

FIRST CONFERENCE REPORT

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

House Bill No. 4234, entitled

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2018; and to provide for the expenditure of the appropriations.

Recommends:

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

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

(attached)

Third: That the House and Senate 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, 2018; and to provide for the expenditure of the appropriations.

Tim Kelly

Goeff Hansen

Shane Hernandez

Dave Hildenbrand

Robert L. Kosowski

Hoon-Yung Hopgood

Conferees for the House

Conferees for the Senate

SUBSTITUTE FOR
HOUSE BILL NO. 4234

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2018; 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, 2018, from the
5 following funds:

6 DEPARTMENT OF EDUCATION

7 APPROPRIATION SUMMARY

8 Full-time equated unclassified positions 6.0

9 Full-time equated classified positions 603.5

1	GROSS APPROPRIATION	\$	350,539,500
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers.....		0
5	ADJUSTED GROSS APPROPRIATION	\$	350,539,500
6	Federal revenues:		
7	Total federal revenues		254,084,700
8	Special revenue funds:		
9	Total local revenues		5,817,200
10	Total private revenues		2,034,300
11	Total other state restricted revenues		8,567,600
12	State general fund/general purpose	\$	80,035,700
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	Unclassified positions--6.0 FTE positions	\$	851,900
18	Education commission of the states		120,800
19	State board of education, per diem payments		24,400
20	State board/superintendent operations--11.0 FTE		
21	positions.....		<u>2,104,200</u>
22	GROSS APPROPRIATION	\$	3,101,300
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues		234,800
26	Special revenue funds:		
27	Private foundations		28,100

1	Certification fees	773,300
2	State general fund/general purpose	\$ 2,065,100
3	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
4	Full-time equated classified positions	23.6
5	Central support operations--23.6 FTE positions	\$ 3,712,000
6	Federal and private grants	3,000,000
7	Property management	3,181,700
8	Terminal leave payments	353,300
9	Training and orientation workshops	150,000
10	Worker's compensation	<u>25,100</u>
11	GROSS APPROPRIATION	\$ 10,422,100
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues	3,628,500
15	Federal indirect funds	2,445,800
16	Special revenue funds:	
17	Private foundations	1,000,000
18	Certification fees	400,000
19	Teacher testing fees	4,000
20	Training and orientation workshop fees	150,000
21	State general fund/general purpose	\$ 2,793,800
22	Sec. 104. INFORMATION TECHNOLOGY	
23	Information technology services and projects	\$ <u>4,225,200</u>
24	GROSS APPROPRIATION	\$ 4,225,200
25	Appropriated from:	
26	Federal revenues:	
27	Federal revenues	621,700

1	Federal indirect funds	1,838,500
2	Special revenue funds:	
3	Certification fees	400,600
4	State general fund/general purpose	\$ 1,364,400
5	Sec. 105. SPECIAL EDUCATION SERVICES	
6	Full-time equated classified positions 47.0	
7	Special education operations--47.0 FTE positions	\$ <u>9,164,800</u>
8	GROSS APPROPRIATION	\$ 9,164,800
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues	8,584,200
12	Special revenue funds:	
13	Private foundations	110,100
14	Certification fees	44,700
15	State general fund/general purpose	\$ 425,800
16	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
17	Full-time equated classified positions 82.0	
18	Camp Tuhsmeheeta--1.0 FTE position	\$ 296,100
19	Low incidence outreach program	450,000
20	Michigan schools for the deaf and blind operations--	
21	81.0 FTE positions	13,456,000
22	Private gifts - blind	200,000
23	Private gifts - deaf	<u>150,000</u>
24	GROSS APPROPRIATION	\$ 14,552,100
25	Appropriated from:	
26	Federal revenues:	
27	Federal revenues	7,431,900

1	Special revenue funds:		
2	Local cost sharing (schools for deaf/blind)		5,805,500
3	Gifts, bequests, and donations		646,100
4	Low incidence outreach fund		450,000
5	Student insurance revenue		218,600
6	State general fund/general purpose	\$	0
7	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
8	Full-time equated classified positions	33.0	
9	Professional preparation operations--33.0 FTE		
10	positions.....	\$	<u>5,679,600</u>
11	GROSS APPROPRIATION	\$	5,679,600
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues		1,465,900
15	Special revenue funds:		
16	Certification fees		3,623,900
17	Teacher testing fees		364,900
18	State general fund/general purpose	\$	224,900
19	Sec. 108. MICHIGAN OFFICE OF GREAT START		
20	Full-time equated classified positions	66.0	
21	Child development and care external support	\$	28,368,900
22	Child development and care public assistance		162,396,100
23	Head start collaboration office--1.0 FTE position		310,600
24	Office of great start operations--65.0 FTE positions .		<u>25,598,400</u>
25	GROSS APPROPRIATION	\$	216,674,000
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues	175,056,100
2	Special revenue funds:	
3	Private foundations	250,000
4	Certification fees	64,600
5	State general fund/general purpose	\$ 41,303,300
6	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
7	Full-time equated classified positions	11.5
8	State aid and school finance operations--11.5 FTE	
9	positions.....	\$ <u>1,648,600</u>
10	GROSS APPROPRIATION	\$ 1,648,600
11	Appropriated from:	
12	State general fund/general purpose	\$ 1,648,600
13	Sec. 110. AUDIT SERVICES	
14	Full-time equated classified positions	4.5
15	Audit operations--4.5 FTE positions	\$ <u>615,300</u>
16	GROSS APPROPRIATION	\$ 615,300
17	Appropriated from:	
18	Federal revenues:	
19	Federal indirect funds	488,800
20	Special revenue funds:	
21	Certification fees	62,500
22	State general fund/general purpose	\$ 64,000
23	Sec. 111. ADMINISTRATIVE LAW SERVICES	
24	Full-time equated classified positions	2.0
25	Administrative law operations--2.0 FTE positions	\$ <u>1,375,400</u>
26	GROSS APPROPRIATION	\$ 1,375,400
27	Appropriated from:	

1	Federal revenues:	
2	Federal revenues	568,000
3	Special revenue funds:	
4	Certification fees	707,700
5	State general fund/general purpose	\$ 99,700
6	Sec. 112. ACCOUNTABILITY SERVICES	
7	Full-time equated classified positions	64.6
8	Accountability services operations--64.6 FTE positions	\$ <u>14,666,300</u>
9	GROSS APPROPRIATION	\$ 14,666,300
10	Appropriated from:	
11	Federal revenues:	
12	Federal revenues	12,517,200
13	State general fund/general purpose	\$ 2,149,100
14	Sec. 113. SCHOOL SUPPORT SERVICES	
15	Full-time equated classified positions	83.6
16	School support services operations--83.6 FTE positions	\$ <u>15,571,200</u>
17	GROSS APPROPRIATION	\$ 15,571,200
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues	14,522,300
21	Special revenue funds:	
22	Local school district service fees	11,700
23	Certification fees	87,600
24	Commodity distribution fees	71,700
25	State general fund/general purpose	\$ 877,900
26	Sec. 114. FIELD SERVICES	
27	Full-time equated classified positions	47.0

1	Field services operations--47.0 FTE positions	\$	<u>9,400,800</u>
2	GROSS APPROPRIATION	\$	9,400,800
3	Appropriated from:		
4	Federal revenues:		
5	Federal revenues		8,636,300
6	Special revenue funds:		
7	Certification fees		37,300
8	State general fund/general purpose	\$	727,200
9	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION		
10	SERVICES		
11	Full-time equated classified positions		44.7
12	Educational improvement and innovation operations--		
13	44.7 FTE positions	\$	<u>9,010,100</u>
14	GROSS APPROPRIATION	\$	9,010,100
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues		5,898,200
18	Special revenue funds:		
19	Certification fees		565,100
20	State general fund/general purpose	\$	2,546,800
21	Sec. 116. CAREER AND TECHNICAL EDUCATION		
22	Full-time equated classified positions		29.0
23	Career and technical education operations--29.0 FTE		
24	positions	\$	<u>5,252,700</u>
25	GROSS APPROPRIATION	\$	5,252,700
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues	3,904,900
2	State general fund/general purpose	\$ 1,347,800
3	Sec. 117. LIBRARY OF MICHIGAN	
4	Full-time equated classified positions	33.0
5	Library of Michigan operations--31.0 FTE positions ...	\$ 4,826,400
6	Library services and technology program--1.0 FTE	
7	position.....	5,611,400
8	Michigan eLibrary--1.0 FTE position	1,753,100
9	Renaissance zone reimbursements	3,300,000
10	State aid to libraries	<u>11,067,700</u>
11	GROSS APPROPRIATION	\$ 26,558,600
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues	5,611,400
15	Special revenue funds:	
16	Library fees	300,000
17	State general fund/general purpose	\$ 20,647,200
18	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	
19	Full-time equated classified positions	17.0
20	Educator talent and policy coordination operations--	
21	17.0 FTE positions	\$ <u>2,621,200</u>
22	GROSS APPROPRIATION	\$ 2,621,200
23	Appropriated from:	
24	Federal revenues:	
25	Federal revenues	630,200
26	Special revenue funds:	
27	Certification fees	241,000

1 State general fund/general purpose \$ 1,750,000

2 **Sec. 119. PARTNERSHIP DISTRICT SUPPORT**

3 Full-time equated classified positions 4.0

4 Partnership district support operations--4.0 FTE

5 positions..... \$ 100

6 GROSS APPROPRIATION \$ 100

7 Appropriated from:

8 State general fund/general purpose \$ 100

9 **Sec. 120. ONE-TIME APPROPRIATIONS**

10 Drinking water declaration of emergency \$ 100

11 GROSS APPROPRIATION \$ 100

12 Appropriated from:

13 Special revenue funds:

14 Drinking water emergency reserve fund 100

15 State general fund/general purpose \$ 0

16 PART 2

17 PROVISIONS CONCERNING APPROPRIATIONS

18 FOR FISCAL YEAR 2017-2018

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 2017-2018 is \$88,603,300.00 and state
 23 spending from state resources to be paid to local units of
 24 government for fiscal year 2017-2018 is \$14,367,700.00. The
 25 itemized statement below identifies appropriations from which

1 spending to local units of government will occur:

2 DEPARTMENT OF EDUCATION

3	State aid to libraries... ..	\$	11,067,700
4	Renaissance zone reimbursements... ..		<u>3,300,000</u>
5	Total department of education	\$	14,367,700

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

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

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

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

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

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

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

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

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

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

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

23 (a) The dates of each travel occurrence.

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

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

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

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

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

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

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

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

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

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

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

24 (e) Job specifications and wage rates.

25 Sec. 212. Within 14 days after the release of the executive
26 budget recommendation, the department shall cooperate with the
27 state budget office to provide the senate and house appropriations

1 chairpersons, the chairpersons of the senate and house
2 appropriations subcommittees responsible for the department budget,
3 and the senate and house fiscal agencies with an annual report on
4 estimated state restricted fund balances, state restricted fund
5 projected revenues, and state restricted fund expenditures for the
6 fiscal years ending September 30, 2017 and September 30, 2018.

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

11 Sec. 214. Total authorized appropriations from all sources
12 under part 1 for legacy costs for the fiscal year ending September
13 30, 2018 are estimated at \$15,429,100.00. From this amount, total
14 agency appropriations for pension-related legacy costs are
15 estimated at \$7,939,900.00. Total agency appropriations for retiree
16 health care legacy costs are estimated at \$7,489,200.00.

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

23 Sec. 217. The department may assist the department of health
24 and human services, other departments, and local school districts
25 to secure reimbursement for eligible services provided in Michigan
26 schools from the federal Medicaid program. The department may
27 submit reports of direct expenses related to this effort to the

1 department of health and human services for reimbursement.

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

6 Sec. 220. The department shall post on its website a link to
7 the federal Institute of Education Sciences' What Works
8 Clearinghouse. The department also shall work to disseminate
9 knowledge about the What Works Clearinghouse to districts and
10 intermediate districts so that it may be used to improve reading
11 proficiency for pupils in grades K to 3.

12 Sec. 221. The department shall require all districts and
13 intermediate school districts to maintain complete records within
14 the personnel file of a teacher or school employee of any
15 disciplinary actions taken by the governing board against the
16 teacher or employee for sexual misconduct. The records shall not be
17 destroyed or removed from the teacher's or employee's personnel
18 file except as required by a court order.

19 Sec. 222. The department shall not take disciplinary action
20 against an employee who communicates truthfully and factually with
21 a member of the legislature or his or her staff.

22 Sec. 223. The department and agencies receiving appropriations
23 in part 1 shall receive and retain copies of all reports funded
24 from appropriations in part 1. Federal and state guidelines for
25 short-term and long-term retention of records shall be followed.
26 The department may electronically retain copies of reports unless
27 otherwise required by federal and state guidelines.

1 Sec. 225. (1) The department shall do all of the following:

2 (a) Not later than October 1, 2017, send districts and post on
3 its publicly accessible website a list of the grants available in
4 the 2017-2018 state fiscal year under article 1 of the state school
5 aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

6 (b) Not later than November 1, 2017, open the grant
7 application process for grant funds appropriated in the 2017-2018
8 state fiscal year under article 1 of the state school aid act of
9 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

10 (2) If the department fails to comply with either subdivision
11 (a) or subdivision (b), the state money appropriated in part 1 for
12 state board/superintendent operations shall be reduced by 1%.

13 Sec. 226. From the funds appropriated in part 1, the
14 department shall coordinate with the other departments to
15 streamline state services and resources, reduce duplication, and
16 increase efficiency. This includes, but is not limited to, working
17 with the department of technology, management, and budget to
18 coordinate with the school reform office, working with the
19 department of treasury to coordinate with the financial
20 independence team and overseeing deficit districts, and working
21 with the department of health and human services and department of
22 licensing and regulatory affairs to coordinate with early childhood
23 programs and overseeing child care providers.

24 Sec. 227. (1) The department shall provide data requested by a
25 member of the legislature, his or her staff, or the house and
26 senate fiscal agencies in a timely manner. If the department fails
27 to provide reasonably requested data within 30 days after the

1 request, the state money appropriated in part 1 for state
2 board/superintendent operations shall be reduced by 1%.

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

8 Sec. 229. The department shall not enter into a contract
9 funded under part 1 that exceeds \$1,000,000.00, submit federal
10 accountability plans, or request amendments to federal
11 accountability plans until after notification of the content to
12 both the house and senate appropriations committees and the state
13 budget director.

14 Sec. 230. From the funds appropriated in part 1, the
15 department shall compile a report that identifies any new, or lack
16 thereof, mandates required of nonpublic schools. In compiling the
17 report, the department may consult with relevant statewide
18 education associations in Michigan. The report compiled by the
19 department shall indicate the type of mandate, including, but not
20 limited to, student health, student or building safety,
21 accountability, and educational requirements, and shall indicate
22 whether a school has to report on the specified mandates. The
23 report required under this section shall be completed by April 1,
24 2018 and transmitted to the state budget director, the house and
25 senate appropriations subcommittees responsible for the department
26 of education, and the senate and house fiscal agencies not later
27 than April 15, 2018.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

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

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

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

CENTRAL SUPPORT

Sec. 325. 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 the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director of the receipt of the grant, including the funding source, purpose, and amount of the grant.

SPECIAL EDUCATION SERVICES

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

1 (a) Design and distribute to all parents of a student with a
2 disability information about federal and state mandates regarding
3 the rights and protections of students with disabilities,
4 including, but not limited to, individualized education programs to
5 ensure that parents and legal guardians are fully informed about
6 laws, rules, procedural safeguards, problem-solving options, and
7 any other information the department determines is necessary so
8 that parents and legal guardians may be able to provide meaningful
9 input in collaboration with districts to develop and implement an
10 individualized education program.

11 (b) Train mediators who are knowledgeable about the dispute
12 resolution system and state and federal mandates pertaining to the
13 rights and protections of students with disabilities outlined in
14 the federal individuals with disabilities education act, 20 USC
15 1400 to 1482, and the Michigan administrative rules for special
16 education programs and services, R 340.1701 to R 340.1862 of the
17 Michigan Administrative Code. This annual training will include
18 coursework, resources, and materials.

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

20 Sec. 401. The employees at the Michigan Schools for the Deaf
21 and Blind who work on a school-year basis are considered annual
22 employees for purposes of service credits, retirement, and
23 insurance benefits.

24 Sec. 402. For each student enrolled at the Michigan Schools
25 for the Deaf and Blind, the department shall assess the
26 intermediate school district of residence 100% of the cost of

1 operating the student's instructional program. The amount shall
2 exclude room and board related costs and the cost of weekend
3 transportation between the school and the student's home.

4 Sec. 406. (1) The Michigan Schools for the Deaf and Blind may
5 promote its residential program as a possible appropriate option
6 for children who are deaf or hard of hearing or who are blind or
7 visually impaired. The Michigan Schools for the Deaf and Blind
8 shall distribute information detailing its services to all
9 intermediate school districts in the state.

10 (2) Upon knowledge of or recognition by an intermediate school
11 district that a child in the district is deaf or hard of hearing or
12 blind or visually impaired, the intermediate school district shall
13 provide to the parents of the child the literature distributed by
14 the Michigan Schools for the Deaf and Blind to intermediate school
15 districts under subsection (1).

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

18 Sec. 407. Revenue received by the Michigan Schools for the
19 Deaf and Blind from gifts, bequests, donations, and local district
20 service fees that is unexpended at the end of the state fiscal year
21 may be carried over to the succeeding fiscal year and shall not
22 revert to the general fund.

23 Sec. 408. (1) The funds appropriated in part 1 for the low
24 incidence outreach fund are appropriated from money collected by
25 the Michigan Schools for the Deaf and Blind and the low incidence
26 outreach program for providing qualified services and may be used
27 for any expenses necessary to provide the qualified services. Any

1 money that is unexpended at the end of the current fiscal year may
2 be carried forward into the succeeding fiscal year.

3 (2) As used in this section, "qualified services" means
4 document reproduction and services; conducting conferences,
5 workshops, and training classes; and providing specialized
6 equipment, facilities, and software.

7 **PROFESSIONAL PREPARATION SERVICES**

8 Sec. 501. From the funds appropriated in part 1 for
9 professional preparation services, the department shall maintain
10 certificate revocation/felony conviction files of educational
11 personnel.

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

20 Sec. 503. From the funds appropriated in part 1, the
21 department shall, upon request, consult with the Michigan Virtual
22 Research Institute and external stakeholders in connection with the
23 department's implementation and administration of professional
24 development training described in section 35a of the state school
25 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
26 limited to, the online training of educators of pupils in grades K

1 to 3 described in that section.

2 Sec. 506. Revenue received from teacher testing fees that is
3 unexpended at the end of the current fiscal year may be carried
4 over to the succeeding fiscal year and shall not revert to the
5 general fund.

6 Sec. 507. From the funds appropriated in part 1, the
7 department shall adopt a teacher certification test that ensures
8 that all newly certified elementary teachers have the skills to
9 deliver evidence-based literacy instruction. The department may use
10 teacher certification or teacher testing fee revenue to the extent
11 allowable under law to implement this section, or may pass along
12 increased testing fees to teachers as allowable and appropriate.

13 **FIELD SERVICES**

14 Sec. 701. (1) From the funds appropriated in part 1 for field
15 services operations, the department shall produce a report
16 detailing the progress made by districts with grades K to 3
17 receiving at-risk funding under section 31a of the state school aid
18 act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
19 systems of supports in the prior school fiscal year for grades 4 to
20 8, and in providing reading intervention services described in
21 section 1280f of the revised school code, 1976 PA 451, MCL
22 380.1280f, for pupils in grades K to 3.

23 (2) The report described in subsection (1) shall include, at a
24 minimum:

25 (a) A description of the training, coaching, and technical
26 assistance offered by the department to districts to support the

1 implementation of effective multitiered systems of supports and
2 reading intervention programs.

3 (b) A list of districts determined by the department to have
4 successfully implemented multitiered systems of supports and
5 reading intervention programs.

6 (c) A list of best practices that the department has
7 identified that may be used by districts to implement multitiered
8 systems of supports and reading intervention programs.

9 (d) Other information the department determines would be
10 useful to understanding the status of districts' implementation of
11 effective multitiered systems of supports and reading intervention
12 programs.

13 (3) The department shall provide the report described in
14 subsection (1) to the state budget director, the house and senate
15 subcommittees that oversee the department of education and school
16 aid budgets, and the house and senate fiscal agencies by September
17 30, 2018.

18 **LIBRARY OF MICHIGAN**

19 Sec. 801. (1) The funds appropriated in part 1 for library
20 fees are appropriated from money collected by the Library of
21 Michigan for providing qualified services and may be used for any
22 expenses necessary to provide the qualified services. Any money
23 that is unexpended at the end of the current fiscal year may be
24 carried forward into the succeeding fiscal year.

25 (2) As used in this section, "qualified services" means
26 document reproduction and services; conducting conferences,

1 workshops, and training classes; and providing specialized
2 equipment, facilities, and software.

3 Sec. 803. It is the intent of the legislature that the Library
4 of Michigan and the component programs currently within the Library
5 of Michigan with the exception of the genealogical collections
6 shall be kept together in a state department.

7 Sec. 804. (1) The funds appropriated in part 1 for renaissance
8 zone reimbursements shall be used to reimburse public libraries
9 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
10 MCL 125.2692, for taxes levied in 2017. The allocations shall be
11 made not later than 60 days after the department of treasury
12 certifies to the department and to the state budget director that
13 the department of treasury has received all necessary information
14 to properly determine the amounts due to each eligible recipient.

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

19 **MICHIGAN OFFICE OF GREAT START**

20 Sec. 1001. By November 1, 2017, the department shall submit a
21 report to the house and senate appropriations subcommittees on the
22 department of education budget and the house and senate fiscal
23 agencies on the average number of eligible child care providers by
24 type receiving payment for child care services from the department
25 for the fiscal year ending September 30, 2017.

26 Sec. 1002. (1) From the funds appropriated in part 1 for child

1 development and care public assistance, there is allocated
2 \$19,430,000.00 for the following purposes:

3 (a) To increase the provider reimbursement rates for child
4 care centers under the following guidelines:

5 (i) Increase the reimbursement rate for child care center
6 providers with an empty star rating by \$0.25 per hour for each
7 child.

8 (ii) Increase the reimbursement rate for child care center
9 providers with a 1-star rating by \$0.25 per hour for each child.

10 (iii) Increase the reimbursement rate for child care center
11 providers with a 2-star rating by \$0.25 per hour for each child.

12 (iv) Increase the reimbursement rate for child care center
13 providers with a 3-star rating by \$0.50 per hour for each child.

14 (v) Increase the reimbursement rate for child care center
15 providers with a 4-star rating by \$0.50 per hour for each child.

16 (vi) Increase the reimbursement rate for child care center
17 providers with a 5-star rating by \$0.75 per hour for each child.

18 (b) To increase the provider reimbursement rates for group
19 home providers under the following guidelines:

20 (i) Increase the reimbursement rate for group home providers
21 with an empty star rating by \$0.25 per hour for each child.

22 (ii) Increase the reimbursement rate for group home providers
23 with a 1-star rating by \$0.25 per hour for each child.

24 (iii) Increase the reimbursement rate for group home providers
25 with a 2-star rating by \$0.25 per hour for each child.

26 (iv) Increase the reimbursement rate for group home providers
27 with a 3-star rating by \$0.50 per hour for each child.

1 (v) Increase the reimbursement rate for group home providers
2 with a 4-star rating by \$0.50 per hour for each child.

3 (vi) Increase the reimbursement rate for group home providers
4 with a 5-star rating by \$0.75 per hour for each child.

5 (c) To increase the provider reimbursement rates for
6 registered family homes under the following guidelines:

7 (i) Increase the reimbursement rate for registered family home
8 providers with an empty star rating by \$0.25 per hour for each
9 child.

10 (ii) Increase the reimbursement rate for registered family
11 home providers with a 1-star rating by \$0.25 per hour for each
12 child.

13 (iii) Increase the reimbursement rate for registered family
14 home providers with a 2-star rating by \$0.25 per hour for each
15 child.

16 (iv) Increase the reimbursement rate for registered family
17 home providers with a 3-star rating by \$0.50 per hour for each
18 child.

19 (v) Increase the reimbursement rate for registered family home
20 providers with a 4-star rating by \$0.50 per hour for each child.

21 (vi) Increase the reimbursement rate for registered family
22 home providers with a 5-star rating by \$0.75 per hour for each
23 child.

24 (d) To increase the provider reimbursement rates for
25 unlicensed providers under the following guidelines:

26 (i) Increase the reimbursement rate for unlicensed providers
27 with a tier 1 rating by \$0.25 per hour for each child.

1 (ii) Increase the reimbursement rate for unlicensed providers
2 with a tier 2 rating by \$0.75 per hour for each child.

3 (2) The department shall ensure that the final provider
4 reimbursement rates determined under this section are published on
5 the department and great start to quality webpages by the date that
6 the new rates take effect.

7 Sec. 1003. (1) The department shall provide the house and
8 senate appropriations subcommittees on the department budget with
9 an annual report on all funding appropriated to each person awarded
10 a contract by the state to provide early childhood comprehensive
11 systems planning during the previous fiscal year. The report is due
12 by February 15 and must contain at least the following information:

13 (a) Total funding appropriated for contracts by the state to
14 provide early childhood comprehensive systems planning during the
15 previous fiscal year.

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

17 (c) The grant recipients.

18 (d) The activities funded by each grant.

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

22 (2) All department contracts for early childhood comprehensive
23 systems planning must be bid out through a statewide request for
24 proposal process that includes a minimum of 3 bids.

25 (3) From the funds appropriated in part 1 for office of great
26 start operations, the department shall prepare a report that
27 includes the contents of the early childhood comprehensive systems

1 planning request for proposal described in subsection (2) to the
2 state budget director, the house and senate subcommittees that
3 oversee the department of education, and the house and senate
4 fiscal agencies 30 days before the request for proposal is made
5 public.

6 Sec. 1004. From the funds appropriated in part 1 for office of
7 great start operations, there is allocated \$1,000,000.00 in federal
8 discretionary funds to ensure that the TEACH scholarship program
9 gives preference to the following providers:

10 (a) Providers that currently have a great start to quality
11 star rating or are in the process to receive a star rating.

12 (b) Providers that are seeking to increase their great start
13 to quality star rating and are only restricted from receiving the
14 increased rating because they lack employees with the proper
15 education level.

16 Sec. 1005. From the additional funds appropriated in part 1
17 for the child development and care external support, the department
18 shall work with the department of licensing and regulatory affairs
19 to provide fingerprinting services and background checks of
20 employees of child care providers as required under the terms of
21 the federal child care and development block grant.

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

26 (a) Both the on-site and off-site activities that are intended
27 to improve child care provider quality and the number of times

1 those activities are performed by the licensing consultants.

2 (b) How many on-site visits a single licensing consultant has
3 made since the start of the current fiscal year.

4 (c) The types of on-site visits and the number of visits for
5 each type that a single consultant has made since the start of the
6 current fiscal year.

7 (d) The number of providers that have improved their quality
8 rating since the start of the current fiscal year compared to the
9 same time period in the preceding fiscal year, reported as the
10 number of providers in each regional prosperity zone.

11 (e) The types of activities that are intended to improve
12 licensing consultant performance and child care provider quality
13 and the number of times those activities are performed by the
14 managers and administrators.

15 (2) The progress reports shall be sent to the state budget
16 director, the house and senate subcommittees that oversee the
17 department of education, and the house and senate fiscal agencies
18 by April 1, 2018 and September 30, 2018.

19 Sec. 1008. From the amount appropriated in part 1 for office
20 of great start operations, the department shall work with the
21 department of health and human services to coordinate services
22 provided to families for home visits, reduce duplication of state
23 services and spending, and increase efficiencies including the home
24 visits funded under section 32p of the state school aid act of
25 1979, 1979 PA 94, MCL 388.1632p.

26 Sec. 1009. From the funds appropriated in part 1 for child
27 development and care public assistance, there is allocated

1 \$5,500,000.00 to raise the entrance threshold of the child
2 development and care program from 125% of the federal poverty
3 guidelines to 130% of the federal poverty guidelines.

4 **ACCOUNTABILITY SERVICES**

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

17 **ONE-TIME APPROPRIATIONS**

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

24 (a) Pilot the expansion of the child development and care
25 eligibility to children ages 0 to 3 for 1/2-day child care services

1 by increasing the household income entrance threshold to 300% of
2 the federal poverty guidelines.

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

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

9 (3) Each month, the department shall create a report
10 concerning each city where there is a drinking water declaration of
11 emergency or where a drinking water declaration of emergency has
12 been lifted and the department continues to spend funds under this
13 section. The report shall include, but is not limited to, all of
14 the following:

15 (a) The number of children ages 0 to 3 in the city.

16 (b) The number of children ages 0 to 3 in the city served by
17 the child development and care program before the implementation of
18 the increase to the entrance threshold to 300% of the federal
19 poverty guidelines.

20 (c) The number of children ages 0 to 3 in the city served by
21 the child development and care program after the implementation of
22 the increase to the entrance threshold to 300% of the federal
23 poverty guidelines.

24 (d) The number of cases including a child aged 0 to 3 in the
25 city being served by the child development and care program.

26 (e) The number of children receiving referrals for additional
27 screenings, assessments, or services that are ages 0 to 3 in the

1 city served by the child development and care program.

2 (f) The number of children ages 0 to 3 identified with
3 developmental delays in the city served by the child development
4 and care program.

5 (g) The number of children ages 0 to 3 who are in 1-parent
6 households in the city served by the child development and care
7 program.

8 (h) The number of children ages 0 to 3 who are in 2-parent
9 households in the city served by the child development and care
10 program.

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

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

23 (4) The report created under subsection (3) shall be sent to
24 the state budget director, the house and senate appropriations
25 subcommittees that oversee the department's budget, and the house
26 and senate fiscal agencies by the first of every month until the
27 department has spent all of the money appropriated in part 1 for a

1 drinking water declaration of emergency.