

HOUSE BILL No. 4301

February 18, 1999, Introduced by Reps. Jelinek, Godchaux, Pumford, Pappageorge, Mead, Toy, Kukuk, Caul, Jellema, Byl, Geiger, Stamas, Jansen and Scranton and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2000 to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this bill, the
4 amounts listed in this part are appropriated for the department of
5 education for the fiscal year ending September 30, 2000, from the funds
6 indicated in this part. The following is a summary of the

1 appropriations in this part:

2 **DEPARTMENT OF EDUCATION**

3 APPROPRIATION SUMMARY:

4 Full-time equated unclassified positions . . . 6.0
 5 Full-time equated classified positions . . . 542.6
 6 GROSS APPROPRIATION \$ 983,215,900

7 Total interdepartmental grants and
 8 intradepartmental transfers 1,056,700

9 ADJUSTED GROSS APPROPRIATION \$ 982,159,200

10 Federal revenues:

11 Total federal revenues 910,165,900

12 Special revenue funds:

13 Total local revenues 6,244,300

14 Total private revenues 587,300

15 Total state restricted revenues 27,294,700

16 State general fund/general purpose \$ 37,867,000

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

18 Full-time equated unclassified positions . . . 6.0

19 Full-time equated classified positions 16.0

20 State board of education, per diem payments . . . \$ 19,400

21 Unclassified positions 505,500

22 State board/superintendent operations--16.0

23 FTE positions 2,369,500

24 GROSS APPROPRIATION \$ 2,894,400

25 Appropriated from:

26 Federal revenues:

27 Federal revenues 567,000

28 Special revenue funds:

29 Private revenues 8,000

30 State general fund/general purpose \$ 2,319,400

31 **Sec. 103. CENTRAL SUPPORT**

32 Full-time equated classified positions 56.2

33 Central support--47.2 FTE positions \$ 5,369,500

34 Worker's compensation 76,500

35 Education commission of the states 92,700

1	Building occupancy charges - property management	
2	services	1,285,200
3	Training and orientation workshops	100,000
4	Terminal leave payments	500,000
5	State tenure commission, per diem	11,100
6	Administrative law operations--9.0 FTE positions .	<u>817,000</u>
7	GROSS APPROPRIATION	\$ 8,252,000
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	Interdepartmental grant from consumer and	
11	industry services	2,300
12	Interdepartmental grant from career development .	1,200
13	Interdepartmental grant from treasury	900
14	Federal revenues:	
15	Federal revenues	4,082,200
16	Special revenue funds:	
17	Local cost sharing	60,800
18	Certification fees	139,700
19	Commodity distribution fees	4,500
20	Driver fees	17,800
21	Motorcycle license fees	3,500
22	Private occupational school license fees	12,800
23	Safety education fund	2,100
24	School loan exception fees	32,900
25	Teacher testing fees	8,000
26	Training and orientation workshop fees	100,000
27	State general fund/general purpose	\$ 3,783,300
28	Sec. 104. SCHOOL SUPPORT SERVICES	
29	Full-time equated classified positions 41.4	
30	School support operations--41.4 FTE positions . .	\$ <u>4,847,400</u>
31	GROSS APPROPRIATION	\$ 4,847,400
32	Appropriated from:	
33	Federal revenues:	
34	Federal revenues	3,879,500
35	Special revenue funds:	

1	Commodity distribution fees	41,300
2	Driver fees	470,400
3	Motorcycle license fees	136,700
4	Safety education fund	115,300
5	State general fund/general purpose \$	204,200
6	Sec. 105. DATA AND TECHNOLOGY SERVICES	
7	Full-time equated classified positions 37.2	
8	Data and technology operations--37.2 positions . . \$	<u>6,421,700</u>
9	GROSS APPROPRIATION \$	6,421,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	Interdepartmental grant from consumer and	
13	industry services	402,300
14	Interdepartmental grant from career development .	100,000
15	Interdepartmental grant from treasury	100,000
16	Federal revenues:	
17	Federal revenues	3,198,000
18	Special revenue funds:	
19	Certification fees	250,900
20	Driver fees	10,600
21	State general fund/general purpose \$	2,359,900
22	Sec. 106. STANDARDS, ASSESSMENT, AND ACCREDITATION SERVICES	
23	Full-time equated classified positions 44.7	
24	Standards, assessment, and accreditation	
25	operations--44.7 FTE positions \$	3,548,300
26	Test development and administration	<u>13,002,100</u>
27	GROSS APPROPRIATION \$	16,550,400
28	Appropriated from:	
29	Federal revenues:	
30	Federal revenues	780,800
31	Special revenue funds:	
32	Michigan merit award trust fund	13,002,100
33	State general fund/general purpose \$	2,767,500
34	Sec. 107. SPECIAL EDUCATION SERVICES	
35	Full-time equated classified positions 55.6	

1	Special education operations--55.6 FTE positions . . .	\$	<u>6,313,800</u>
2	GROSS APPROPRIATION	\$	6,313,800
3	Appropriated from:		
4	Federal revenues:		
5	Federal revenues		6,150,100
6	Special revenue funds:		
7	Certification fees		19,500
8	State general fund/general purpose	\$	144,200
9	Sec. 108. LANSING, MICHIGAN SCHOOL FOR THE BLIND FORMER SITE		
10	General services	\$	<u>1,227,000</u>
11	GROSS APPROPRIATION	\$	1,227,000
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	Interdepartmental grant from corrections		
15	academy lease		450,000
16	Special revenue funds:		
17	Private gifts, bequests, and donations		10,000
18	Lansing, Michigan school for the blind rent . . .		767,000
19	State general fund/general purpose	\$	0
20	Sec. 109. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
21	Full-time equated classified positions . . .	120.3	
22	Michigan schools for the deaf and blind		
23	operations--117.0 FTE positions	\$	10,876,700
24	Technical resource and reproduction center		1,100,000
25	Summer institute		312,100
26	Michigan deaf/blind center--2.3 FTE positions . .		306,400
27	Camp Tuhsmeheeta - 1.0 FTE position		250,100
28	Private gifts - blind		90,000
29	Private gifts - deaf		<u>50,000</u>
30	GROSS APPROPRIATION	\$	12,985,300
31	Appropriated from:		
32	Federal revenues:		
33	Federal revenues		2,420,800
34	Special revenue funds:		
35	Local cost sharing (schools for blind/deaf) . . .		6,080,900

1	Local school district service fees	102,600
2	Private gifts, bequests, and donations	460,100
3	Student insurance revenue	205,100
4	State general fund/general purpose \$	3,715,800
5	Sec. 110. CAREER, CURRICULUM, AND POSTSECONDARY SERVICES	
6	Full-time equated classified positions	73.9
7	Career and curriculum operations--51.9 FTE	
8	positions \$	5,948,000
9	Postsecondary operations--22.0 FTE positions . . .	<u>2,204,400</u>
10	GROSS APPROPRIATION \$	8,152,400
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues	5,620,100
14	Special revenue funds:	
15	Private revenues	14,400
16	Defaulted loan collection fees	100,000
17	Private occupational school license fees	255,500
18	State general fund/general purpose \$	2,162,400
19	Sec. 111. PROFESSIONAL PREPARATION SERVICES	
20	Full-time equated classified positions	26.5
21	Professional preparation operations--	
22	26.5 FTE positions \$	3,104,100
23	Teacher quality enhancement	2,500,000
24	Department of attorney general	<u>50,000</u>
25	GROSS APPROPRIATION \$	5,654,100
26	Appropriated from:	
27	Federal revenues:	
28	Federal revenues	2,716,700
29	Special revenue funds:	
30	Certification fees	2,681,900
31	Teacher testing fees	255,500
32	State general fund/general purpose \$	0
33	Sec. 112. FIELD SERVICES	
34	Full-time equated classified positions	41.0
35	Field services operations--41.0 FTE positions . . . \$	<u>3,922,900</u>

1	GROSS APPROPRIATION	\$	3,922,900
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues		3,511,500
5	Special revenue funds:		
6	State general fund/general purpose	\$	411,400
7	Sec. 113. INNOVATION AND COMMUNITY SERVICES		
8	Full-time equated classified positions	29.8	
9	Innovation and community services		
10	operations--29.8 FTE positions	\$	<u>3,310,000</u>
11	GROSS APPROPRIATION	\$	3,310,000
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues		2,442,100
15	Special revenue funds:		
16	State general fund/general purpose	\$	867,900
17	Sec. 114. GRANTS AND DISTRIBUTIONS		
18	FEDERAL PROGRAMS:		
19	Adult basic education	\$	10,024,100
20	Acquired immunodeficiency syndrome		
21	education grants		600,000
22	Class size reduction grants		50,275,700
23	Competitive child care and development		500,000
24	Drug-free schools grant		16,758,400
25	Eisenhower mathematics and science grants		12,940,000
26	Emergency immigrant		1,455,000
27	Gear-up grants		2,000,000
28	Goals 2000 grants		17,082,200
29	Handicapped infants and toddlers		16,000,000
30	Homeless children and youth		1,041,000
31	Job training partnership act		7,952,700
32	Michigan charter school subgrant program		5,000,000
33	Migrant technology		576,300
34	Preschool grants (PL 94-142)		12,400,000
35	School-age child care grants		301,500

1	School lunch program - federal share	237,300,000
2	School-to-work	1,800,000
3	Serve America grants	840,000
4	Special education	20,089,800
5	Statewide systemic initiative grant	50,000
6	Surplus commodity	2,506,000
7	Technology literacy challenge grant	17,784,300
8	Title I, disadvantaged children	346,000,000
9	Title I, even start	5,300,000
10	Title I, migrant	12,000,000
11	Title I, comprehensive school reform	5,889,200
12	Title VI, innovative strategies	13,480,900
13	Vocational education act of 1963	39,500,000
14	STATE PROGRAMS:	
15	Christa McAuliffe grants	94,800
16	Driver education	7,600,000
17	School readiness grants	12,083,000
18	Motorcycle safety education	867,300
19	National board certification	20,000
20	Off-road vehicle safety training grant	194,300
21	Reading plan for Michigan grants	17,350,000
22	School lunch and breakfast	6,728,000
23	Fast track program	<u>300,000</u>
24	GROSS APPROPRIATION	\$ 902,684,500
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	Federal revenues:	
28	DAG-FCS, national school lunch	237,300,000
29	DAG, the emergency food assistance program	2,506,000
30	DED, grants and contracts service, school-to-work	1,800,000
31	DED-OBEMLA, emergency immigrant education	
32	assistance	1,455,000
33	DED-OESE, charter schools	5,000,000
34	DED-OESE, class size reduction	50,275,700
35	DED-OESE, drug-free schools and communities	16,758,400

1	DED-OESE, gear-up	2,000,000
2	DED-OESE, goals 2000	22,082,200
3	DED-OESE, Eisenhower mathematics and	
4	science administration	12,940,000
5	DED-OESE, migrant technology	576,300
6	DED-OESE, reading excellence act	12,350,000
7	DED-OESE, technology literacy challenge fund . . .	17,784,300
8	DED-OESE, title I, disadvantaged children	346,000,000
9	DED-OESE, title I, even start	5,300,000
10	DED-OESE, title I, migrant education	12,000,000
11	DED-OESE, title I, comprehensive school reform . .	5,031,900
12	DED-OESE, title VI, innovative strategies	13,480,900
13	DED-OESE, title X, comprehensive school reform . .	857,300
14	DED-OSERS, handicapped infants and toddlers . . .	16,000,000
15	DED-OSERS, handicapped preschool incentive grants	12,400,000
16	DED-OSERS, handicapped program, individuals	
17	with disabilities act	20,089,800
18	DED-OVAE, adult education, state	
19	administered program	10,024,100
20	DED-OVAE, basic grants to states	39,500,000
21	DED-OVAE, homeless children and youth	1,041,000
22	DOL, job training partnership act	7,952,700
23	HHS-ACF, at-risk child care	500,000
24	HHS-CDC, AIDS education	600,000
25	HHS-ACF, dependent care block grant	301,500
26	National science foundation	50,000
27	Corporation for national and community service . .	840,000
28	Special revenue funds:	
29	Private revenues	94,800
30	Driver fees	7,600,000
31	Motorcycle license fees	867,300
32	Safety education fund	194,300
33	State general fund/general purpose \$	19,131,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

1 **GENERAL SECTIONS**

2 Sec. 201. (1) Pursuant to section 30 of article IX of the state
3 constitution of 1963, total state spending under part 1 for fiscal year
4 1999-2000 is \$65,161,700.00 and state appropriations to be paid to
5 local units of government are as follows:

6 GRANTS AND DISTRIBUTIONS

7 STATE PROGRAMS:

8 Driver education	\$ 7,600,000
9 School readiness grants	12,083,000
10 Motorcycle safety education	867,300
11 Off-road vehicle safety training grant	194,300
12 School lunch and breakfast	<u>6,728,000</u>
13 TOTAL	\$ 27,472,600

14 (2) If it appears to the principal executive officer of a
15 department or branch that state spending to local units of government
16 will be less than the amount that was projected to be expended under
17 subsection (1), the principal executive officer shall immediately give
18 notice of the approximate shortfall to the state budget director.

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

22 Sec. 203. (1) Beginning October 1, 1999, a hiring freeze is imposed
23 on the state classified civil service. State departments and agencies
24 are prohibited from hiring any new full-time state classified civil
25 service employees and prohibited from filling any vacant state
26 classified civil service positions. This hiring freeze does not apply
27 to internal transfers of classified employees from one position to
28 another within a department or to positions that are funded with 80% or
29 more federal or restricted funds.

30 (2) The state budget director shall grant exceptions to this hiring
31 freeze when the state budget director believes that the hiring freeze
32 will result in rendering a state department or agency unable to deliver
33 basic services.

34 Sec. 204. The department of civil service shall bill departments
35 and agencies at the end of the first fiscal quarter for the 1% charge
36 authorized by section 5 of article XI of the state constitution of

1 1963. Payments shall be made for the total amount of the billing by
2 the end of the second fiscal quarter.

3 Sec. 205. As used in this bill:

4 (a) "DAG" means the United States department of agriculture.

5 (b) "DAG-FCS" means the DAG food and consumer service.

6 (c) "DED" means the United States department of education.

7 (d) "DED-OBEMLA" means the DED office of bilingual education and
8 minority languages affairs.

9 (e) "DED-OERI" means the DED office of educational research and
10 improvement.

11 (f) "DED-OESE" means the DED office of elementary and secondary
12 education.

13 (g) "DED-OPSE" means the DED office of postsecondary education.

14 (h) "DED-OSERS" means the DED office of special education and
15 rehabilitative services.

16 (i) "DED-OVAE" means the DED office of vocational and adult
17 education.

18 (j) "Department" means the Michigan department of education.

19 (k) "District" means a local school district as defined in section
20 6 of the revised school code, 1976 PA 451, MCL 380.6.

21 (l) "DOL" means the United States department of labor.

22 (m) "DOL-ETA" means the DOL employment and training act.

23 (n) "HHS" means the United States department of health and human
24 services.

25 (o) "HHS-ACF" means the HHS administration for children and
26 families.

27 (p) "HHS-CDCP" means the HHS center for disease control and
28 prevention.

29 (q) "HHS-OHDS" means the HHS office of human development services.

30 (r) "RPM" means reading plan for Michigan.

31 Sec. 206. (1) In addition to the funds appropriated in part 1,
32 there is appropriated an amount not to exceed \$10,000,000.00 for
33 federal contingency funds. These funds are not available for
34 expenditure until they have been transferred to another line item in
35 this bill under section 393(2) of the management and budget act, 1984
36 PA 431, MCL 18.1393.

1 (2) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$700,000.00 for state restricted
3 contingency funds. These funds are not available for expenditure until
4 they have been transferred to another line item in this bill under
5 section 393(2) of the management and budget act, 1984 PA 431, MCL
6 18.1393.

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

12 (4) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$3,000,000.00 for private
14 contingency funds. These funds are not available for expenditure until
15 they have been transferred to another line item in this bill under
16 section 393(2) of the management and budget act, 1984 PA 431, MCL
17 18.1393.

18 Sec. 207. The department may carry into the succeeding fiscal year
19 unexpended federal pass-through funds to local institutions and
20 governments that do not require additional state matching funds.
21 Federal pass-through funds to local institutions and governments that
22 are received in amounts in addition to those included in part 1 and
23 that do not require additional state matching funds are appropriated
24 for the purposes intended.

25 Sec. 208. The department shall provide the state budget director
26 and the senate and house fiscal agencies with copies of the state board
27 of education agenda and all supporting documents at the time the agenda
28 and supporting documents are provided to state board of education
29 members.

30 Sec. 209. Money in the school loan exception fee fund that is
31 unexpended at the end of the fiscal year shall not revert to the
32 general fund but shall be carried over to the succeeding fiscal year.

33 Sec. 210. The department is appropriated an amount not to exceed
34 \$100,000.00 from collection of defaulted loans in the Martin Luther
35 King, Jr. - Cesar Chavez - Rosa Parks programs to offset costs of

1 administering the loan collections.

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

3 Sec. 301. (1) The appropriations in part 1 for state board of
4 education, per diem payments may be used for payments to members of
5 boards, committees, and commissions for each day's board, committee, or
6 commission work at which a quorum is present; for attending a hearing
7 as authorized by the respective board, committee, or commission; or for
8 performing official business as authorized by the respective board,
9 committee, or commission. The per diem payments shall be at a rate as
10 follows:

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

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

14 (c) State tenure commission - member \$ 50.00 per day

15 (2) A state board of education member shall not be paid a per diem
16 for more than 24 days per year.

17 (3) The administrative secretary of the state board of education
18 shall report to the public, the senate and house fiscal agencies, and
19 the state budget director the previous quarter's expenses by fund
20 source for members of the state board of education related to the
21 performance of their responsibilities.

22 Sec. 302. (1) From the amount appropriated in part 1 to the state
23 board of education, not more than \$27,500.00 shall be expended for
24 travel.

25 (2) The state board of education shall not expend amounts for
26 travel appropriated from DED-OVAE, basic grants to states.

27 Sec. 303. (1) From the amount appropriated in part 1 for innovation
28 and community service operations, there is allocated \$500,000.00 and
29 5.0 FTE positions to operate a charter school office to administer
30 charter school legislation and associated regulations, and to
31 coordinate the activities of the department relating to charter
32 schools.

33 (2) From the amount appropriated in part 1 for state
34 board/superintendent operations, there is allocated up to \$250,000.00
35 to fund an exchange program between teachers in Michigan school

1 districts and public school academies and teachers in Michigan's sister
2 state of Shiga in Japan.

3 **TECHNOLOGY AND INFORMATION SERVICES**

4 Sec. 401. Included in the appropriation for technology and
5 information services in part 1 is \$50,000.00 to publish and distribute
6 the Michigan school report.

7 Sec. 402. The department shall coordinate with the Michigan
8 information center on the development of an educational information
9 system.

10 **STANDARDS, ASSESSMENT, AND ACCREDITATION SERVICES**

11 Sec. 501. (1) From the allocations in part 1 for test development
12 and administration, the department shall provide tests to nonpublic
13 schools and home-schooled students upon request. The department shall
14 notify nonpublic schools that they are eligible to receive the tests
15 without cost to them.

16 (2) The department shall release test results at the same time to
17 all private schools and public school districts taking the tests.

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

19 Sec. 601. The employees at the Michigan schools for the deaf and
20 blind who work on a school year basis shall be considered annual
21 employees for purposes of service credits, retirement, and insurance
22 benefits.

23 Sec. 602. For each student enrolled at the Michigan schools for the
24 deaf and blind, the department shall assess the intermediate school
25 district of residence 100% of the cost of operating the student's
26 instructional program. The amount shall exclude room and board related
27 costs and the cost of weekend transportation between the school and the
28 student's home.

29 Sec. 603. (1) The department may assess rent to any state
30 government agency for the use of facilities at the Michigan school for
31 the blind's former site in Lansing. The rental rates and all leasing
32 arrangements shall be subject to the approval of the department of
33 management and budget. In addition, the facilities at the Lansing site
34 may also be available for rent to private or publicly funded
35 organizations.

1 (2) In addition to those funds appropriated in part 1, the
2 department may receive and expend additional funds from lease
3 agreements at the Michigan school for the blind's former site in
4 Lansing that have been negotiated with the approval of the department
5 of management and budget. These funds are appropriated to the
6 department for operation, maintenance, and renovation expenses
7 associated with the leased space.

8 (3) The unexpended balances of appropriations and any surplus
9 restricted revenue for Michigan school for the blind's former site in
10 Lansing shall not lapse to the state general fund at the end of the
11 fiscal year. Any unexpended and unencumbered funds remaining on
12 September 30, 2000, shall be carried forward as a work project or as
13 restricted revenue and expended for special maintenance and repairs of
14 facilities at the Michigan school for the blind's former site in
15 Lansing. The work shall be carried out by state employees, or by
16 contract as necessary, at an estimated cost of \$100,000.00. The
17 estimated completion date of the work is September 30, 2001.

18 Sec. 604. (1) The department may assess rent or lease excess
19 property located on the campus of the Michigan schools for the deaf and
20 blind in Flint to private or publicly funded organizations.

21 (2) In addition to those funds appropriated in part 1, the
22 department may receive and expend additional funds from lease
23 agreements at the Michigan schools for the deaf and blind Flint campus
24 that have been negotiated with the approval of the department of
25 management and budget. These funds are appropriated to the department
26 for the operation, maintenance, and renovation expenses associated with
27 the leased space.

28 (3) Proceeds from the sale of surplus property and facilities at
29 the Michigan schools for the deaf and blind or at camp Tuhsmeheeta are
30 hereby appropriated for the purposes of repairs, renovations, and
31 maintenance of the Flint campus.

32 (4) The unexpended balances of appropriations for school for deaf
33 and blind operations, and from proceeds of the sale of surplus property
34 and facilities at the Michigan schools for the deaf and blind and at
35 camp Tuhsmeheeta shall not lapse to the state general fund at the end of

1 the fiscal year. Any unexpended and unencumbered funds remaining on
2 September 30, 2000, shall be carried forward as a work project or as
3 restricted revenue and expended for special maintenance and repairs of
4 facilities at the campus of the Michigan schools for the deaf and blind
5 in Flint. The work shall be carried out by state employees, or by
6 contract as necessary, at an estimated cost of \$250,000.00. The
7 estimated completion date of the work is September 30, 2001.

8 Sec. 605. The department may assist the department of community
9 health, other departments, and local school districts to secure
10 reimbursement for eligible services provided in Michigan schools from
11 the federal medicaid program. The department may submit reports of
12 direct expenses related to this effort to the department of community
13 health for reimbursement.

14 **PROFESSIONAL PREPARATION SERVICES**

15 Sec. 701. From the funds appropriated in part 1 for professional
16 preparation services, the department shall maintain the professional
17 personnel register and certificate revocation/felony conviction files.

18 **GRANTS AND DISTRIBUTIONS**

19 Sec. 801. The department shall disburse the funds to a general fund
20 grantee in accordance with the same standards of timing and amount that
21 apply to disbursements made by the department to a federal fund
22 grantee. The disbursement shall be restricted to the minimum amount
23 needed for immediate disbursement by the grantee. The department may
24 waive this section if extenuating circumstances warrant and are
25 substantiated in the grantee's application or other appropriate
26 documentation. A waiver granted pursuant to this section shall not be
27 effective until 15 days after written notice of the proposed waiver is
28 given to the state budget director and the chairpersons of the senate
29 and house appropriations subcommittees having jurisdiction over the
30 department budget.

31 Sec. 802. (1) The funds appropriated in part 1 for school breakfast
32 programs shall be made available to all eligible applicant public
33 school districts and public school academies as follows:

34 (a) The district or public school academy participates in the
35 federal school breakfast program and meets all standards as prescribed

1 by 7 C.F.R. parts 220 and 245.

2 (b) Payment is made for each breakfast served meeting standards
3 prescribed in subdivision (a).

4 (c) The payment for a district or public school academy is at a per
5 meal rate equal to the lesser of the district's or public school
6 academy's actual cost, or 100% of the cost of a breakfast served by an
7 efficiently operated breakfast program as determined by the department,
8 less federal reimbursement, participant payments, and other state
9 reimbursement. Determination of efficient cost by the department shall
10 be determined by using a statistical sampling of statewide and regional
11 cost as reported in a manner approved by the department for the
12 preceding school year.

13 (d) The payment determined under subdivision (c) is prorated if the
14 appropriation in part 1 is not sufficient to fund all payments
15 determined under this section.

16 Sec. 803. (1) The funds appropriated in part 1 for school readiness
17 programs shall be made available through a competitive application
18 process as follows:

19 (a) An applicant may be any public or private nonprofit legal
20 entity or agency other than a local or intermediate school district
21 except a local or intermediate school district acting as a fiscal agent
22 for a child caring organization regulated under 1973 PA 116, MCL
23 722.111 to 722.128.

24 (b) Applications shall be submitted in a form and manner as
25 required by the department.

26 (c) Applications shall be reviewed by a diverse interagency
27 committee composed of representatives of the department, appropriate
28 community, volunteer, and social service agencies and organizations,
29 and parents.

30 (d) Priority in the recommendation for awarding of grants by the
31 state board of education to applicants shall be based upon the
32 following criteria:

33 (i) Compliance with standards for early childhood development
34 consistent with programs for 4-year-olds, as approved by the state
35 board of education.

1 (ii) Active and continuous involvement of the parents or guardians
2 of the children participating in the program.

3 (iii) Employment of teachers possessing proper training in early
4 childhood development, including an early childhood (ZA) endorsement or
5 child development associate, and trained support staff.

6 (iv) Evidence of collaboration with the community of providers in
7 early childhood development programs including documentation of the
8 total number of children in the community who would meet the criteria
9 established in subparagraph (vi), and who are being served by other
10 providers, and the number of children who will remain unserved by other
11 community early childhood programs if this program is funded.

12 (v) The extent to which these funds will supplement other federal,
13 state, local, or private funds.

14 (vi) The extent to which these funds will be targeted to children
15 who will be at least 4, but less than 5, years of age as of December 1
16 of the year in which the programs are offered and who show evidence of
17 2 or more "at-risk" factors as defined in the state board of education
18 report entitled, "Children At Risk" that was adopted by the state board
19 on April 5, 1988.

20 (e) Whether the application contains a comprehensive evaluation
21 plan that includes implementation of all program components required
22 and an assessment of the gains of children participating in an early
23 childhood development program.

24 (f) Applications shall provide for the establishment of a school
25 readiness advisory committee that shall be involved in the planning and
26 evaluation of the program and provides for the involvement of parents
27 and appropriate community, volunteer, and social service agencies and
28 organizations. There shall be on the committee at least 1 parent or
29 guardian of a program participant for every 18 children enrolled in the
30 program, with a minimum of 2 parent or guardian representatives. The
31 committee shall do all of the following:

32 (i) Review the mechanisms and criteria used to determine referrals
33 for participation in the school readiness program.

34 (ii) Review the health screening program for all participants.

35 (iii) Review the nutritional services provided to all participants.

(iv) Review the mechanisms in place for the referral of families to community social service agencies, as appropriate.

(v) Review the collaboration with and the involvement of appropriate community, volunteer, and social service agencies and organizations in addressing all aspects of education disadvantage.

(vi) Review, evaluate, and make recommendations for changes in the school readiness program.

(g) More than 50% of the children participating in the program shall meet the income eligibility criteria for free or reduced price lunch, as determined under the national school lunch act, chapter 281, 60 Stat. 230, 42 U.S.C. 1751 to 1753, 1755 to 1761, 1762a, 1765 to 1766b, and 1769 to 1769h, or meet income and all other eligibility criteria for participation in the Michigan family independence agency unified child day care program.

(2) Grant awards by the state board of education may be at whatever level the board determines appropriate. A grant, when combined with other sources of state revenue for this program, shall not exceed \$3,100.00 per child or the cost of the program, whichever is less.

(3) Except as otherwise provided, an applicant that received a grant under this section in the 1998-1999 fiscal year shall receive priority for funding in 1999-2000. However, continuation of funding is contingent on the availability of funds and documented evidence of grantee compliance with standards for early childhood development consistent with programs for 4-year-olds, as approved by the state board of education, and with all operational, fiscal, administrative, and other program requirements. After 3 years of funding, a program that received a grant under this section may reapply for funding, but will compete for available funds with other new programs and other programs also completing their third year of funding under this section. A program which offers supplementary day care and thereby offers full-day programs as part of its early childhood development program shall receive priority in the allocation of these competitive funds.

Sec. 804. (1) The reading plan for Michigan (RPM) is a series of elementary education strategies created for the purpose of improving

1 reading skills of K-3 students so that all students are reading at an
2 appropriate grade level prior to the start of the fourth grade. The
3 RPM shall be developed by the department in consultation with the RPM
4 advisory council as created by Executive Order 1998-4.

5 (2) In order to implement the RPM, the department shall do at least
6 all of the following:

7 (a) Develop a model summer reading program for students who will be
8 attending grades 1 through 4 in the following school year and who have
9 demonstrated the need for additional reading skills training, as
10 evidenced by standardized test results on tests approved by the
11 department for this purpose. The model reading program shall be in
12 conformance with the national education goals and shall also meet
13 criteria for DED-OESE, Title I program funding.

14 (b) Recommend diagnostic tools and student assessments to local
15 districts to determine reading readiness and ensure progress in reading
16 skills.

17 (c) Develop and disseminate reading readiness kits to parents of
18 students in preschool and kindergarten to provide parents with
19 information about how they can prepare their children for reading
20 success.

21 (d) Develop and make available a statewide resource guide of public
22 and private service providers to assist parents in improving their
23 children's reading skills.

24 (3) The funds appropriated in part 1 for the reading plan for
25 Michigan grants shall be allocated by the department on a competitive
26 grant basis to districts, intermediate districts, or consortia of
27 districts which meet the following criteria:

28 (a) The district must offer a summer reading program based upon the
29 model reading program developed by the department pursuant to
30 subsection (2) beginning after the close of the 1998-99 school year.

31 (b) The district must identify money from other sources available
32 to the district which will be used to support at least 50% of the total
33 costs of the summer reading program.

34 (4) Applications for funding must be submitted to the department no
35 later than December 31, 1999. The department shall notify recipients of

1 the grants no later than March 30, 2000.

2 (5) Not later than the 2002-2003 school year, a pupil shall not be
3 promoted to the next grade level at the end of the school year if the
4 pupil has not met the standards for pupil promotion adopted by the
5 local school district.

6 Sec. 805. From the funds appropriated in part 1 for national board
7 certification, the department shall pay 1/2 of the application fee for
8 teachers who are deemed by the department by March 1, 1998 to be
9 qualified to apply to the national board for professional teaching
10 standards for professional teaching certificates or licenses and to
11 provide grants to recognize and reward teachers who receive
12 certification or licensure.

final page