

SENATE BILL No. 1103

February 13, 2002, Introduced by Senators Stille and Bennett and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2003; 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

1 Sec. 101. Subject to the conditions set forth in this bill,
 2 the amounts listed in this part are appropriated for the
 3 department of education for the fiscal year ending September 30,
 4 2003, from the funds indicated in this part. The following is a
 5 summary of the appropriations in this part:

6 **DEPARTMENT OF EDUCATION**

7 APPROPRIATION SUMMARY:

| | | | |
|----|--|-------|---------------|
| 8 | Full-time equated unclassified positions | 6.0 | |
| 9 | Full-time equated classified positions | 407.4 | |
| 10 | GROSS APPROPRIATION | | \$ 89,896,000 |
| 11 | Interdepartmental grant revenues: | | |
| 12 | Interdepartmental grants from corrections | | |
| 13 | academy lease | | 518,000 |
| 14 | Total interdepartmental grants and intrade- | | |
| 15 | partmental transfers | | 518,000 |
| 16 | ADJUSTED GROSS APPROPRIATION | | \$ 89,378,000 |
| 17 | Federal revenues: | | |
| 18 | Total federal revenues | | 39,863,400 |
| 19 | Special revenue funds: | | |
| 20 | Local cost sharing (schools for the blind/deaf) | | 4,641,600 |
| 21 | Local school district service fees | | 102,600 |
| 22 | Total local revenues | | 4,744,200 |
| 23 | Private gifts, bequests, and donations | | 504,200 |
| 24 | Private foundations | | 197,200 |
| 25 | Total private revenues | | 701,400 |
| 26 | Total local and private revenues | | 5,445,600 |
| 27 | Teacher certification revenues | | 2,732,600 |
| 28 | Commodity distribution fees | | 51,400 |

| | | |
|----|---|---------------|
| 1 | Driver fees | 8,124,600 |
| 2 | Lansing, Michigan school for the blind rent . . | 739,000 |
| 3 | Motorcycle license fees | 1,343,800 |
| 4 | Safety education fund | 314,700 |
| 5 | Student insurance revenues | 205,100 |
| 6 | School loan exception fees | 67,300 |
| 7 | Teacher testing fees | 280,800 |
| 8 | Training and orientation workshop fees | 100,000 |
| 9 | Total other state restricted revenues | 13,959,300 |
| 10 | State general fund/general purpose | \$ 30,109,700 |

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

| | | |
|----|---|------------------|
| 13 | Full-time equated unclassified positions | 6.0 |
| 14 | Full-time equated classified positions | 14.0 |
| 15 | State board of education, per diem | \$ 19,400 |
| 16 | Unclassified positions--6.0 FTE positions . . | 515,600 |
| 17 | State board/superintendent operations--14.0 FTE | <u>1,989,400</u> |
| 18 | GROSS APPROPRIATION | \$ 2,524,400 |

19 Appropriated from:

20 Federal revenues:

| | | |
|----|-------------------------------|---------|
| 21 | Total federal funds | 577,200 |
|----|-------------------------------|---------|

22 Special revenue funds:

| | | |
|----|--|--------------|
| 23 | Private foundations | 23,000 |
| 24 | State general fund/general purpose | \$ 1,924,200 |

25 **Sec. 103. CENTRAL SUPPORT**

| | | |
|----|---|--------------|
| 26 | Full-time equated classified positions . | 39.3 |
| 27 | Central support--39.3 FTE positions | \$ 5,264,600 |
| 28 | Worker's compensation | 101,000 |

| | | |
|----|--|---------------------|
| 1 | Education commission of the states | 99,300 |
| 2 | Building occupancy charges-property management | |
| 3 | services | 1,439,600 |
| 4 | Training and orientation workshops | 100,000 |
| 5 | Terminal leave payments | <u>260,500</u> |
| 6 | GROSS APPROPRIATION | \$ 7,265,000 |
| 7 | Appropriated from: | |
| 8 | Federal revenues: | |
| 9 | Total federal revenues | 3,916,400 |
| 10 | Special revenue funds: | |
| 11 | Certification fees | 172,000 |
| 12 | Commodity distribution fees | 6,100 |
| 13 | Driver fees | 24,700 |
| 14 | Local cost sharing | 48,900 |
| 15 | Motorcycle license fees | 4,600 |
| 16 | Safety education fund | 2,600 |
| 17 | School loan exception fees | 67,300 |
| 18 | Teacher testing fees | 11,000 |
| 19 | Training and orientation workshop fees | 100,000 |
| 20 | State general fund/general purpose | \$ 2,911,400 |
| 21 | Sec. 104. SCHOOL SUPPORT SERVICES | |
| 22 | Full-time equated classified positions . 41.4 | |
| 23 | School support operations--41.4 FTE positions . | <u>\$ 5,040,800</u> |
| 24 | GROSS APPROPRIATION | \$ 5,040,800 |
| 25 | Appropriated from: | |
| 26 | Federal revenues: | |
| 27 | Total federal revenues | 4,010,500 |
| 28 | Special revenue funds: | |

| | | |
|----|---|----------------------|
| 1 | Commodity distribution fees | 45,300 |
| 2 | Driver fees | 499,900 |
| 3 | Motorcycle license fees | 139,200 |
| 4 | Safety education fund | 117,800 |
| 5 | State general fund/general purpose | \$ 228,100 |
| 6 | Sec. 105. INFORMATION TECHNOLOGY | |
| 7 | Information technology services and projects . | <u>\$ 3,288,100</u> |
| 8 | GROSS APPROPRIATION | \$ 3,288,100 |
| 9 | Appropriated from: | |
| 10 | Federal revenues: | |
| 11 | Total federal revenues | 1,063,800 |
| 12 | Special revenue funds: | |
| 13 | Certification fees | 168,200 |
| 14 | State general fund/general purpose | \$ 2,056,100 |
| 15 | Sec. 106. SPECIAL EDUCATION SERVICES | |
| 16 | Full-time equated classified positions . 69.6 | |
| 17 | Special education operations--69.6 FTE positions | <u>\$ 11,477,300</u> |
| 18 | GROSS APPROPRIATION | \$ 11,477,300 |
| 19 | Appropriated from: | |
| 20 | Federal revenues: | |
| 21 | Total federal revenues | 11,139,700 |
| 22 | Special revenue funds: | |
| 23 | Certification fees | 35,200 |
| 24 | State general fund/general purpose | \$ 302,400 |
| 25 | Sec. 107. LANSING, MICHIGAN SCHOOL FOR THE | |
| 26 | BLIND FORMER SITE | |
| 27 | General services | <u>\$ 1,267,000</u> |
| 28 | GROSS APPROPRIATION | \$ 1,267,000 |

| | | |
|----|--|---------------|
| 1 | Appropriated from: | |
| 2 | Interdepartmental grant revenues: | |
| 3 | Interdepartmental grant from corrections academy | |
| 4 | lease | 518,000 |
| 5 | Special revenue funds: | |
| 6 | Lansing, Michigan school for the blind rent . . | 739,000 |
| 7 | Gifts, bequests, and donations | 10,000 |
| 8 | State general fund/general purpose \$ | 0 |
| 9 | Sec. 108. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND | |
| 10 | Full-time equated classified positions . 96.0 | |
| 11 | Michigan schools for the deaf and blind | |
| 12 | operations--96.0 FTE positions \$ | 9,812,100 |
| 13 | Summer institute | <u>90,000</u> |
| 14 | GROSS APPROPRIATION \$ | 9,902,100 |
| 15 | Appropriated from: | |
| 16 | Federal revenues: | |
| 17 | Total federal revenues | 4,507,500 |
| 18 | Special revenue funds: | |
| 19 | Local cost sharing (schools for deaf and blind) | 4,592,700 |
| 20 | Local school district service fees | 102,600 |
| 21 | Gifts, bequests and donations | 494,200 |
| 22 | Student insurance revenue | 205,100 |
| 23 | State general fund/general purpose \$ | 0 |
| 24 | Sec. 109. PROFESSIONAL PREPARATION SERVICES | |
| 25 | Full-time equated classified positions . 26.5 | |
| 26 | Professional preparation operations--26.5 FTE | |
| 27 | positions \$ | 3,135,000 |
| 28 | Department of attorney general | <u>50,000</u> |

| | | | |
|----|--|----|------------------|
| 1 | GROSS APPROPRIATION | \$ | 3,185,000 |
| 2 | Appropriated from: | | |
| 3 | Federal revenues: | | |
| 4 | Total federal revenues | | 608,000 |
| 5 | Special revenue funds: | | |
| 6 | Certification fees | | 2,307,200 |
| 7 | Teacher testing fees | | 269,800 |
| 8 | State general fund/general purpose | \$ | 0 |
| 9 | Sec. 110. FIELD SERVICES | | |
| 10 | Full-time equated classified positions . 41.0 | | |
| 11 | Field services operations--41.0 FTE positions . | \$ | <u>5,379,700</u> |
| 12 | GROSS APPROPRIATION | \$ | 5,379,700 |
| 13 | Appropriated from: | | |
| 14 | Federal Revenues: | | |
| 15 | Total federal revenues | | 4,974,000 |
| 16 | Special revenue funds: | | |
| 17 | State general fund/general purpose | \$ | 405,700 |
| 18 | Sec. 111. OFFICE OF SCHOOL EXCELLENCE | | |
| 19 | Full-time equated classified positions . 50.0 | | |
| 20 | School excellence operations--50.0 FTE positions | \$ | <u>8,968,100</u> |
| 21 | GROSS APPROPRIATION | \$ | 8,968,100 |
| 22 | Appropriated from: | | |
| 23 | Federal Revenues: | | |
| 24 | Total federal revenues | | 6,814,100 |
| 25 | Special revenue funds: | | |
| 26 | Private foundations | | 79,400 |
| 27 | State general fund/general purpose | \$ | 2,074,600 |
| 28 | Sec. 112. GOVERNMENT SERVICES | | |

| | | |
|----|--|---------------------|
| 1 | Full-time equated classified positions . 10.8 | |
| 2 | Government services operations--10.8 FTE | |
| 3 | positions | \$ <u>1,284,800</u> |
| 4 | GROSS APPROPRIATION | \$ 1,284,800 |
| 5 | Appropriated from: | |
| 6 | Federal revenues: | |
| 7 | Total federal revenues | 828,900 |
| 8 | Special revenue funds: | |
| 9 | State general fund/general purpose | \$ 455,900 |
| 10 | Sec. 113. SAFE SCHOOLS AND ADMINISTRATIVE LAW | |
| 11 | Full-time equated classified positions . 11.0 | |
| 12 | Safe schools operations--2.0 FTE positions . . | \$ 473,200 |
| 13 | Administrative law operations--9.0 FTE positions | 852,700 |
| 14 | State tenure commission per diem | <u>11,100</u> |
| 15 | GROSS APPROPRIATION | \$ 1,337,000 |
| 16 | Appropriated from: | |
| 17 | Federal revenues: | |
| 18 | Total federal revenues | 536,700 |
| 19 | Special revenue funds: | |
| 20 | State general fund/general purpose | \$ 800,300 |
| 21 | Sec. 114. EDUCATION OPTIONS, CHARTERS, AND CHOICE | |
| 22 | Full-time equated classified positions . 7.8 | |
| 23 | Education option operations--7.8 FTE positions | \$ <u>1,312,700</u> |
| 24 | GROSS APPROPRIATION | \$ 1,312,700 |
| 25 | Appropriated from: | |
| 26 | Federal revenues: | |
| 27 | Total federal revenues | 886,600 |
| 28 | Special revenue funds: | |

| | | | |
|----|--|----|-------------------|
| 1 | State general fund/general purpose | \$ | 426,100 |
| 2 | Sec. 115. GRANTS AND DISTRIBUTIONS | | |
| 3 | Christa McAuliffe grants | \$ | 94,800 |
| 4 | Driver education | | 7,600,000 |
| 5 | Motorcycle safety education | | 1,200,000 |
| 6 | National board certification | | 50,000 |
| 7 | Off-road vehicle safety training grant | | 194,300 |
| 8 | School breakfast programs | | 6,274,900 |
| 9 | School readiness grants | | <u>12,250,000</u> |
| 10 | GROSS APPROPRIATION | \$ | 27,664,000 |
| 11 | Appropriated from: | | |
| 12 | Special revenue funds: | | |
| 13 | Certification fees | | 50,000 |
| 14 | Driver fees | | 7,600,000 |
| 15 | Motorcycle license fees | | 1,200,000 |
| 16 | Private foundations | | 94,800 |
| 17 | Safety education fund | | 194,300 |
| 18 | State general fund/general purpose | \$ | 18,524,900 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

22 Sec. 201. Pursuant to section 30 of article IX of the state
 23 constitution of 1963, total state spending from state resources
 24 under part 1 for fiscal year 2002-2003 is \$44,069,000.00 and state
 25 spending from state resources to be paid to local units of
 26 government for fiscal year 2002-2003 is \$16,436,800.00. The
 27 itemized statement below identifies appropriations from which
 28 spending to units of local government will occur:

1 GRANTS AND DISTRIBUTIONS

2 STATE PROGRAMS:

| | | | |
|---|--|----|------------|
| 3 | Driver education | \$ | 7,600,000 |
| 4 | School readiness grants | | 1,626,900 |
| 5 | Motorcycle safety education | | 890,000 |
| 6 | Off-road vehicle safety training grant . . . | | 45,000 |
| 7 | School lunch and breakfast | | 6,274,900 |
| 8 | TOTAL | \$ | 16,436,800 |

9 Sec. 202. The appropriations authorized under this bill are
 10 subject to the management and budget act, 1984 PA 431, MCL 18.1101
 11 to 18.1594.

12 Sec. 203. As used in this bill:

13 (a) "Department" means the Michigan department of education.

14 (b) "District" means a local school district as defined in
 15 section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a
 16 public school academy as defined in section 5 of the revised
 17 school code, 1976 PA 451, MCL 380.5.

18 (c) "FTE" means full-time equated.

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

24 Sec. 205. (1) A hiring freeze is imposed on the state
 25 classified civil service. State departments and agencies are
 26 prohibited from hiring any new full-time state classified civil
 27 service employees and prohibited from filling any vacant state
 28 classified civil service positions. This hiring freeze does not

1 apply to internal transfers of classified employees from one
2 position to another within a department.

3 (2) The state budget director shall grant exceptions to this
4 hiring freeze when the state budget director believes that the
5 hiring freeze will result in rendering a state department or
6 agency unable to deliver basic services, cause loss of revenue to
7 the state, result in the inability of the state to receive federal
8 funds, or would necessitate additional expenditures that exceed
9 any savings from maintaining a vacancy. The state budget director
10 shall report quarterly to the chairpersons of the senate and house
11 subcommittees on appropriations the number of exceptions to the
12 hiring freeze approved during the previous quarter and the reasons
13 to justify the exception.

14 Sec. 206. (1) In addition to the funds appropriated in part 1,
15 there is appropriated an amount not to exceed \$20,000,000.00 for
16 federal contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item
18 in this bill under section 393(2) of the management and budget
19 act, 1984 PA 431, MCL 18.1393. The funds appropriated under this
20 subsection shall not be transferred to the unspecified federal
21 grants line item.

22 (2) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$700,000.00 for state
24 restricted contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in this bill under section 393(2) of the management and budget
27 act, 1984 PA 431, MCL 18.1393.

28 (3) In addition to the funds appropriated in part 1, there is

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

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

12 Sec. 208. Unless otherwise specified, the department shall use
13 the Internet to fulfill the reporting requirements of this bill.
14 This may include transmission of reports via electronic mail to
15 the recipients identified for each reporting requirement or it may
16 include placement of reports on the Internet or Intranet site.

17 Sec. 212. The department may carry into the succeeding fiscal
18 year unexpended federal pass-through funds to local institutions
19 and governments that do not require additional state matching
20 funds. Federal pass-through funds to local institutions and
21 governments that are received in amounts in addition to those
22 included in part 1 and that do not require additional state
23 matching funds are appropriated for the purposes intended.

24 Sec. 213. The department shall provide the state budget
25 director and the senate and house fiscal agencies with copies of
26 the state board of education agenda and all supporting documents
27 at the time the agenda and supporting documents are provided to
28 state board of education members.

1 Sec. 214. Money in the school loan exception fee fund that is
2 unexpended at the end of the fiscal year shall not revert to the
3 general fund but shall be carried over to the succeeding fiscal
4 year.

5 Sec. 215. (1) Upon receipt of the federal drug free grant, the
6 department shall allocate \$225,000.00 of the grant to the office
7 of safe schools within the department. The office for safe
8 schools shall work with local school boards, law enforcement
9 agencies, community leaders, and the office of drug control policy
10 for the prevention of school violence. The office for safe
11 schools shall develop and implement, and serve as coordinator of,
12 a statewide clearinghouse for information, program development,
13 model programs and policies, and technical assistance on school
14 violence prevention.

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

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

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

28 (c) Coordinate with the office of drug control policy in the

1 department of community health to ensure that there is a
2 meaningful linkage between the efforts under this bill to provide
3 safe schools and the initiatives undertaken through that office,
4 including, but not limited to, school districts' safe and drug-
5 free school plans, and to facilitate timely applications for and
6 distribution of available grant money.

7 (d) Provide through the Internet the availability to and
8 information regarding the state model policy on locker searches,
9 the state model policy on firearm safety and awareness, and any
10 other state or local safety policies that the office considers
11 exemplary.

12 Sec. 216. The department shall require all public school
13 districts to maintain complete records within the personnel file
14 of a teacher or school employee of any disciplinary actions taken
15 by the local school board against the teacher or employee for
16 sexual misconduct. The records shall not be destroyed or removed
17 from the teacher's or employee's personnel file except as required
18 by a court order.

19 Sec. 218. From the general funds appropriated in part 1 for
20 special education services, the department shall provide funding
21 for 2.0 special education auditors to audit school districts.

22 Sec. 259. From the funds appropriated in part 1 for
23 information technology, the department shall pay user fees to the
24 department of information technology for technology related
25 services and projects. Such user fees shall be subject to
26 provisions of an interagency agreement between the department and
27 the department of information technology.

28 Sec. 260. Amounts appropriated in part 1 for information

1 technology may be designated as work projects and carried forward
 2 to support technology projects under the direction of the
 3 department of information technology. Funds designated in this
 4 manner are not available for expenditure until approved as work
 5 projects under section 451a of the management and budget act, 1984
 6 PA 431, MCL 18.1451a.

7 **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

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

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

17 (b) State board of education - member other

18 than president \$100.00 per day

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

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

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

27 Sec. 302. From the amount appropriated in part 1 to the state
 28 board of education, not more than \$35,000.00 shall be expended for

1 travel.

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

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

7 Sec. 402. For each student enrolled at the Michigan schools
8 for the deaf and blind, the department shall assess the
9 intermediate school district of residence 100% of the cost of
10 operating the student's instructional program. The amount shall
11 exclude room and board related costs and the cost of weekend
12 transportation between the school and the student's home.

13 Sec. 403. (1) The department may assess rent to any state
14 agency for the use of any facility at the Michigan school for the
15 blind's former site in Lansing. The rental rates and all leasing
16 arrangements shall be subject to the approval of the department of
17 management and budget.

18 (2) In addition to those funds appropriated in part 1, the
19 department may receive and expend additional funds from lease
20 agreements at the Michigan school for the blind's former site in
21 Lansing that have been negotiated with the approval of the
22 department of management and budget. These funds are appropriated
23 to the department for operation, maintenance, and renovation
24 expenses associated with the leased space.

25 (3) Security guards or other patrols at the Michigan school
26 for the blind's former site shall not be funded through section
27 108 funds appropriated for the Michigan schools for the deaf and
28 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
6 with technological renovations.

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

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

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

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

24 (4) The unexpended balances of appropriations for school for
25 deaf and blind operations, and from proceeds of the sale of
26 surplus property and facilities at the Michigan schools for the
27 deaf and blind shall not lapse to the state general fund at the
28 end of the fiscal year. Any unexpended and unencumbered funds

1 remaining on September 30, 2003, shall be carried forward as a
2 work project or as restricted revenue and expended for special
3 maintenance and repairs of facilities at the campus of the
4 Michigan schools for the deaf and blind in Flint. The work shall
5 be carried out by state employees, or by contract as necessary, at
6 an estimated cost of \$250,000.00. The estimated completion date
7 of the work is September 30, 2004.

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

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

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

26 Sec. 408. In addition to those funds appropriated in part 1,
27 the department may receive and expend funds from the mid-Michigan
28 academy for capital improvements. These additional funds are

1 appropriated specifically for capital improvements authorized by
2 the department of management and budget and shall be negotiated as
3 part of the lease agreement.

4 **PROFESSIONAL PREPARATION SERVICES**

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

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

17 **EDUCATION OPTIONS, CHARTERS, AND CHOICE**

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

24 **GRANTS AND DISTRIBUTIONS**

25 Sec. 701. The department shall disburse the funds to a general
26 fund grantee in accordance with the same standards of timing and
27 amount that apply to disbursements made by the department to a
28 federal fund grantee. The disbursement shall be restricted to the

1 minimum amount needed for immediate disbursement by the grantee.
2 The department may waive this section if extenuating circumstances
3 warrant and are substantiated in the grantee's application or
4 other appropriate documentation. A waiver granted pursuant to
5 this section shall not be effective until 15 days after written
6 notice of the proposed waiver is given to the state budget
7 director and the chairpersons of the senate and house
8 appropriations subcommittees having jurisdiction over the
9 department budget.

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

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

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

19 (c) The payment for a public school district or public school
20 academy is at a per meal rate equal to the lesser of the
21 district's actual cost, or 100% of the cost of a breakfast served
22 by an efficiently operated breakfast program as determined by the
23 department, less federal reimbursement, participant payments, and
24 other state reimbursement. Determination of efficient cost by the
25 department shall be determined by using a statistical sampling of
26 statewide and regional cost as reported in a manner approved by
27 the department for the preceding school year.

28 (d) The payment determined under subdivision (c) is prorated

1 if the appropriation in part 1 is not sufficient to fund all
2 payments determined under this section.

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

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

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

13 (c) Applications shall be reviewed by a diverse interagency
14 committee composed of representatives of the department,
15 appropriate community, volunteer, and social service agencies and
16 organizations, and parents.

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

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

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

25 (iii) Employment of teachers possessing proper training in
26 early childhood development, including an early childhood (ZA)
27 endorsement or child development associate, and trained support
28 staff.

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

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

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

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

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

- 1 (i) Review the mechanisms and criteria used to determine
2 referrals for participation in the school readiness program.
- 3 (ii) Review the health screening program for all participants.
- 4 (iii) Review the nutritional services provided to all
5 participants.
- 6 (iv) Review the mechanisms in place for the referral of
7 families to community social service agencies, as appropriate.
- 8 (v) Review the collaboration with and the involvement of
9 appropriate community, volunteer, and social service agencies and
10 organizations in addressing all aspects of education disadvantage.
- 11 (vi) Review, evaluate, and make recommendations for changes in
12 the school readiness program.
- 13 (g) More than 50% of the children participating in the program
14 shall meet the income eligibility criteria for free or reduced
15 price lunch, as determined under the national school lunch act,
16 chapter 281, 60 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761,
17 1762a, 1765 to 1766b, and 1769 to 1769h, or meet income and all
18 other eligibility criteria for participation in the Michigan
19 family independence agency unified child day care program.
- 20 (2) Grant awards by the superintendent of public instruction
21 may be at whatever level the superintendent determines
22 appropriate. A grant, when combined with other sources of state
23 revenue for this program, shall not exceed \$3,300.00 per child or
24 the cost of the program, whichever is less.
- 25 (3) Except as otherwise provided, an applicant that receives a
26 2002-2003 grant under this section shall also receive priority for
27 fiscal years 2003-2004 and 2004-2005 funding. However, after 3
28 fiscal years of continuous funding, an applicant will be required

1 to compete openly with new programs and other programs completing
2 their third year. All grant awards are contingent on the
3 availability of funds and documented evidence of grantee
4 compliance with standards for early childhood development
5 consistent with programs for 4-year-olds, as approved by the state
6 board of education, and with all operational, fiscal,
7 administrative, and other program requirements. A program which
8 offers supplementary day care and thereby offers full-day programs
9 as part of its early childhood development program shall receive
10 priority in the allocation of competitive funds.

11 Sec. 705. From the funds appropriated in part 1 for national
12 board certification, the department may pay 1/2 of the application
13 fee for teachers who are deemed by the department by March 1,
14 2002, to be qualified to apply to the national board for
15 professional teaching standards for professional teaching
16 certificates or licenses and to provide grants to recognize and
17 reward teachers who receive certification or licensure.

18 **INFORMATION TECHNOLOGY**

19 Sec. 902. The department shall work in collaboration with the
20 department of information technology to support the comprehensive
21 educational information system and all data collection efforts of
22 the department.