

SUBSTITUTE FOR  
SENATE BILL NO. 147

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:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2018, from the following funds:

**DEPARTMENT OF EDUCATION**

APPROPRIATION SUMMARY

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

Full-time equated classified positions..... 599.5

GROSS APPROPRIATION..... \$ 353,009,500

1	Interdepartmental grant revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers .....	0
4	ADJUSTED GROSS APPROPRIATION.....	\$ 353,009,500
5	Federal revenues:	
6	IMLS, library services and technology act .....	5,611,400
7	Federal revenues.....	239,426,900
8	Federal indirect funds.....	4,716,400
9	Total federal revenues.....	255,554,700
10	Special revenue funds:	
11	Local cost sharing (schools for deaf/blind) .....	5,805,500
12	Local school district service fees.....	11,700
13	Total local revenues.....	5,817,200
14	Gifts, bequests, and donations.....	646,100
15	Private foundations.....	1,388,200
16	Total private revenues.....	2,034,300
17	Total local and private revenues.....	7,851,500
18	Certification fees.....	7,008,300
19	Commodity distribution fees.....	71,700
20	Drinking water declaration of emergency reserve fund.	100
21	Library fees.....	300,000
22	Low incidence outreach fund.....	450,000
23	Student insurance revenue.....	218,600
24	Teacher testing fees.....	368,900
25	Training and orientation workshop fees.....	150,000
26	Total other state restricted revenues.....	8,567,600
27	State general fund/general purpose.....	\$ 81,035,700

1	<b>Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE</b>		
2	<b>SUPERINTENDENT</b>		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	11.0	
5	State board of education, per diem payments.....		\$ 24,400
6	Unclassified positions--6.0 FTE positions.....		851,900
7	Education commission of the state.....		120,800
8	State board/superintendent operations--11.0 FTE		
9	positions .....		<u>2,104,200</u>
10	GROSS APPROPRIATION.....		\$ 3,101,300
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues.....		234,800
14	Special revenue funds:		
15	Private foundations.....		28,100
16	Certification fees.....		773,300
17	State general fund/general purpose.....		\$ 2,065,100
18	<b>Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>		
19	Full-time equated classified positions.....	23.6	
20	Central support--23.6 FTE positions.....		\$ 3,712,000
21	Worker's compensation.....		25,100
22	Building occupancy charges.....		3,181,700
23	Training and orientation workshops.....		150,000
24	Terminal leave payments.....		353,300
25	Grant.....		<u>3,000,000</u>
26	GROSS APPROPRIATION.....		\$ 10,422,100
27	Appropriated from:		

1	Federal revenues:	
2	Federal revenues.....	3,685,200
3	Federal indirect funds.....	2,389,100
4	Special revenue funds:	
5	Private foundation.....	1,000,000
6	Certification fees.....	400,000
7	Teacher testing fees.....	4,000
8	Training and orientation workshop fees.....	150,000
9	State general fund/general purpose.....	\$ 2,793,800
10	<b>Sec. 104. INFORMATION TECHNOLOGY SERVICES</b>	
11	Information technology operations.....	\$ <u>4,225,200</u>
12	GROSS APPROPRIATION.....	\$ 4,225,200
13	Appropriated from:	
14	Federal revenues:	
15	Federal revenues.....	621,700
16	Federal indirect funds.....	1,838,500
17	Special revenue funds:	
18	Certification fees.....	400,600
19	State general fund/general purpose.....	\$ 1,364,400
20	<b>Sec. 105. SPECIAL EDUCATION SERVICES</b>	
21	Full-time equated classified positions.....	47.0
22	Special education operations--47.0 FTE positions.....	\$ <u>9,164,800</u>
23	GROSS APPROPRIATION.....	\$ 9,164,800
24	Appropriated from:	
25	Federal revenues:	
26	Federal revenues.....	8,584,200
27	Special revenue funds:	

1	Private foundations.....		110,100
2	Certification fees.....		44,700
3	State general fund/general purpose.....	\$	425,800
4	<b>Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND</b>		
5	Full-time equated classified positions.....	82.0	
6	Michigan Schools for the Deaf and Blind		
7	operations--81.0 FTE positions.....	\$	13,456,000
8	Camp Tuhsmeheeta--1.0 FTE position.....		296,100
9	Low incidence outreach program.....		450,000
10	Private gifts - blind.....		200,000
11	Private gifts - deaf.....		<u>150,000</u>
12	GROSS APPROPRIATION.....	\$	14,552,100
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		7,431,900
16	Special revenue funds:		
17	Local cost sharing (schools for deaf/blind).....		5,805,500
18	Gifts, bequests, and donations.....		646,100
19	Low incidence outreach fund.....		450,000
20	Student insurance revenue.....		218,600
21	State general fund/general purpose.....	\$	0
22	<b>Sec. 107. PROFESSIONAL PREPARATION SERVICES</b>		
23	Full-time equated classified positions.....	33.0	
24	Professional preparation operations--33.0 FTE		
25	positions .....	\$	<u>5,679,600</u>
26	GROSS APPROPRIATION.....	\$	5,679,600
27	Appropriated from:		

1	Federal revenues:		
2	Federal revenues.....		1,465,900
3	Special revenue funds:		
4	Certification fees.....		3,623,900
5	Teacher testing fees.....		364,900
6	State general fund/general purpose.....	\$	224,900
7	<b>Sec. 108. MICHIGAN OFFICE OF GREAT START</b>		
8	Full-time equated classified positions.....	\$	66.0
9	Michigan office of great start operations--65.0 FTE		
10	positions .....		24,598,400
11	Head start collaboration office--1.0 FTE position....		310,600
12	Child development and care external support.....		28,368,900
13	Child development care public assistance.....		<u>163,566,100</u>
14	GROSS APPROPRIATION.....	\$	216,844,000
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues.....		176,526,100
18	Special revenue funds:		
19	Private foundations.....		250,000
20	Certification fees.....		64,600
21	State general fund/general purpose.....	\$	40,003,300
22	<b>Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES</b>		
23	Full-time equated classified positions..... 11.5		
24	State aid and school finance operations--11.5 FTE		
25	positions .....	\$	<u>1,648,600</u>
26	GROSS APPROPRIATION.....	\$	1,648,600
27	Appropriated from:		

1	State general fund/general purpose.....	\$	1,648,600
2	<b>Sec. 110. AUDIT SERVICES</b>		
3	Full-time equated classified positions.....		4.5
4	Audit operations--4.5 FTE positions.....	\$	<u>615,300</u>
5	GROSS APPROPRIATION.....	\$	615,300
6	Appropriated from:		
7	Federal revenues:		
8	Federal indirect funds.....		488,800
9	Special revenue funds:		
10	Certification fees.....		62,500
11	State general fund/general purpose.....	\$	64,000
12	<b>Sec. 111. ADMINISTRATIVE LAW SERVICES</b>		
13	Full-time equated classified positions.....		2.0
14	Administrative law operations--2.0 FTE positions.....	\$	<u>1,375,400</u>
15	GROSS APPROPRIATION.....	\$	1,375,400
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues.....		568,000
19	Special revenue funds:		
20	Certification fees.....		707,700
21	State general fund/general purpose.....	\$	99,700
22	<b>Sec. 112. ACCOUNTABILITY SERVICES</b>		
23	Full-time equated classified positions.....		64.6
24	Accountability services operations--64.6 FTE positions	\$	<u>14,666,300</u>
25	GROSS APPROPRIATION.....	\$	14,666,300
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues.....	12,517,200
2	State general fund/general purpose.....	\$ 2,149,100
3	<b>Sec. 113. SCHOOL SUPPORT SERVICES</b>	
4	Full-time equated classified positions.....	83.6
5	School support services operations--83.6 FTE positions	\$ <u>15,571,200</u>
6	GROSS APPROPRIATION.....	\$ 15,571,200
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues.....	14,522,300
10	Special revenue funds:	
11	Local school district service fees.....	11,700
12	Commodity distribution fees.....	71,700
13	Certification fees.....	87,600
14	State general fund/general purpose.....	\$ 877,900
15	<b>Sec. 114. FIELD SERVICES</b>	
16	Full-time equated classified positions.....	47.0
17	Field services operations--47.0 FTE positions.....	\$ <u>9,400,800</u>
18	GROSS APPROPRIATION.....	\$ 9,400,800
19	Appropriated from:	
20	Federal revenues:	
21	Federal revenues.....	8,636,300
22	Special revenue funds:	
23	Certification fees.....	37,300
24	State general fund/general purpose.....	\$ 727,200
25	<b>Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION</b>	
26	<b>SERVICES</b>	
27	Full-time equated classified positions.....	44.7

1	Educational improvement and innovation		
2	operations--44.7 FTE positions.....	\$	<u>9,010,100</u>
3	GROSS APPROPRIATION.....	\$	9,010,100
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		5,898,200
7	Special revenue funds:		
8	Certification fees.....		565,100
9	State general fund/general purpose.....	\$	2,546,800
10	<b>Sec. 116. CAREER AND TECHNICAL EDUCATION</b>		
11	Full-time equated classified positions..... 29.0		
12	Career and technical education operations--29.0 FTE		
13	positions .....	\$	<u>5,252,700</u>
14	GROSS APPROPRIATION.....	\$	5,252,700
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues.....		3,904,900
18	State general fund/general purpose.....	\$	1,347,800
19	<b>Sec. 117. LIBRARY OF MICHIGAN</b>		
20	Full-time equated classified positions..... 33.0		
21	Library of Michigan operations--31.0 FTE positions ...	\$	4,826,400
22	Library services and technology program--1.0 FTE		
23	position .....		5,611,400
24	State aid to libraries.....		12,726,000
25	Michigan eLibrary--1.0 FTE position.....		1,753,100
26	Renaissance zone reimbursements.....		<u>3,300,000</u>
27	GROSS APPROPRIATION.....	\$	28,216,900

1	Appropriated from:	
2	Federal revenues:	
3	IMLS, library services and technology act .....	5,611,400
4	Special revenue funds:	
5	Library fees.....	300,000
6	State general fund/general purpose.....	\$ 22,305,500
7	<b>Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION</b>	
8	Full-time equated classified positions.....	17.0
9	School reform office operations--17.0 FTE positions ..	\$ <u>2,621,200</u>
10	GROSS APPROPRIATION.....	\$ 2,621,200
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues.....	630,200
14	Special revenue funds:	
15	Certification fees.....	241,000
16	State general fund/general purpose.....	\$ 1,750,000
17	<b>Sec. 119. PARTNERSHIP DISTRICT SUPPORT</b>	
18	Full-time equated classified positions.....	4.0
19	Partnership district support operations--4.0 FTE	
20	positions .....	\$ 100
21	Academic early warning and intervention.....	<u>641,700</u>
22	GROSS APPROPRIATION.....	\$ 641,800
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 641,800
25	<b>Sec. 120. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
26	Drinking water declaration of emergency.....	\$ <u>100</u>
27	GROSS APPROPRIATION.....	\$ 100

1	Appropriated from:	
2	Special revenue funds:	
3	Drinking water declaration of emergency reserve fund .	100
4	State general fund/general purpose..... \$	0

5 PART 2  
6 PROVISIONS CONCERNING APPROPRIATIONS  
7 FOR FISCAL YEAR 2017-2018

8 **GENERAL SECTIONS**

9 Sec. 201. Pursuant to section 30 of article IX of the state  
10 constitution of 1963, total state spending from state resources  
11 under part 1 for fiscal year 2017-2018 is \$89,603,300.00 and state  
12 spending from state resources to be paid to local units of  
13 government for fiscal year 2017-2018 is \$16,026,000.00. The  
14 itemized statement below identifies appropriations from which  
15 spending to local units of government will occur:

16 DEPARTMENT OF EDUCATION

17	State aid to libraries..... \$	12,726,000
18	Renaissance zone reimbursements.....	<u>3,300,000</u>
19	Total department of education..... \$	16,026,000

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

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

- 24 (a) "ACT" means the American College Testing Corporation.
- 25 (b) "Department" means the Michigan department of education.

1 (c) "District" means a local school district as defined in  
2 section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a  
3 public school academy as defined in section 5 of the revised school  
4 code, 1976 PA 451, MCL 380.5.

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

6 Sec. 204. The departments and agencies receiving  
7 appropriations in part 1 shall use the Internet to fulfill the  
8 reporting requirements of this part. This requirement may include  
9 transmission of reports via electronic mail to the recipients  
10 identified for each reporting requirement, or it may include  
11 placement of reports on an internet or intranet site.

12 Sec. 205. Funds appropriated in part 1 shall not be used for  
13 the purchase of foreign goods or services, or both, if  
14 competitively priced and of comparable quality American goods or  
15 services, or both, are available. Preference shall be given to  
16 goods or services, or both, manufactured or provided by Michigan  
17 businesses, if they are competitively priced and of comparable  
18 quality. In addition, preference should be given to goods or  
19 services, or both, that are manufactured or provided by Michigan  
20 businesses owned and operated by veterans, if they are  
21 competitively priced and of comparable quality.

22 Sec. 206. The state superintendent of public instruction shall  
23 take all reasonable steps to ensure businesses in deprived and  
24 depressed communities compete for and perform contracts to provide  
25 services or supplies, or both. The state superintendent of public  
26 instruction shall strongly encourage firms with which the  
27 department contracts to subcontract with certified businesses in

1 depressed and deprived communities for services, supplies, or both.

2       Sec. 207. The departments and agencies receiving  
3 appropriations in part 1 shall prepare a report on out-of-state  
4 travel expenses not later than January 1 of each year. The travel  
5 report shall be a listing of all travel by classified and  
6 unclassified employees outside this state in the immediately  
7 preceding fiscal year that was funded in whole or in part with  
8 funds appropriated in the department's budget. The report shall be  
9 submitted to the senate and house appropriations committees, the  
10 house and senate fiscal agencies, and the state budget director.  
11 The report shall include the following information:

12       (a) The dates of each travel occurrence.

13       (b) The transportation and related costs of each travel  
14 occurrence, including the proportion funded with state general  
15 fund/general purpose revenues, the proportion funded with state  
16 restricted revenues, the proportion funded with federal revenues,  
17 and the proportion funded with other revenues.

18       Sec. 208. Funds appropriated in part 1 shall not be used by a  
19 principal executive department, state agency, or authority to hire  
20 a person to provide legal services that are the responsibility of  
21 the attorney general. This prohibition does not apply to legal  
22 services for bonding activities and for those outside services that  
23 the attorney general authorizes.

24       Sec. 209. Not later than November 30, the state budget office  
25 shall prepare and transmit a report that provides for estimates of  
26 the total general fund/general purpose appropriation lapses at the  
27 close of the prior fiscal year. This report shall summarize the

1 projected year-end general fund/general purpose appropriation  
2 lapses by major departmental program or program areas. The report  
3 shall be transmitted to the chairpersons of the senate and house  
4 appropriations committees and the senate and house fiscal agencies.

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

11       (2) In addition to the funds appropriated in part 1, there is  
12 appropriated an amount not to exceed \$700,000.00 for state  
13 restricted contingency funds. These funds are not available for  
14 expenditure until they have been transferred to another line item  
15 in part 1 under section 393(2) of the management and budget act,  
16 1984 PA 431, MCL 18.1393.

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

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

1 MCL 18.1393.

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

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

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

8       (c) Fiscal year-to-date payments to a selected vendor,  
9 including the vendor name, payment date, payment amount, and  
10 payment description.

11       (d) The number of active department employees by job  
12 classification.

13       (e) Job specifications and wage rates.

14       Sec. 212. Within 14 days after the release of the executive  
15 budget recommendation, the department shall cooperate with the  
16 state budget office to provide the senate and house appropriations  
17 chairpersons, the chairpersons of the senate and house  
18 appropriations subcommittees responsible for the department budget,  
19 and the senate and house fiscal agencies with an annual report on  
20 estimated state restricted fund balances, state restricted fund  
21 projected revenues, and state restricted fund expenditures for the  
22 fiscal years ending September 30, 2017 and September 30, 2018.

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

27       Sec. 214. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September  
2 30, 2018 are estimated at \$15,429,100.00. From this amount, total  
3 agency appropriations for pension-related legacy costs are  
4 estimated at \$7,939,900.00. Total agency appropriations for retiree  
5 health care legacy costs are estimated at \$7,489,200.00.

6 Sec. 215. The department shall provide through the internet  
7 the state board of education agenda and all supporting documents,  
8 and shall notify the state budget director and the senate and house  
9 fiscal agencies that the agenda and supporting documents are  
10 available on the internet, at the time the agenda and supporting  
11 documents are provided to state board of education members.

12 Sec. 216. To the extent that the state continues to identify  
13 schools as meeting proficiency targets, before publishing a list of  
14 schools or districts determined to have failed to make adequate  
15 yearly progress as required by the no child left behind act of  
16 2001, Public Law 107-110, the department shall allow a school or  
17 district to appeal that determination. Those appeals shall be  
18 addressed before designations may be published.

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

25 Sec. 219. From the funds appropriated in part 1, the  
26 department shall ensure that kindergarten benchmark data include a  
27 method for information to be provided regarding a child's

1 participation in the great start readiness program.

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

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

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

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

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

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

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

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

19       Sec. 229. The department shall not enter into a contract  
20 funded under part 1 that exceeds \$1,000,000.00, submit federal  
21 accountability plans, or request amendments to federal  
22 accountability plans until after notification of the content to  
23 both the house and senate appropriations committees and the state  
24 budget director.

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

26       Sec. 301. (1) The appropriations in part 1 may be used for per

1 diem payments to the state board for meetings at which a quorum is  
2 present or for performing official business authorized by the state  
3 board. The per diem payments shall be at a rate as follows:

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

5 (b) State board of education - member other than president -  
6 \$100.00 per day.

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

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

### 13 **CENTRAL SUPPORT**

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

### 21 **SPECIAL EDUCATION SERVICES**

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

24 (a) Design and distribute to all parents of a newly identified  
25 student with a disability information about federal and state

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

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

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

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

22 Sec. 402. For each student enrolled at the Michigan Schools  
23 for the Deaf and Blind, the department shall assess the  
24 intermediate school district of residence 100% of the cost of  
25 operating the student's instructional program. The amount shall  
26 exclude room and board related costs and the cost of weekend

1 transportation between the school and the student's home.

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

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

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

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

21       Sec. 408. (1) The funds appropriated in part 1 for the low  
22 incidence outreach fund are appropriated from money collected by  
23 the Michigan Schools for the Deaf and Blind and the low incidence  
24 outreach program for providing qualified services and may be used  
25 for any expenses necessary to provide the qualified services. Any  
26 money that is unexpended at the end of the current fiscal year may  
27 be carried forward into the succeeding fiscal year.

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

5 **PROFESSIONAL PREPARATION SERVICES**

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

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

18          Sec. 503. From the funds appropriated in part 1, the  
19 department shall upon request consult with the Michigan Virtual  
20 Research Institute and external stakeholders in connection with the  
21 department's implementation and administration of professional  
22 development training described in section 35a of the state school  
23 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not  
24 limited to, the online training of educators of pupils in grades K  
25 to 3 described in that section.

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

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

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

11 **FIELD SERVICES**

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

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

23       (a) A description of the training, coaching, and technical  
24 assistance offered by the department to districts to support the  
25 implementation of effective multitiered systems of supports and  
26 reading intervention programs.

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

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

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

11 (3) The department shall provide the report described in  
12 subsection (1) to the state budget director, the house and senate  
13 subcommittees that oversee the department of education and school  
14 aid budgets, and the house and senate fiscal agencies by September  
15 30, 2017.

16 **LIBRARY OF MICHIGAN**

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

23 (2) As used in this section, "qualified services" means  
24 document reproduction and services; conducting conferences,  
25 workshops, and training classes; and providing specialized  
26 equipment, facilities, and software.

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

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

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

17 **MICHIGAN OFFICE OF GREAT START**

18           Sec. 1003. (1) The department shall provide the house and  
19 senate appropriations subcommittees on the department budget with  
20 an annual report on all funding appropriated to the Early Childhood  
21 Investment Corporation by the state during the previous fiscal  
22 year. The report is due by February 15 and must contain at least  
23 the following information:

24           (a) Total funding appropriated to the Early Childhood  
25 Investment Corporation by the state during the previous fiscal  
26 year.

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

2 (c) The grant recipients.

3 (d) The activities funded by each grant.

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

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

10 Sec. 1004. (1) From the funds appropriated in part 1 for child  
11 development and care public assistance, there is allocated  
12 \$23,780,000.00 for the following purposes:

13 (a) For the TEACH scholarship program, \$1,000,000.00 in  
14 federal discretionary funds, to ensure that the program gives  
15 preference to the following providers:

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

18 (ii) Providers that are seeking to increase their great start  
19 to quality star rating and are only restricted from receiving the  
20 increased rating because they lack employees with the proper  
21 education level.

22 (b) To increase the provider reimbursement rates under the  
23 following guidelines:

24 (i) Increase the reimbursement rate for child care center  
25 providers with an empty star rating not more than \$0.50 per hour  
26 for each child.

27 (ii) Increase the reimbursement rate for child care center

1 providers with a 1-star or 2-star rating not more than \$1.00 per  
2 hour for each child.

3 (iii) Increase the reimbursement rate for child care center  
4 providers with a 3-star or 4-star rating not more than \$1.25 per  
5 hour for each child.

6 (iv) Increase the reimbursement rate for child care center  
7 providers with a 5-star rating not more than \$1.50 per hour for  
8 each child.

9 (v) Increase the reimbursement rate for unlicensed infant or  
10 toddler providers not more than \$0.25 per hour for each child.

11 (c) If there are any remaining funds, to increase the  
12 reimbursement rate for group homes and registered families to the  
13 seventy-fifth percentile of the market, while ensuring that  
14 increases to empty and lower star ratings are not greater than  
15 increases to the higher star ratings.

16 (d) The department shall ensure that the final provider  
17 reimbursement rates determined under this section are published on  
18 the department and great start to quality webpages by the date that  
19 the new rates take effect.

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

26 Sec. 1007. (1) From the funds appropriated in part 1 for child  
27 development and care - external support, the department shall

1 create progress reports that shall include, but are not limited to,  
2 the following:

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

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

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

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

15 (e) The types of activities that are intended to improve  
16 licensing consultant performance and child care provider quality  
17 and the number of times those activities are performed by the  
18 managers and administrators.

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

23 Sec. 1008. From the amount appropriated in part 1 for office  
24 of great start operations, the department shall work with the  
25 department of health and human services to coordinate services  
26 provided to families for home visits, reduce duplication of state  
27 services and spending, and increase efficiencies including the home

1 visits funded under section 32p of the state school aid act of  
2 1979, 1979 PA 94, MCL 388.1632p.

3 Sec. 1009. From the funds appropriated in part 1 for child  
4 development and care public assistance, there is allocated  
5 \$5,800,000.00 to raise the entrance threshold of the child  
6 development and care program from 125% of the federal poverty  
7 guidelines to 130% of the federal poverty guidelines.

#### 8 **ACCOUNTABILITY SERVICES**

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

#### 21 **PARTNERSHIP DISTRICT SUPPORT**

22 Sec. 1030. The funds appropriated in part 1 for academic early  
23 warning and intervention are not available for expenditure by the  
24 department unless it identifies and requests a legislative transfer  
25 from that budgetary line item to the partnership district support

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