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GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GARLIN GILCHRIST II
LT. GOVERNOR

September 30, 2019

Michigan House of Representatives
State Capitol
Lansing, MI 48909-7514

Representatives,

I have signed Enrolled House Bill 4232, which makes appropriations for the Department of Education for the fiscal year ending September 30, 2020. I have, however, disapproved one item pursuant to article 5, section 19 of the Michigan Constitution of 1963. The item veto is detailed in the attached copy of the bill that has been filed with the secretary of state.

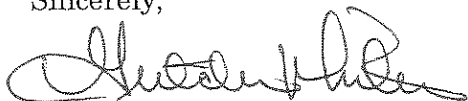
To provide direction regarding the implementation of this appropriations act, I note the following:

- Section 222 violates article 4, section 24 of the Michigan Constitution of 1963, and is therefore unenforceable.
- Sections 236, 237, and 238, which purport to place 75% of the total appropriations to the Department of Education into "administrative reserve funds" under the control of the legislature, amount to an attempt to condition the department's expenditure of appropriated funds on further legislative approval. They therefore violate the separation of powers required by article 3, section 2, among other provisions of the Michigan Constitution of 1963, and are unenforceable.
- Finally, those provisions of this bill that express merely the intent, advice, preferences, or wishes of the legislature do not impose conditions upon appropriations and are non-binding.

Michigan House of Representatives
September 30, 2019
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Thank you for your attention to these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Gretchen Whitmer", written in a cursive style.

Gretchen Whitmer
Governor

cc: Michigan Senate
The Honorable Jocelyn Benson

FILED WITH SECRETARY OF STATE

ON 9/30/19 AT 7:30 P.M.

**STATE OF MICHIGAN
100TH LEGISLATURE
REGULAR SESSION OF 2019**

Introduced by Reps. Miller and Hernandez

ENROLLED HOUSE BILL No. 4232

AN ACT to make appropriations for the department of education for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF EDUCATION
APPROPRIATION SUMMARY**

Full-time equated unclassified positions	6.0	
Full-time equated classified positions.....	614.5	
GROSS APPROPRIATION		\$ 419,794,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION		\$ 419,794,500
Federal revenues:		
Total federal revenues		315,352,900
Special revenue funds:		
Total local revenues.....		5,893,400
Total private revenues		2,036,200
Total other state restricted revenues		9,300,000
State general fund/general purpose		\$ 87,212,000

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions.....	11.0	
Unclassified positions—6.0 FTE positions.....		\$ 226,000
Education commission of the states		30,200
State board of education, per diem payments.....		6,100
State board/superintendent operations—11.0 FTE positions		556,100
GROSS APPROPRIATION		\$ 818,400

For Fiscal Year
Ending Sept. 30,
2020

Appropriated from:		
Federal revenues:		
Federal revenues	\$	60,500
Special revenue funds:		
Private foundations		7,000
Certification fees		198,100
State general fund/general purpose	\$	552,800

Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated classified positions	47.6		
Central support operations—38.6 FTE positions		\$	1,497,000
Federal and private grants			750,000
Grant and contract operations—9.0 FTE positions			678,000
Property management			874,900
Terminal leave payments			88,300
Training and orientation workshops			37,500
Worker's compensation			6,900
GROSS APPROPRIATION		\$	3,932,600

Appropriated from:		
Federal revenues:		
Federal indirect funds		719,800
Federal revenues		1,530,000
Special revenue funds:		
Private foundations		250,000
Certification fees		140,500
Teacher testing fees		1,100
Training and orientation workshop fees		37,500
State general fund/general purpose	\$	1,253,700

Sec. 104. INFORMATION TECHNOLOGY

Information technology services and projects	\$	1,162,700
GROSS APPROPRIATION	\$	1,162,700

Appropriated from:		
Federal revenues:		
Federal indirect funds		473,300
Federal revenues		160,000
Special revenue funds:		
Certification fees		178,100
State general fund/general purpose	\$	351,300

Sec. 105. SPECIAL EDUCATION SERVICES

Full-time equated classified positions	47.0		
Special education operations—47.0 FTE positions		\$	2,288,200
GROSS APPROPRIATION		\$	2,288,200

Appropriated from:		
Federal revenues:		
Federal revenues		2,140,300
Special revenue funds:		
Private foundations		27,500
Certification fees		11,500
State general fund/general purpose	\$	108,900

Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Full-time equated classified positions	82.0		
Camp Tuhsmeheeta—1.0 FTE position		\$	74,500
Low incidence outreach program			250,000
Michigan schools for the deaf and blind operations—81.0 FTE positions			3,379,000
Private gifts - blind			50,000
Private gifts - deaf			37,500
GROSS APPROPRIATION		\$	3,791,000

Appropriated from:	
Federal revenues:	
Federal revenues	\$ 1,882,300
Special revenue funds:	
Local cost sharing (schools for deaf/blind)	1,473,400
Gifts, bequests, and donations	162,000
Low incidence outreach fund	250,000
Student insurance revenue	23,300
State general fund/general purpose	\$ 0

Sec. 107. EDUCATOR EXCELLENCE

Full-time equated classified positions	48.0
Educator excellence operations—48.0 FTE positions	\$ 2,709,200
GROSS APPROPRIATION	\$ 2,709,200
Appropriated from:	
Federal revenues:	
Federal revenues	1,163,600
Special revenue funds:	
Certification fees	993,100
Teacher testing fees	48,300
State general fund/general purpose	\$ 504,200

Sec. 108. MICHIGAN OFFICE OF GREAT START

Full-time equated classified positions	66.0
Child development and care contracted services	\$ 3,100,000
Child development and care external support	7,268,200
Child development and care public assistance	54,250,000
Head start collaboration office—1.0 FTE position	79,200
Office of great start operations—65.0 FTE positions	3,342,400
T.E.A.C.H. Early Childhood Michigan scholarship program	1,250,000
GROSS APPROPRIATION	\$ 69,289,800
Appropriated from:	
Federal revenues:	
Federal revenues	58,723,100
Special revenue funds:	
Private foundations	62,500
Certification fees	16,100
State general fund/general purpose	\$ 10,488,100

Sec. 109. SYSTEMS, EVALUATION, AND TECHNOLOGY

Full-time equated classified positions	10.0
Office of systems, evaluation, and technology operations—10.0 FTE positions	\$ 498,300
GROSS APPROPRIATION	\$ 498,300
Appropriated from:	
Federal revenues:	
Federal indirect funds	35,100
Federal revenues	244,200
Special revenue funds:	
Certification fees	2,700
State general fund/general purpose	\$ 216,300

Sec. 110. STRATEGIC PLANNING AND IMPLEMENTATION

Full-time equated classified positions	6.0
Strategic planning and implementation operations—6.0 FTE positions	\$ 265,400
GROSS APPROPRIATION	\$ 265,400
Appropriated from:	
Federal revenues:	
Federal revenues	135,400
Special revenue funds:	
State general fund/general purpose	\$ 130,000

For Fiscal Year
Ending Sept. 30,
2020

Sec. 111. ADMINISTRATIVE LAW SERVICES	
Full-time equated classified positions.....	2.0
Administrative law operations—2.0 FTE positions.....	\$ 350,600
GROSS APPROPRIATION.....	\$ 350,600
Appropriated from:	
Federal revenues:	
Federal revenues.....	143,400
Special revenue funds:	
Certification fees.....	181,200
State general fund/general purpose.....	\$ 26,000
Sec. 112. ACCOUNTABILITY SERVICES	
Full-time equated classified positions.....	63.6
Accountability services operations—63.6 FTE positions.....	\$ 3,677,700
GROSS APPROPRIATION.....	\$ 3,677,700
Appropriated from:	
Federal revenues:	
Federal revenues.....	3,127,900
State general fund/general purpose.....	\$ 549,800
Sec. 113. SCHOOL SUPPORT SERVICES	
Full-time equated classified positions.....	74.6
Adolescent and school health.....	\$ 80,000
School support services operations—74.6 FTE positions.....	3,391,000
GROSS APPROPRIATION.....	\$ 3,471,000
Appropriated from:	
Federal revenues:	
Federal revenues.....	3,112,200
Special revenue funds:	
Commodity distribution fees.....	17,900
State general fund/general purpose.....	\$ 340,900
Sec. 114. EDUCATIONAL SUPPORTS	
Full-time equated classified positions.....	82.7
Educational supports operations—82.7 FTE positions.....	\$ 3,791,000
GROSS APPROPRIATION.....	\$ 3,791,000
Appropriated from:	
Federal revenues:	
Federal revenues.....	2,762,200
Special revenue funds:	
Certification fees.....	150,600
State general fund/general purpose.....	\$ 878,200
Sec. 115. CAREER AND TECHNICAL EDUCATION	
Full-time equated classified positions.....	28.0
Career and technical education operations—28.0 FTE positions.....	\$ 1,340,000
GROSS APPROPRIATION.....	\$ 1,340,000
Appropriated from:	
Federal revenues:	
Federal revenues.....	993,100
State general fund/general purpose.....	\$ 346,900
Sec. 116. LIBRARY OF MICHIGAN	
Full-time equated classified positions.....	33.0
Library of Michigan operations—31.0 FTE positions.....	\$ 1,239,700
Library services and technology program—1.0 FTE position.....	1,403,100
Michigan eLibrary—1.0 FTE position.....	440,400
Renaissance zone reimbursements.....	550,000
State aid to libraries.....	3,017,000
GROSS APPROPRIATION.....	\$ 6,650,200

For Fiscal Year
Ending Sept. 30,
2020

Appropriated from:	
Federal revenues:	
Federal revenues	\$ 1,403,100
Special revenue funds:	
Library fees	75,000
State general fund/general purpose	\$ 5,172,100

Sec. 117. PARTNERSHIP DISTRICT SUPPORT

Full-time equated classified positions.....13.0	
Partnership district support operations—13.0 FTE positions	\$ 912,600
GROSS APPROPRIATION	\$ 912,600

Appropriated from:	
Federal revenues:	
Federal revenues	28,600
State general fund/general purpose	\$ 884,000

Sec. 118. DEPARTMENT ADMINISTRATIVE RESERVE FUNDS

Department administrative reserve fund 1	\$ 104,948,600
Department administrative reserve fund 2	104,948,600
Department administrative reserve fund 3	104,948,600
GROSS APPROPRIATION	\$ 314,845,800

Appropriated from:	
Federal revenues:	
Federal indirect revenues	3,684,800
Federal revenues	232,830,000
Special revenue funds:	
Local cost sharing (schools for deaf/blind)	4,420,000
Gifts, bequests, and donations	486,000
Private foundations	1,041,200
Certification fees	5,615,400
Commodity distribution fees	53,800
Library fees	225,000
Low incidence outreach fund	750,000
Student insurance revenue	70,000
Teacher testing fees	148,300
Training and orientation workshop fees	112,500
State general fund/general purpose	\$ 65,408,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$96,512,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$14,267,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

Renaissance zone reimbursements	\$ 2,200,000
State aid to libraries	12,067,700
Total department of education	\$ 14,267,700

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

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

- (a) "Department" means the Michigan department of education.
- (b) "District" means a local school district as that term is defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as that term is defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (c) "FTE" means full-time equated.

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

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

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

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

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$400,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,500,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the chairs of the senate and house appropriations subcommittees responsible for the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$14,654,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$7,123,800.00. Total agency appropriations for retiree health care legacy costs are estimated at \$7,530,600.00.

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

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

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

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

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

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

Sec. 225. (1) From the funds appropriated in part 1, the department must comply with section 17c of the state school aid act of 1979, 1979 PA 94, MCL 388.1617c.

(2) If the department fails to comply with subsection (1), the state funds appropriated in part 1 for unclassified positions, state board/superintendent operations, and grant and contract operations shall each be reduced by 2.5%.

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

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

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

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

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

Sec. 230. From the funds appropriated in part 1, the department shall compile a report that identifies any new, or lack thereof, mandates required of nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2020 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2020.

Sec. 231. From the funds appropriated in part 1, the department shall collect information from all school districts, intermediate school districts, and public school academies that have not adopted any policies that were specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b, during the fiscal year ending September 30, 2018, or that adopted new policies specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b, during the fiscal year ending September 30, 2019. The information collected shall be reported to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget office. The report shall include a list of each school district, intermediate school district, and public school academy that has adopted each policy specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b.

Sec. 232. From the funds appropriated in part 1, the department shall ensure that the most recently issued report of regional in-demand occupations issued by the department of technology, management, and budget is distributed in electronic or paper form to all high schools in each school district, intermediate school district, and public school academy.

Sec. 233. (1) From the funds appropriated in part 1, the department shall develop and implement a training program to provide resources and programming to pupils in grades 9 to 12 who are interested in a career in teaching and who are members of groups that are underrepresented in the teaching profession in this state.

(2) The department shall do all of the following with respect to the training program developed and implemented under subsection (1):

(a) Create a process for nomination and admission of pupils to the program.

(b) Advertise the program.

(c) Invite postsecondary institutions in this state that operate a teacher preparation program to participate in the training program.

(d) Connect pupils participating in the program to representatives of teacher preparation programs at postsecondary institutions in this state.

(e) At least once, conduct conferences for pupils participating in the program in locations that are geographically convenient for the majority of pupils attending each conference.

(f) Provide all available research and resources to pupils and postsecondary institutions participating in the training program on at least all of the following:

(i) Successful activities and programs for recruiting and retaining pupils who are members of groups that are underrepresented in the teaching profession for participation in postsecondary teacher preparation programs.

(ii) Teacher certification.

(iii) Employment as a teacher.

Sec. 235. From the funds appropriated in part 1, the department shall compile a report that includes an itemized list of allocations paid by the department to any association or consortium consisting of associations in the immediately preceding fiscal year. The report shall detail the recipient or recipients, the amount allocated, and the purpose for which the money was distributed. The report required under this section shall be completed and transmitted not later than December 1, 2019 to the state budget director, the house and senate fiscal agencies, the senate and house appropriations subcommittees on the department of education, and the senate and house standing committees on education.

Sec. 236. (1) Funds appropriated in part 1 for the department administrative reserve fund 1 shall not be expended unless a legislative transfer request is issued by the state budget office and the requirements of the legislative transfer process are met under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) It is the intent of the legislature that the department meet all of the following requirements:

(a) The department demonstrates that the grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897l, and federal grants that have been received by the department are distributed.

(b) The department demonstrates that a distribution schedule exists for those grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897l, and those federal grants that have not yet been received and are anticipated before the end of the fiscal year.

(c) The department provides a report to the house and senate appropriation committees, the house and senate fiscal agencies, and the state budget office to illustrate how the requested funds would be utilized.

Sec. 237. (1) Funds appropriated in part 1 for the department administrative reserve fund 2 shall not be expended unless a legislative transfer request is issued by the state budget and the requirements of the legislative transfer process are met under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) It is the intent of the legislature that the department meet all of the following requirements:

(a) The department demonstrates that the grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897l, and federal grants that have been received by the department are distributed.

(b) The department demonstrates that a distribution schedule exists for those grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897l, and those federal grants that have not yet been received and are anticipated before the end of the fiscal year.

(c) The department provides a report to the house and senate appropriation committees, the house and senate fiscal agencies, and the state budget office to illustrate how the requested funds would be utilized.

(d) By March 31, 2020, the department publishes the information as required by section 1280g of the revised school code, 1976 PA 451, MCL 380.1280g.

Sec. 238. (1) Funds appropriated in part 1 for the department administrative reserve fund 3 shall not be expended unless a legislative transfer request is issued by the state budget office and the requirements of the legislative transfer process are met under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) It is the intent of the legislature that the department meet all of the following requirements:

(a) The department demonstrates that the grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897l, and federal grants that have been received by the department are distributed.

(b) The department demonstrates that a distribution schedule exists for those grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897l, and those federal grants that have not yet been received and are anticipated before the end of the fiscal year.

(c) The department provides a report to the house and senate appropriation committees, the house and senate fiscal agencies, and the state budget office to illustrate how the requested funds would be utilized.

(d) The department request transfers from administrative reserve fund 3 after the other department administrative reserve funds are exhausted.

~~Sec. 239. From the funds appropriated in part 1, the department shall produce a report of the impact on student outcomes of starting school before Labor Day. The report must indicate if starting school before Labor Day has a positive impact on student outcomes when compared to not starting school before Labor Day. The report must be completed and transmitted by the department not later than March 1, 2020 to the state budget director, the house and senate fiscal agencies, the senate and house appropriations subcommittees on the department of education, and the senate and house standing committees on education. As used in this section, "student outcomes" means data from test scores, third grade reading assessments, and other state assessments that measure students' academic progress.~~

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 use \$100,000.00 to design and distribute to all parents and legal guardians of a student with a disability information about federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, problem-solving options, and any other information the department determines is necessary so that parents and legal guardians may be able to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

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

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

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

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

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

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

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

Sec. 409. When conducting a due process hearing resulting from a parent's appeal of his or her child's individualized education program team's decision on the child's educational placement, a state administrative law judge shall consider designating the Michigan Schools for the Deaf and Blind as the least restrictive environment under federal law for the parent's child who is deaf, deafblind, or hard of hearing.

EDUCATOR EXCELLENCE

Sec. 501. From the funds appropriated in part 1 for educator excellence, the department shall maintain certificate revocation/felony conviction files of educational personnel.

Sec. 502. The department shall authorize teacher preparation institutions to provide an alternative program by which up to 1/4 of the required student internship or student teaching credits may be earned through substitute teaching. In order to count toward this requirement, the substitute teaching must occur in a single classroom setting for at least 15 consecutive days. The department shall require that teacher preparation institutions collaborate with school districts to ensure that the quality of instruction provided to student teachers is comparable to that required in a traditional student teaching program.

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

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

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

SCHOOL SUPPORT SERVICES

Sec. 601. From the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for implementation costs associated with programs for early childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a.

Sec. 602. From the funds appropriated in part 1 for adolescent and school health, there is appropriated \$320,000.00 to replace federal funding reductions from the HHS - Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

EDUCATIONAL SUPPORTS

Sec. 701. (1) From the funds appropriated in part 1 for educational supports, the department shall produce a report detailing the progress made by districts with grades K to 12 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school

fiscal year for grades K to 12, and in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.

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

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

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

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

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

(3) The department shall provide the report described in subsection (1) to the state budget director, the house and senate subcommittees that oversee the department of education and school aid budgets, and the house and senate fiscal agencies by September 30, 2020.

LIBRARY OF MICHIGAN

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

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

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2019. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

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

MICHIGAN OFFICE OF GREAT START

Sec. 1002. (1) From the funds appropriated in part 1 for child development and care public assistance, there is allocated \$15,000,000.00 for the following purposes:

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

(i) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.30 per hour for each child ages 0-5.

(ii) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.20 per hour for each child 5 years and older.

(iii) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.30 per hour for each child ages 0-5.

(iv) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.20 per hour for each child 5 years and older.

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

(i) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.30 per hour for each child ages 0-5.

(ii) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.20 per hour for each child 5 years and older.

(iii) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.30 per hour for each child ages 0-5.

(iv) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.20 per hour for each child 5 years and older.

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

(i) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.30 per hour for each child ages 0-5.

(ii) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.20 per hour for each child 5 years and older.

(iii) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.30 per hour for each child ages 0-5.

(iv) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.20 per hour for each child 5 years and older.

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

(i) Increase the reimbursement rate for unlicensed providers with a level 1 rating by \$0.15 per hour for each child.

(ii) Increase the reimbursement rate for unlicensed providers with a level 2 rating by \$0.05 per hour for each child.

(e) Rate increases funded under this subsection are effective January 1, 2020.

(2) The department shall ensure that the final provider reimbursement rates determined under this section are published on the department and Great Start to Quality webpages.

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

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

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

(c) The grant recipients.

(d) The activities funded by each grant.

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

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

Sec. 1004. From the funds appropriated in part 1 for the T.E.A.C.H. Early Childhood Michigan Scholarship Program, the department shall ensure that \$5,000,000.00 is appropriated to the T.E.A.C.H. Early Childhood Michigan Scholarship Program. The program shall give preference to the following providers:

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

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

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

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

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

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

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

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

(2) The progress reports shall be sent to the state budget director, the house and senate subcommittees that oversee the department of education, and the house and senate fiscal agencies by April 1, 2020 and September 30, 2020.

Sec. 1008. From the amount appropriated in part 1 for office of great start operations, the department shall work with the department of health and human services to coordinate services provided to families for home visits, reduce

duplication of state services and spending, and increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p.

Sec. 1009. From the funds appropriated in part 1 for child development and care public assistance, the income entrance threshold for the child development and care program is set to 130% of the federal poverty guidelines.

Sec. 1010. Within 10 days of the receipt of changes to the federal child care and development program, 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. The notification shall include, but is not limited to:

(a) Changes to the federal matching award amount, including the amount of state resources necessary to draw down the total matching award.

(b) Changes to the amount of child care and development block grant that is awarded to this state.

(c) Any significant changes to the federal requirements on the child development and care program, indicating any new requirements that would require the appropriation of additional dollars.

Sec. 1011. (1) From the funds appropriated in part 1 for child development and care public assistance, the department shall implement a biweekly block reimbursement rate schedule through the following block segments:

(a) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 1 to 30 hours, shall be reimbursed at the hourly reimbursement rate.

(b) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 31 to 60 hours, shall be reimbursed as 60 hours.


(c) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 61 to 80 hours, shall be reimbursed as 80 hours.

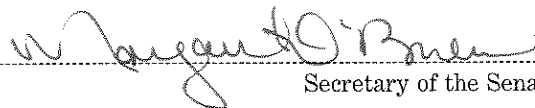
(d) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 81 to 90 hours, shall be reimbursed as 90 hours.

(e) The block segment for a biweekly block reimbursement rate schedule for unlicensed providers shall be reimbursed at their current hourly reimbursement rates.

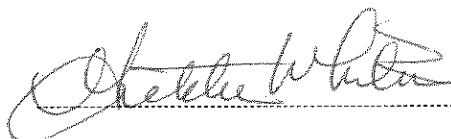
(2) It is the intent of the legislature that the new biweekly block reimbursement system reimburses providers based on the block segment that is closest to the number of hours actually paid to the provider.

This act is ordered to take immediate effect.


Clerk of the House of Representatives


Secretary of the Senate

Approved 3:33 pm 9/29/19


Governor

FILED WITH SECRETARY OF STATE

ON 9/30/19 AT 7:32 P.M.