general fund/general purpose \$	2,162,400
5	Sec. 111. PROFESSIONAL PREPARATION SERVICES	
6	Full-time equated classified positions 26.5	
7	Professional preparation operations--	
8	26.5 FTE positions \$	3,104,100
9	Teacher quality enhancement	2,500,000
10	Department of attorney general	<u>50,000</u>
11	GROSS APPROPRIATION \$	5,654,100
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues	2,716,700
15	Special revenue funds:	
16	Certification fees	2,681,900
17	Teacher testing fees	255,500
18	State general fund/general purpose \$	0
19	Sec. 112. FIELD SERVICES	
20	Full-time equated classified positions 41.0	
21	Field services operations--41.0 FTE positions . . \$	<u>3,922,900</u>
22	GROSS APPROPRIATION \$	3,922,900
23	Appropriated from:	
24	Federal revenues:	
25	Federal revenues	3,511,500
26	Special revenue funds:	
27	State general fund/general purpose \$	411,400
28	Sec. 113. INNOVATION AND COMMUNITY SERVICES	
29	Full-time equated classified positions 29.8	
30	Innovation and community services	
31	operations--29.8 FTE positions \$	<u>3,310,000</u>

1	GROSS APPROPRIATION	\$	3,310,000
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues		2,442,100
5	Special revenue funds:		
6	State general fund/general purpose	\$	867,900
7	Sec. 114. GRANTS AND DISTRIBUTIONS		
8	FEDERAL PROGRAMS:		
9	Adult basic education	\$	10,024,100
10	Acquired immunodeficiency syndrome		
11	education grants		600,000
12	Class size reduction grants		50,275,700
13	Competitive child care and development		500,000
14	Drug-free schools grant		16,758,400
15	Eisenhower mathematics and science grants		12,940,000
16	Emergency immigrant		1,455,000
17	Gear-up grants		2,000,000
18	Goals 2000 grants		17,082,200
19	Handicapped infants and toddlers		16,000,000
20	Homeless children and youth		1,041,000
21	Job training partnership act		7,952,700
22	Michigan charter school subgrant program		5,000,000
23	Migrant technology		576,300
24	Preschool grants (PL 94-142)		12,400,000
25	School-age child care grants		301,500
26	School lunch program - federal share		237,300,000
27	School-to-work		1,800,000
28	Serve America grants		840,000
29	Special education		20,089,800
30	Statewide systemic initiative grant		50,000
31	Surplus commodity		2,506,000

1	Technology literacy challenge grant	17,784,300
2	Title I, disadvantaged children	346,000,000
3	Title I, even start	5,300,000
4	Title I, migrant	12,000,000
5	Title I, comprehensive school reform	5,889,200
6	Title VI, innovative strategies	13,480,900
7	Vocational education act of 1963	39,500,000
8	STATE PROGRAMS:	
9	Christa McAuliffe grants	94,800
10	Driver education	7,600,000
11	School readiness grants	12,083,000
12	Motorcycle safety education	867,300
13	National board certification	20,000
14	Off-road vehicle safety training grant	194,300
15	Reading plan for Michigan grants	17,350,000
16	School lunch and breakfast	6,728,000
17	Fast track program	<u>300,000</u>
18	GROSS APPROPRIATION	\$ 902,684,500
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	Federal revenues:	
22	DAG-FCS, national school lunch	237,300,000
23	DAG, the emergency food assistance program	2,506,000
24	DED, grants and contracts service, school-to-work	1,800,000
25	DED-OBEMLA, emergency immigrant education	
26	assistance	1,455,000
27	DED-OESE, charter schools	5,000,000
28	DED-OESE, class size reduction	50,275,700
29	DED-OESE, drug-free schools and communities	16,758,400
30	DED-OESE, gear-up	2,000,000
31	DED-OESE, goals 2000	22,082,200
32	DED-OESE, Eisenhower mathematics and	

1	science administration	12,940,000
2	DED-OESE, migrant technology	576,300
3	DED-OESE, reading excellence act	12,350,000
4	DED-OESE, technology literacy challenge fund . . .	17,784,300
5	DED-OESE, title I, disadvantaged children	346,000,000
6	DED-OESE, title I, even start	5,300,000
7	DED-OESE, title I, migrant education	12,000,000
8	DED-OESE, title I, comprehensive school reform . .	5,031,900
9	DED-OESE, title VI, innovative strategies	13,480,900
10	DED-OESE, title X, comprehensive school reform . .	857,300
11	DED-OSERS, handicapped infants and toddlers . . .	16,000,000
12	DED-OSERS, handicapped preschool incentive grants	12,400,000
13	DED-OSERS, handicapped program, individuals	
14	with disabilities act	20,089,800
15	DED-OVAE, adult education, state	
16	administered program	10,024,100
17	DED-OVAE, basic grants to states	39,500,000
18	DED-OVAE, homeless children and youth	1,041,000
19	DOL, job training partnership act	7,952,700
20	HHS-ACF, at-risk child care	500,000
21	HHS-CDC, AIDS education	600,000
22	HHS-ACF, dependent care block grant	301,500
23	National science foundation	50,000
24	Corporation for national and community service . .	840,000
25	Special revenue funds:	
26	Private revenues	94,800
27	Driver fees	7,600,000
28	Motorcycle license fees	867,300
29	Safety education fund	194,300
30	State general fund/general purpose \$	19,131,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

1 **GENERAL SECTIONS**

2 Sec. 201. (1) Pursuant to section 30 of article IX of the state
 3 constitution of 1963, total state spending under part 1 for fiscal year
 4 1999-2000 is \$65,161,700.00 and state appropriations to be paid to
 5 local units of government are as follows:

6 **GRANTS AND DISTRIBUTIONS**7 **STATE PROGRAMS:**

8	Driver education	\$	7,600,000
9	School readiness grants		12,083,000
10	Motorcycle safety education		867,300
11	Off-road vehicle safety training grant		194,300
12	School lunch and breakfast		<u>6,728,000</u>
13	TOTAL	\$	27,472,600

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

19 Sec. 202. The expenditures and funding sources authorized under
 20 this bill are subject to the management and budget act, 1984 PA 431,
 21 MCL 18.1101 to 18.1594.

22 Sec. 203. (1) Beginning October 1, 1999, a hiring freeze is imposed
 23 on the state classified civil service. State departments and agencies
 24 are prohibited from hiring any new full-time state classified civil
 25 service employees and prohibited from filling any vacant state
 26 classified civil service positions. This hiring freeze does not apply
 27 to internal transfers of classified employees from one position to
 28 another within a department or to positions that are funded with 80% or
 29 more federal or restricted funds.

30 (2) The state budget director shall grant exceptions to this hiring
 31 freeze when the state budget director believes that the hiring freeze
 32 will result in rendering a state department or agency unable to deliver

1 basic services.

2 Sec. 204. The department of civil service shall bill departments
3 and agencies at the end of the first fiscal quarter for the 1% charge
4 authorized by section 5 of article XI of the state constitution of
5 1963. Payments shall be made for the total amount of the billing by
6 the end of the second fiscal quarter.

7 Sec. 205. As used in this bill:

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

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

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

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

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

15 (f) "DED-OESE" means the DED office of elementary and secondary

1 education.

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

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

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

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

8 (k) "District" means a local school district as defined in section
9 6 of the revised school code, 1976 PA 451, MCL 380.6.

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

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

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

14 (o) "HHS-ACF" means the HHS administration for children and
15 families.

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

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

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

20 Sec. 206. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$10,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item in
24 this bill under section 393(2) of the management and budget act, 1984
25 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$700,000.00 for state restricted
28 contingency funds. These funds are not available for expenditure until
29 they have been transferred to another line item in this bill under
30 section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

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

7 (4) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$3,000,000.00 for private
9 contingency funds. These funds are not available for expenditure until
10 they have been transferred to another line item in this bill under
11 section 393(2) of the management and budget act, 1984 PA 431, MCL
12 18.1393.

13 Sec. 207. The department may carry into the succeeding fiscal year
14 unexpended federal pass-through funds to local institutions and
15 governments that do not require additional state matching funds.
16 Federal pass-through funds to local institutions and governments that
17 are received in amounts in addition to those included in part 1 and
18 that do not require additional state matching funds are appropriated
19 for the purposes intended.

20 Sec. 208. The department shall provide the state budget director
21 and the senate and house fiscal agencies with copies of the state board
22 of education agenda and all supporting documents at the time the agenda
23 and supporting documents are provided to state board of education
24 members.

25 Sec. 209. Money in the school loan exception fee fund that is
26 unexpended at the end of the fiscal year shall not revert to the
27 general fund but shall be carried over to the succeeding fiscal year.

28 Sec. 210. The department is appropriated an amount not to exceed
29 \$100,000.00 from collection of defaulted loans in the Martin Luther
30 King, Jr. - Cesar Chavez - Rosa Parks programs to offset costs of

1 administering the loan collections.

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

3 Sec. 301. (1) The appropriations in part 1 for state board of
4 education, per diem payments may be used for payments to members of
5 boards, committees, and commissions for each day's board, committee, or
6 commission work at which a quorum is present; for attending a hearing
7 as authorized by the respective board, committee, or commission; or for
8 performing official business as authorized by the respective board,
9 committee, or commission. The per diem payments shall be at a rate as
10 follows:

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

12 (b) State board of education - member other than
13 president \$100.00 per day

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

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

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

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

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

27 Sec. 303. (1) From the amount appropriated in part 1 for innovation
28 and community service operations, there is allocated \$500,000.00 and
29 5.0 FTE positions to operate a charter school office to administer
30 charter school legislation and associated regulations,

1 and to coordinate the activities of the department relating to charter
2 schools.

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

8 **TECHNOLOGY AND INFORMATION SERVICES**

9 Sec. 401. Included in the appropriation for technology and
10 information services in part 1 is \$50,000.00 to publish and distribute
11 the Michigan school report.

12 Sec. 402. The department shall coordinate with the Michigan
13 information center on the development of an educational information
14 system.

15 **STANDARDS, ASSESSMENT, AND ACCREDITATION SERVICES**

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

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

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

24 Sec. 601. The employees at the Michigan schools for the deaf and
25 blind who work on a school year basis shall be considered annual
26 employees for purposes of service credits, retirement, and insurance
27 benefits.

28 Sec. 602. For each student enrolled at the Michigan schools for the
29 deaf and blind, the department shall assess the intermediate school
30 district of residence 100% of the cost of operating the student's
31 instructional program. The amount shall exclude room and board related
32 costs and the cost of weekend transportation between the school and the

1 student's home.

2 Sec. 603. (1) The department may assess rent to any state
3 government agency for the use of facilities at the Michigan school for
4 the blind's former site in Lansing. The rental rates and all leasing
5 arrangements shall be subject to the approval of the department of
6 management and budget. In addition, the facilities at the Lansing site
7 may also be available for rent to private or publicly funded
8 organizations.

9 (2) In addition to those funds appropriated in part 1, the
10 department may receive and expend additional funds from lease
11 agreements at the Michigan school for the blind's former site in
12 Lansing that have been negotiated with the approval of the department
13 of management and budget. These funds are appropriated to the
14 department for operation, maintenance, and renovation expenses
15 associated with the leased space.

16 (3) The unexpended balances of appropriations and any surplus
17 restricted revenue for Michigan school for the blind's former site in
18 Lansing shall not lapse to the state general fund at the end of the
19 fiscal year. Any unexpended and unencumbered funds remaining on
20 September 30, 2000, shall be carried forward as a work project or as
21 restricted revenue and expended for special maintenance and repairs of
22 facilities at the Michigan school for the blind's former site in
23 Lansing. The work shall be carried out by state employees, or by
24 contract as necessary, at an estimated cost of \$100,000.00. The
25 estimated completion date of the work is September 30, 2001.

26 Sec. 604. (1) The department may assess rent or lease excess
27 property located on the campus of the Michigan schools for the deaf and
28 blind in Flint to private or publicly funded organizations.

29

1 (2) In addition to those funds appropriated in part 1, the
2 department may receive and expend additional funds from lease
3 agreements at the Michigan schools for the deaf and blind Flint campus
4 that have been negotiated with the approval of the department of
5 management and budget. These funds are appropriated to the department
6 for the operation, maintenance, and renovation expenses associated with
7 the leased space.

8 (3) Proceeds from the sale of surplus property and facilities at
9 the Michigan schools for the deaf and blind or at camp Tuhsmeheeta are
10 hereby appropriated for the purposes of repairs, renovations, and
11 maintenance of the Flint campus.

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

23 Sec. 605. The department may assist the department of community
24 health, other departments, and local school districts to secure
25 reimbursement for eligible services provided in Michigan schools from
26 the federal medicaid program. The department may submit reports of
27 direct expenses related to this effort to the department of community
28 health for reimbursement.

29 **PROFESSIONAL PREPARATION SERVICES**

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

4 **GRANTS AND DISTRIBUTIONS**

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

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

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

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

25 (c) The payment for a district or public school academy is at a per
26 meal rate equal to the lesser of the district's or public school
27 academy's actual cost, or 100% of the cost of a breakfast served by an
28 efficiently operated breakfast program as determined by the department,
29 less federal reimbursement, participant payments, and other state
30 reimbursement. Determination of efficient cost by the

1 department shall be determined by using a statistical sampling of
2 statewide and regional cost as reported in a manner approved by the
3 department for the preceding school year.

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

7 Sec. 803. (1) The funds appropriated in part 1 for school readiness
8 programs shall be made available through a competitive application
9 process as follows:

10 (a) An applicant may be any public or private nonprofit legal
11 entity or agency other than a local or intermediate school district
12 except a local or intermediate school district acting as a fiscal agent
13 for a child caring organization regulated under 1973 PA 116, MCL
14 722.111 to 722.128.

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

17 (c) Applications shall be reviewed by a diverse interagency
18 committee composed of representatives of the department, appropriate
19 community, volunteer, and social service agencies and organizations,
20 and parents.

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

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

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

29 (iii) Employment of teachers possessing proper training in early
30 childhood development, including an early childhood (ZA) endorsement

1 or child development associate, and trained support staff.

2 (iv) Evidence of collaboration with the community of providers in
3 early childhood development programs including documentation of the
4 total number of children in the community who would meet the criteria
5 established in subparagraph (vi), and who are being served by other
6 providers, and the number of children who will remain unserved by other
7 community early childhood programs if this program is funded.

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

10 (vi) The extent to which these funds will be targeted to children
11 who will be at least 4, but less than 5, years of age as of December 1
12 of the year in which the programs are offered and who show evidence of
13 2 or more "at-risk" factors as defined in the state board of education
14 report entitled, "Children At Risk" that was adopted by the state board
15 on April 5, 1988.

16 (e) Whether the application contains a comprehensive evaluation
17 plan that includes implementation of all program components required
18 and an assessment of the gains of children participating in an early
19 childhood development program.

20 (f) Applications shall provide for the establishment of a school
21 readiness advisory committee that shall be involved in the planning and
22 evaluation of the program and provides for the involvement of parents
23 and appropriate community, volunteer, and social service agencies and
24 organizations. There shall be on the committee at least 1 parent or
25 guardian of a program participant for every 18 children enrolled in the
26 program, with a minimum of 2 parent or guardian representatives. The
27 committee shall do all of the following:

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

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

31

- 1 (iii) Review the nutritional services provided to all participants.
- 2 (iv) Review the mechanisms in place for the referral of families to
3 community social service agencies, as appropriate.
- 4 (v) Review the collaboration with and the involvement of
5 appropriate community, volunteer, and social service agencies and
6 organizations in addressing all aspects of education disadvantage.
- 7 (vi) Review, evaluate, and make recommendations for changes in the
8 school readiness program.
- 9 (g) More than 50% of the children participating in the program
10 shall meet the income eligibility criteria for free or reduced price
11 lunch, as determined under the national school lunch act, chapter 281,
12 60 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to
13 1766b, and 1769 to 1769h, or meet income and all other eligibility
14 criteria for participation in the Michigan family independence agency
15 unified child day care program.
- 16 (2) Grant awards by the state board of education may be at whatever
17 level the board determines appropriate. A grant, when combined with
18 other sources of state revenue for this program, shall not exceed
19 \$3,100.00 per child or the cost of the program, whichever is less.
- 20 (3) Except as otherwise provided, an applicant that received a
21 grant under this section in the 1998-1999 fiscal year shall receive
22 priority for funding in 1999-2000. However, continuation of funding is
23 contingent on the availability of funds and documented evidence of
24 grantee compliance with standards for early childhood development
25 consistent with programs for 4-year-olds, as approved by the state
26 board of education, and with all operational, fiscal, administrative,
27 and other program requirements. After 3 years of funding, a program
28 that received a grant under this section may reapply for funding, but

1 will compete for available funds with other new programs and other
2 programs also completing their third year of funding under this
3 section. A program which offers supplementary day care and thereby
4 offers full-day programs as part of its early childhood development
5 program shall receive priority in the allocation of these competitive
6 funds.

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

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

15 (a) Develop a model summer reading program for students who will be
16 attending grades 1 through 4 in the following school year and who have
17 demonstrated the need for additional reading skills training, as
18 evidenced by standardized test results on tests approved by the
19 department for this purpose. The model reading program shall be in
20 conformance with the national education goals and shall also meet
21 criteria for DED-OESE, Title I program funding.

22 (b) Recommend diagnostic tools and student assessments to local
23 districts to determine reading readiness and ensure progress in reading
24 skills.

25 (c) Develop and disseminate reading readiness kits to parents of
26 students in preschool and kindergarten to provide parents with
27 information about how they can prepare their children for reading
28 success.

29 (d) Develop and make available a statewide resource guide of public
30 and private service providers to assist parents in improving

1 their children's reading skills.

2 (3) The funds appropriated in part 1 for the reading plan for
3 Michigan grants shall be allocated by the department on a competitive
4 grant basis to districts, intermediate districts, or consortia of
5 districts which meet the following criteria:

6 (a) The district must offer a summer reading program based upon the
7 model reading program developed by the department pursuant to
8 subsection (2) beginning after the close of the 1998-99 school year.

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

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

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

19 Sec. 805. 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, 1998 to be
22 qualified to apply to the national board for professional teaching
23 standards for professional teaching certificates or licenses and to
24 provide grants to recognize and reward teachers who receive
25 certification or licensure.

Final page.