

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 786, entitled

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

Goeff Hansen

Phil Potvin

Dave Hildenbrand

Tim Kelly

Hoon-Yung Hopgood

Kristy Pagan

Conferees for the Senate

Conferees for the House

SUBSTITUTE FOR

SENATE BILL NO. 786

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. There is appropriated for the department of
4 education for the fiscal year ending September 30, 2017, from the
5 following funds:

6 DEPARTMENT OF EDUCATION

7 APPROPRIATION SUMMARY

8	Full-time equated unclassified positions.....	6.0
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9	Full-time equated classified positions.....	597.5
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1	GROSS APPROPRIATION.....	\$	331,975,200
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		0
5	ADJUSTED GROSS APPROPRIATION.....	\$	331,975,200
6	Federal revenues:		
7	Total federal revenues.....		239,821,900
8	Special revenue funds:		
9	Total local revenues.....		5,557,200
10	Total private revenues.....		2,034,200
11	Total other state restricted revenues.....		8,380,700
12	State general fund/general purpose.....	\$	76,181,200
13	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE		
14	SUPERINTENDENT		
15	Full-time equated unclassified positions..... 6.0		
16	Full-time equated classified positions..... 11.0		
17	State board of education, per diem payments.....	\$	24,400
18	Unclassified positions--6.0 FTE positions.....		827,200
19	State board/superintendent operations--10.0 FTE		
20	positions		1,888,700
21	Education commission of the states.....		120,800
22	Chief information officer--1.0 FTE position.....		<u>200,000</u>
23	GROSS APPROPRIATION.....	\$	3,061,100
24	Appropriated from:		
25	Federal revenues:		
26	Federal revenues.....		227,000
27	Special revenue funds:		

1	Private foundations.....	28,100
2	Certification fees.....	771,400
3	State general fund/general purpose.....	\$ 2,034,600
4	Sec. 103. CENTRAL SUPPORT	
5	Full-time equated classified positions..... 23.6	
6	Central support operations--23.6 FTE positions.....	\$ 3,686,700
7	Worker's compensation.....	24,300
8	Building occupancy charges - property management	
9	services	3,196,200
10	Training and orientation workshops.....	150,000
11	Terminal leave payments.....	353,300
12	Federal and private grants.....	<u>3,000,000</u>
13	GROSS APPROPRIATION.....	\$ 10,410,500
14	Appropriated from:	
15	Federal revenues:	
16	Federal revenues.....	3,690,100
17	Federal indirect funds.....	2,430,700
18	Special revenue funds:	
19	Certification fees.....	399,300
20	Teacher testing fees.....	4,000
21	Training and orientation workshop fees.....	150,000
22	Private foundations.....	1,000,000
23	State general fund/general purpose.....	\$ 2,736,400
24	Sec. 104. INFORMATION TECHNOLOGY SERVICES	
25	Information technology operations.....	\$ <u>4,192,600</u>
26	GROSS APPROPRIATION.....	\$ 4,192,600
27	Appropriated from:	

1	Federal revenues:	
2	Federal revenues.....	616,900
3	Federal indirect funds.....	1,824,300
4	Special revenue funds:	
5	Certification fees.....	397,500
6	State general fund/general purpose.....	\$ 1,353,900
7	Sec. 105. SPECIAL EDUCATION SERVICES	
8	Full-time equated classified positions.....	47.0
9	Special education operations--47.0 FTE positions.....	\$ <u>9,120,500</u>
10	GROSS APPROPRIATION.....	\$ 9,120,500
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues.....	8,544,000
14	Special revenue funds:	
15	Private foundations.....	110,100
16	Certification fees.....	44,700
17	State general fund/general purpose.....	\$ 421,700
18	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
19	Full-time equated classified positions.....	77.0
20	Michigan schools for the deaf and blind operations--	
21	76.0 FTE positions	\$ 12,812,700
22	Camp Tuhsmeheeta--1.0 FTE position.....	296,000
23	Low incidence outreach program.....	300,000
24	Private gifts - blind.....	200,000
25	Private gifts - deaf.....	<u>150,000</u>
26	GROSS APPROPRIATION.....	\$ 13,758,700
27	Appropriated from:	

1	Federal revenues:	
2	Federal revenues.....	7,048,600
3	Special revenue funds:	
4	Local cost sharing (schools for deaf/blind)	5,233,000
5	Local school district service fees.....	312,500
6	Gifts, bequests, and donations.....	646,000
7	Low incidence outreach fund.....	300,000
8	Student insurance revenue.....	218,600
9	State general fund/general purpose.....	\$ 0
10	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
11	Full-time equated classified positions..... 33.0	
12	Professional preparation operations--33.0 FTE	
13	positions	\$ <u>5,653,900</u>
14	GROSS APPROPRIATION.....	\$ 5,653,900
15	Appropriated from:	
16	Federal revenues:	
17	Federal revenues.....	1,464,100
18	Special revenue funds:	
19	Certification fees.....	3,602,000
20	Teacher testing fees.....	364,100
21	State general fund/general purpose.....	\$ 223,700
22	Sec. 108. MICHIGAN OFFICE OF GREAT START	
23	Full-time equated classified positions..... 66.0	
24	Office of great start operations--65.0 FTE positions .	\$ 23,177,400
25	Child development and care external support	27,374,500
26	Head start collaboration office--1.0 FTE position....	309,900
27	Child development and care public assistance	<u>133,966,100</u>

1	GROSS APPROPRIATION.....	\$	184,827,900
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		151,622,600
5	Special revenue funds:		
6	Private foundations.....		250,000
7	Certification fees.....		64,600
8	State general fund/general purpose.....	\$	32,890,700
9	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		
10	Full-time equated classified positions.....	11.5	
11	State aid and school finance operations--11.5 FTE		
12	positions	\$	<u>1,638,600</u>
13	GROSS APPROPRIATION.....	\$	1,638,600
14	Appropriated from:		
15	State general fund/general purpose.....	\$	1,638,600
16	Sec. 110. AUDIT SERVICES		
17	Full-time equated classified positions.....	4.5	
18	Audit operations--4.5 FTE positions.....	\$	<u>612,500</u>
19	GROSS APPROPRIATION.....	\$	612,500
20	Appropriated from:		
21	Federal revenues:		
22	Federal indirect funds.....		486,800
23	Special revenue funds:		
24	Certification fees.....		62,300
25	State general fund/general purpose.....	\$	63,400
26	Sec. 111. ADMINISTRATIVE LAW SERVICES		
27	Full-time equated classified positions.....	2.0	

1	Administrative law operations--2.0 FTE positions	\$	<u>1,364,300</u>
2	GROSS APPROPRIATION.....	\$	1,364,300
3	Appropriated from:		
4	Federal revenues:		
5	Federal revenues.....		564,200
6	Special revenue funds:		
7	Certification fees.....		701,500
8	State general fund/general purpose.....	\$	98,600
9	Sec. 112. ACCOUNTABILITY SERVICES		
10	Full-time equated classified positions.....		64.6
11	Accountability services operations--64.6 FTE positions	\$	<u>14,619,400</u>
12	GROSS APPROPRIATION.....	\$	14,619,400
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		13,476,200
16	State general fund/general purpose.....	\$	1,143,200
17	Sec. 113. SCHOOL SUPPORT SERVICES		
18	Full-time equated classified positions.....		83.6
19	School support services operations--83.6 FTE positions	\$	<u>15,495,200</u>
20	GROSS APPROPRIATION.....	\$	15,495,200
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		14,455,700
24	Special revenue funds:		
25	Local school district service fees.....		11,700
26	Certification fees.....		86,900
27	Commodity distribution fees.....		71,700

1	State general fund/general purpose	\$	869,200
2	Sec. 114. FIELD SERVICES		
3	Full-time equated classified positions.....	45.0	
4	Field services operations--45.0 FTE positions	\$	<u>9,349,200</u>
5	GROSS APPROPRIATION.....	\$	9,349,200
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues		8,599,200
9	Special revenue funds:		
10	Certification fees		37,300
11	State general fund/general purpose	\$	712,700
12	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION		
13	SERVICES		
14	Full-time equated classified positions.....	49.7	
15	Educational improvement and innovation operations--		
16	49.7 FTE positions	\$	<u>9,689,900</u>
17	GROSS APPROPRIATION.....	\$	9,689,900
18	Appropriated from:		
19	Federal revenues:		
20	Federal revenues		6,596,600
21	Special revenue funds:		
22	Certification fees		565,100
23	State general fund/general purpose	\$	2,528,200
24	Sec. 116. CAREER AND TECHNICAL EDUCATION		
25	Full-time equated classified positions.....	29.0	
26	Career and technical education operations--29.0 FTE		
27	positions	\$	<u>5,220,800</u>

1	GROSS APPROPRIATION.....	\$	5,220,800
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		3,887,400
5	State general fund/general purpose.....	\$	1,333,400
6	Sec. 117. LIBRARY OF MICHIGAN		
7	Full-time equated classified positions.....		33.0
8	Library of Michigan operations--31.0 FTE positions ...	\$	4,797,400
9	Library services and technology program--1.0 FTE		
10	position		5,610,100
11	State aid to libraries.....		9,876,000
12	Michigan eLibrary--1.0 FTE position.....		1,752,300
13	Renaissance zone reimbursements.....		<u>5,300,000</u>
14	GROSS APPROPRIATION.....	\$	27,335,800
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues.....		5,610,100
18	Special revenue funds:		
19	Library fees.....		300,000
20	State general fund/general purpose.....	\$	21,425,700
21	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION		
22	Full-time equated classified positions.....		17.0
23	Educator talent and policy coordination operations--		
24	17.0 FTE positions	\$	<u>2,574,200</u>
25	GROSS APPROPRIATION.....	\$	2,574,200
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues.....		627,400
2	Special revenue funds:		
3	Certification fees.....		239,600
4	State general fund/general purpose.....	\$	1,707,200
5	Sec. 119. ONE-TIME APPROPRIATIONS		
6	Certification fees subsidy.....	\$	500,000
7	Statewide school drinking water quality program.....		4,500,000
8	Drinking water declaration of emergency.....		<u>8,050,100</u>
9	GROSS APPROPRIATION.....	\$	13,050,100
10	Appropriated from:		
11	Federal revenues:		
12	Federal revenues.....		8,050,000
13	Special revenue funds:		
14	Flint emergency reserve fund.....		100
15	State general fund/general purpose.....	\$	5,000,000

16 PART 2

17 PROVISIONS CONCERNING APPROPRIATIONS

18 FOR FISCAL YEAR 2016-2017

19 **GENERAL SECTIONS**

20 Sec. 201. Pursuant to section 30 of article IX of the state
 21 constitution of 1963, total state spending from state resources
 22 under part 1 for fiscal year 2016-2017 is \$84,561,900.00 and state
 23 spending from state resources to be paid to local units of
 24 government for fiscal year 2016-2017 is \$19,176,000.00. The
 25 itemized statement below identifies appropriations from which

1 spending to local units of government will occur:

2 DEPARTMENT OF EDUCATION

3	Voluntary water testing.....	\$	4,000,000
4	State aid to libraries.....		9,876,000
5	Renaissance zone reimbursements.....		<u>5,300,000</u>
6	Total department of education.....	\$	19,176,000

7 Sec. 202. The appropriations authorized under this part and
 8 part 1 are subject to the management and budget act, 1984 PA 431,
 9 MCL 18.1101 to 18.1594.

10 Sec. 203. As used in this part and part 1:

11 (a) "ACT" means the American College Testing Corporation.

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 public school academy as defined in section 5 of the revised school
 16 code, 1976 PA 451, MCL 380.5.

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

18 Sec. 204. The departments and agencies receiving
 19 appropriations in part 1 shall use the Internet to fulfill the
 20 reporting requirements of this part. This requirement may include
 21 transmission of reports via electronic mail to the recipients
 22 identified for each reporting requirement, or it may include
 23 placement of reports on an Internet or Intranet site.

24 Sec. 205. Funds appropriated in part 1 shall not be used for
 25 the purchase of foreign goods or services, or both, if
 26 competitively priced and of comparable quality American goods or
 27 services, or both, are available. Preference shall be given to

1 goods or services, or both, manufactured or provided by Michigan
2 businesses, if they are competitively priced and of comparable
3 quality. In addition, preference should be given to goods or
4 services, or both, that are manufactured or provided by Michigan
5 businesses owned and operated by veterans, if they are
6 competitively priced and of comparable quality.

7 Sec. 206. The state superintendent of public instruction shall
8 take all reasonable steps to ensure businesses in deprived and
9 depressed communities compete for and perform contracts to provide
10 services or supplies, or both. The state superintendent of public
11 instruction shall strongly encourage firms with which the
12 department contracts to subcontract with certified businesses in
13 depressed and deprived communities for services, supplies, or both.

14 Sec. 207. The departments and agencies receiving
15 appropriations in part 1 shall prepare a report on out-of-state
16 travel expenses not later than January 1 of each year. The travel
17 report shall be a listing of all travel by classified and
18 unclassified employees outside this state in the immediately
19 preceding fiscal year that was funded in whole or in part with
20 funds appropriated in the department's budget. The report shall be
21 submitted to the senate and house appropriations committees, the
22 house and senate fiscal agencies, and the state budget director.
23 The report must include the following information:

24 (a) The dates of each travel occurrence.

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

1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 Sec. 208. Funds appropriated in part 1 shall not be used by a
4 principal executive department, state agency, or authority to hire
5 a person to provide legal services that are the responsibility of
6 the attorney general. This prohibition does not apply to legal
7 services for bonding activities and for those outside services that
8 the attorney general authorizes.

9 Sec. 209. Not later than November 30, the state budget office
10 shall prepare and transmit a report that provides for estimates of
11 the total general fund/general purpose appropriation lapses at the
12 close of the prior fiscal year. This report shall summarize the
13 projected year-end general fund/general purpose appropriation
14 lapses by major departmental program or program areas. The report
15 shall be transmitted to the chairpersons of the senate and house
16 appropriations committees and the senate and house fiscal agencies.

17 Sec. 210. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$10,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in part 1 under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

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

1 1984 PA 431, MCL 18.1393.

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

14 Sec. 211. The department shall cooperate with the department
15 of technology, management, and budget to maintain a searchable
16 website accessible by the public at no cost that includes, but is
17 not limited to, all of the following for each department or agency:

18 (a) Fiscal year-to-date expenditures by category.

19 (b) Fiscal year-to-date expenditures by appropriation unit.

20 (c) Fiscal year-to-date payments to a selected vendor,
21 including the vendor name, payment date, payment amount, and
22 payment description.

23 (d) The number of active department employees by job
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the department shall cooperate with the

1 state budget office to provide the senate and house appropriations
2 chairs, the senate and house appropriations subcommittees
3 responsible for the department budget, and the senate and house
4 fiscal agencies with an annual report on estimated state restricted
5 fund balances, state restricted fund projected revenues, and state
6 restricted fund expenditures for the fiscal years ending September
7 30, 2016 and September 30, 2017.

8 Sec. 213. The department shall maintain, on a publicly
9 accessible website, a department scorecard that identifies, tracks,
10 and regularly updates key metrics that are used to monitor and
11 improve the agency's performance.

12 Sec. 214. Total authorized appropriations from all sources
13 under part 1 for legacy costs for the fiscal year ending September
14 30, 2017 are estimated at \$16,971,500.00. From this amount, total
15 agency appropriations for pension-related legacy costs are
16 estimated at \$9,410,700.00. Total agency appropriations for retiree
17 health care legacy costs are estimated at \$7,560,800.00.

18 Sec. 215. The department shall provide through the Internet
19 the state board of education agenda and all supporting documents,
20 and shall notify the state budget director and the senate and house
21 fiscal agencies that the agenda and supporting documents are
22 available on the Internet, at the time the agenda and supporting
23 documents are provided to state board of education members.

24 Sec. 216. To the extent that the state continues to identify
25 schools as meeting proficiency targets, before publishing a list of
26 schools or districts determined to have failed to make adequate
27 yearly progress as required by the no child left behind act of

1 2001, Public Law 107-110, the department shall allow a school or
2 district to appeal that determination. Those appeals shall be
3 addressed before designations may be published.

4 Sec. 217. The department may assist the department of health
5 and human services, other departments, and local school districts
6 to secure reimbursement for eligible services provided in Michigan
7 schools from the federal Medicaid program. The department may
8 submit reports of direct expenses related to this effort to the
9 department of health and human services for reimbursement.

10 Sec. 219. From the funds appropriated in part 1, the
11 department shall ensure that kindergarten benchmark data include a
12 method for information to be provided regarding a child's
13 participation in the great start readiness program.

14 Sec. 220. The department shall post on its website a link to
15 the federal Institute of Education Sciences' What Works
16 Clearinghouse. The department also shall work to disseminate
17 knowledge about the What Works Clearinghouse to districts and
18 intermediate districts so that it may be used to improve reading
19 proficiency for pupils in grades K to 3.

20 Sec. 221. The department shall require all districts and
21 intermediate school districts to maintain complete records within
22 the personnel file of a teacher or school employee of any
23 disciplinary actions taken by the governing board against the
24 teacher or employee for sexual misconduct. The records shall not be
25 destroyed or removed from the teacher's or employee's personnel
26 file except as required by a court order.

27 Sec. 222. The department shall not take disciplinary action

1 against an employee who communicates truthfully and factually with
2 a member of the legislature or his or her staff.

3 Sec. 223. The department and agencies receiving appropriations
4 in part 1 shall receive and retain copies of all reports funded
5 from appropriations in part 1. Federal and state guidelines for
6 short-term and long-term retention of records shall be followed.
7 The department may electronically retain copies of reports unless
8 otherwise required by federal and state guidelines.

9 Sec. 224. In addition to the metrics required under section
10 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
11 each new program or program enhancement for which funds in excess
12 of \$500,000.00 are appropriated in part 1, the department shall
13 provide not later than November 1, 2016 a list of program-specific
14 metrics intended to measure its performance based on a return on
15 taxpayer investment. The department shall deliver the program-
16 specific metrics to members of the senate and house subcommittees
17 that have subject matter jurisdiction for this budget, fiscal
18 agencies, and the state budget director. The department shall
19 provide an update on its progress in tracking program-specific
20 metrics and the status of program success at an appropriations
21 subcommittee meeting called for by the subcommittee chair.

22 Sec. 226. From the funds appropriated in part 1, the
23 department shall coordinate with the other departments to
24 streamline state services and resources, reduce duplication, and
25 increase efficiency. This includes, but is not limited to, working
26 with the department of technology, management, and budget to
27 coordinate with the school reform office, working with the

1 department of treasury to coordinate with the financial
2 independence team and overseeing deficit districts, and working
3 with the department of health and human services and department of
4 licensing and regulatory affairs to coordinate with early childhood
5 programs and overseeing child care providers.

6 Sec. 227. (1) The department shall provide data requested by a
7 member of the legislature, his or her staff, or the house and
8 senate fiscal agencies in a timely manner. If the department fails
9 to provide reasonably requested data within 30 days after the
10 request, the state money appropriated in part 1 for state
11 board/superintendent operations shall be reduced by 1%.

12 (2) If the department fails to provide to the legislature
13 reports and other data required by boilerplate or statute within 30
14 days after the date the information is due, the state money
15 appropriated in part 1 for state board/superintendent operations
16 shall be reduced by 1%.

17 Sec. 228. No state department or agency shall issue a request
18 for proposal for a contract in excess of \$1,000,000.00, unless the
19 department or agency has first considered issuing a request for
20 information or a request for qualification relative to that
21 contract to better enable the department or agency to learn more
22 about the market for the products or services that are the subject
23 of the future request for proposal. The department or agency shall
24 notify the department of technology, management, and budget of the
25 evaluation process used to determine if a request for information
26 or request for qualification was not necessary before issuing the
27 request for proposal.

1 Sec. 229. The department shall not enter into a contract
2 funded under part 1 that exceeds \$1,000,000.00 or seek a federal
3 waiver or an amendment to the federal waiver, until after
4 notification of the content to both the house and senate
5 appropriations committees and the state budget director.

6 Sec. 230. From the funds appropriated in part 1, the
7 department shall compile a report that identifies any new, or lack
8 thereof, mandates required of nonpublic schools. In compiling the
9 report, the department may consult with relevant statewide
10 education associations in Michigan. The report compiled by the
11 department shall indicate the type of mandate, including, but not
12 limited to, student health, student or building safety,
13 accountability, and educational requirements, and shall indicate
14 whether a school has to report on the specified mandates. The
15 report required under this section shall be completed by April 1,
16 2017 and transmitted to the state budget director, the house and
17 senate appropriations subcommittees responsible for the department
18 of education, and the senate and house fiscal agencies not later
19 than April 15, 2017.

20 STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

26 (b) State board of education - member other than president -

1 \$100.00 per day.

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

4 Sec. 302. From the amount appropriated in part 1 to the state
5 board of education, not more than \$35,000.00 for the fiscal year
6 ending September 30, 2017 shall be expended for in-state travel and
7 out-of-state travel directly related to the duties of the state
8 board of education.

9 **CENTRAL SUPPORT**

10 Sec. 325. Within 10 days of the receipt of a grant
11 appropriated in the federal and private grants line item in part 1,
12 the department shall notify the house and senate chairpersons of
13 the appropriations subcommittees responsible for the department
14 budget, the house and senate fiscal agencies, and the state budget
15 director of the receipt of the grant, including the funding source,
16 purpose, and amount of the grant.

17 **SPECIAL EDUCATION SERVICES**

18 Sec. 350. From the funds in part 1 for special education
19 operations, the department shall perform the following activities:

20 (a) Design and distribute to all parents with a student with a
21 disability information about federal and state mandates regarding
22 the rights and protections of students with disabilities,
23 including, but not limited to, individualized education programs to
24 ensure that parents and legal guardians are fully informed about
25 laws, rules, procedural safeguards, problem-solving options, and

1 any other information the department determines is necessary so
2 that parents and legal guardians may be able to provide meaningful
3 input in collaboration with districts to develop and implement an
4 individualized education program.

5 (b) Train mediators who are knowledgeable about the dispute
6 resolution system and state and federal mandates pertaining to the
7 rights and protections of students with disabilities outlined in
8 the federal individuals with disabilities education act, 20 USC
9 1400 to 1482, and the Michigan administrative rules for special
10 education programs and services, R 340.1701 to R 340.1862 of the
11 Michigan Administrative Code. This annual training will include
12 coursework, resources, and materials.

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

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

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

24 Sec. 406. (1) The Michigan schools for the deaf and blind may
25 promote its residential program as a possible appropriate option
26 for children who are deaf or hard of hearing or who are blind or

1 visually impaired. The Michigan schools for the deaf and blind
2 shall distribute information detailing its services to all
3 intermediate school districts in the state.

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

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

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

17 Sec. 408. For the funds appropriated in part 1 for the low
18 incidence outreach fund, the funds collected by the Michigan
19 schools for the deaf and the low incidence outreach program for
20 document reproduction and services; conferences, workshops, and
21 training classes; and the use of specialized equipment, facilities,
22 and software are appropriated for all expenses necessary to provide
23 the required services. These funds are available for expenditure
24 when they are received and may be carried forward into the next
25 succeeding fiscal year.

26 **PROFESSIONAL PREPARATION SERVICES**

1 Sec. 501. From the funds appropriated in part 1 for
2 professional preparation services, the department shall maintain
3 certificate revocation/felony conviction files of educational
4 personnel.

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

13 Sec. 503. From the funds appropriated in part 1 for
14 professional preparation services - professional preparation
15 operations, the department shall coordinate professional
16 development with the Michigan Virtual Learning Research Institute
17 and external stakeholders.

18 Sec. 506. Revenue received from teacher testing fees that is
19 unexpended at the end of the state fiscal year may be carried over
20 to the succeeding fiscal year and shall not revert to the general
21 fund.

22 Sec. 507. From the funds appropriated in part 1, the
23 department shall adopt a teacher certification test that ensures
24 that all newly certified elementary teachers have the skills to
25 deliver evidence-based literacy instruction. The department may use
26 teacher certification or teacher testing fee revenue to the extent
27 allowable under law to implement this section, or may pass along

1 increased testing fees to teachers as allowable and appropriate.

2 **FIELD SERVICES**

3 Sec. 701. (1) From the funds appropriated in part 1 for field
4 services operations, the department shall produce a report
5 detailing the progress made by districts with grades K-3 receiving
6 at-risk funding under section 31a of the state school aid act of
7 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
8 systems of supports in the prior school fiscal year.

9 (2) The report shall include, at a minimum:

10 (a) A description of the training, coaching, and technical
11 assistance offered by the department to districts to support the
12 implementation of effective multitiered systems of supports.

13 (b) A list of districts determined by the department to have
14 successfully implemented multitiered systems of supports.

15 (c) A list of best practices that the department has
16 identified that may be used by districts to implement multitiered
17 systems of supports.

18 (d) Other information the department determines would be
19 useful to understanding the status of districts' implementation of
20 effective multitiered systems of supports.

21 (3) The report shall be provided to the state budget director,
22 the house and senate subcommittees that oversee the department of
23 education and school aid budgets, and the house and senate fiscal
24 agencies by September 30, 2017.

25 **LIBRARY OF MICHIGAN**

1 Sec. 801. For the funds appropriated in part 1 for library
2 fees, the funds collected by the department for document
3 reproduction and services; conferences, workshops, and training
4 classes; and the use of specialized equipment, facilities, and
5 software are appropriated for all expenses necessary to provide the
6 required services. These funds are available for expenditure when
7 they are received and may be carried forward into the next
8 succeeding fiscal year.

9 Sec. 803. It is the intent of the legislature that the library
10 of Michigan and the component programs currently within the library
11 of Michigan with the exception of the genealogical collections
12 shall be kept together in a state department.

13 Sec. 804. (1) The funds appropriated in part 1 for renaissance
14 zone reimbursements shall be used to reimburse public libraries
15 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
16 MCL 125.2692, for taxes levied in 2016. The allocations shall be
17 made not later than 60 days after the department of treasury
18 certifies to the department and to the state budget director that
19 the department of treasury has received all necessary information
20 to properly determine the amounts due to each eligible recipient.

21 (2) If the amount appropriated under this section is not
22 sufficient to fully pay obligations under this section, payments
23 shall be prorated on an equal basis among all eligible public
24 libraries.

25 **MICHIGAN OFFICE OF GREAT START**

26 Sec. 1001. By November 1, 2016, the department shall submit a

1 report to the house and senate appropriations subcommittees on the
2 department of education budget and the house and senate fiscal
3 agencies on the number of eligible child care providers by type
4 receiving payment for child care services from the department on
5 October 1, 2016.

6 Sec. 1003. (1) The department shall provide the house and
7 senate appropriations subcommittees on the department budget with
8 an annual report on all funding appropriated to the Early Childhood
9 Investment Corporation by the state during the previous fiscal
10 year. The report is due by February 15 and must contain at least
11 the following information:

12 (a) Total funding appropriated to the Early Childhood
13 Investment Corporation by the state during the previous fiscal
14 year.

15 (b) The amount of funding for each grant awarded.

16 (c) The grant recipients.

17 (d) The activities funded by each grant.

18 (e) An analysis of each grant recipient's success in
19 addressing the development of a comprehensive system of early
20 childhood services and supports.

21 (2) All department contracts for early childhood comprehensive
22 systems planning shall be bid out through a statewide request-for-
23 proposal process.

24 Sec. 1004. From the funds appropriated in part 1 for child
25 development and care public assistance, the department shall expand
26 the child development and care program in the current fiscal year.
27 The purpose of this program expansion is to increase the number of

1 low-income children in high-quality early learning programs, to
2 increase the number of children ready for school at kindergarten
3 entry, and to increase the number of children who are reading at
4 grade level by the end of third grade.

5 Sec. 1007. (1) From the funds appropriated in part 1 for child
6 development and care - external support, the department shall
7 create progress reports that shall include, but are not limited to,
8 the following:

9 (a) Both the on-site and off-site activities that are intended
10 to improve child care provider quality and the number of times
11 those activities are performed by the licensing consultants.

12 (b) How many on-site visits a single licensing consultant has
13 made since the start of the 2016-2017 fiscal year.

14 (c) The types of on-site visits and the number of visits for
15 each type that a single consultant has made since the start of
16 fiscal year 2016-2017.

17 (d) The number of providers that have improved their quality
18 rating since the start of fiscal year 2016-2017 compared to the
19 same time period in fiscal year 2015-2016.

20 (e) The types of activities that are intended to improve
21 licensing consultant performance and child care provider quality
22 and the number of times those activities are performed by the
23 managers and administrators.

24 (2) The progress reports shall be sent to the state budget
25 director, the house and senate subcommittees that oversee the
26 department of education, and the house and senate fiscal agencies
27 by April 1, 2017 and September 30, 2017.

1 Sec. 1008. From the amount appropriated in part 1 for office
2 of great start operations, the department shall work with the
3 department of health and human services to coordinate services
4 provided to families for home visits, reduce duplication of state
5 services and spending, and increase efficiencies including the home
6 visits funded under section 32p of the state school aid act of
7 1979, 1979 PA 94, MCL 388.1632p.

8 Sec. 1009. From the funds appropriated in part 1 for child
9 development and care - child development and care public
10 assistance, there is allocated \$7,666,100.00 to raise the entrance
11 threshold of the child development and care program from 121% of
12 the federal poverty guidelines to 125% of the federal poverty
13 guidelines.

14 Sec. 1010. From the funds appropriated in part 1 for drinking
15 water declaration of emergency, the unexpended funds appropriated
16 for drinking water declaration of emergency needs are designated as
17 a work project appropriation, and any unencumbered or unallotted
18 funds shall not lapse at the end of the fiscal year and shall be
19 available for expenditures for projects under this section until
20 the projects have been completed. The following is in compliance
21 with section 451a of the management and budget act, 1984 PA 431,
22 MCL 18.1451a:

23 (a) The purpose of the project is to provide for children
24 where a drinking water declaration of emergency exists that are
25 impacted by the emergency declaration dated January 5, 2016.

26 (b) The projects will be accomplished by utilizing state
27 employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$8,050,000.00.

(d) The tentative completion date is September 30, 2018.

ACCOUNTABILITY SERVICES

Sec. 1021. Using the funds appropriated in part 1, the department shall work in collaboration with the department of technology, management, and budget to renegotiate the contract with the ACT to ensure that it registers, issues, and ships to schools a printed national career readiness certificate (NCRC) to each Michigan student who takes the ACT WorkKeys test, successfully completes the exam, qualifies for the certificate, and ensures that the renegotiated contract results in minimal or no additional costs to the state. If a renegotiation cannot be completed that results in minimal or no additional costs to the state, the department shall rebid the contract for the workskills portion of the Michigan merit exam (MME).

ONE-TIME APPROPRIATIONS

Sec. 1101. (1) From the funds appropriated in part 1 for drinking water declaration of emergency, the department shall allocate funding to address the child care needs in a city in which a declaration of emergency was issued because of drinking water contamination. Funds shall be used to support the following activities in the city:

(a) Pilot the expansion of the child development and care eligibility to children ages 0 to 3 for 1/2-day child care services by increasing the household income entrance threshold to 300% of

1 the federal poverty guidelines.

2 (b) Provide information to child care providers on
3 identification and intervention services for children demonstrating
4 potential developmental delays associated with exposure to lead.

5 (2) The department shall amend definitions and eligibility
6 requirements in the child care and development fund state plan as
7 necessary to implement this section.

8 (3) The department shall create a report that includes, but is
9 not limited to, all of the following:

10 (a) The number of children ages 0 to 3 in a city where there
11 is a drinking water declaration of emergency.

12 (b) The number of children ages 0 to 3 in a city where there
13 is a drinking water declaration of emergency served by the child
14 development and care program before the implementation of the
15 increase to the entrance threshold to 300% of the federal poverty
16 guidelines.

17 (c) The number of children ages 0 to 3 in a city where there
18 is a drinking water declaration of emergency served by the child
19 development and care program after the implementation of the
20 increase to the entrance threshold to 300% of the federal poverty
21 guidelines.

22 (d) The number of cases including a child aged 0 to 3 in a
23 city where there is a drinking water declaration of emergency and
24 being served by the child development and care program.

25 (e) The number of children receiving referrals for additional
26 screenings, assessments, or services that are ages 0 to 3 in a city
27 where there is a drinking water declaration of emergency and served

1 by the child development and care program.

2 (f) The number of children ages 0 to 3 identified with
3 developmental delays in a city where there is a drinking water
4 declaration of emergency and served by the child development and
5 care program.

6 (g) The number of children ages 0 to 3 who are in 1-parent
7 households in a city where there is a drinking water declaration of
8 emergency and served by the child development and care program.

9 (h) The number of children ages 0 to 3 who are in 2-parent
10 households in a city where there is a drinking water declaration of
11 emergency and served by the child development and care program.

12 (i) The number of child care providers that were provided
13 training on identifying the impacts of lead exposure, as well as
14 related developmental delays that are serving children ages 0 to 3
15 in a city where there is a drinking water declaration of emergency
16 and participating in the child development and care program.

17 (j) The types and number of communications with parents or
18 caretakers on the impact of developmental delays and available
19 services for children ages 0 to 3 in a city where there is a
20 drinking water declaration of emergency and are being served by the
21 child development and care program. The department shall create a
22 list of communication types that includes, but is not limited to,
23 all of the following: in person, telephone, letter, and electronic
24 mail.

25 (4) The report created under subsection (3) shall be sent to
26 the state budget director, the house and senate subcommittees that
27 oversee the department of education, and the house and senate

1 fiscal agencies by the first of every month until the drinking
2 water declaration of emergency has been lifted.

3 Sec. 1102. (1) From the funds appropriated in part 1 for the
4 statewide school drinking water quality program, each public school
5 and registered nonpublic school will be eligible for up to \$950.00
6 per school building. Funds will be provided on a reimbursement
7 basis for costs for statewide school testing, fixture replacement,
8 filter purchases, plumbing assessments, or technical assistance
9 incurred from July 1, 2016 to September 30, 2017. As used in this
10 subsection, "school building" means a "school" or "unique education
11 provider" as defined within the Educational Entity Master, where
12 instruction is provided to students.

13 (2) Public school districts, public school academies, and
14 nonpublic schools will be required to submit proof of public
15 notification of the number of fixtures providing water for drinking
16 or food preparation, testing results, number of fixtures replaced,
17 and other corrective action plans prior to reimbursement.

18 (3) Public school districts, public school academies, and
19 nonpublic schools will be required to submit reimbursement requests
20 through the existing electronic Michigan department of education
21 grant monitoring system, as specified.

22 (4) The department, department of environmental quality, and
23 department of licensing and regulatory affairs will provide support
24 to the schools, including technical assistance, analysis of
25 results, site visits, and outreach materials. Administrative costs
26 not to exceed 5% of the funding will be supported from the
27 appropriation.

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2017-2018

11 Sec. 1201. It is the intent of the legislature to provide
12 appropriations for the fiscal year ending on September 30, 2018 for
13 the line items listed in part 1. The fiscal year 2017-2018
14 appropriations are anticipated to be the same as those for fiscal
15 year 2016-2017, except that the line items will be adjusted for
16 changes in caseload and related costs, federal fund match rates,
17 economic factors, and available revenue. These adjustments will be
18 determined after the January 2017 consensus revenue estimating
19 conference.