

HOUSE BILL No. 5879

EXECUTIVE BUDGET BILL

February 23, 2010, Introduced by Rep. Terry Brown and referred to the Committee on Appropriations.

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the department of education for the fiscal year ending September 30, 2011, from

the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY:

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 546.5

GROSS APPROPRIATION..... \$ 131,286,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 0

ADJUSTED GROSS APPROPRIATION..... \$ 131,286,000

Federal revenues:

Federal revenues..... 68,612,400

Race to the top funds (ARRA) 17,000,000

Federal indirect funds..... 2,762,500

IMLS: library services and technology act 5,561,800

Total federal revenues..... 93,936,700

Special revenue funds:

Local cost sharing (schools for deaf/blind) 6,900,400

Local school district service fees 319,600

Total local revenues..... 7,220,000

Gifts, bequests, and donations 650,600

Private foundations..... 2,473,900

Total private revenues..... 3,124,500

Total local and private revenues..... 10,344,500

Certification fees..... 5,901,200

Commodity distribution fees..... 71,700

1	Student insurance revenues.....	218,600
2	Teacher college review fees.....	54,000
3	Teacher testing fees.....	336,400
4	Tenant rent.....	261,000
5	Training and orientation workshop fees.....	150,000
6	Total other state restricted revenues.....	6,992,900
7	State general fund/general purpose.....	\$ 20,011,900
8	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE	
9	SUPERINTENDENT	
10	Full-time equated unclassified positions..... 6.0	
11	Full-time equated classified positions..... 14.0	
12	State board of education, per diem payments.....	\$ 24,400
13	Unclassified positions--6.0 FTE positions.....	645,600
14	State board/superintendent operations--14.0 FTE	
15	positions	<u>2,037,000</u>
16	GROSS APPROPRIATION.....	\$ 2,707,000
17	Appropriated from:	
18	Federal revenues:	
19	Federal revenues.....	112,300
20	Special revenue funds:	
21	Private foundations.....	27,400
22	Certification fees.....	620,000
23	State general fund/general purpose.....	\$ 1,947,300
24	Sec. 103. CENTRAL SUPPORT	
25	Full-time equated classified positions..... 21.6	
26	Central support--21.6 FTE positions.....	\$ 3,016,300
27	Worker's compensation.....	45,900

1	Building occupancy charges - property management	
2	services	2,723,400
3	Tenant rent.....	261,000
4	Training and orientation workshops.....	150,000
5	Terminal leave payments.....	<u>554,700</u>
6	GROSS APPROPRIATION.....	\$ 6,751,300
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues.....	1,426,500
10	Federal indirect funds.....	2,147,200
11	Special revenue funds:	
12	Local cost sharing (schools for deaf/blind)	68,400
13	Certification fees.....	411,200
14	Teacher testing fees.....	13,500
15	Tenant rent.....	261,000
16	Training and orientation workshop fees.....	150,000
17	State general fund/general purpose.....	\$ 2,273,500
18	Sec. 104. INFORMATION TECHNOLOGY SERVICES	
19	Information technology operations.....	<u>\$ 3,676,400</u>
20	GROSS APPROPRIATION.....	\$ 3,676,400
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues.....	1,714,200
24	Federal indirect funds.....	232,400
25	Special revenue funds:	
26	Local cost sharing (schools for deaf/blind)	152,600
27	Certification fees.....	236,200

1	State general fund/general purpose.....	\$	1,341,000
2	Sec. 105. SPECIAL EDUCATION SERVICES		
3	Full-time equated classified positions.....		47.0
4	Special education operations--47.0 FTE positions.....	\$	<u>11,750,800</u>
5	GROSS APPROPRIATION.....	\$	11,750,800
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues.....		11,311,000
9	Special revenue funds:		
10	Private foundations.....		107,700
11	Certification fees.....		39,500
12	State general fund/general purpose.....	\$	292,600
13	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
14	Full-time equated classified positions.....		109.0
15	Michigan schools for the deaf and blind operations--		
16	108.0 FTE positions	\$	13,469,300
17	Camp Tuhsmeheeta--1.0 FTE position.....		295,100
18	Private gifts - blind.....		90,000
19	Private gifts - deaf.....		<u>250,000</u>
20	GROSS APPROPRIATION.....	\$	14,104,400
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		6,247,700
24	Special revenue funds:		
25	Local cost sharing (schools for deaf/blind)		6,679,400
26	Local school district service fees.....		308,100
27	Gifts, bequests, and donations.....		650,600

1	Student insurance revenue.....	218,600
2	State general fund/general purpose.....	\$ 0
3	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
4	Full-time equated classified positions.....	30.5
5	Professional preparation operations--30.5 FTE	
6	positions	\$ 6,676,600
7	Department of attorney general.....	<u>50,000</u>
8	GROSS APPROPRIATION.....	\$ 6,726,600
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues.....	2,870,500
12	Special revenue funds:	
13	Certification fees.....	3,479,200
14	Teacher college review fees.....	54,000
15	Teacher testing fees.....	322,900
16	State general fund/general purpose.....	\$ 0
17	Sec. 108. EARLY CHILDHOOD EDUCATION AND FAMILY SERVICES	
18	Full-time equated classified positions.....	26.0
19	Early childhood education and family services	
20	operations--26.0 FTE positions.....	<u>\$ 4,493,600</u>
21	GROSS APPROPRIATION.....	\$ 4,493,600
22	Appropriated from:	
23	Federal revenues:	
24	Federal revenues.....	3,374,400
25	Special revenue funds:	
26	Private foundations.....	198,700
27	Certification fees.....	60,700

1	State general fund/general purpose	\$	859,800
2	Sec. 109. FIELD SERVICES		
3	Full-time equated classified positions.....	41.0	
4	Field services operations--41.0 FTE positions	\$	<u>9,287,200</u>
5	GROSS APPROPRIATION.....	\$	9,287,200
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues		8,523,000
9	Special revenue funds:		
10	Private foundations		569,400
11	Certification fees		54,400
12	State general fund/general purpose	\$	140,400
13	Sec. 110. SCHOOL FINANCE AND SCHOOL LAW SERVICES		
14	Full-time equated classified positions.....	16.5	
15	School finance and school law operations--16.5 FTE		
16	positions	\$	<u>2,919,600</u>
17	GROSS APPROPRIATION.....	\$	2,919,600
18	Appropriated from:		
19	Federal revenues:		
20	Federal revenues		969,000
21	Federal indirect funds		382,900
22	Special revenue funds:		
23	Certification fees		507,200
24	State general fund/general purpose	\$	1,060,500
25	Sec. 111. EDUCATIONAL ASSESSMENT AND ACCOUNTABILITY		
26	Full-time equated classified positions.....	65.6	
27	Educational assessment operations--51.6 FTE positions	\$	9,652,500

1	Race to the top education reforms--14.0 FTE positions	<u>17,000,000</u>
2	GROSS APPROPRIATION.....	\$ 26,652,500
3	Appropriated from:	
4	Federal revenues:	
5	Federal revenues.....	9,652,500
6	Race to the top funds (ARRA)	17,000,000
7	Special revenue funds:	
8	State general fund/general purpose	\$ 0
9	Sec. 112. GRANTS ADMINISTRATION AND SCHOOL SUPPORT	
10	SERVICES	
11	Full-time equated classified positions..... 62.6	
12	Grants administration and school support services	
13	operations--62.6 FTE positions.....	\$ 8,951,900
14	Federal and private grants.....	<u>3,000,000</u>
15	GROSS APPROPRIATION.....	\$ 11,951,900
16	Appropriated from:	
17	Federal revenues:	
18	Federal revenues.....	10,347,700
19	Special revenue funds:	
20	Local school district service fees	11,500
21	Private foundations.....	1,000,000
22	Commodity distribution fees.....	71,700
23	State general fund/general purpose	\$ 521,000
24	Sec. 113. CAREER AND TECHNICAL EDUCATION	
25	Full-time equated classified positions..... 25.0	
26	Career and technical education operations--25.0 FTE	
27	positions	<u>\$ 4,056,100</u>

1	GROSS APPROPRIATION.....	\$	4,056,100
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		3,385,400
5	Special revenue funds:		
6	State general fund/general purpose.....	\$	670,700
7	Sec. 114. LIBRARY OF MICHIGAN		
8	Full-time equated classified positions.....	32.0	
9	Library of Michigan operations--30.0 FTE positions ...	\$	3,728,800
10	Library services and technology program--2.0 FTE		
11	positions		5,561,800
12	State aid to libraries.....		<u>5,850,000</u>
13	GROSS APPROPRIATION.....	\$	15,140,600
14	Appropriated from:		
15	Federal revenues:		
16	IMLS: library services and technology act.....		5,561,800
17	Special revenue funds:		
18	State general fund/general purpose.....	\$	9,578,800
19	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES		
20	Full-time equated classified positions.....	55.7	
21	Educational improvement and innovation operations--		
22	55.7 FTE positions	\$	<u>11,068,000</u>
23	GROSS APPROPRIATION.....	\$	11,068,000
24	Appropriated from:		
25	Federal revenues:		
26	Federal revenues.....		8,678,200
27	Special revenue funds:		

1	Private foundations.....	570,700
2	Certification fees.....	492,800
3	State general fund/general purpose.....	\$ 1,326,300

4 PART 2

5 PROVISIONS CONCERNING APPROPRIATIONS

6 **GENERAL SECTIONS**

7 Sec. 201. Pursuant to section 30 of article IX of the state
8 constitution of 1963, total state spending from state resources
9 under part 1 for the fiscal year ending September 30, 2011 is
10 \$27,004,800.00 and state spending from state resources to be paid
11 to local units of government for the fiscal year ending September
12 30, 2011 is \$5,850,000.00. The itemized statement below identifies
13 appropriations from which spending to local units of government
14 will occur:

15 DEPARTMENT OF EDUCATION

16	State aid to libraries.....	<u>5,850,000</u>
17	Total department of education.....	\$ 5,850,000

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

21 Sec. 203. As used in this bill:

22 (a) "ARRA" means American Recovery and Reinvestment Act of
23 2009, Public Law 111.5.

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

25 (c) "District" means a local school district as defined in

1 section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a
2 public school academy as defined in section 5 of the revised school
3 code, 1976 PA 451, MCL 380.5.

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

5 (e) "IMLS" means institute of museum and library services.

6 Sec. 204. The civil service commission shall bill departments
7 and agencies at the end of the first fiscal quarter for the charges
8 authorized by section 5 of article XI of the state constitution of
9 1963. Payments shall be made for the total amount of the billing by
10 the end of the second fiscal quarter.

11 Sec. 205. The department shall use the Internet to fulfill the
12 reporting requirements of this bill. This requirement may include
13 transmission of reports via electronic mail to the recipients
14 identified for each reporting requirement, or it may include
15 placement of reports on an Internet or Intranet site.

16 Sec. 206. The department shall provide through the Internet
17 the state board of education agenda and all supporting documents,
18 and shall notify the state budget director and the senate and house
19 fiscal agencies that the agenda and supporting documents are
20 available on the Internet, at the time the agenda and supporting
21 documents are provided to state board of education members.

22 Sec. 208. The department shall require all public school
23 districts to maintain complete records within the personnel file of
24 a teacher or school employee of any disciplinary actions taken by
25 the local school board against the teacher or employee for sexual
26 misconduct. The records shall not be destroyed or removed from the
27 teacher's or employee's personnel file except as required by a

1 court order.

2 Sec. 209. From the funds appropriated in part 1 for
3 information technology, departments and agencies shall pay user
4 fees to the department of technology, management, and budget for
5 technology-related services and projects. Such user fees shall be
6 subject to provisions of an interagency agreement between the
7 departments and agencies and the department of technology,
8 management, and budget.

9 Sec. 212. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses if they are competitively priced and of comparable
15 quality. In addition, preference should be given to goods or
16 services, or both, manufactured or provided by Michigan businesses
17 owned and operated by veterans if they are competitively priced and
18 of comparable quality.

19 Sec. 214. (1) Due to the current budgetary problems in this
20 state, out-of-state travel shall be limited to situations in which
21 1 or more of the following conditions apply:

22 (a) The travel is required by legal mandate or court order or
23 for law enforcement purposes.

24 (b) The travel is necessary to protect the health or safety of
25 Michigan citizens or visitors or to assist other states in similar
26 circumstances.

27 (c) The travel is necessary to produce budgetary savings or to

1 increase state revenues, including protecting existing federal
2 funds or securing additional federal funds.

3 (d) The travel is necessary to comply with federal
4 requirements.

5 (e) The travel is necessary to secure specialized training for
6 staff that is not available within this state.

7 (f) The travel is financed entirely by federal or nonstate
8 funds.

9 (2) Not later than January 1 of each year, each department
10 shall prepare a travel report listing all travel by classified and
11 unclassified employees outside this state in the immediately
12 preceding fiscal year that was funded in whole or in part with
13 funds appropriated in the department's budget. The report shall be
14 submitted to the senate and house of representatives standing
15 committees on appropriations, the senate and house fiscal agencies,
16 and the state budget director. The report shall include the
17 following information:

18 (a) The name of each person receiving reimbursement for travel
19 outside this state or whose travel costs were paid by this state.

20 (b) The destination of each travel occurrence.

21 (c) The dates of each travel occurrence.

22 (d) A brief statement of the reason for each travel
23 occurrence.

24 (e) The transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,

1 and the proportion funded with other revenues.

2 (f) A total of all out-of-state travel funded for the
3 immediately preceding fiscal year.

4 Sec. 217. The state superintendent of public instruction shall
5 take all reasonable steps to ensure businesses in deprived and
6 depressed communities compete for and perform contracts to provide
7 services or supplies, or both. The state superintendent of public
8 instruction shall strongly encourage firms with which the
9 department contracts to subcontract with certified businesses in
10 depressed and deprived communities for services, supplies, or both.

11 Sec. 219. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$5,000,000.00 for
13 federal contingency funds. These funds are not available for
14 expenditure until they have been transferred to another line item
15 in this bill under section 393(2) of the management and budget act,
16 1984 PA 431, MCL 18.1393.

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

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

1 MCL 18.1393.

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

8 Sec. 221. Funds appropriated in part 1 shall not be used by a
9 principal executive department, state agency, or authority to hire
10 a person to provide legal services that are the responsibility of
11 the attorney general. This prohibition does not apply to legal
12 services for bonding activities and for those activities that the
13 attorney general authorizes.

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

15 Sec. 301. (1) The appropriations in part 1 may be used for per
16 diem payments to the state board for meetings at which a quorum is
17 present or for performing official business authorized by the state
18 board. The per diem payments shall be at a rate as follows:

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

20 (b) State board of education - member other than president -
21 \$100.00 per day.

22 (2) A state board of education member shall not be paid a per
23 diem for more than 30 days per year.

24 (3) The state board executive shall report to the public, the
25 senate and house fiscal agencies, and the state budget director the
26 previous quarter's expenses by fund source for members of the state
27 board of education.

1 Sec. 302. From the amount appropriated in part 1 to the state
2 board of education, not more than \$35,000.00 shall be expended for
3 in-state travel and out-of-state travel directly related to the
4 duties of the state board of education.

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

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

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

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

19 (2) From the amount appropriated in part 1 for tenant rent,
20 the department may receive and expend funds from lease agreements
21 at the Michigan schools for the deaf and blind Flint campus that
22 have been negotiated with the approval of the department of
23 technology, management, and budget. These funds shall be used for
24 the operation, maintenance, and renovation expenses associated with
25 the leased space.

26 (3) From the unexpended balances of appropriations for the
27 schools for the deaf and blind operations, up to \$250,000.00 of any

1 unexpended and unencumbered funds remaining on September 30, 2011
2 may be carried forward as a work project and expended for special
3 maintenance and repairs of facilities at the campus of the Michigan
4 schools for the deaf and blind in Flint. The work shall be carried
5 out by state employees, or by contract as necessary, at an
6 estimated cost of \$250,000.00. The estimated completion date of the
7 work is September 30, 2012.

8 (4) From the tenant rent appropriation for Fay hall, up to
9 \$100,000.00 of any unexpended and unencumbered funds remaining on
10 September 30, 2011 may be carried forward as a work project or as
11 restricted revenue and expended for special maintenance and repairs
12 of facilities at Fay hall. The work project may be performed by
13 state employees, or by contract when necessary, at an estimated
14 cost of \$100,000.00. The estimated completion date of the work
15 project is September 30, 2012.

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

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

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

7 (3) Parents will continue to have a choice regarding the
8 educational placement of their deaf or hard-of-hearing children.

9 Sec. 407. Revenue received by the Michigan schools for the
10 deaf and blind from gifts, bequests, and donations that is
11 unexpended at the end of the state fiscal year may be carried over
12 to the succeeding fiscal year and shall not revert to the general
13 fund.

14 **PROFESSIONAL PREPARATION SERVICES**

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

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

27 Sec. 506. Revenue received from teacher testing fees that is

unexpended at the end of the state fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

OFFICE OF EDUCATIONAL IMPROVEMENT AND INNOVATION

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

INFORMATION TECHNOLOGY

Sec. 701. The department shall work in collaboration with the center for educational performance and information to support a comprehensive educational information system and all data collection and reporting efforts of the department.

LIBRARY OF MICHIGAN

Sec. 801. In addition to the funds appropriated in part 1, the funds collected by the department for document reproduction and services; conferences, workshops, and training classes; and the use of specialized equipment, facilities, and software are appropriated for all expenses necessary to provide the required services. These funds are appropriated for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES

Sec. 901. Within 10 days of the receipt of a grant appropriated in the federal and private grants line item in part 1, the department shall notify the house and senate chairpersons of

1 the appropriations subcommittees responsible for the department
2 budget, the house and senate fiscal agencies, and the state budget
3 director of the receipt of the grant, including the funding source,
4 purpose, and amount of the grant.