

For Fiscal Year Ending
September 30, 2001

SENATE BILL No. 966

SENATE BILL No. 966

EXECUTIVE BUDGET BILL

February 3, 2000, Introduced by Senators STILLE, BENNETT, VAUGHN and JOHNSON
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, 2001; 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:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the department of education for the fiscal year ending September 30, 2001, from the funds indicated in this part. The following is a summary of the

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SENATE BILL No. 966

1 appropriations in this part:

2 **DEPARTMENT OF EDUCATION**

3 APPROPRIATION SUMMARY:

4	Full-time equated unclassified positions . . .	6.0	
5	Full-time equated classified positions . . .	457.6	
6	GROSS APPROPRIATION	\$	925,310,500
7	Total interdepartmental grants and		
8	intradepartmental transfers		518,000
9	ADJUSTED GROSS APPROPRIATION	\$	924,792,500
10	Federal revenues:		
11	Total federal revenues		871,088,900
12	Special revenue funds:		
13	Total local revenues		6,365,000
14	Total private revenues		602,300
15	Total state restricted revenues		14,037,600
16	State general fund/general purpose	\$	32,698,700

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

19	Full-time equated unclassified positions . . .	6.0	
20	Full-time equated classified positions . . .	14.0	
21	State board of education, per diem payments . . .	\$	19,400
22	Unclassified positions--6.0 FTE positions		505,500
23	State board/superintendent operations--14.0 FTE		
24	positions		<u>2,307,700</u>
25	GROSS APPROPRIATION	\$	2,832,600

26 Appropriated from:

27 Federal revenues:

28	Federal revenues		573,200
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29 Special revenue funds:

30	Private revenues		8,000
31	State general fund/general purpose	\$	2,251,400

32 **Sec. 103. CENTRAL SUPPORT**

33	Full-time equated classified positions	45.2	
34	Central support--45.2 FTE positions	\$	5,614,400
35	Worker's compensation		108,000

1	Education commission of the states	95,500
2	Property management services	1,118,700
3	Training and orientation workshops	100,000
4	Terminal leave payments	<u>440,500</u>
5	GROSS APPROPRIATION \$	7,477,100
6	Appropriated from:	
7	Federal revenues:	
8	Federal revenues	4,081,400
9	Special revenue funds:	
10	Local cost sharing	60,800
11	Certification fees	153,900
12	Commodity distribution fees	4,800
13	Driver fees	19,900
14	Motorcycle license fees	3,900
15	Safety education fund	2,300
16	School loan exception fees	63,000
17	Teacher testing fees	8,800
18	Training and orientation workshop fees	100,000
19	State general fund/general purpose \$	2,978,300
20	Sec. 104. SCHOOL SUPPORT SERVICES	
21	Full-time equated classified positions 41.4	
22	School support operations--41.4 FTE positions . \$	<u>4,876,300</u>
23		
24	GROSS APPROPRIATION \$	4,876,300
25	Appropriated from:	
26	Federal revenues:	
27	Federal revenues	3,875,500
28	Special revenue funds:	
29	Commodity distribution fees	41,800
30	Driver fees	482,900
31	Motorcycle license fees	137,900
32	Safety education fund	116,500
33	State general fund/general purpose \$	221,700
34	Sec. 105. DATA AND TECHNOLOGY SERVICES	
35	Full-time equated classified positions 37.2	

1	Data and technology operations--37.2 FTE		
2	positions	\$	<u>5,127,400</u>
3	GROSS APPROPRIATION	\$	5,127,400
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues		2,759,100
7	Special revenue funds:		
8	Certification fees		256,600
9	Driver fees		10,600
10	State general fund/general purpose	\$	2,101,100
11	Sec. 106. SPECIAL EDUCATION SERVICES		
12	Full-time equated classified positions	55.6	
13	Special education operations--55.6 FTE positions	\$	<u>7,140,900</u>
14	GROSS APPROPRIATION	\$	7,140,900
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues		6,922,500
18	Special revenue funds:		
19	Certification fees		19,900
20	State general fund/general purpose	\$	198,500
21	Sec. 107. LANSING, MICHIGAN SCHOOL FOR THE		
22	BLIND FORMER SITE		
23	General services	\$	<u>1,267,000</u>
24	GROSS APPROPRIATION	\$	1,267,000
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	Interdepartmental grant from corrections		
28	academy lease		518,000
29	Special revenue funds:		
30	Private revenues		10,000
31	Lansing, Michigan school for the blind rent . .		739,000
32	State general fund/general purpose	\$	0
33	Sec. 108. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
34	Full-time equated classified positions	120.3	
35	Michigan schools for the deaf and blind		

1	operations--117.0 FTE positions	\$	11,117,200
2	Technical resource and reproduction center . . .		1,100,000
3	Summer institute		312,100
4	Michigan deaf/blind center 2.3 FTE positions . .		306,400
5	Camp Tuhsmeheeta 1.0 FTE position		250,100
6	Private gifts - blind		90,000
7	Private gifts - deaf		<u>50,000</u>
8	GROSS APPROPRIATION	\$	13,225,800
9	Appropriated from:		
10	Federal revenues:		
11	Federal revenues		2,448,200
12	Special revenue funds:		
13	Local cost sharing (schools for blind/deaf) . . .		6,201,600
14	Local school district service fees		102,600
15	Private revenues		460,100
16	Student insurance revenue		205,100
17	State general fund/general purpose	\$	3,808,200
18	Sec. 109. PROFESSIONAL PREPARATION SERVICES		
19	Full-time equated classified positions	26.5	
20	Professional preparation operations--26.5		
21	FTE positions	\$	3,179,900
22	Teacher quality enhancement		2,500,000
23	Department of attorney general		<u>50,000</u>
24	GROSS APPROPRIATION	\$	5,729,900
25	Appropriated from:		
26	Federal revenues:		
27	Federal revenues		2,720,800
28	Special revenue funds:		
29	Certification fees		2,746,400
30	Teacher testing fees		262,700
31	State general fund/general purpose	\$	0
32	Sec. 110. FIELD SERVICES		
33	Full-time equated classified positions	41.0	
34	Field services operations--41.0 FTE positions .	\$	<u>4,099,800</u>
35	GROSS APPROPRIATION	\$	4,099,800

1	Appropriated from:	
2	Federal revenues:	
3	Federal revenues	3,673,200
4	Special revenue funds:	
5	State general fund/general purpose \$	426,600
6	Sec. 111. OFFICE OF SCHOOL EXCELLENCE	
7	Full-time equated classified positions 45.3	
8	School excellence operations--45.3 FTE position \$	<u>6,589,200</u>
9	GROSS APPROPRIATION \$	6,589,200
10	Appropriated from:	
11	Federal revenues:	
12	Federal revenues	4,006,300
13	Special revenue funds:	
14	Private revenues	29,400
15	State general fund/general purpose \$	2,553,500
16	Sec. 112. GOVERNMENT SERVICES	
17	Full-time equated classified positions . . . 12.3	
18	Government services operations--12.3 FTE positions \$	<u>1,081,300</u>
19	GROSS APPROPRIATION \$	1,081,300
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues	635,800
23	Special revenue funds:	
24	State general fund/general purpose \$	445,500
25	Sec. 113. SAFE SCHOOLS AND ADMINISTRATIVE LAW	
26	Full-time equated classified positions 11.0	
27	Safe schools operations--2.0 FTE positions . . . \$	425,500
28	Administrative law operations--9.0 FTE positions	847,400
29	State tenure commission per diem	<u>11,100</u>
30	GROSS APPROPRIATION \$	1,284,000
31	Appropriated from:	
32	Federal revenues:	
33	Federal revenues	293,400
34	Special revenue funds:	
35	State general fund/general purpose \$	990,600

1 **Sec. 114. EDUCATION OPTIONS, CHARTERS, AND CHOICE**

2 Full-time equated classified positions 7.8

3 Education option operations--7.8 FTE positions . \$ 797,800

4 GROSS APPROPRIATION \$ 797,800

5 Appropriated from:

6 Federal revenues:

7 Federal revenues 305,500

8 Special revenue funds:

9 State general fund/general purpose \$ 492,300

10 **Sec. 115. GRANTS AND DISTRIBUTIONS**11 **FEDERAL PROGRAMS:**

12 Acquired immunodeficiency syndrome education

13 grants \$ 600,000

14 Class size reduction grants 50,275,700

15 Competitive child care and development 500,000

16 Drug-free schools grant 16,758,400

17 Eisenhower mathematics and science grants . . . 12,940,000

18 Emergency immigrant 1,455,000

19 Goals 2000 grants 17,082,200

20 Handicapped infants and toddlers 16,000,000

21 Homeless children and youth 1,041,000

22 Michigan charter school subgrant program 5,000,000

23 Preschool grants (PL 94-142) 13,500,000

24 Refugee children school impact grant 950,000

25 School-age child care grants 301,500

26 School lunch program-federal share 244,500,000

27 Serve America grants 840,000

28 Special education 20,089,800

29 Surplus commodity 2,506,000

30 Technology literacy challenge grants 17,784,300

31 Title I, comprehensive school reform 5,889,200

32 Title I, disadvantaged children 346,000,000

33 Title I, even start 5,300,000

34 Title I, migrant 12,000,000

35 Title VI, innovative strategies 13,480,900

1 **STATE PROGRAMS:**

2	Christa McAuliffe grants	94,800
3	Driver education	7,600,000
4	Motorcycle safety education	867,300
5	National board certification	20,000
6	Off-road vehicle safety training grant	194,300
7	Reading plan for Michigan grants	34,000,000
8	School breakfast programs	4,128,000
9	School readiness grants	<u>12,083,000</u>
10	GROSS APPROPRIATION	\$ 863,781,400
11	Appropriated from:	
12	Federal revenues:	
13	DAG-food and nutrition service, national	
14	school lunch	244,500,000
15	DAG-the emergency food assistance program . . .	2,506,000
16	DED-OBEMLA, emergency immigrant education . . .	
17	assistance	1,455,000
18	DED-OESE, charter schools	5,000,000
19	DED-OESE, class size reduction	50,275,700
20	DED-OESE, drug-free schools and communities . .	16,758,400
21	DED-OESE, goals 2000	22,082,200
22	DED-OESE, Eisenhower mathematics and science	
23	administration	12,940,000
24	DED-OESE, reading excellence act	29,000,000
25	DED-OESE, technology literacy challenge fund . .	17,784,300
26	DED-OESE, title I, comprehensive school	
27	reform	5,031,900
28	DED-OESE, title I, disadvantaged children . . .	346,000,000
29	DED-OESE, title I, even start	5,300,000
30	DED-OESE, title I, migrant education	12,000,000
31	DED-OESE, title VI, innovative strategies . . .	13,480,900
32	DED-OESE, title X, comprehensive school reform .	857,300
33	DED-OSERS, handicapped infants and toddlers . .	16,000,000
34	DED-OSERS, handicapped preschool incentive	
35	grants	13,500,000

1	DED-OSERS, handicapped program, individuals with	
2	disabilities act	20,089,800
3	DED-OVAE, homeless children and youth	1,041,000
4	HHS-ACF, at-risk child care	500,000
5	HHS-ACF, refugee children	950,000
6	HHS-CDCP, AIDS education	600,000
7	HHS-ACF, dependent care block grant	301,500
8	Corporation for national and community service .	840,000
9	Special revenue funds:	
10	Private revenues	94,800
11	Driver fees	7,600,000
12	Motorcycle license fees	867,300
13	Safety education fund	194,300
14	State general fund/general purpose \$	\$16,231,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 2000-2001 is \$46,736,300.00 and state appropriations to be paid to local units of government are as follows:

GRANTS AND DISTRIBUTIONS

STATE PROGRAMS:

24	Driver education	\$	7,600,000
25	School readiness grants		1,667,500
26	Motorcycle safety education		601,000
27	Off-road vehicle safety training grant		57,900
28	School breakfast programs		4,128,000
29	TOTAL	\$	14,054,400

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended for any quarter under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director, the senate and house of representatives standing

1 committees on appropriations, and the senate and house fiscal
2 agencies.

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

6 Sec. 203. As used in this act:

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

8 (b) "DED" means the United States department of education.

9 (c) "DED-OBEMLA" means the DED office of bilingual education and
10 minority languages affairs.

11 (d) "DED-OESE" means the DED office of elementary and secondary
12 education.

13 (e) "DED-OSERS" means the DED office of special education
14 rehabilitation service.

15 (f) "DED-OVAE" means the office of vocational and adult education.

16 (g) "Department" means the Michigan department of education.

17 (h) "District" means a local school district as defined in section
18 6 of the revised school code, 1976 PA 451, MCL 380.6.

19 (i) "FTE" means full-time equated.

20 (j) "HHS" means the United States department of health and human
21 services.

22 (k) "HHS-ACF" means the HHS administration for families and
23 children.

24 (l) "HHS-CDCP" means the HHS center for disease control and
25 prevention.

26 (m) "RPM" means reading plan for Michigan.

27 Sec. 204. (1) Beginning October 1, a hiring freeze is imposed on
28 the state classified civil service. State departments and agencies
29 are prohibited from hiring any new full-time state classified civil
30 service employees and prohibited from filling any vacant state
31 classified civil service positions. This hiring freeze does not apply
32 to internal transfers of classified employees from one position to
33 another within a department or to positions that are funded with 80%
34 or more federal or restricted funds.

35 (2) The state budget director shall grant exceptions to this

1 hiring freeze when the state budget director believes that the hiring
2 freeze will result in rendering a state department or agency unable to
3 deliver basic services. The state budget director shall report by the
4 30th of each month to the chairpersons of the senate and house of
5 representatives standing committees on appropriations the number of
6 exceptions to the hiring freeze approved during the previous month and
7 the reasons to justify the exception.

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

14 (2) In addition to the funds appropriated in section 101, there
15 is appropriated an amount not to exceed \$700,000.00 for state
16 restricted contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item in
18 this bill under section 393(2) of the management and budget act, 1984
19 PA 431, MCL 18.1393.

20 (3) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$250,000.00 for local contingency
22 funds. These funds are not available for expenditure until they have
23 been transferred to another line item in this bill under section
24 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

31 Sec. 206. The department of civil service shall bill departments
32 and agencies at the end of the first fiscal quarter for the 1% charge
33 authorized by section 5 of article XI of the state constitution of
34 1963. Payments shall be made for the total amount of the billing by
35 the end of the second fiscal quarter.

36 Sec. 207. The department may carry into the succeeding fiscal year

1 unexpended federal pass-through funds to local institutions and
2 governments that do not require additional state matching funds.
3 Federal pass-through funds to local institutions and governments that
4 are received in amounts in addition to those included in part 1 and
5 that do not require additional state matching funds are appropriated
6 for the purposes intended.

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

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

15 Sec. 210. Sixty days before beginning any effort to privatize, the
16 department shall submit a complete project plan to the appropriate
17 subcommittees of the senate and house of representatives standing
18 committees on appropriations and the senate and house fiscal agencies.
19 The plan shall include the criteria under which the privatization
20 initiative will be evaluated. The evaluation shall be completed and
21 submitted to the appropriate subcommittees of the senate and house of
22 representatives standing committees on appropriations and the senate
23 and house fiscal agencies within 30 months.

24 Sec. 211. (1) From the amount appropriated in part 1 for the
25 office for safe schools, the department is allocated an amount not to
26 exceed \$200,000.00 to establish an office for safe schools within the
27 department. The office for safe schools shall work with local school
28 boards, law enforcement agencies, community leaders, and the office of
29 drug control policy for the prevention of school violence. The office
30 for safe schools shall develop and implement, and serve as coordinator
31 of, a statewide clearinghouse for information, program development,
32 model programs and policies, and technical assistance on school
33 violence prevention.

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

36 (a) Evaluate the effectiveness of, and make recommendations to

1 local school boards concerning, public school violence prevention
2 programs, including, but not limited to, programs aimed at reducing
3 the possession of weapons and the incidence of other violent behaviors
4 on school campuses, violence prevention curricula, conflict resolution
5 and peer mediation training, interagency cooperative referral and
6 treatment programs, parental involvement programs, and school safety
7 planning.

8 (b) In consultation with appropriate organizations, develop and
9 distribute to school districts and public school academies a model
10 code of conduct for pupils.

11 (c) Coordinate with the office of drug control policy in the
12 department of community health to ensure that there is a meaningful
13 linkage between the efforts under this act to provide safe schools and
14 the initiatives undertaken through that office, including, but not
15 limited to, school districts' safe and drug-free school plans, and to
16 facilitate timely applications for and distribution of available grant
17 money.

18 Sec. 212. The department shall continue to pilot the use of the
19 Internet to fulfill the reporting requirements in this bill. This may
20 include transmission of reports via electronic mail to the recipients
21 identified for each reporting requirement, or it may include placement
22 of reports on the Internet or on the Intranet. The appropriations
23 subcommittee shall be notified in writing of the Internet/Intranet
24 site of any such report.

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

26 Sec. 301. (1) The appropriations in section 102 may be used for
27 per diem payments to members of boards, committees, and commissions
28 for each day's board, committee, or commission work at which a quorum
29 is present; for attending a hearing as authorized by the respective
30 board, committee, or commission; or for performing official business
31 as authorized by the respective board, committee, or commission. The
32 per diem payments shall be at a rate as follows:

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

34 (b) State board of education - member other than president
35 \$100.00 per day.

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

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

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

8 Sec. 302. From the amount appropriated in section 102 to the
9 state board of education, not more than \$27,500.00 shall be expended
10 for travel.

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

12 Sec. 401. The employees at the Michigan schools for the deaf and
13 blind who work on a school year basis shall be considered annual
14 employees for purposes of service credits, retirement, and insurance
15 benefits.

16 Sec. 402. For each student enrolled at the Michigan schools for
17 the deaf and blind, the department shall assess the intermediate
18 school district of residence 100% of the cost of operating the
19 student's instructional program. The amount shall exclude room and
20 board related costs and the cost of weekend transportation between the
21 school and the student's home.

22 Sec. 403. (1) The department may assess rent to any state agency,
23 and private or publicly funded organization for the use of any
24 facility at the Michigan school for the blind's former site in
25 Lansing. The rental rates and all leasing arrangements shall be
26 subject to the approval of the department of management and budget.

27 (2) In addition to those funds appropriated in part 1, the
28 department may receive and expend additional funds from lease
29 agreements at the Michigan school for the blind's former site in
30 Lansing that have been negotiated with the approval of the department
31 of management and budget. These funds are appropriated to the
32 department for operation, maintenance, and renovation expenses
33 associated with the leased space.

34 (3) Security guards or other patrols at the Michigan school for
35 the blind's former site shall not be funded through section 108 funds
36 appropriated for the Michigan schools for the deaf and blind.

1 (4) If the department leases real property to a person or
2 organization that is not a department of state government, the
3 department shall not expend funds in excess of the lease revenue
4 received to replace, renovate, or repair that real property. This
5 section shall not apply to emergency repairs or costs associated with
6 technological renovations.

7 (5) The department shall not lease real property for less than
8 fair market value.

9 (6) The unexpended balances of appropriations and any surplus
10 restricted revenue for the former school for the blind site in Lansing
11 shall not lapse to the state general fund at the end of the fiscal
12 year. Any unexpended and unencumbered funds remaining on September
13 30, 2001, shall be carried forward as a work project or as restricted
14 revenue and expended for special maintenance and repairs of facilities
15 at the former Michigan school for the blind site in Lansing. The work
16 project shall be performed by state employees or by contract when
17 necessary at an estimated cost of \$100,000.00. The estimated
18 completion date of the work project is September 30, 2002.

19 Sec. 404. (1) The department may assess rent or lease excess
20 property located on the campus of the Michigan schools for the deaf
21 and blind in Flint to private or publicly funded organizations.

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

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

32 (4) The unexpended balances of appropriations for school for deaf
33 and blind operations, and from proceeds of the sale of surplus
34 property and facilities at the Michigan schools for the deaf and blind
35 shall not lapse to the state general fund at the end of the fiscal
36 year. Any unexpended and unencumbered funds remaining on September

30, 2001 shall be carried forward as a work project or as restricted revenue and expended for special maintenance and repairs of facilities at the campus of the Michigan schools for the deaf and blind in Flint. The work shall be carried out by state employees, or by contract as necessary, at an estimated cost of \$250,000.00. The estimated completion date of the work is September 30, 2002.

Sec. 405. The department may assist the department of community health, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal medicaid program. The department may submit reports of direct expenses related to this effort to the department of community health for reimbursement.

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

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

PROFESSIONAL PREPARATION SERVICES

Sec. 501. From the funds appropriated in part 1 for professional preparation services, the department shall maintain the professional personnel register and certificate revocation/felony conviction files.

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

EDUCATION OPTIONS, CHARTERS AND CHOICE

1 Sec. 601. (1) From the amount appropriated in section 114 for
2 education options, charters and choices, there is allocated
3 \$500,000.00 and 5.0 FTE positions to operate a public school academy
4 office to administer public school academy legislation and associated
5 regulations, and to coordinate the activities of the department
6 relating to public school academies.

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

12 **GRANTS AND DISTRIBUTIONS**

13 Sec. 701. The department shall disburse the funds to a general
14 fund grantee in accordance with the same standards of timing and
15 amount that apply to disbursements made by the department to a federal
16 fund grantee. The disbursement shall be restricted to the minimum
17 amount needed for immediate disbursement by the grantee. The
18 department may waive this section if extenuating circumstances warrant
19 and are substantiated in the grantee's application or other
20 appropriate documentation. A waiver granted pursuant to this section
21 shall not be effective until 15 days after written notice of the
22 proposed waiver is given to the state budget office and the
23 chairpersons of the senate and house appropriations subcommittees
24 having jurisdiction over the department budget.

25 Sec. 702. The funds appropriated in part 1 for school breakfast
26 programs shall be made available to all eligible applicant public
27 school districts and public school academies as follows:

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

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

33 (c) The payment for a district or public school academy is at a
34 per meal rate equal to the lesser of the district's or public school
35 academy's actual cost, or 100% of the cost of a breakfast served by an
36 efficiently operated breakfast program as determined by the

1 department, less federal reimbursement, participant payments, and
2 other state reimbursement. Determination of efficient cost by the
3 department shall be determined by using a statistical sampling of
4 statewide and regional cost as reported in a manner approved by the
5 department for the preceding school year.

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

9 Sec. 703. (1) The funds appropriated in part 1 for school
10 readiness programs shall be made available through a competitive
11 application process as follows:

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

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

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

23 (d) Priority in the recommendation for awarding of grants by the
24 state superintendent to applicants shall be based upon the following
25 criteria:

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

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

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

34 (iv) Evidence of collaboration with the community of providers in
35 early childhood development programs including documentation of the
36 total number of children in the community who would meet the criteria

1 established in subparagraph (vi), and who are being served by other
2 providers, and the number of children who will remain unserved by
3 other community early childhood programs if this program is funded.

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

6 (vi) The extent to which these funds will be targeted to children
7 who will be at least 4, but less than 5, years of age as of December 1
8 of the year in which the programs are offered and who show evidence of
9 2 or more "at-risk" factors as defined in the state board of education
10 report entitled, "children at risk" that was adopted by the state
11 board on April 5, 1988.

12 (e) Whether the application contains a comprehensive evaluation
13 plan that includes implementation of all program components required
14 and an assessment of the gains of children participating in an early
15 childhood development program.

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

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

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

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

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

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

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

36 (g) More than 50% of the children participating in the program

1 shall meet the income eligibility criteria for free or reduced price
2 lunch, as determined under the national school lunch act, chapter 281,
3 60 Stat. 230,42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to
4 1766b, and 1769 to 1769h, or meet income and all other eligibility
5 criteria for participation in the Michigan family independence agency
6 unified child day care program.

7 (2) Grant awards by the state superintendent may be at whatever
8 level the superintendent determines appropriate. A grant, when
9 combined with other sources of state revenue for this program, shall
10 not exceed \$3,100.00 per child or the cost of the program, whichever
11 is less.

12 (3) Except as otherwise provided, an applicant that received a
13 grant under this section in the 1999-2000 fiscal year shall receive
14 priority for funding in 2000-2001. However, continuation of funding
15 is contingent on the availability of funds and documented evidence of
16 grantee compliance with standards for early childhood development
17 consistent with programs for 4-year-olds, as approved by the state
18 board of education, and with all operational, fiscal, administrative,
19 and other program requirements. After 3 years of funding, a program
20 that received a grant under this section may reapply for funding, but
21 will compete for available funds with other new programs and other
22 programs also completing their third year of funding under this
23 section. A program which offers supplementary day care and thereby
24 offers full-day programs as part of its early childhood development
25 program shall receive priority in the allocation of these competitive
26 funds.

27 Sec. 704. (1) The reading plan for Michigan (RPM) is a series of
28 elementary education strategies created for the purpose of improving
29 reading skills of K-3 students so that all students are reading at an
30 appropriate grade level prior to the start of the fourth grade. The
31 RPM shall be developed by the department in consultation with the RPM
32 advisory council as created by Executive Order 1998-4.

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

35 (a) Develop a model summer reading program for students who will
36 be attending grades 1 through 4 in the following school year and who

1 have demonstrated the need for additional reading skills training, as
2 evidenced by standardized test results on tests approved by the
3 department for this purpose. The model reading program shall be in
4 conformance with the national education goals and shall also meet
5 criteria for DED-OESE, Title I program funding.

6 (b) Recommend diagnostic tools and student assessments to local
7 districts to determine reading readiness and ensure progress in
8 reading skills.

9 (c) Develop and disseminate reading readiness kits to parents of
10 students in preschool and kindergarten to provide parents with
11 information about how they can prepare their children for reading
12 success.

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

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

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

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

26 (4) Applications for funding must be submitted to the department
27 no later than December 31, 2000. The department shall notify
28 recipients of the grants no later than March 30, 2001.

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

33 (6) If any federally funded program requirement of this section is
34 in conflict with federal law, the federal law will control.

35 Sec. 705. If there is appropriated for fiscal year 2000-2001 not
36 more than \$2,000,000.00 from the general fund/general purpose revenues

1 from the state school aid fund to develop early childhood education
2 programs for children ages 0 to 3, the department shall administer the
3 grant program in accordance with the criteria stated for the early
4 childhood education program in the state school aid act.

5 Sec. 706. From the funds appropriated in part 1 for national board
6 certification, the department shall pay 1/2 of the application fee for
7 teachers who are deemed by the department by March 1, 2000 to be
8 qualified to apply to the national board for professional teaching
9 standards for professional teaching certificates or licenses and to
10 provide grants to recognize and reward teachers who receive
11 certification or licensure.

Final page.