H01040'01 (H-1)

# SUBSTITUTE FOR HOUSE BILL NO. 4256

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2002; 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 act, the
4	amounts listed in this part are appropriated for the department of educa-
5	tion for the fiscal year ending September 30, 2002, from the funds
6	indicated in this part. The following is a summary of the appropriations
7	in this part:

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For Fiscal Year Ending September 30, 2002

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1	DEPARTMENT OF EDUCATION	
2	APPROPRIATION SUMMARY:	
3	Full-time equated unclassified positions6.0	
4	Full-time equated classified positions457.3	
5	GROSS APPROPRIATION	\$ 942,238,100
6	Interdepartmental grant revenues:	
7	Interdepartmental grant from corrections academy	
8	lease	518,000
9	Total interdepartmental grants and intradepartmental	
10	transfers	518,000
11	ADJUSTED GROSS APPROPRIATION	\$ 941,720,100
12	Federal revenues:	
13	Total federal revenues	887,527,700
14	Special revenue funds:	
15	Local cost sharing (schools for blind/deaf)	4,637,000
16	Local school district service fees	252,600
17	Total local revenues	4,889,600
18	Private gifts, bequests, and donations	470,100
19	Private foundations	147,200
20	Total private revenues	617,300
21	Total local and private revenues	5,506,900
22	Teacher certification revenues	2,812,700
23	Commodity distribution fees	49,800
24	Driver fees	8,129,100
25	Lansing, Michigan school for the blind rent	739,000
26	Motorcycle license fees	1,343,500

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1	Safety education fund
2	Student insurance revenues
3	School loan exception fees
4	Teacher testing fees
5	Training and orientation workshop fees
6	Total other state restricted revenues
7	State general fund/general purpose\$ 34,649,500
8	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT
9	Full-time equated unclassified positions6.0
10	Full-time equated classified positions14.0
11	State board of education, per diem payments \$ 19,400
12	Unclassified positions6.0 FTE positions 515,600
13	State board/superintendent operations14.0 FTE
14	positions
15	GROSS APPROPRIATION\$ 2,601,800
16	Appropriated from:
17	Federal revenues:
18	Federal revenues         576,100
19	Special revenue funds:
20	Private foundations
21	State general fund/general purpose\$ 2,002,700
22	Sec. 103. CENTRAL SUPPORT
23	Full-time equated classified positions45.2
24	Central support45.2 FTE positions\$ 5,696,000
25	Worker's compensation
26	Education commission of the states

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	4 September 30, 2002
1	Building occupancy charges-property management
2	services
3	Training and orientation workshops
4	Terminal leave payments
5	GROSS APPROPRIATION\$ 7,738,800
6	Appropriated from:
7	Interdepartmental grant revenues:
8	Federal revenues:
9	Federal revenues
10	Special revenue funds:
11	Certification fees
12	Driver fees
13	Local cost sharing
14	Commodity distribution fees
15	Motorcycle license fees
16	Safety education fund
17	School loan exception fees
18	Teacher testing fees
19	Training and orientation workshop fees
20	State general fund/general purpose\$ 3,094,000
21	Sec. 104. SCHOOL SUPPORT SERVICES
22	Full-time equated classified positions41.4
23	School support operations41.4 FTE positions \$ 5,003,100
24	GROSS APPROPRIATION\$ 5,003,100
25	Appropriated from:
26	Federal revenues:

	House Bill No. 4256 For Fiscal Year Ending 5 September 30, 2002	
1	Federal revenues	1
2	Special revenue funds:	
3	Commodity distribution fees	
4	Driver fees	
5	Motorcycle license fees	
6	Safety education fund	
7	State general fund/general purpose\$ 228,500	1
8	Sec. 105. DATA AND TECHNOLOGY SERVICES	
9	Full-time equated classified positions37.2	
10	Data and technology operations37.2 FTE positions \$ 5,243,100	-
11	GROSS APPROPRIATION\$ 5,243,100	
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	Federal revenues:	
15	Federal revenues	
16	Special revenue funds:	
17	Certification fees	
18	Driver fees	
19	State general fund/general purpose\$ 2,159,800	
20	Sec. 106. SPECIAL EDUCATION SERVICES	
21	Full-time equated classified positions68.6	
22	Special education operations68.6 FTE positions \$ 7,405,800	-
23	GROSS APPROPRIATION\$ 7,405,800	
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues         7,090,200	

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1	Special revenue funds:
2	Certification fees
3	State general fund/general purpose\$ 280,400
4	sec. 107. LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE
5	General services\$ 1,267,000
6	Interdepartmental grant revenues:
7	Interdepartmental grant from corrections academy
8	lease
9	Special revenue funds:
10	Lansing, Michigan school for the blind rent 739,000
11	Gifts, bequests, and donations
12	State general fund/general purpose\$
13	Sec. 108. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND
14	Full-time equated classified positions98.3
15	Michigan schools for the deaf and blind
16	operations95.0 FTE positions\$ 9,578,500
17	Technical resource and reproduction center
18	Summer institute
19	Michigan deaf/blind center2.3 FTE positions 306,400
20	Camp Tuhsmeheta1.0 FTE position
21	Private gifts - blind
22	Private gifts - deaf
23	GROSS APPROPRIATION\$ 11,837,100
24	Appropriated from:
25	Federal revenues:
26	Federal revenues

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1	Special revenue funds:
2	Local cost sharing (schools for blind/deaf) 4,576,200
3	Local school district service fees
4	Gifts, bequests, and donations
5	Student insurance revenue
6	State general fund/general purpose\$ 3,876,200
7	Sec. 109. PROFESSIONAL PREPARATION SERVICES
8	Full-time equated classified positions26.5
9	Professional preparation operations26.5 FTE
10	positions\$ 2,736,300
11	Teacher quality enhancement
12	Department of attorney general
13	GROSS APPROPRIATION\$ 2,787,300
14	Appropriated from:
15	Federal revenues:
16	Federal revenues
17	Special revenue funds:
18	Certification fees
19	Teacher testing fees
20	State general fund/general purpose\$
21	Sec. 110. FIELD SERVICES
22	Full-time equated classified positions41.0
23	Field services operations41.0 FTE positions \$ 4,183,300
24	GROSS APPROPRIATION\$ 4,183,300
25	Appropriated from:
26	Federal revenues:

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1	Federal revenues
2	State general fund/general purpose\$ 435,700
3	Sec. 111. OFFICE OF SCHOOL EXCELLENCE
4	Full-time equated classified positions54.0
5	School excellence operations54.0 FTE positions \$ 6,426,900
6	GROSS APPROPRIATION\$ 6,426,900
7	Appropriated from:
8	Federal revenues:
9	Federal revenues
10	Special revenue funds:
11	Private foundations
12	State general fund/general purpose\$ 2,295,200
13	Sec. 112. GOVERNMENT SERVICES
14	Full-time equated classified positions12.3
15	Government services operations12.3 FTE positions \$ 1,108,300
16	GROSS APPROPRIATION\$ 1,108,300
17	Appropriated from:
18	Federal revenues:
19	Federal revenues
20	Special revenue funds:
21	State general fund/general purpose\$ 458,000
22	Sec. 113. SAFE SCHOOLS AND ADMINISTRATIVE LAW
23	Full-time equated classified positions11.0
24	Safe schools operations2.0 FTE positions\$ 432,400
25	Administrative law operations9.0 FTE positions 866,000
26	State tenure commission per diem

	ouse Bill No. 4256 For Fiscal Year Ending 9 September 30, 2002
1	GROSS APPROPRIATION\$ 1,309,500
2	Appropriated from:
3	Federal revenues:
4	Federal revenues
5	Special revenue funds:
6	State general fund/general purpose \$ 1,016,100
7	Sec. 114. EDUCATION OPTIONS, CHARTERS, AND CHOICE
8	Full-time equated classified positions7.8
9	Education options operations7.8 FTE positions \$ 1,634,500
10	GROSS APPROPRIATION\$ 1,634,500
11	Appropriated from:
12	Federal revenues:
13	Federal revenues
14	Special revenue funds:
15	State general fund/general purpose\$ 749,000
16	Sec. 115. GRANTS AND DISTRIBUTIONS
17	FEDERAL PROGRAMS:
18	Acquired immunodeficiency syndrome education grants \$ 600,000
19	Class size reduction grants
20	Competitive child care and development 976,000
21	Drug-free schools grant
22	Eisenhower mathematics and science grants
23	Emergency immigrant
24	Goals 2000 grants
25	Handicapped infants and toddlers
26	Homeless children and youth

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1	Michigan charter school subgrant	. 9,	000,000
2	Michigan model partnership for character education		247,600
3	Refugee children school impact grant	•	950,000
4	Preschool grants (PL 94-142)	. 13,	500,000
5	School-age child care grants		857,500
6	School lunch program-federal share	. 256,	725,000
7	Serve America grants		840,000
8	Special education	. 20,	089,800
9	Surplus commodity	. 2,	506,000
10	Technology literacy challenge fund	. 17,	784,300
11	Title I, disadvantaged children	. 346,	000,000
12	Title I, even start	. 5,	500,000
13	Title I, migrant	. 12,	000,000
14	Title I, comprehensive school reform	. 5,	889,200
15	Title VI, innovative strategies	. 13,	480,900
16	STATE PROGRAMS:		
17	Christa McAuliffe grants	. \$	94,800
18	Driver education	. 7,	600,000
19	Motorcycle safety education	. 1,	200,000
20	National board certification		50,000
21	Off-road vehicle safety training grant		194,300
22	School readiness grants	. 12,	900,000
23	Reading plan for Michigan grants	. 34,	000,000
24	School breakfast program	5,	328,000
25	GROSS APPROPRIATION	. \$ 883,	865,700
26	Appropriated from:		

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1	Federal revenues:	
2	DAG, food and nutrition service, national school	
3	lunch	256,725,000
4	DAG, the emergency food assistance program	2,506,000
5	DED-OBEMLA, emergency immigrant education assistance.	1,455,000
6	DED-OESE, charter schools	9,000,000
7	DED-OESE, class size reduction	50,275,700
8	DED-OESE, drug-free schools and communities	16,758,400
9	DED-OESE, goals 2000	22,082,200
10	DED-OESE, Eisenhower mathematics and science	
11	administration	12,940,000
12	DED-OESE, reading excellence act	29,000,000
13	DED-OESE, technology literacy challenge fund	17,784,300
14	DED-OESE, title I, disadvantaged children	346,000,000
15	DED-OESE, title I, even start	5,500,000
16	DED-OESE, title I, migrant education	12,000,000
17	DED-OESE, title I, comprehensive school reform	5,031,900
18	DED-OESE, title VI, innovative strategies	13,480,900
19	DED-OESE, title X, comprehensive school reform	857,300
20	DED-OESE, title X, fund for improvement of education.	247,600
21	DED-OSERS, handicapped infants and toddlers	16,000,000
22	DED-OSERS, handicapped preschool incentive grants	13,500,000
23	DED-OSERS, handicapped program, individuals with dis-	
24	abilities act	20,089,800
25	DED-OVAE, homeless children and youth	1,041,000
26	HHS-ACF, at-risk child care	976,000

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1	HHS-center for disease control, acquired	
2	immunodeficiency syndrome education 600,000	0
3	HHS-ACF, refugee children school impact 950,000	0
4	HHS-ACF, dependent care block grant 857,50	0
5	Corporation for national and community service 840,000	0
6	Special revenue funds:	
7	Driver fees	0
8	Certification fees	0
9	Motorcycle license fees	0
10	Private foundations	0
11	Safety education fees	0
12	State general fund/general purpose\$ 18,228,000	0
13	Sec. 116. BUDGETARY SAVINGS	
14	Budgetary savings\$ (174,10)	0)
15	GROSS APPROPRIATION\$ (174,10)	0)
16	Appropriated from:	
17	Special revenue funds:	
18	State general fund/general purpose\$ (174,10)	0)
19		
20		
21	PART 2	
22	PROVISIONS CONCERNING APPROPRIATIONS	
23	GENERAL SECTIONS	
24	Sec. 201. Pursuant to section 30 of article IX of the state consti-	-
25	tution of 1963, total state spending from state resources under part 1	
26	for fiscal year 2001-2002 is \$48,685,500.00 and state spending from state	е
27	resources to be paid to local units of government for fiscal year	
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- 1 2001-2002 is \$15,299,200.00. The itemized statement below identifies
- 2 appropriations from which spending to units of local government will
- 3 occur:
- 4 GRANTS AND DISTRIBUTIONS
- **5** STATE PROGRAMS:

6	Driver education	\$ 7,600,000
7	School readiness grants	1,457,700
8	Motorcycle safety education	826,800
0	Off mand mahirla safatu tunining mant	06 700

- 9 Off-road vehicle safety training grant...... 86,700
- **11** TOTAL....\$ 15,299,200
- 12 Sec. 202. The appropriations authorized under this act are subject
- 13 to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.
- Sec. 203. As used in this act:
- 15 (a) "DAG" means the United States department of agriculture.
- 16 (b) "DED" means the United States department of education.
- 17 (c) "DED-OBEMLA" means the DED office of bilingual education and
- 18 minority languages affairs.
- 19 (d) "DED-OESE" means the DED office of elementary and secondary
- 20 education.
- 21 (e) "DED-OSERS" means the DED office of special education and
- 22 rehabilitative services.
- 23 (f) "DED-OVAE" means the DED office of vocational and adult
- 24 education.
- 25 (g) "Department" means the Michigan department of education.
- (h) "District" means a local school district as defined in section
- 27 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school

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- 1 academy as defined in section 5 of the revised school code, 1976 PA 451,
- 2 MCL 380.5.
- 3 (i) "FTE" means full-time equated.
- 4 (j) "HHS" means the United States department of health and human
- 5 services.
- 6 (k) "HHS-ACF" means the HHS administration for children and
- 7 families.
- 8 (1) "HHS-CDCP" means the HHS center for disease control and
- 9 prevention.
- 10 (m) "RPM" means reading plan for Michigan.
- 11 Sec. 204. The department of civil service shall bill departments
- 12 and agencies at the end of the first fiscal quarter for the 1% charge
- 13 authorized by section 5 of article XI of the state constitution of 1963.
- 14 Payments shall be made for the total amount of the billing by the end of
- 15 the second fiscal quarter.
- Sec. 205. (1) A hiring freeze is imposed on the state classified
- 17 civil service. State departments and agencies are prohibited from hiring
- 18 any new full-time state classified civil service employees and prohibited
- 19 from filling any vacant state classified civil service positions. This
- 20 hiring freeze does not apply to internal transfers of classified employ-
- 21 ees from 1 position to another within a department.
- 22 (2) The state budget director shall grant exceptions to this hiring
- 23 freeze when the state budget director believes that the hiring freeze
- 24 will result in rendering a state department or agency unable to deliver
- 25 basic services, cause loss of revenue to the state, result in the inabil-
- 26 ity of the state to receive federal funds, or would necessitate
- 27 additional expenditures that exceed any savings from maintaining a

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- 1 vacancy. The state budget director shall report by the thirtieth of each
- 2 month to the chairpersons of the senate and house subcommittees on appro-
- 3 priations the number of exceptions to the hiring freeze approved during
- 4 the previous month and the reasons to justify the exception.
- 5 Sec. 206. (1) The negative appropriation for budgetary savings in
- 6 part 1 shall be satisfied by savings from the hiring freeze imposed in
- 7 section 205 and, if necessary, by other savings identified by the depart-
- 8 ment director and approved by the state budget director.
- 9 (2) Appropriation authorizations shall be adjusted after the
- 10 approval of transfers by the legislature under section 393(2) of the man-
- 11 agement and budget act, 1984 PA 431, MCL 18.1393.
- Sec. 207. (1) In addition to the funds appropriated in part 1,
- 13 there is appropriated an amount not to exceed \$20,000,000.00 for federal
- 14 contingency funds. These funds are not available for expenditure until
- 15 they have been transferred to another line item in this act under
- 16 section 393(2) of the management and budget act, 1984 PA 431,
- **17** MCL 18.1393.
- 18 (2) In addition to the funds appropriated in part 1, there is appro-
- 19 priated an amount not to exceed \$700,000.00 for state restricted contin-
- 20 gency funds. These funds are not available for expenditure until they
- 21 have been transferred to another line item in this act under
- 22 section 393(2) of the management and budget act, 1984 PA 431,
- **23** MCL 18.1393.
- 24 (3) In addition to the funds appropriated in part 1, there is appro-
- 25 priated an amount not to exceed \$250,000.00 for local contingency funds.
- 26 These funds are not available for expenditure until they have been

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- 1 transferred to another line item in this act under section 393(2) of the
- 2 management and budget act, 1984 PA 431, MCL 18.1393.
- **3** (4) In addition to the funds appropriated in part 1, there is appro-
- 4 priated an amount not to exceed \$3,000,000.00 for private contingency
- 5 funds. These funds are not available for expenditure until they have
- 6 been transferred to another line item in this act under section 393(2) of
- 7 the management and budget act, 1984 PA 431, MCL 18.1393.
- 8 Sec. 208. At least 60 days before beginning any effort to privati-
- 9 ze, the department shall submit a complete project plan to the appropri-
- 10 ate senate and house of representatives appropriations subcommittees and
- 11 the senate and house fiscal agencies. The plan shall include the cri-
- 12 teria under which the privatization initiative will be evaluated. The
- 13 evaluation shall be completed and submitted to the appropriate senate and
- 14 house of representatives appropriations subcommittees and the senate and
- 15 house fiscal agencies within 30 months.
- 16 Sec. 209. Unless otherwise specified, the department shall continue
- 17 to pilot the use of the Internet to fulfill the reporting requirements of
- 18 this act. This may include transmission of reports via electronic mail
- 19 to the recipients identified for each reporting requirement or it may
- 20 include placement of reports on the Internet or Intranet site. Quarterly
- 21 the department shall provide to the appropriations subcommittee members,
- 22 the state budget office, and the house and senate fiscal agencies an
- 23 electronic and paper copy listing the reports submitted during the most
- 24 recent 3-month period along with the Internet or Intranet site of each
- 25 report, if any.
- 26 Sec. 210. Funds appropriated in part 1 should not be used for the
- 27 purchase of foreign goods or services, or both, if competitively priced

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- 1 and of comparable quality American goods or services, or both, are
- 2 available. Preference should be given to goods and services, or both,
- 3 manufactured or provided by Michigan businesses if they are competitively
- 4 priced and of comparable value.
- 5 Sec. 211. The director of each department receiving appropriations
- 6 in part 1 shall take all reasonable steps to ensure businesses in
- 7 deprived and depressed communities compete for and perform contracts to
- 8 provide services or supplies, or both. Each director shall strongly
- 9 encourage firms with which the department contracts to subcontract with
- 10 certified businesses in depressed and deprived communities for services,
- 11 supplies, or both.
- 12 Sec. 212. The department may carry into the succeeding fiscal year
- 13 unexpended federal pass-through funds to local institutions and govern-
- 14 ments that do not require additional state matching funds. Federal
- 15 pass-through funds to local institutions and governments that are
- 16 received in amounts in addition to those included in part 1 and that do
- 17 not require additional state matching funds are appropriated for the pur-
- 18 poses intended.
- 19 Sec. 213. The department shall provide the state budget director
- 20 and the senate and house fiscal agencies with copies of the state board
- 21 of education agenda and all supporting documents at the time the agenda
- 22 and supporting documents are provided to state board of education
- 23 members.
- Sec. 214. Money in the school loan exception fee fund that is unex-
- 25 pended at the end of the fiscal year shall not revert to the general fund
- 26 but shall be carried over to the succeeding fiscal year.

- Sec. 215. (1) From the amount appropriated in part 1 for the office
- 2 for safe schools, the department is allocated an amount not to exceed

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- 3 \$200,000.00 to continue the office for safe schools within the
- 4 department. The office for safe schools shall work with local school
- 5 boards, law enforcement agencies, community leaders, and the office of
- 6 drug control policy for the prevention of school violence. The office
- 7 for safe schools shall develop and implement, and serve as coordinator
- 8 of, a statewide clearinghouse for information, program development, model
- 9 programs and policies, and technical assistance on school violence
- 10 prevention.

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- 11 (2) To accomplish its functions under this section, the office for
- 12 safe schools shall do all of the following:
- 13 (a) Evaluate the effectiveness of, and make recommendations to local
- 14 school boards concerning, public school violence prevention programs,
- 15 including, but not limited to, programs aimed at reducing the possession
- 16 of weapons and the incidence of other violent behaviors on school cam-
- 17 puses, violence prevention curricula, conflict resolution and peer media-
- 18 tion training, interagency cooperative referral and treatment programs,
- 19 parental involvement programs, and school safety planning.
- 20 (b) In consultation with appropriate organizations, develop and dis-
- 21 tribute to school districts and public school academies a model code of
- 22 conduct for pupils.
- 23 (c) Coordinate with the office of drug control policy in the depart-
- 24 ment of community health to ensure that there is a meaningful linkage
- 25 between the efforts under this act to provide safe schools and the ini-
- 26 tiatives undertaken through that office, including, but not limited to,

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- 1 school districts' safe and drug-free school plans, and to facilitate
- 2 timely applications for and distribution of available grant money.
- 3 (d) Provide through the Internet the availability to and information
- 4 regarding the state model policy on locker searches, the state model
- 5 policy on firearm safety and awareness, and any other state or local
- 6 safety policies that the office considers exemplary.
- 7 (e) Work in collaboration with the department of state police in
- 8 establishing a toll-free school violence hotline.
- 9 (f) From the funds appropriated in part 1 for safe schools opera-
- 10 tions, the department shall expend at least \$50,000.00 to advertise the
- 11 toll-free school violence hotline.
- 12 Sec. 216. The department shall require all public school districts
- 13 to maintain complete records within the personnel file of a teacher or
- 14 school employee of any disciplinary actions taken by the local school
- 15 board against the teacher or employee for sexual misconduct. The records
- 16 shall not be destroyed or removed from the teacher's or employee's per-
- 17 sonnel file except as required by a court order.
- 18 Sec. 217. For fiscal year 2001-2002, the department shall contract
- 19 with and provide administration for the same local sponsors that partici-
- 20 pated in the emergency food assistance program under an agreement that
- 21 was agreed to by the department for fiscal year 1999-2000, unless the
- 22 local sponsor elects not to participate in the program.
- 23 Sec. 218. (1) The department of management and budget and each
- 24 principal executive department and agency shall provide to the senate and
- 25 house of representatives standing committees on appropriations and the
- 26 senate and house fiscal agencies a monthly report on all personal service

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- 1 contracts awarded without competitive bidding, pricing, or rate-setting.
- 2 The notification shall include all of the following:
- 3 (a) The total dollar amount of the contract.
- 4 (b) The duration of the contract.
- 5 (c) The name of the vendor.
- 6 (d) The type of service to be provided.
- 7 (2) For personal service contracts of \$100,000.00 or more, the
- 8 department of management and budget shall provide a monthly report
- 9 including all of the following:
- 10 (a) The total dollar amount of the contract.
- 11 (b) The duration of the contract.
- 12 (c) The name of the vendor.
- 13 (d) The type of service to be provided.
- 14 (3) The department of management and budget shall provide a monthly
- 15 listing of all bid requests or requests for proposal that were issued.
- 16 (4) Each principal executive department and agency shall provide a
- 17 monthly summary listing of information that identifies any authorization
- 18 for personal service contracts that are provided to the department of
- 19 civil service pursuant to delegated authority granted to each principal
- 20 executive department and agency related to personal service contracts.
- 21 Sec. 219. From the funds appropriated in part 1, the department
- 22 shall establish a position of school health services consultant, to be
- 23 filled by a certified school nurse or an individual with comparable edu-
- 24 cation and experience.
- 25 Sec. 221. Any funds appropriated for the fiscal year 1999-2000
- 26 under section 94a of the school aid act of 1979, 2000 PA 297,
- 27 MCL 388.1694a, that are carried forward to the fiscal year 2000-2001

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- 21
- 1 shall be used to reimburse school districts for implementation of the
- 2 database for educational performance and information at \$2.50 per
- 3 student.
- 4 Sec. 222. By February 15, 2002, the department shall provide the
- 5 state budget director, the subcommittees on department of education of
- 6 the house and senate appropriations committees, and the senate and house
- 7 fiscal agencies with an annual report on restricted fund balances,
- 8 projected revenues, and expenditures for the fiscal years ending
- 9 September 30, 2001 and September 30, 2002.

#### 10 STATE BOARD/OFFICE OF THE SUPERINTENDENT

- 11 Sec. 301. (1) The appropriations in part 1 may be used for per diem
- 12 payments to members of boards, committees, and commissions for each day's
- 13 board, committee, or commission work at which a quorum is present; for
- 14 attending a hearing as authorized by the respective board, committee, or
- 15 commission; or for performing official business as authorized by the
- 16 respective board, committee, or commission. The per diem payments shall
- 17 be at a rate as follows:
- 18 (a) State board of education president..... \$ 110.00 per day
- 19 (b) State board of education member other than
- 20 president..... \$ 100.00 per day
- 21 (c) State tenure commission member..... \$ 50.00 per day
- 22 (2) A state board of education member shall not be paid a per diem
- 23 for more than 30 days per year.
- 24 (3) The administrative secretary of the state board of education
- 25 shall report to the public, the senate and house fiscal agencies, and the

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- 1 state budget director the previous quarter's expenses by fund source for
- 2 members of the state board of education related to the performance of
- 3 their responsibilities.
- 4 Sec. 302. From the amount appropriated in part 1 to the state board
- 5 of education, not more than \$35,000.00 shall be expended for travel.

#### 6 MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

- 7 Sec. 401. The employees at the Michigan schools for the deaf and
- 8 blind who work on a school year basis shall be considered annual employ-
- 9 ees for purposes of service credits, retirement, and insurance benefits.
- 10 Sec. 402. For each student enrolled at the Michigan schools for the
- 11 deaf and blind, the department shall assess the intermediate school dis-
- 12 trict of residence 100% of the cost of operating the student's instruc-
- 13 tional program. The amount shall exclude room and board related costs
- 14 and the cost of weekend transportation between the school and the
- 15 student's home.
- 16 Sec. 403. (1) The department may assess rent to any state agency
- 17 for the use of any facility at the Michigan school for the blind's former
- 18 site in Lansing. The rental rates and all leasing arrangements shall be
- 19 subject to the approval of the department of management and budget.
- 20 (2) In addition to those funds appropriated in part 1, the depart-
- 21 ment may receive and expend additional funds from lease agreements at the
- 22 Michigan school for the blind's former site in Lansing that have been
- 23 negotiated with the approval of the department of management and budget.
- 24 These funds are appropriated to the department for operation,
- 25 maintenance, and renovation expenses associated with the leased space.

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- (3) The department shall not rent, lease, or declare as surplus
- 2 property the superintendent's house on the Michigan school for the

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- 3 blind's former site without prior consent from the house and senate
- 4 appropriations subcommittees on education. Amounts received under
- 5 section 107 for general services may be expended by the department for
- 6 operation, maintenance, and renovation expenses associated with the
- 7 superintendent's house.
- 8 (4) Security guards or other patrols at the Michigan school for the
- 9 blind's former site shall not be funded through section 108 funds appro-
- 10 priated for the Michigan schools for the deaf and blind.
- 11 (5) If the department leases real property to a person or organiza-
- 12 tion that is not a department of state government, the department shall
- 13 not expend funds in excess of the lease revenue received to replace, ren-
- 14 ovate, or repair that real property. This section shall not apply to
- 15 emergency repairs or costs associated with technological renovations.
- 16 (6) The department shall not lease real property for less than fair
- 17 market value.
- 18 (7) The unexpended balances of appropriations and any surplus
- 19 restricted revenue for the former school for the blind site in Lansing
- 20 shall not lapse to the state general fund at the end of the fiscal year.
- 21 Any unexpended and unencumbered funds remaining on September 30, 2002,
- 22 shall be carried forward as a work project or as restricted revenue and
- 23 expended for special maintenance and repairs of facilities at the former
- 24 Michigan school for the blind site in Lansing. The work project shall be
- 25 performed by state employees or by contract when necessary at an esti-
- 26 mated cost of \$100,000.00. The estimated completion date of the work
- 27 project is September 30, 2003.

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- 1 (8) The department shall request the department of civil service to
- 2 conduct a review of all positions within the Michigan schools for the
- 3 deaf and blind and consider any appropriate reclassifications.
- 4 Sec. 404. (1) The department may assess rent or lease excess prop-
- 5 erty located on the campus of the Michigan schools for the deaf and blind
- 6 in Flint to private or publicly funded organizations.
- 7 (2) In addition to those funds appropriated in part 1, the depart-
- 8 ment may receive and expend additional funds from lease agreements at the
- 9 Michigan schools for the deaf and blind Flint campus that have been nego-
- 10 tiated with the approval of the department of management and budget.
- 11 These funds are appropriated to the department for the operation, mainte-
- 12 nance, and renovation expenses associated with the leased space.
- 13 (3) Proceeds from the sale of surplus property and facilities at the
- 14 Michigan schools for the deaf and blind are appropriated for the purposes
- 15 of repairs, renovations, and maintenance of the Flint campus.
- 16 (4) The unexpended balances of appropriations for school for deaf
- 17 and blind operations, and from proceeds of the sale of surplus property
- 18 and facilities at the Michigan schools for the deaf and blind shall not
- 19 lapse to the state general fund at the end of the fiscal year. Any unex-
- 20 pended and unencumbered funds remaining on September 30, 2002, shall be
- 21 carried forward as a work project or as restricted revenue and expended
- 22 for special maintenance and repairs of facilities at the campus of the
- 23 Michigan schools for the deaf and blind in Flint. The work shall be car-
- 24 ried out by state employees, or by contract as necessary, at an estimated
- 25 cost of \$250,000.00. The estimated completion date of the work is
- 26 September 30, 2003.

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- 1 Sec. 405. The department may assist the department of community
- 2 health, other departments, and local school districts to secure
- 3 reimbursement for eligible services provided in Michigan schools from the
- 4 federal Medicaid program. The department may submit reports of direct
- 5 expenses related to this effort to the department of community health for
- 6 reimbursement.
- 7 Sec. 406. (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 (3) It is the intent of the legislature that parents continue to
- 20 have a choice regarding the educational placement of their deaf or hard
- 21 of hearing children.
- 22 Sec. 407. The department shall report to the house and senate
- 23 appropriations subcommittees on education detailed information on the
- 24 expenditures made from the amount authorized in part 1 quarterly for gen-
- 25 eral services for the Michigan school for the blind's former site.
- 26 Sec. 408. In addition to those funds appropriated in part 1, the
- 27 department may receive and expend funds from the mid-Michigan academy for

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- 26
- 1 capital improvements. These additional funds are appropriated
- 2 specifically for capital improvements authorized by the department of
- 3 management and budget and shall be negotiated as part of the lease
- 4 agreement. The department shall report such expenditures to the house
- 5 and senate fiscal agencies quarterly.

#### 6 PROFESSIONAL PREPARATION SERVICES

- 7 Sec. 501. From the funds appropriated in part 1 for professional
- 8 preparation services, the department shall maintain the professional per-
- 9 sonnel register and certificate revocation/felony conviction files.
- 10 Sec. 502. The department shall authorize teacher preparation insti-
- 11 tutions to provide an alternative program by which up to 1/2 of the
- 12 required student internship or student teaching credits may be earned
- 13 through substitute teaching. The department shall require that teacher
- 14 preparation institutions collaborate with school districts to ensure that
- 15 the quality of instruction provided to student teachers is comparable to
- 16 that required in a traditional student teaching program.

#### 17 EDUCATION OPTIONS, CHARTERS, AND CHOICE

- 18 Sec. 601. (1) From the amount appropriated in part 1 for education
- 19 options, charters, and choice, there is allocated \$350,000.00 and 3.5 FTE
- 20 positions to operate a charter school office to administer charter school
- 21 legislation and associated regulations, and to coordinate the activities
- 22 of the department relating to charter schools.

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- 27
- 1 (2) From the amount appropriated in part 1 for education options,
- 2 charters, and choice, there is allocated up to \$250,000.00 to fund an
- 3 exchange program between teachers in Michigan school districts and teach-
- 4 ers in Michigan's sister state of Shiga in Japan.
- 5 (3) If an audit finds that a public school district has signifi-
- 6 cantly misrepresented its enrollment membership or financial data to the
- 7 department, its funding shall be withheld and the public school district
- 8 shall be required to reimburse the state any appropriations made as a
- 9 result of the misrepresentations.

#### 10 GRANTS AND DISTRIBUTIONS

- 11 Sec. 701. The department shall disburse the funds to a general fund
- 12 grantee in accordance with the same standards of timing and amount that
- 13 apply to disbursements made by the department to a federal fund grantee.
- 14 The disbursement shall be restricted to the minimum amount needed for
- 15 immediate disbursement by the grantee. The department may waive this
- 16 section if extenuating circumstances warrant and are substantiated in the
- 17 grantee's application or other appropriate documentation. A waiver
- 18 granted pursuant to this section shall not be effective until 15 days
- 19 after written notice of the proposed waiver is given to the state budget
- 20 director and the chairpersons of the senate and house appropriations sub-
- 21 committees having jurisdiction over the department budget.
- 22 Sec. 702. The funds appropriated in part 1 for school breakfast
- 23 programs shall be made available to all eligible applicant public school
- 24 districts and public school academies as follows:

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- 1 (a) The public school district or public school academy participates
- 2 in the federal school breakfast program and meets all standards as
- 3 prescribed by 7 C.F.R. parts 220 and 245.
- 4 (b) Payment is made for each breakfast served meeting standards pre-
- 5 scribed in subdivision (a).
- 6 (c) The payment for a public school district or public school acad-
- 7 emy is at a per meal rate equal to the lesser of the district's or public
- 8 school's actual cost, or 100% of the cost of a breakfast served by an
- 9 efficiently operated breakfast program as determined by the department,
- 10 less federal reimbursement, participant payments, and other state
- 11 reimbursement. Determination of efficient cost by the department shall
- 12 be determined by using a statistical sampling of statewide and regional
- 13 cost as reported in a manner approved by the department for the preceding
- 14 school year.
- 15 (d) The payment determined under subdivision (c) is prorated if the
- 16 appropriation in part 1 is not sufficient to fund all payments determined
- 17 under this section.
- 18 Sec. 703. (1) The funds appropriated in part 1 for school readiness
- 19 programs shall be made available through a competitive application pro-
- 20 cess as follows:
- 21 (a) An applicant may be any public or private nonprofit legal entity
- 22 or agency other than a local or intermediate school district except a
- 23 local or intermediate school district acting as a fiscal agent for a
- 24 child caring organization regulated under 1973 PA 116, MCL 722.111 to
- **25** 722.128.
- (b) Applications shall be submitted in a form and manner as required
- 27 by the department.

1 (c) Applications shall be reviewed by a diverse interagency

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- 2 committee composed of representatives of the department, appropriate com-
- 3 munity, volunteer, and social service agencies and organizations, and
- 4 parents.
- 5 (d) Priority in the recommendation for awarding of grants by the
- 6 state board of education to applicants shall be based upon the following
- 7 criteria:
- **8** (i) Compliance with standards for early childhood development con-
- 9 sistent with programs for 4-year-olds, as approved by the state board of
- 10 education.
- (ii) Active and continuous involvement of the parents or guardians
- 12 of the children participating in the program.
- 13 (iii) Employment of teachers possessing proper training in early
- 14 childhood development, including an early childhood (ZA) endorsement or
- 15 child development associate, and trained support staff.
- 16 (iv) Evidence of collaboration with the community of providers in
- 17 early childhood development programs including documentation of the total
- 18 number of children in the community who would meet the criteria estab-
- 19 lished in subparagraph (vi), and who are being served by other providers,
- 20 and the number of children who will remain unserved by other community
- 21 early childhood programs if this program is funded.
- 22 (v) The extent to which these funds will supplement other federal,
- 23 state, local, or private funds.
- (vi) The extent to which these funds will be targeted to children
- 25 who will be at least 4, but less than 5, years of age as of December 1 of
- 26 the year in which the programs are offered and who show evidence of 2 or
- 27 more "at-risk" factors as defined in the state board of education report

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- 1 entitled, "children at risk" that was adopted by the state board on
- 2 April 5, 1988.
- 3 (e) Whether the application contains a comprehensive evaluation plan
- 4 that includes implementation of all program components required and an
- 5 assessment of the gains of children participating in an early childhood
- 6 development program.
- 7 (f) Applications shall provide for the establishment of a school
- 8 readiness advisory committee that shall be involved in the planning and
- 9 evaluation of the program and provides for the involvement of parents and
- 10 appropriate community, volunteer, and social service agencies and
- 11 organizations. There shall be on the committee at least 1 parent or
- 12 guardian of a program participant for every 18 children enrolled in the
- 13 program, with a minimum of 2 parent or guardian representatives. The
- 14 committee shall do all of the following:
- 15 (i) Review the mechanisms and criteria used to determine referrals
- 16 for participation in the school readiness program.
- 17 (ii) Review the health screening program for all participants.
- 18 (iii) Review the nutritional services provided to all participants.
- 19 (iv) Review the mechanisms in place for the referral of families to
- 20 community social service agencies, as appropriate.
- (v) Review the collaboration with and the involvement of appropriate
- 22 community, volunteer, and social service agencies and organizations in
- 23 addressing all aspects of education disadvantage.
- (vi) Review, evaluate, and make recommendations for changes in the
- 25 school readiness program.
- 26 (g) More than 50% of the children participating in the program shall
- 27 meet the income eligibility criteria for free or reduced price lunch, as

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- 1 determined under the national school lunch act, chapter 281, 60
- 2 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to 1766b,
- 3 and 1769 to 1769h, or meet income and all other eligibility criteria for
- 4 participation in the Michigan family independence agency unified child
- 5 day care program.
- **6** (2) Grant awards by the superintendent of public instruction may be
- 7 at whatever level the superintendent determines appropriate. A grant,
- 8 when combined with other sources of state revenue for this program, shall
- 9 not exceed \$3,300.00 per child or the cost of the program, whichever is
- **10** less.
- 11 (3) Except as otherwise provided, an applicant that receives a
- 12 2001-2002 grant under this section shall also receive priority for fiscal
- 13 years 2002-2003 and 2003-2004 funding. However, after 3 fiscal years of
- 14 continuous funding, an applicant will be required to compete openly with
- 15 new programs and other programs completing their third year. All grant
- 16 awards are contingent on the availability of funds and documented evi-
- 17 dence of grantee compliance with standards for early childhood develop-
- 18 ment consistent with programs for 4-year-olds, as approved by the state
- 19 board of education, and with all operational, fiscal, administrative, and
- 20 other program requirements. A program which offers supplementary day
- 21 care and thereby offers full-day programs as part of its early childhood
- 22 development program shall receive priority in the allocation of competi-
- 23 tive funds.
- Sec. 704. (1) The reading plan for Michigan (RPM) is a series of
- 25 elementary education strategies created for the purpose of improving
- 26 reading skills of K-3 students so that all students are reading at an
- 27 appropriate grade level prior to the start of the fourth grade. The RPM

3:

- 1 shall be developed by the department in consultation with the RPM
  2 advisory council as created by Executive Order 1998-4.
- 3 (2) Not later than November 15, 2001, the department shall submit a 4 report to the governor, the legislature, the state budget director, and 5 the senate and house fiscal agencies on their progress in achieving the 6 goals of the RPM. The report shall include detailed results of each RPM 7 strategy as implemented, as well as an assessment of the state's overall 8 progress towards having every student read at an appropriate grade level 9 by the start of fourth grade, the impact of early intervention services 10 on special education referrals, and the end of social promotion. Sec. 705. From the funds appropriated in part 1 for national board 11 12 certification, the department shall pay 1/2 of the application fee for 13 teachers who are deemed by the department by March 1, 2000, to be quali-14 fied to apply to the national board for professional teaching standards 15 for professional teaching certificates or licenses and to provide grants 16 to recognize and reward teachers who receive certification or licensure. Sec. 706. (1) From the \$400,000.00 appropriated in part 1 of 2000 17 18 PA 263 for innovative program demonstration grants, \$200,000.00 shall be 19 used for the fiscal year 2000-2001 and the remaining \$200,000.00 for the 20 fiscal year 2001-2002. The balance of the \$400,000.00 not expended in 21 fiscal year 2000-2001 shall not revert to the general fund but continue 22 to be available in fiscal year 2001-2002 for the awarding of grants under 23 this section. The department may use up to 4% of the funds appropriated 24 for this section for administration of the innovative program demonstra-

25 tion grants awarded under this section. The department shall use the

26 balance of the appropriation to provide grants to local school districts

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- 1 and intermediate school districts to develop the following innovative
- 2 programs:
- 3 (a) School safety programs to examine creative ways to ensure safe
- 4 schools in this state. The measures the program should examine include,
- 5 but are not limited to, school uniforms, identification tags for staff,
- 6 students, and volunteers, a school safety hotline, and the use of a
- 7 school resource officer.
- 8 (b) Parental involvement programs to explore ways to increase paren-
- 9 tal and community involvement in schools. A funded program should focus
- 10 on developing ways to utilize parents and community members as volunteers
- 11 in the schools, increasing parent and teacher attendance at
- 12 parent/teacher conferences, and provide training to teachers and adminis-
- 13 trators on utilizing parents as a valuable resource.
- 14 (c) Expanding curriculum programs to identify additions to the
- 15 curriculum. A program shall have the approval of the local school board
- 16 before applying for a grant. Programs such as stress management, con-
- 17 flict resolution, and character education are areas that can be included
- 18 in a proposal under this subdivision and should be targeted at each grade
- 19 level. A program can also look at parent/student/school contracts and
- 20 should include expanding or implementing a gifted and talented program or
- 21 hiring a resource coordinator for existing gifted and talented programs.
- 22 (2) The following are the primary goals for the innovative programs
- 23 development grants:
- 24 (a) To provide the means for schools to experiment with new and
- 25 innovative programs to improve school safety, parental involvement, and
- 26 curriculum development.

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- 1 (b) To demonstrate the value of the programs to justify continued
- 2 local funding once the grant program has ended.
- 3 (c) To increase parental and community involvement in their
- 4 schools.
- 5 (d) To share information between the schools regarding successful
- 6 innovative programs. This should include the posting of the information
- 7 on the school's and department's website.
- 8 (3) The department shall use the following criteria in determining
- 9 the awarding of grants under this section:
- 10 (a) The state shall be divided into 5 regions to ensure equality of
- 11 funding. Each region shall receive at least 1 grant in each of the pro-
- 12 gram areas.
- 13 (b) Although a school may apply for funding under all 3 program
- 14 areas, it can be awarded grant funds in only 1 of the program areas.
- 15 (c) A program shall be funded for 2 years.
- 16 (d) Although the focus of the programs should be on new programs, it
- 17 may include innovative programs already in place.
- 18 (e) Each program shall receive \$10,000.00 for each fiscal year.
- **19** (f) Of the \$200,000.00 appropriated each fiscal year, \$10,000.00
- 20 each fiscal year shall be earmarked for each of the 5 regions for the
- 21 development of parental involvement programs. These funds shall be used
- 22 to hire a volunteer coordinator.
- 23 (g) Any other criteria the department considers necessary to imple-
- 24 ment this section.
- 25 (4) No later than September 30, 2002, a district receiving funding
- 26 under this section shall report to the department on the results achieved

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- 1 by each innovative program. The report filed under this subsection shall
- 2 include all of the following for each program:
- 3 (a) A description of the program and what steps were taken to imple-
- 4 ment the program.
- 5 (b) Any statistical data available before and after the funding
- 6 period regarding the target area of the program.
- 7 (c) An analysis of the effectiveness of each program component.
- 8 (d) An analysis of the overall impact the program had on the stu-
- 9 dents, school, community, and parents.
- 10 (e) The decision and reasoning as to why the program will be either
- 11 continued or terminated after grant funding has ended.
- 12 (5) No later than November 29, 2002, the department shall compile
- 13 the information received under subsection (3) and submit a report to the
- 14 house and senate standing committees on education, the house and senate
- 15 appropriations subcommittees on the department of education, the house
- 16 and senate fiscal agencies, the state budget director, and the state
- 17 board of education. The reports shall be posted on the department's
- 18 website.
- 19 Sec. 707. The department shall require the application of a dis-
- 20 trict or intermediate school district applying for new federal, state, or
- 21 local funding for birth to age 5 programs to be in agreement with the
- 22 comprehensive community plan created to meet the application requirements
- 23 of section 32b of the state school aid act of 1979, 1979 PA 94,
- 24 MCL 388.1832b.

[Sec. 708. Any unexpended funds appropriated in fiscal year 2001 for the autism teacher certification program at Grand Valley State University shall not revert back to the general fund. The department shall carry forward any remaining funds to the succeeding fiscal year.]

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#### 1 INNOVATIVE CURRICULUM DEVELOPMENT GRANT PROGRAM

- 2 Sec. 801. The house and senate appropriations subcommittees for the
- 3 department of education shall continue to review the findings of the
- 4 innovative curriculum development grant program which awarded grants
- 5 under 2000 PA 263 to organizations that promoted systemic reform in the
- 6 areas of curriculum development, pilot alternative education programs,
- 7 civic education, special education, teacher certification, math and
- 8 science education, and other innovative programs.

#### 9 TECHNOLOGY AND INFORMATION SERVICES

- 10 Sec. 901. The Michigan school report shall be posted on the
- 11 department's website.
- Sec. 902. In accordance with Executive Order No. 2000-9, the 12
- 13 department shall support and coordinate with the center for educational
- 14 performance and information on the development of a comprehensive educa-
- 15 tional information system.