

SENATE BILL No. 1038

March 2, 2004, Introduced by Senator SWITALSKI 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, 2005; 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

1 Sec. 101. Subject to the conditions set forth in this bill, the
 2 amounts listed in this part are appropriated for the department of
 3 education for the fiscal year ending September 30, 2005, from the funds
 4 indicated in this part. The following is a summary of the
 5 appropriations in this part:

6 **DEPARTMENT OF EDUCATION**

7 APPROPRIATIONS SUMMARY:

8	Full-time equated unclassified positions.....	6.0	
9	Full-time equated classified positions.....	394.0	
10	GROSS APPROPRIATION.....		\$ 115,553,400
11	Interdepartmental grant revenues:		
12	Interdepartmental grant from corrections academy lease		1,072,100
13	Total interdepartmental grants and intradepartmental		
14	Transfers		1,072,100
15	ADJUSTED GROSS APPROPRIATION.....		\$ 114,481,300
16	Federal revenues:		
17	Total federal revenues.....		60,654,600
18	Special revenue funds:		
19	Local cost sharing (schools for blind/deaf)		4,928,800
20	Local school district service fees.....		270,000
21	Total local revenues.....		5,198,800
22	Gifts, bequests, and donations.....		504,200
23	Private foundations.....		197,200
24	Total private revenues.....		701,400
25	Total local and private revenues.....		5,900,200
26	Certification fees.....		4,371,300
27	Commodity distribution fees.....		72,300

1	Lansing, Michigan school for the blind rent	739,000
2	Merit award trust fund	13,685,200
3	Student insurance revenue	205,100
4	Teacher testing fees	299,300
5	Training and orientation workshop fees	100,000
6	Total other state restricted revenues	19,472,200
7	State general fund/general purpose	\$ 28,454,300
8	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT	
9	Full-time equated unclassified positions	6.0
10	Full-time equated classified positions	16.0
11	State board of education, per diem payments	\$ 24,400
12	Unclassified positions--6.0 FTE positions	515,600
13	State board/superintendent operations--16.0 FTE	
14	positions	<u>2,686,900</u>
15	GROSS APPROPRIATION	\$ 3,226,900
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues	1,715,800
19	Special revenue funds:	
20	Certification fees	174,400
21	Private foundations	23,000
22	State general fund/general purpose	\$ 1,313,700
23	Sec. 103. CENTRAL SUPPORT	
24	Full-time equated classified positions	27.0
25	Central support--27.0 FTE positions	\$ 3,413,700
26	Worker's compensation	42,000
27	Building occupancy charges - property management services	1,342,700

1	Training and orientation workshops.....	100,000
2	Terminal leave payments.....	620,400
3	Human resources optimization user charges.....	<u>29,500</u>
4	GROSS APPROPRIATION.....	\$ 5,548,300
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues.....	3,427,600
8	Special revenue funds:	
9	Certification fees.....	260,800
10	Commodity distribution fees.....	7,000
11	Local cost sharing.....	93,400
12	Teacher testing fees.....	12,200
13	Training and orientation workshop fees.....	100,000
14	State general fund/general purpose.....	\$ 1,647,300
15	Sec. 104. SCHOOL SUPPORT SERVICES	
16	Full-time equated classified positions..... 48.0	
17	School support operations--48.0 FTE positions.....	<u>\$ 5,647,900</u>
18	GROSS APPROPRIATION.....	\$ 5,647,900
19	Appropriated from:	
20	Federal revenues:	
21	Total federal revenues.....	5,185,800
22	Special revenue funds:	
23	Commodity distribution fees.....	65,300
24	State general fund/general purpose.....	\$ 396,800
25	Sec. 105. INFORMATION TECHNOLOGY SERVICES	
26	Information technology operations.....	<u>\$ 2,540,600</u>
27	GROSS APPROPRIATION.....	\$ 2,540,600

1	Appropriated from:	
2	Federal revenues:	
3	Total federal revenues.....	1,482,800
4	Special revenue funds:	
5	Local cost sharing (schools for the blind/deaf)	47,700
6	Certification fees.....	175,400
7	State general fund/general purpose..... \$	834,700
8	Sec. 106. SPECIAL EDUCATION SERVICES	
9	Full-time equated classified positions..... 43.0	
10	Special education operations--43.0 FTE positions	\$ 10,930,100
11	GROSS APPROPRIATION.....	\$ 10,930,100
12	Appropriated from:	
13	Federal revenues:	
14	Total federal revenues.....	10,682,100
15	Special revenue funds:	
16	Certification fees.....	36,700
17	State general fund/general purpose..... \$	211,300
18	Sec. 107. LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE	
19	General services.....	\$ 1,821,100
20	GROSS APPROPRIATION.....	\$ 1,821,100
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	Interdepartmental grant from corrections academy lease	1,072,100
24	Special revenue funds:	
25	Gifts, bequests, and donations.....	10,000
26	Lansing, Michigan school for the blind rent	739,000
27	State general fund/general purpose..... \$	0

1	Sec. 108. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
2	Full-time equated classified positions.....	76.0
3	Michigan schools for the deaf and blind operations--	75.0
4	FTE positions	\$ 10,172,500
5	Summer institute.....	90,000
6	Camp Tuhsmeheeta--1.0 FTE position.....	250,100
7	Private gifts - blind.....	90,000
8	Private gifts - deaf.....	<u>50,000</u>
9	GROSS APPROPRIATION.....	\$ 10,652,600
10	Appropriated from:	
11	Federal revenues:	
12	Total federal revenues.....	4,895,600
13	Special revenue funds:	
14	Local cost sharing (schools for blind/deaf)	4,787,700
15	Local school district service fees.....	270,000
16	Gifts, bequests, and donations.....	494,200
17	Student insurance revenue.....	205,100
18	State general fund/general purpose.....	\$ 0
19	Sec. 109. PROFESSIONAL PREPARATION SERVICES	
20	Full-time equated classified positions.....	27.0
21	Professional preparation operations--	27.0 FTE
22	positions	\$ 5,382,900
23	Department of attorney general.....	<u>50,000</u>
24	GROSS APPROPRIATION.....	\$ 5,432,900
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues.....	2,547,100

1	Special revenue funds:	
2	Certification fees.....	2,598,700
3	Teacher testing fees.....	287,100
4	State general fund/general purpose.....	\$ 0
5	Sec. 110. EARLY CHILDHOOD EDUCATION AND FAMILY SERVICES	
6	Full-time equated classified positions.....	23.0
7	Early childhood education and family services operations--	
8	23.0 FTE positions	\$ <u>3,680,600</u>
9	GROSS APPROPRIATION.....	\$ 3,680,600
10	Appropriated from:	
11	Federal revenues:	
12	Total federal revenues.....	2,689,800
13	Special revenue funds:	
14	Certification fees.....	53,600
15	State general fund/general purpose.....	\$ 937,200
16	Sec. 111. SCHOOL IMPROVEMENT SERVICES	
17	Full-time equated classified positions.....	78.0
18	School improvement operations--78.0 FTE positions.....	\$ <u>14,081,500</u>
19	GROSS APPROPRIATION.....	\$ 14,081,500
20	Appropriated from:	
21	Federal revenues:	
22	Total federal revenues.....	13,426,700
23	Special revenue funds:	
24	Certification fees.....	502,300
25	Private foundations.....	79,400
26	State general fund/general purpose.....	\$ 73,100
27	Sec. 112. SCHOOL FINANCE AND SCHOOL LAW SERVICES	

1	Full-time equated classified positions.....	21.0	
2	School finance and school law operations--21.0 FTE		
3	positions		\$ 2,473,700
4	GROSS APPROPRIATION.....		\$ 2,473,700
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues.....		1,241,300
8	Special revenue funds:		
9	Certification fees.....		467,200
10	State general fund/general purpose.....	\$	765,200
11	Sec. 113. EDUCATIONAL ASSESSMENT SERVICES		
12	Full-time equated classified positions.....	25.0	
13	Educational assessment operations--25.0 FTE		
14	positions		\$ 24,968,900
15	GROSS APPROPRIATION.....		\$ 24,968,900
16	Appropriated from:		
17	Federal revenues:		
18	Total federal revenues.....		11,283,700
19	Special revenue funds:		
20	Merit award trust funds.....		13,685,200
21	State general fund/general purpose.....	\$	0
22	Sec. 114. GRANTS ADMINISTRATION AND COORDINATION SERVICES		
23	Full-time equated classified positions.....	10.0	
24	Grants administration and coordination operations--10.0 FTE		
25	positions		\$ 1,078,500
26	GROSS APPROPRIATION.....		\$ 1,078,500
27	Appropriated from:		

1	Federal revenues:		
2	Total federal revenues.....		1,076,300
3	Special revenue funds:		
4	Certification fees.....		2,200
5	State general fund/general purpose.....	\$	0
6	Sec. 115. GRANTS AND DISTRIBUTIONS		
7	Urgent school renovation.....	\$	1,000,000
8	Christa McAuliffe grants.....		94,800
9	National board certification.....		100,000
10	School breakfast programs.....		10,025,000
11	School readiness grants.....		<u>12,250,000</u>
12	GROSS APPROPRIATION.....	\$	23,469,800
13	Appropriated from:		
14	Federal revenues:		
15	DED-OESE, urgent school renovation.....		1,000,000
16	Special revenue funds:		
17	Certification fees.....		100,000
18	Private foundations.....		94,800
19	State general fund/general purpose.....	\$	22,275,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

22 Sec. 201. Pursuant to section 30 of article IX of the state
 23 constitution of 1963, total state spending from state resources under
 24 part 1 for fiscal year 2004-2005 is \$47,926,500.00 and state spending
 25 from state resources to be paid to local units of government for fiscal
 26 year 2004-2005 is estimated at \$11,015,100.00. The itemized statement
 27 below identifies appropriations from which spending to units of local

1 government will occur:

2 GRANTS AND DISTRIBUTIONS

3 STATE PROGRAMS:

4	School readiness grants.....	\$	990,100
5	School lunch and breakfast.....		<u>10,025,000</u>
6	TOTAL	\$	11,015,100

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

9 Sec. 203. As used in this bill:

10 (a) "DED-OESE" means the United States department of education
11 office of elementary and secondary education.

12 (b) "Department" means the Michigan department of education.

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

17 (d) "FTE" means full-time equated.

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

23 Sec. 206. Unless otherwise specified, the department receiving
24 appropriations in part 1 shall use the Internet to fulfill the
25 reporting requirements of this bill. This requirement may include
26 transmission of reports via electronic mail to the recipients
27 identified for each reporting requirement, or it may include placement

1 of reports on an Internet or Intranet site.

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

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

14 Sec. 209. (1) Upon receipt of the federal drug free grant, the
15 department shall allocate \$225,000.00 of the grant to the safe
16 school program within the department. The safe school program
17 shall work with local school boards, law enforcement agencies,
18 community leaders, and the office of drug control policy for the
19 prevention of school violence. The safe school program shall
20 develop and implement, and serve as coordinator of, a statewide
21 clearinghouse for information, program development, model programs
22 and policies, and technical assistance on school violence
23 prevention.

24 (2) To accomplish its functions under this section, the safe
25 school program shall do all of the following:

26 (a) Evaluate the effectiveness of, and make recommendations to
27 local school boards concerning public school violence prevention

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

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

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

16 (d) Provide through the Internet the availability to and
17 information regarding the state model policy on locker searches, the
18 state model policy on firearm safety and awareness, and any other state
19 or local safety policies that the office considers exemplary.

20 Sec. 210. The department shall require all public school districts
21 to maintain complete records within the personnel file of a teacher or
22 school employee of any disciplinary actions taken by the local school
23 board against the teacher or employee for sexual misconduct. The
24 records shall not be destroyed or removed from the teacher's or
25 employee's personnel file except as required by a court order.

26 Sec. 212. From the funds appropriated in part 1 for information
27 technology, the department shall pay user fees to the department of

1 information technology for technology-related services and projects.
2 Such user fees shall be subject to provisions of an interagency
3 agreement between the department and the department of information
4 technology.

5 Sec. 213. Amounts appropriated in part 1 for information technology
6 may be designated as work projects and carried forward to support
7 technology projects under the direction of the department of
8 information technology. Funds designated in this manner are not
9 available for expenditure until approved as work projects under section
10 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

11 Sec. 222. Before publishing a list of schools or districts
12 determined to have failed to make adequate yearly progress as required
13 by the federal no child left behind act of 2001, Public Law 107-110,
14 115 Stat. 1425, the department shall allow a school or district to
15 appeal that determination. The department shall consider and act upon
16 the appeal within 30 days after it is submitted and shall not publish
17 the list until after all appeals have been considered and decided.

18 Sec. 223. (1) In addition to the funds appropriated in part 1, there
19 is appropriated an amount not to exceed \$1,000,000.00 for federal
20 contingency funds. These funds are not available for expenditure until
21 they have been transferred to another line item in this bill under
22 section 393(2) of the management and budget act, 1984 PA 431, MCL
23 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$700,000.00 for state restricted
26 contingency funds. These funds are not available for expenditure until
27 they have been transferred to another line item in this bill under

1 section 393(2) of the management and budget act, 1984 PA 431, MCL
2 18.1393.

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

8 (4) In addition to the funds appropriated in part 1, there is
9 appropriated an amount not to exceed \$3,000,000.00 for private
10 contingency funds. These funds are not available for expenditure until
11 they have been transferred to another line item in this bill under
12 section 393(2) of the management and budget act, 1984 PA 431, MCL
13 18.1393.

14 Sec. 224. Funds appropriated in part 1 shall not be used for the
15 purchase of foreign goods or services, or both, if competitively priced
16 and comparable quality American goods or services, or both, are
17 available. Preference should be given to goods and services or both,
18 manufactured or provided by Michigan businesses if they are
19 competitively priced and of comparable value.

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

21 Sec. 301. (1) The appropriations in part 1 may be used for per diem
22 payments to the state board at which a quorum is present. The per diem
23 payments shall be at a rate as follows:

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

25 (b) State board of education - member other than president -
26 \$100.00 per day.

27 (2) A state board of education member shall not be paid a per

1 diem for more than 30 days per year.

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

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

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

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

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

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

24 (2) In addition to those funds appropriated in part 1, the
25 department may receive and expend additional funds from lease agreements
26 made by each tenant for space at the Michigan school for the blind's
27 former site in Lansing that have been negotiated with the approval of

1 the department of management and budget. These funds are appropriated
2 to the department for operation, maintenance, and renovation expenses
3 associated with the leased space designated in the tenant's lease
4 agreement.

5 (3) Security guards or other patrols at the Michigan school for
6 the blind's former site shall not be funded through part 1 funds
7 appropriated for the Michigan schools for the deaf and blind.

8 (4) If the department leases real property to a person or
9 organization that is not a department of state government, the
10 department shall not expend funds in excess of the lease revenue
11 received to replace, renovate, or repair that real property. This
12 section shall not apply to emergency repairs or costs associated with
13 technological renovations.

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

16 (6) From the unexpended balances of appropriations and any
17 surplus restricted revenue for the former school for the blind site in
18 Lansing, up to \$100,000.00 of any unexpended and unencumbered funds
19 remaining on September 30, 2005 may be carried forward as a work
20 project and expended for special maintenance and repairs of facilities
21 at the former Michigan school for the blind site in Lansing. The work
22 project shall be performed by state employees or by contract when
23 necessary at an estimated cost of \$100,000.00. The estimated
24 completion date of the work project is September 30, 2006.

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

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

8 (3) From the unexpended balances of appropriations for the
9 schools for the deaf and blind operations, and from proceeds of the
10 sale of surplus property and facilities at the Michigan schools for the
11 deaf and blind, up to \$250,000.00 of any unexpended and unencumbered
12 funds remaining on September 30, 2005 may be carried forward as a work
13 project and expended for special maintenance and repairs of facilities
14 at the campus of the Michigan schools for the deaf and blind in Flint.
15 The work shall be carried out by state employees, or by contract as
16 necessary, at an estimated cost of \$250,000.00. The estimated
17 completion date of the work is September 30, 2006.

18 Sec. 408. The department may assist the department of community
19 health, other departments, and local school districts to secure
20 reimbursement for eligible services provided in Michigan schools from
21 the federal Medicaid program. The department may submit reports of
22 direct expenses related to this effort to the department of community
23 health for reimbursement.

24 Sec. 409. (1) The Michigan schools for the deaf and blind may
25 promote its residential program as a possible appropriate option for
26 children who are deaf or hard of hearing or who are blind or visually
27 impaired. The Michigan schools for the deaf and blind shall distribute

1 information detailing its services to all intermediate school districts
2 in the state.

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

9 (3) Parents should continue to have a choice regarding the
10 educational placement of their deaf or hard of hearing children.

11 Sec. 410. In addition to those funds appropriated in part 1, the
12 department may receive and expend funds from the mid-Michigan
13 leadership academy for capital improvements. The department shall
14 report to the house and senate fiscal agencies and the state budget
15 office on an annual basis any expenditures made under this section.
16 These additional funds are appropriated specifically for capital
17 improvements authorized by the department of management and budget and
18 shall be negotiated as part of the lease agreement.

19 **PROFESSIONAL PREPARATION SERVICES**

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

23 Sec. 502. The department shall authorize teacher preparation
24 institutions to provide an alternative program by which up to 1/2 of
25 the required student internship or student teaching credits may be
26 earned through substitute teaching. The department shall require that
27 teacher preparation institutions collaborate with school districts to

1 ensure that the quality of instruction provided to student teachers is
2 comparable to that required in a traditional student teaching program.

3 **OFFICE OF SCHOOL IMPROVEMENT**

4 Sec. 601. From the amount appropriated in part 1 for the office of
5 school improvement, there is allocated \$350,000.00 and 3.5 FTE
6 positions to operate a charter school office to administer charter
7 school legislation and associated regulations, and to coordinate the
8 activities of the department relating to charter schools.

9 **GRANTS AND DISTRIBUTIONS**

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

25 (a) The public school district participates in the federal school
26 breakfast program and meets all standards as prescribed by 7 C.F.R.
27 parts 220 and 245.

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

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

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

14 Sec. 703. (1) The funds appropriated in part 1 for project great
15 start school readiness programs shall be made available through a
16 competitive application process as follows:

17 (a) An applicant may be any public or private nonprofit legal
18 entity or agency other than a local or intermediate school district
19 except a local or intermediate school district acting as a fiscal agent
20 for a child caring organization regulated under 1973 PA 116, MCL
21 722.111 to 722.128.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (g) More than 50% of the children participating in the program
24 shall meet the income eligibility criteria for free or reduced price
25 lunch, as determined under the national school lunch act, chapter 281,
26 60 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to
27 1766b, and 1769 to 1769h, or meet income and all other eligibility

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

3 (2) Grant awards by the superintendent of public instruction may
4 be at whatever level the superintendent determines appropriate. A
5 grant, when combined with other sources of state revenue for this
6 program, shall not exceed \$3,300.00 per child or the cost of the
7 program, whichever is less.

8 (3) Except as otherwise provided, an applicant that receives a
9 2004-2005 grant under this section shall also receive priority for
10 fiscal years 2005-2006 and 2006-2007 funding. However, after 3 fiscal
11 years of continuous funding, an applicant will be required to compete
12 openly with new programs and other programs completing their third
13 year. All grant awards are contingent on the availability of funds and
14 documented evidence of grantee compliance with standards for early
15 childhood development consistent with programs for 4-year-olds, as
16 approved by the state board of education, and with all operational,
17 fiscal, administrative, and other program requirements. A program
18 which offers supplementary day care and thereby offers full-day
19 programs as part of its early childhood development program shall
20 receive priority in the allocation of competitive funds.

21 Sec. 704. From the funds appropriated in part 1 for national board
22 certification, the department shall pay 1/2 of the application fee for
23 teachers who are deemed by the department to be qualified to apply to
24 the national board for professional teaching standards for professional
25 teaching certificates or licenses and to provide grants to recognize
26 and reward teachers who receive certification or licensure.

27 **INFORMATION TECHNOLOGY**

1 Sec. 901. The department shall work in collaboration with the
2 center for educational performance and information to support the
3 comprehensive educational information system and all data collection
4 efforts of the department.

5 Sec. 902. The department and the Michigan virtual university shall
6 work collaboratively to implement section 98 of the state school aid
7 act of 1979, 1979 PA 94, MCL 388.1698, in accordance with all
8 applicable federal laws and regulations.

9 **EDUCATIONAL ASSESSMENT**

10 Sec. 1001. (1) From the funds appropriated in part 1 for the
11 educational assessment operations, the department shall provide tests to
12 nonpublic schools and home-schooled students upon request. The
13 department shall notify nonpublic schools that they are eligible to
14 receive the tests.

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

17 (3) The results of each test administered as part of the Michigan
18 educational assessment program, including tests administered to high
19 school students, shall include an item analysis that lists all items
20 that are counted for individual student scores and the percentage of
21 students choosing each possible response.