

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 133**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11, 18c, 21f, 25e, 31a, 31j, 32d, 35a, 61c, 64d, 67a, 95b, 99h, 99r, 99t, 102d, 104c, 107, 147a, and 166b (MCL 388.1611, 388.1618c, 388.1621f, 388.1625e, 388.1631a, 388.1631j, 388.1632d, 388.1635a, 388.1661c, 388.1664d, 388.1667a, 388.1695b, 388.1699h, 388.1699r, 388.1699t, 388.1702d, 388.1704c, 388.1707, 388.1747a, and 388.1766b), sections 11, 18c, 31a, 31j, 32d, 35a, 61c, 99h, 99t, 102d, 104c, 107, 147a, and 166b as amended and sections 64d, 67a, 95b, and 99r as added by 2017 PA 108, section 21f as amended by 2016 PA 249, and section 25e as amended by 2016 PA 313, and by adding sections 19b, 99u, and 104e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) For the fiscal year ending September 30, 2017,
2 there is appropriated for the public schools of this state and
3 certain other state purposes relating to education the sum of
4 \$12,069,644,300.00 from the state school aid fund, the sum of
5 \$179,100,000.00 from the general fund, an amount not to exceed
6 \$72,000,000.00 from the community district education trust fund
7 created under section 12 of the Michigan trust fund act, 2000 PA
8 489, MCL 12.262, and an amount not to exceed \$100.00 from the water
9 emergency reserve fund. For the fiscal year ending September 30,
10 2018, there is appropriated for the public schools of this state
11 and certain other state purposes relating to education the sum of
12 ~~\$12,543,130,300.00~~ **\$12,547,270,300.00** from the state school aid
13 fund, the sum of \$215,000,000.00 from the general fund, an amount
14 not to exceed \$72,000,000.00 from the community district education
15 trust fund created under section 12 of the Michigan trust fund act,
16 2000 PA 489, MCL 12.262, an amount not to exceed \$23,100,000.00
17 from the MPSERS retirement obligation reform reserve fund, and an
18 amount not to exceed \$100.00 from the water emergency reserve fund.
19 In addition, all available federal funds are appropriated each
20 fiscal year for the fiscal years ending September 30, 2017 and
21 September 30, 2018.

22 (2) The appropriations under this section shall be allocated
23 as provided in this article. Money appropriated under this section
24 from the general fund shall be expended to fund the purposes of
25 this article before the expenditure of money appropriated under
26 this section from the state school aid fund.

27 (3) Any general fund allocations under this article that are

1 not expended by the end of the state fiscal year are transferred to
2 the school aid stabilization fund created under section 11a.

3 Sec. 18c. Any contract, mortgage, loan, or other instrument of
4 indebtedness entered into by a public school academy receiving
5 funds under this article and a third party does not constitute an
6 obligation, either general, special, or moral, of this state or of
7 an authorizing body. The full faith and credit or the taxing power
8 of this state or any agency of this state, or the full faith and
9 credit of an authorizing body, shall not be pledged for the payment
10 of any contract, mortgage, loan, or other instrument of
11 indebtedness entered into by a public school academy. ~~or an~~
12 ~~achievement school.~~

13 **SEC. 19B. (1) A REPORTING ENTITY REQUIRED TO COMPLY WITH THIS**
14 **SECTION SHALL PROVIDE REPORTS TO THE HOUSE AND SENATE**
15 **APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID AND THE HOUSE AND SENATE**
16 **FISCAL AGENCIES ON THE EFFICACY AND USEFULNESS OF THE APPLICABLE**
17 **PROGRAM THAT COMPLY WITH THE FOLLOWING:**

18 **(A) FOR A PROGRAM IN ITS FIRST YEAR OF FUNDING, A REPORTING**
19 **ENTITY SHALL MEET BOTH OF THE FOLLOWING:**

20 **(i) PROVIDE A REPORT NO LATER THAN 3 MONTHS AFTER RECEIPT OF**
21 **FUNDING FOR THAT FISCAL YEAR THAT INCLUDES ALL OF THE FOLLOWING:**

22 **(A) A PLAN DESCRIBING THE INTENDED COVERAGE AREA, INCLUDING A**
23 **PLAN FOR DISSEMINATING AND PROMOTING THE PROGRAM, ALONG WITH A PLAN**
24 **FOR EXPANDING THAT COVERAGE STATEWIDE AS FUNDING ALLOWS.**

25 **(B) PROPOSED MEASUREMENTS OF OUTCOMES AND PERFORMANCE.**

26 **(ii) PROVIDE A REPORT NO LATER THAN 3 MONTHS FOLLOWING THE END**
27 **OF THAT FISCAL YEAR THAT INCLUDES ALL OF THE FOLLOWING:**

1 (A) ACTUAL NUMBERS OF STUDENTS WHO PARTICIPATED IN THE
2 PROGRAM, INCLUDING THE NUMBER OF DISTRICTS WHERE THE PROGRAM WAS
3 IMPLEMENTED.

4 (B) ACTUAL OUTCOMES AND PERFORMANCE BASED ON MEASUREMENTS
5 DESCRIBED IN SUBDIVISION (A) (i) (B) .

6 (C) PROPOSED AMENDMENTS TO BENCHMARKS THAT MAY BETTER INDICATE
7 EFFICACY AND USEFULNESS.

8 (D) RATIONALE FOR CONTINUING THE PROGRAM AND PLANS TO EXPAND
9 FURTHER OUTREACH.

10 (B) FOR A PROGRAM IN ITS SECOND OR SUBSEQUENT YEAR OF FUNDING,
11 A REPORTING ENTITY SHALL MEET BOTH OF THE FOLLOWING:

12 (i) PROVIDE A REPORT NO LATER THAN 3 MONTHS AFTER RECEIPT OF
13 FUNDING FOR THAT FISCAL YEAR THAT INCLUDES ALL OF THE FOLLOWING:

14 (A) A PLAN DESCRIBING THE CONTINUED OR EXPANDED COVERAGE AREA
15 FOR THE PROGRAM, INCLUDING A PLAN FOR HOW THE PROGRAM AND ITS
16 MATERIALS WILL BE DISSEMINATED AND PROMOTED, AND A DISCUSSION OF
17 EXPANDING THE COVERAGE STATEWIDE.

18 (B) PROPOSED MEASUREMENTS OF OUTCOMES AND PERFORMANCE, AND HOW
19 TO INCREASE PERFORMANCE COMPARED TO PRIOR-YEAR PERFORMANCE LEVELS.

20 (ii) PROVIDE A REPORT NO LATER THAN 3 MONTHS FOLLOWING THE END
21 OF THAT FISCAL YEAR THAT INCLUDES ALL OF THE FOLLOWING:

22 (A) ACTUAL NUMBERS OF STUDENTS WHO PARTICIPATED IN THE
23 PROGRAM, INCLUDING THE NUMBER OF DISTRICTS WHERE THE PROGRAM WAS
24 IMPLEMENTED, AND HOW THOSE COMPARE TO PRIOR-YEAR FIGURES.

25 (B) ACTUAL OUTCOMES AND PERFORMANCE BASED ON MEASUREMENTS
26 DESCRIBED IN SUBDIVISION (B) (i) (B) .

27 (C) PROPOSED AMENDMENTS TO BENCHMARKS THAT MAY BETTER INDICATE

1 **EFFICACY AND USEFULNESS.**

2 **(D) RATIONALE FOR CONTINUING THE PROGRAM AND PLANS TO EXPAND**
3 **FURTHER OUTREACH.**

4 **(2) AS USED IN THIS SECTION, "REPORTING ENTITY" MEANS AN**
5 **ENTITY REQUIRED TO COMPLY WITH THIS SECTION.**

6 Sec. 21f. (1) A primary district shall enroll an eligible
7 pupil in virtual courses in accordance with the provisions of this
8 section. A primary district shall not offer a virtual course to an
9 eligible pupil unless the virtual course is published in the
10 primary district's catalog of board-approved courses or in the
11 statewide catalog of virtual courses maintained by the Michigan
12 Virtual University pursuant to section 98. The primary district
13 shall also provide on its publicly accessible website a link to the
14 statewide catalog of virtual courses maintained by the Michigan
15 Virtual University. Unless the pupil is at least age 18 or is an
16 emancipated minor, a pupil shall not be enrolled in a virtual
17 course without the consent of the pupil's parent or legal guardian.

18 (2) Subject to subsection (3), a primary district shall enroll
19 an eligible pupil in up to 2 virtual courses as requested by the
20 pupil during an academic term, semester, or trimester.

21 (3) A pupil may be enrolled in more than 2 virtual courses in
22 a specific academic term, semester, or trimester if all of the
23 following conditions are met:

24 (a) The primary district has determined that it is in the best
25 interest of the pupil.

26 (b) The pupil agrees with the recommendation of the primary
27 district.

1 (c) The primary district, in collaboration with the pupil, has
2 developed an education development plan, in a form and manner
3 specified by the department, that is kept on file by the district.

4 **BEGINNING OCTOBER 1, 2016, THIS SUBDIVISION DOES NOT APPLY TO A**
5 **PUPIL ENROLLED AS A PART-TIME PUPIL UNDER SECTION 166B.**

6 (4) If the number of applicants eligible for acceptance in a
7 virtual course does not exceed the capacity of the provider to
8 provide the virtual course, the provider shall accept for
9 enrollment all of the applicants eligible for acceptance. If the
10 number of applicants exceeds the provider's capacity to provide the
11 virtual course, the provider shall use a random draw system,
12 subject to the need to abide by state and federal
13 antidiscrimination laws and court orders. A primary district that
14 is also a provider shall determine whether or not it has the
15 capacity to accept applications for enrollment from nonresident
16 applicants in virtual courses and may use that limit as the reason
17 for refusal to enroll a nonresident applicant.

18 (5) A primary district may not establish additional
19 requirements beyond those specified in this subsection that would
20 prohibit a pupil from taking a virtual course. A pupil's primary
21 district may deny the pupil enrollment in an online course if any
22 of the following apply, as determined by the district:

23 (a) The pupil is enrolled in any of grades K to 5.

24 (b) The pupil has previously gained the credits that would be
25 provided from the completion of the virtual course.

26 (c) The virtual course is not capable of generating academic
27 credit.

1 (d) The virtual course is inconsistent with the remaining
2 graduation requirements or career interests of the pupil.

3 (e) The pupil has not completed the prerequisite coursework
4 for the requested virtual course or has not demonstrated
5 proficiency in the prerequisite course content.

6 (f) The pupil has failed a previous virtual course in the same
7 subject during the 2 most recent academic years.

8 (g) The virtual course is of insufficient quality or rigor. A
9 primary district that denies a pupil enrollment request for this
10 reason shall enroll the pupil in a virtual course in the same or a
11 similar subject that the primary district determines is of
12 acceptable rigor and quality.

13 (h) The cost of the virtual course exceeds the amount
14 identified in subsection (9), unless the pupil or the pupil's
15 parent or legal guardian agrees to pay the cost that exceeds this
16 amount.

17 (i) The request for a virtual course enrollment did not occur
18 within the same timelines established by the primary district for
19 enrollment and schedule changes for regular courses.

20 (j) The request for a virtual course enrollment was not made
21 in the academic term, semester, trimester, or summer preceding the
22 enrollment. This subdivision does not apply to a request made by a
23 pupil who is newly enrolled in the primary district.

24 (6) If a pupil is denied enrollment in a virtual course by the
25 pupil's primary district, the primary district shall provide
26 written notification to the pupil of the denial, the reason or
27 reasons for the denial pursuant to subsection (5), and a

1 description of the appeal process. The pupil may appeal the denial
2 by submitting a letter to the superintendent of the intermediate
3 district in which the pupil's primary district is located. The
4 letter of appeal shall include the reason provided by the primary
5 district for not enrolling the pupil and the reason why the pupil
6 is claiming that the enrollment should be approved. The
7 intermediate district superintendent or designee shall respond to
8 the appeal within 5 days after it is received. If the intermediate
9 district superintendent or designee determines that the denial of
10 enrollment does not meet 1 or more of the reasons specified in
11 subsection (5), the primary district shall enroll the pupil in the
12 virtual course.

13 (7) To provide a virtual course to an eligible pupil under
14 this section, a provider shall do all of the following:

15 (a) Ensure that the virtual course has been published in the
16 pupil's primary district's catalog of board-approved courses or
17 published in the statewide catalog of virtual courses maintained by
18 the Michigan Virtual University.

19 (b) Assign to each pupil a teacher of record and provide the
20 primary district with the personnel identification code assigned by
21 the center for the teacher of record. If the provider is a
22 community college, the virtual course must be taught by an
23 instructor employed by or contracted through the providing
24 community college.

25 (c) Offer the virtual course on an open entry and exit method,
26 or aligned to a semester, trimester, or accelerated academic term
27 format.

1 (d) If the virtual course is offered to eligible pupils in
2 more than 1 district, the following additional requirements must
3 also be met:

4 (i) Provide the Michigan Virtual University with a course
5 syllabus that meets the definition under subsection (14)(g) in a
6 form and manner prescribed by the Michigan Virtual University for
7 inclusion in a statewide catalog of virtual courses.

8 (ii) Not later than October 1 of each fiscal year, provide the
9 Michigan Virtual University with an aggregated count of enrollments
10 for each virtual course the provider delivered to pupils pursuant
11 to this section during the immediately preceding school year, and
12 the number of enrollments in which the pupil earned 60% or more of
13 the total course points for each virtual course.

14 (8) To provide an online course under this section, a
15 community college shall ensure that each online course it provides
16 under this section generates postsecondary credit.

17 (9) For any virtual course a pupil enrolls in under this
18 section, the pupil's primary district must assign to the pupil a
19 mentor and shall supply the provider with the mentor's contact
20 information.

21 (10) For a pupil enrolled in 1 or more virtual courses, the
22 primary district shall use foundation allowance or per-pupil funds
23 calculated under section 20 to pay for the expenses associated with
24 the virtual course or courses. A primary district is not required
25 to pay toward the cost of a virtual course an amount that exceeds
26 6.67% of the minimum foundation allowance for the current fiscal
27 year as calculated under section 20.

1 (11) A virtual learning pupil shall have the same rights and
2 access to technology in his or her primary district's school
3 facilities as all other pupils enrolled in the pupil's primary
4 district. The department shall establish standards for hardware,
5 software, and Internet access for pupils who are enrolled in more
6 than 2 virtual courses in an academic term, semester, or trimester
7 taken at a location other than a school facility.

8 (12) If a pupil successfully completes a virtual course, as
9 determined by the pupil's primary district, the pupil's primary
10 district shall grant appropriate academic credit for completion of
11 the course and shall count that credit toward completion of
12 graduation and subject area requirements. A pupil's school record
13 and transcript shall identify the virtual course title as it
14 appears in the virtual course syllabus.

15 (13) The enrollment of a pupil in 1 or more virtual courses
16 shall not result in a pupil being counted as more than 1.0 full-
17 time equivalent pupils under this article. The minimum requirements
18 to count the pupil in membership are those established by the pupil
19 accounting manual as it was in effect for the 2015-2016 school year
20 or as subsequently amended by the department if the department
21 notifies the legislature about the proposed amendment at least 60
22 days before the amendment becomes effective.

23 (14) As used in this section:

24 (a) "Instructor" means an individual who is employed by or
25 contracted through a community college.

26 (b) "Mentor" means a professional employee of the primary
27 district who monitors the pupil's progress, ensures the pupil has

1 access to needed technology, is available for assistance, and
2 ensures access to the teacher of record. A mentor may also serve as
3 the teacher of record if the primary district is the provider for
4 the virtual course and the mentor meets the requirements under
5 subdivision (e).

6 (c) "Primary district" means the district that enrolls the
7 pupil and reports the pupil for pupil membership purposes.

8 (d) "Provider" means the district, intermediate district, or
9 community college that the primary district pays to provide the
10 virtual course or the Michigan Virtual University if it is
11 providing the virtual course.

12 (e) "Teacher of record" means a teacher who meets all of the
13 following:

14 (i) Holds a valid Michigan teaching certificate or a teaching
15 permit recognized by the department.

16 (ii) If applicable, is endorsed in the subject area and grade
17 of the virtual course.

18 (iii) Is responsible for providing instruction, determining
19 instructional methods for each pupil, diagnosing learning needs,
20 assessing pupil learning, prescribing intervention strategies and
21 modifying lessons, reporting outcomes, and evaluating the effects
22 of instruction and support strategies.

23 (iv) Has a personnel identification code provided by the
24 center.

25 (v) If the provider is a community college, is an instructor
26 employed by or contracted through the providing community college.

27 (f) "Virtual course" means a course of study that is capable

1 of generating a credit or a grade and that is provided in an
2 interactive learning environment where the majority of the
3 curriculum is delivered using the Internet and in which pupils may
4 be separated from their instructor or teacher of record by time or
5 location, or both.

6 (g) "Virtual course syllabus" means a document that includes
7 all of the following:

8 (i) An alignment document detailing how the course meets
9 applicable state standards or, if the state does not have state
10 standards, nationally recognized standards.

11 (ii) The virtual course content outline.

12 (iii) The virtual course required assessments.

13 (iv) The virtual course prerequisites.

14 (v) Expectations for actual instructor or teacher of record
15 contact time with the virtual learning pupil and other
16 communications between a pupil and the instructor or teacher of
17 record.

18 (vi) Academic support available to the virtual learning pupil.

19 (vii) The virtual course learning outcomes and objectives.

20 (viii) The name of the institution or organization providing
21 the virtual content.

22 (ix) The name of the institution or organization providing the
23 instructor or teacher of record.

24 (x) The course titles assigned by the provider and the course
25 titles and course codes from the National Center for Education
26 Statistics (NCES) school codes for the exchange of data (SCED).

27 (xi) The number of eligible pupils that will be accepted by

1 the provider in the virtual course. A primary district that is also
2 the provider may limit the enrollment to those pupils enrolled in
3 the primary district.

4 (xii) The results of the virtual course quality review using
5 the guidelines and model review process published by the Michigan
6 Virtual University.

7 (h) "Virtual learning pupil" means a pupil enrolled in 1 or
8 more virtual courses.

9 Sec. 25e. (1) The pupil membership transfer application and
10 pupil transfer process administered by the center under this
11 section shall be used for processing pupil transfers.

12 (2) If a pupil counted in membership for the pupil membership
13 count day transfers from a district or intermediate district to
14 enroll in another district or intermediate district after the pupil
15 membership count day and before the supplemental count day and, due
16 to the pupil's enrollment and attendance status as of the pupil
17 membership count day, the pupil was not counted in membership in
18 the educating district or intermediate district, the educating
19 district or intermediate district may report the enrollment and
20 attendance information to the center through the pupil transfer
21 process within 30 days after the transfer or within 30 days after
22 the pupil membership count certification date, whichever is later.
23 Pupil transfers may be submitted no earlier than the first day
24 after the certification deadline for the pupil membership count day
25 and before the supplemental count day. Upon receipt of the transfer
26 information under this subsection indicating that a pupil has
27 enrolled and is in attendance in an educating district or

1 intermediate district as described in this subsection, the pupil
2 transfer process shall do the following:

3 (a) Notify the district in which the pupil was previously
4 enrolled.

5 (b) Notify both the pupil auditing staff of the intermediate
6 district in which the educating district is located and the pupil
7 auditing staff of the intermediate district in which the district
8 that previously enrolled the pupil is located. The pupil auditing
9 staff shall investigate a representative sample based on required
10 audit sample sizes in the pupil auditing manual and may deny the
11 pupil membership transfer.

12 (c) Aggregate the districtwide changes and notify the
13 department for use in adjusting the state aid payment system.

14 (3) The department shall do all of the following:

15 (a) Adjust the membership calculation for each district or
16 intermediate district in which the pupil was previously counted in
17 membership or that previously received an adjustment in its
18 membership calculation under this section due to a change in the
19 pupil's enrollment and attendance so that the district's or
20 intermediate district's membership is prorated to allow the
21 district or intermediate district to receive for each school day,
22 as determined by the financial calendar furnished by the center, in
23 which the pupil was enrolled and in attendance in the district or
24 intermediate district an amount equal to 1/105 of a full-time
25 equated membership claimed in the fall pupil membership count. The
26 district or intermediate district shall receive a prorated
27 foundation allowance in an amount equal to the product of the

1 adjustment under this subdivision for the district or intermediate
2 district multiplied by the foundation allowance or per-pupil
3 payment as calculated under section 20 for the district or
4 intermediate district. The foundation allowance or per-pupil
5 payment shall be adjusted by the pupil's full-time equated status
6 as affected by the membership definition under section 6(4).

7 (b) Adjust the membership calculation for the educating
8 district or intermediate district in which the pupil is enrolled
9 and is in attendance so that the district's or intermediate
10 district's membership is increased to allow the district or
11 intermediate district to receive an amount equal to the difference
12 between the full-time equated membership claimed in the fall pupil
13 membership count and the sum of the adjustments calculated under
14 subdivision (a) for each district or intermediate district in which
15 the pupil was previously enrolled and in attendance. The educating
16 district or intermediate district shall receive a prorated
17 foundation allowance in an amount equal to the product of the
18 adjustment under this subdivision for the educating district or
19 intermediate district multiplied by the per-pupil payment as
20 calculated under section 20 for the educating district or
21 intermediate district. The foundation allowance or per-pupil
22 payment shall be adjusted by the pupil's full-time equated status
23 as affected by the membership definition under section 6(4).

24 (4) The changes in calculation of state school aid required
25 under subsection (3) shall take effect as of the date that the
26 pupil becomes enrolled and in attendance in the educating district
27 or intermediate district, and the department shall base all

1 subsequent payments under this article for the fiscal year to the
2 affected districts or intermediate districts on this recalculation
3 of state school aid.

4 (5) If a pupil enrolls in an educating district or
5 intermediate district as described in subsection (2), the district
6 or intermediate district in which the pupil is counted in
7 membership or another educating district or intermediate district
8 that received an adjustment in its membership calculation under
9 subsection (3), if any, and the educating district or intermediate
10 district shall provide to the center and the department all
11 information they require to comply with this section.

12 (6) The portion of the full-time equated pupil membership for
13 which a pupil is enrolled in 1 or more online courses under section
14 21f **THAT IS REPRESENTATIVE OF THE AMOUNT THAT THE PRIMARY DISTRICT**
15 **PAID IN COURSE COSTS TO THE COURSE PROVIDER** shall not be counted or
16 transferred under the pupil transfer process under this section.

17 (7) It is the intent of the legislature that the center
18 determine the number of pupils who did not reside in this state as
19 of the 2018-2019 pupil membership count day but who newly enrolled
20 in a district or intermediate district after that pupil membership
21 count day and before the 2018-2019 supplemental count day. It is
22 the intent of the legislature that the center further determine the
23 number of pupils who were counted in membership for the 2018-2019
24 pupil membership count day but who left this state before the 2018-
25 2019 supplemental count day. In 2019-2020, the center shall provide
26 a report to the senate and house appropriations subcommittees on
27 state school aid, and to the senate and house fiscal agencies,

1 detailing the number of pupils transferring in from another state
2 or transferring out from this state between the pupil membership
3 count day and supplemental count day as described in this
4 subsection. The center shall include in the report a discussion of
5 benefits and obstacles to developing a pupil enrollment process for
6 pupils who newly enroll in a district or intermediate district
7 after the pupil membership count day and before the supplemental
8 count day, and developing a process for deducting pupils who were
9 counted on the pupil membership count day and transfer out of this
10 state before the supplemental count day.

11 (8) As used in this section:

12 (a) "Educating district or intermediate district" means the
13 district or intermediate district in which a pupil enrolls after
14 the pupil membership count day or after an adjustment was made in
15 another district's or intermediate district's membership
16 calculation under this section due to the pupil's enrollment and
17 attendance.

18 (b) "Pupil" means that term as defined under section 6 and
19 also children receiving early childhood special education programs
20 and services.

21 Sec. 31a. (1) From the state school aid fund money
22 appropriated in section 11, there is allocated for 2017-2018 an
23 amount not to exceed \$510,207,300.00 for payments to eligible
24 districts and eligible public school academies for the purposes of
25 ensuring that pupils are proficient in English language arts by the
26 end of grade 3, that pupils are proficient in mathematics by the
27 end of grade 8, that pupils are attending school regularly, that

1 high school graduates are career and college ready, and for the
2 purposes under subsections (7) and (8).

3 (2) For a district that has combined state and local revenue
4 per membership pupil under sections 20 and 20m that is greater than
5 the basic foundation allowance under section 20 for the current
6 fiscal year, the allocation under this section shall be an amount
7 equal to 30% of the allocation for which it would otherwise be
8 eligible under this section before any proration under subsection
9 ~~(12)~~. **(14)**.

10 (3) For a district or public school academy to be eligible to
11 receive funding under this section, other than funding under
12 subsection (7) or (8), the district or public school academy, for
13 grades K to 3, shall comply with the requirements under section
14 1280f of the revised school code, MCL 380.1280f, and use resources
15 to address early literacy, and for at least grades 4 to 8 or, if
16 the district or public school academy does not operate all of
17 grades 4 to 8, for all of the grades it operates, must implement a
18 multi-tiered system of supports that is an evidence-based model
19 that uses data-driven problem solving to integrate academic and
20 behavioral instruction and that uses intervention delivered to all
21 pupils in varying intensities based on pupil needs. This multi-
22 tiered system of supports must provide at least all of the
23 following essential elements:

24 (a) Implements effective instruction for all learners.

25 (b) Intervenes early.

26 (c) Provides a multi-tiered model of instruction and
27 intervention that provides the following:

1 (i) A core curriculum and classroom interventions available to
2 all pupils that meet the needs of most pupils.

3 (ii) Targeted group interventions.

4 (iii) Intense individual interventions.

5 (d) Monitors pupil progress to inform instruction.

6 (e) Uses data to make instructional decisions.

7 (f) Uses assessments including universal screening,
8 diagnostics, and progress monitoring.

9 (g) Engages families and the community.

10 (h) Implements evidence-based, scientifically validated,
11 instruction and intervention.

12 (i) Implements instruction and intervention practices with
13 fidelity.

14 (j) Uses a collaborative problem-solving model.

15 (4) Except as otherwise provided in this subsection, an
16 eligible district or eligible public school academy shall receive
17 under this section for each membership pupil in the district or
18 public school academy who is determined to be economically
19 disadvantaged, as reported to the center in the form and manner
20 prescribed by the center not later than the fifth Wednesday after
21 the pupil membership count day of the immediately preceding fiscal
22 year, an amount per pupil equal to 11.5% of the statewide weighted
23 average foundation allowance. However, a public school academy that
24 began operations as a public school academy after the pupil
25 membership count day of the immediately preceding school year shall
26 receive under this section for each membership pupil in the public
27 school academy, who is determined to be economically disadvantaged,

1 as reported to the center in the form and manner prescribed by the
2 center not later than the fifth Wednesday after the pupil
3 membership count day of the current fiscal year, an amount per
4 pupil equal to 11.5% of the statewide weighted average foundation
5 allowance.

6 (5) Except as otherwise provided in this section, a district
7 or public school academy receiving funding under this section shall
8 use that money only to provide instructional programs and direct
9 noninstructional services, including, but not limited to, medical,
10 mental health, or counseling services, for at-risk pupils; for
11 school health clinics; and for the purposes of subsection (6), (7),
12 or (8). In addition, a district that is a school district of the
13 first class or a district or public school academy in which at
14 least 50% of the pupils in membership were determined to be
15 economically disadvantaged in the immediately preceding state
16 fiscal year, as determined and reported as described in subsection
17 (4), may use not more than 20% of the funds it receives under this
18 section for school security. A district or public school academy
19 shall not use any of that money for administrative costs. The
20 instruction or direct noninstructional services provided under this
21 section may be conducted before or after regular school hours or by
22 adding extra school days to the school year.

23 (6) A district or public school academy that receives funds
24 under this section and that operates a school breakfast program
25 under section 1272a of the revised school code, MCL 380.1272a,
26 shall use from the funds received under this section an amount, not
27 to exceed \$10.00 per pupil for whom the district or public school

1 academy receives funds under this section, necessary to pay for
2 costs associated with the operation of the school breakfast
3 program.

4 (7) From the funds allocated under subsection (1), there is
5 allocated for 2017-2018 an amount not to exceed \$6,057,300.00 to
6 support primary health care services provided to children and
7 adolescents up to age 21. These funds shall be expended in a form
8 and manner determined jointly by the department and the department
9 of health and human services. If any funds allocated under this
10 subsection are not used for the purposes of this subsection for the
11 fiscal year in which they are allocated, those unused funds shall
12 be used that fiscal year to avoid or minimize any proration that
13 would otherwise be required under subsection ~~(12)~~ **(14)** for that
14 fiscal year.

15 (8) From the funds allocated under subsection (1), there is
16 allocated for 2017-2018 an amount not to exceed \$5,150,000.00 for
17 the state portion of the hearing and vision screenings as described
18 in section 9301 of the public health code, 1978 PA 368, MCL
19 333.9301. A local public health department shall pay at least 50%
20 of the total cost of the screenings. The frequency of the
21 screenings shall be as required under R 325.13091 to R 325.13096
22 and R 325.3271 to R 325.3276 of the Michigan Administrative Code.
23 Funds shall be awarded in a form and manner approved jointly by the
24 department and the department of health and human services.
25 Notwithstanding section 17b, payments to eligible entities under
26 this subsection shall be paid on a schedule determined by the
27 department.

1 (9) Each district or public school academy receiving funds
2 under this section shall submit to the department by July 15 of
3 each fiscal year a report, in the form and manner prescribed by the
4 department, that includes a brief description of each program
5 conducted or services performed by the district or public school
6 academy using funds under this section, the amount of funds under
7 this section allocated to each of those programs or services, the
8 total number of at-risk pupils served by each of those programs or
9 services, and the data necessary for the department and the
10 department of health and human services to verify matching funds
11 for the temporary assistance for needy families program. In
12 prescribing the form and manner of the report, the department shall
13 ensure that districts are allowed to expend funds received under
14 this section on any activities that are permissible under this
15 section. If a district or public school academy does not comply
16 with this subsection, the department shall withhold an amount equal
17 to the August payment due under this section until the district or
18 public school academy complies with this subsection. If the
19 district or public school academy does not comply with this
20 subsection by the end of the state fiscal year, the withheld funds
21 shall be forfeited to the school aid fund.

22 (10) In order to receive funds under this section, a district
23 or public school academy shall allow access for the department or
24 the department's designee to audit all records related to the
25 program for which it receives those funds. The district or public
26 school academy shall reimburse the state for all disallowances
27 found in the audit.

1 **(11) SUBJECT TO SUBSECTIONS (6), (7), AND (8), A DISTRICT OR**
2 **PUBLIC SCHOOL ACADEMY MAY USE UP TO 100% OF THE FUNDS IT RECEIVES**
3 **UNDER THIS SECTION TO IMPLEMENT SCHOOLWIDE REFORM IN SCHOOLS WITH**
4 **40% OR MORE OF THEIR PUPILS IDENTIFIED AS AT-RISK PUPILS BY**
5 **PROVIDING INSTRUCTIONAL OR NONINSTRUCTIONAL SERVICES CONSISTENT**
6 **WITH THE SCHOOL IMPROVEMENT PLAN.**

7 **(12)** ~~(11)~~—A district or public school academy that receives
8 funds under this section may use up to 3% of those funds to provide
9 research-based professional development to district and school
10 leadership and teachers that is aligned to professional learning
11 standards; is integrated into district, school building, and
12 classroom practices; and is solely related to the following:

13 (a) Implementing the multi-tiered system of supports required
14 in subsection (3) with fidelity and utilizing the data from that
15 system to inform curriculum and instruction.

16 (b) Implementing section 1280f of the revised school code, MCL
17 380.1280f, as required under subsection (3), with fidelity.

18 **(13) A DISTRICT OR PUBLIC SCHOOL ACADEMY THAT RECEIVES FUNDS**
19 **UNDER THIS SECTION MAY USE FUNDS RECEIVED UNDER THIS SECTION TO**
20 **SUPPORT INSTRUCTIONAL OR BEHAVIORAL COACHES. FUNDS USED FOR THIS**
21 **PURPOSE ARE NOT SUBJECT TO THE CAP UNDER SUBSECTION (12).**

22 **(14)** ~~(12)~~—If necessary, and before any proration required
23 under section 296, the department shall prorate payments under this
24 section by reducing the amount of the allocation as otherwise
25 calculated under this section by an equal percentage per district.

26 **(15)** ~~(13)~~—If a district is dissolved pursuant to section 12 of
27 the revised school code, MCL 380.12, the intermediate district to

1 which the dissolved school district was constituent shall determine
2 the estimated number of pupils that are economically disadvantaged
3 and that are enrolled in each of the other districts within the
4 intermediate district and provide that estimate to the department
5 for the purposes of distributing funds under this section within 60
6 days after the school district is declared dissolved.

7 **(16)** ~~(14)~~ Beginning in 2018-2019, if a district or public
8 school academy does not demonstrate to the satisfaction of the
9 department that at least 50% of at-risk pupils are proficient in
10 English language arts by the end of grade 3 as measured by the
11 state assessment for the immediately preceding school year and
12 demonstrate to the satisfaction of the department improvement over
13 each of the 3 immediately preceding school years in the percentage
14 of at-risk pupils that are career- and college-ready as determined
15 by proficiency on the English language arts, mathematics, and
16 science content area assessments on the grade 11 summative
17 assessment under section 1279g(2)(a) of the revised school code,
18 MCL 380.1279g, the district or public school academy shall ensure
19 all of the following:

20 (a) The district or public school academy shall determine the
21 proportion of total at-risk pupils that represents the number of
22 pupils in grade 3 that are not proficient in English language arts
23 by the end of grade 3, and the district or public school academy
24 shall expend that same proportion multiplied by 1/2 of its total
25 at-risk funds under this section on tutoring and other methods of
26 improving grade 3 English language arts proficiency.

27 (b) The district or public school academy shall determine the

1 proportion of total at-risk pupils that represent the number of
2 pupils in grade 11 that are not career- and college-ready as
3 measured by the student's score on the English language arts,
4 mathematics, and science content area assessments on the grade 11
5 summative assessment under section 1279g(2)(a) of the revised
6 school code, MCL 380.1279g, and the district or public school
7 academy shall expend that same proportion multiplied by 1/2 of its
8 total at-risk funds under this section on tutoring and other
9 activities to improve scores on the college entrance examination
10 portion of the Michigan merit examination.

11 **(17)** ~~(15)~~—As used in subsection ~~(14)~~, **(16)**, "total at-risk
12 pupils" means the sum of the number of pupils in grade 3 that are
13 not proficient in English language arts by the end of third grade
14 as measured on the state assessment and the number of pupils in
15 grade 11 that are not career- and college-ready as measured by the
16 student's score on the English language arts, mathematics, and
17 science content area assessments on the grade 11 summative
18 assessment under section 1279g(2)(a) of the revised school code,
19 MCL 380.1279g.

20 **(18)** ~~(16)~~—A district or public school academy that receives
21 funds under this section may use funds received under this section
22 to provide an anti-bullying or crisis intervention program.

23 **(19)** ~~(17)~~—The department shall collaborate with the department
24 of health and human services to prioritize assigning Pathways to
25 Potential Success coaches to elementary schools that have a high
26 percentage of pupils in grades K to 3 who are not proficient in
27 English language arts, based upon state assessments for pupils in

1 those grades.

2 (20) ~~(18)~~ For the purpose of determining the number of
3 economically disadvantaged pupils enrolled in a community district
4 for 2017-2018, disadvantaged pupils who were enrolled in the
5 education achievement system for 2016-2017 shall be considered to
6 have been enrolled in the community district for 2016-2017.

7 (21) ~~(19)~~ As used in this section:

8 (a) "At-risk pupil" means a pupil ~~who is economically~~
9 ~~disadvantaged or an English language learner~~ for whom the district
10 has documentation that the pupil meets any of the following
11 criteria:

12 (i) The pupil ~~did not achieve proficiency on the English~~
13 ~~language arts state assessment for grade 3 or is at risk of not~~
14 ~~achieving proficiency, as determined by the district or public~~
15 ~~school academy using data provided as part of the multi-tiered~~
16 ~~system of supports described in subsection (3).~~ **IS ECONOMICALLY**
17 **DISADVANTAGED.**

18 (ii) The pupil ~~did not achieve proficiency on the mathematics~~
19 ~~state assessment for grade 8 or is at risk of not achieving~~
20 ~~proficiency, as determined by the district or public school academy~~
21 ~~using data provided as part of the multi-tiered system of supports~~
22 ~~described in subsection (3).~~ **IS AN ENGLISH LANGUAGE LEARNER.**

23 (iii) The pupil is chronically absent as defined by and
24 reported to the center.

25 (iv) **THE PUPIL IS A VICTIM OF CHILD ABUSE OR NEGLECT.**

26 (v) **THE PUPIL IS A PREGNANT TEENAGER OR TEENAGE PARENT.**

27 (vi) **THE PUPIL HAS A FAMILY HISTORY OF SCHOOL FAILURE,**

1 INCARCERATION, OR SUBSTANCE ABUSE.

2 (vii) THE PUPIL IS AN IMMIGRANT WHO HAS IMMIGRATED WITHIN THE
3 IMMEDIATELY PRECEDING 3 YEARS.

4 (viii) THE PUPIL DID NOT COMPLETE HIGH SCHOOL IN 4 YEARS AND
5 IS STILL CONTINUING IN SCHOOL AS IDENTIFIED IN THE MICHIGAN COHORT
6 GRADUATION AND DROPOUT REPORT.

7 (ix) FOR PUPILS FOR WHOM THE RESULTS OF THE STATE SUMMATIVE
8 ASSESSMENT HAVE BEEN RECEIVED, IS A PUPIL WHO DID NOT ACHIEVE
9 PROFICIENCY ON THE ENGLISH LANGUAGE ARTS, MATHEMATICS, SCIENCE, OR
10 SOCIAL STUDIES CONTENT AREA ASSESSMENT.

11 (x) IS A PUPIL WHO IS AT RISK OF NOT MEETING THE DISTRICT'S OR
12 PUBLIC SCHOOL ACADEMY'S CORE ACADEMIC CURRICULAR OBJECTIVES IN
13 ENGLISH LANGUAGE ARTS OR MATHEMATICS, AS DEMONSTRATED ON LOCAL
14 ASSESSMENTS.

15 (b) "Economically disadvantaged" means a pupil who has been
16 determined eligible for free or reduced-price meals as determined
17 under the Richard B. Russell national school lunch act, 42 USC 1751
18 to ~~1769~~; **1769J**; who is in a household receiving supplemental
19 nutrition assistance program or temporary assistance for needy
20 families assistance; or who is homeless, migrant, or in foster
21 care, as reported to the center.

22 (c) "English language learner" means limited English
23 proficient pupils who speak a language other than English as their
24 primary language and have difficulty speaking, reading, writing, or
25 understanding English as reported to the center.

26 (d) "Statewide weighted average foundation allowance" means
27 the number that is calculated by adding together the result of each

1 district's or public school academy's foundation allowance or per
2 pupil payment calculated under section 20 multiplied by the number
3 of pupils in membership in that district or public school academy,
4 and then dividing that total by the statewide number of pupils in
5 membership. For the purposes of this calculation, a district's
6 foundation allowance shall not exceed the basic foundation
7 allowance under section 20 for the current state fiscal year.

8 Sec. 31j. (1) From the general fund money appropriated in
9 section 11, there is allocated an amount not to exceed \$375,000.00
10 for 2017-2018 for a pilot project to support districts in the
11 purchase of locally grown fruits and vegetables as described in
12 this section.

13 (2) The department shall provide funding to **DISTRICTS IN**
14 prosperity regions 2, 4, and 9 for the pilot project described
15 under this section. From the funding ~~identified~~ **TO DISTRICTS** in
16 subsection (1), funding retained by ~~the~~ prosperity regions ~~for~~
17 ~~administration of~~ **THAT ADMINISTRATOR** the project shall not exceed 10%,
18 and funding retained by the department for administration shall not
19 exceed 6%. **A PROSPERITY REGION MAY ENTER INTO A MEMORANDUM OF**
20 **UNDERSTANDING WITH THE DEPARTMENT OR ANOTHER PROSPERITY REGION, OR**
21 **BOTH, TO ADMINISTER THE PROJECT. IF THE DEPARTMENT ADMINISTERS THE**
22 **PROJECT FOR A PROSPERITY REGION, THE DEPARTMENT MAY RETAIN UP TO**
23 **10% OF THAT PROSPERITY REGION'S FUNDING FOR ADMINISTRATION.**

24 (3) The department shall develop and implement a competitive
25 grant program for districts within the identified prosperity
26 regions to assist in paying for the costs incurred by the district
27 to purchase or increase purchases of whole or minimally processed

1 fruits, vegetables, and legumes grown in this state. The maximum
2 amount that may be drawn down on a grant to a district shall be
3 based on the number of meals served by the school district during
4 the previous school year under the Richard B. Russell national
5 school lunch act, 42 USC 1751 to 1769j. The department shall
6 collaborate with the Michigan department of agriculture and rural
7 development to provide training to newly participating schools and
8 electronic information on Michigan agriculture.

9 (4) The goals of the pilot project include improving daily
10 nutrition and eating habits for children through the school
11 settings while investing in Michigan's agricultural and related
12 food business economy.

13 (5) A district that receives a grant under this section shall
14 use those funds for the costs incurred by the school district to
15 purchase whole or minimally processed fruits, vegetables, and
16 legumes that meet all of the following:

17 (a) Are purchased on or after the date the district received
18 notification from the department of the amount to be distributed to
19 the district under this subsection, including purchases made to
20 launch meals in September 2017 for the 2017-2018 school year.

21 (b) Are grown in this state and, if minimally processed, are
22 also processed in this state.

23 (c) Are used for meals that are served as part of the United
24 States Department of Agriculture's child nutrition programs.

25 (6) For Michigan-grown fruits, vegetables, and legumes that
26 satisfy the requirements of subsection (5), matching reimbursements
27 shall be made in an amount not to exceed 10 cents for every school

1 meal that is served as part of the United States Department of
2 Agriculture's child nutrition programs and that uses Michigan-grown
3 fruits, vegetables, and legumes.

4 (7) A district that receives a grant for reimbursement under
5 this section shall use the grant to purchase whole or minimally
6 processed fruits, vegetables, and legumes that are grown in this
7 state and, if minimally processed, are also processed in this
8 state.

9 (8) In awarding grants under this section, the department
10 shall work in conjunction with prosperity region offices, in
11 consultation with Michigan-based farm to school resource
12 organizations, to develop scoring criteria that assess an
13 applicant's ability to procure Michigan-grown products, prepare and
14 menu Michigan-grown products, promote and market Michigan-grown
15 products, and submit letters of intent from districts on plans for
16 educational activities that promote the goals of the program.

17 (9) The department shall give preference to districts that
18 propose educational activities that meet 1 or more of the
19 following: promote healthy food activities; have clear educational
20 objectives; involve parents or the community; and connect to a
21 school's farm-to-school procurement activities.

22 (10) In awarding grants, the department shall also consider
23 all of the following: the percentage of children who qualify for
24 free or reduced price school meals under the Richard B. Russell
25 national school lunch act, 42 USC 1751 to 1769j; the variety of
26 school sizes and geographic locations within the identified
27 prosperity regions; and existing or future collaboration

1 opportunities between more than 1 district in a prosperity region.

2 (11) As a condition of receiving a grant under this section, a
3 district shall provide or direct its vendors to provide to
4 prosperity region offices copies of monthly receipts that show the
5 quantity of different Michigan-grown fruits, vegetables, and
6 legumes purchased, the amount of money spent on each of these
7 products, and the name and Michigan location of the farm that grew
8 the products. The district shall also provide to the prosperity
9 region monthly lunch numbers and lunch participation rates, and
10 calendars or monthly menus noting when and how Michigan-grown
11 products were used in meals. The district and school food service
12 director or directors also shall agree to respond to brief online
13 surveys and to provide a report that shows the percentage
14 relationship of Michigan spending compared to total food spending.
15 Not later than March 1, 2018, each prosperity region office, **EITHER**
16 **ON ITS OWN OR IN CONJUNCTION WITH ANOTHER PROSPERITY REGION**, shall
17 submit a report to the department on expected outcomes and related
18 measurements for economic development and children's nutrition and
19 readiness to learn based on progress so far. The report shall
20 include at least all of the following:

21 (a) The extent to which farmers and related businesses,
22 including distributors and processors, see an increase in market
23 opportunities and income generation through sales of Michigan or
24 local products to districts. All of the following apply for
25 purposes of this subdivision:

26 (i) The data used to determine the amount of this increase
27 shall be the total dollar amount of Michigan or local fruits,

1 vegetables, and legumes purchased by schools, along with the number
2 of different types of products purchased; school food purchasing
3 trends identified along with products that are of new and growing
4 interest among food service directors; the number of businesses
5 impacted; and the percentage of total food budget spent on
6 Michigan-grown fruits, vegetables, and legumes.

7 (ii) The prosperity region office shall use purchasing data
8 collected for the project and surveys of school food service
9 directors on the impact and success of the project as the source
10 for the data described in subparagraph (i).

11 (b) The ability to which pupils can access a variety of
12 healthy Michigan-grown foods through schools and increase their
13 consumption of those foods. All of the following apply for purposes
14 of this subdivision:

15 (i) The data used to determine whether this subparagraph is
16 met shall be the number of pupils exposed to Michigan-grown fruits,
17 vegetables, and legumes at schools; the variety of products served;
18 new items taste-tested or placed on menus; and the increase in
19 pupil willingness to try new local, healthy foods.

20 (ii) The prosperity region office shall use purchasing data
21 collected for the project, meal count and enrollment numbers,
22 school menu calendars, and surveys of school food service directors
23 as the source for the data described in subparagraph (i).

24 (12) The department shall compile the reports provided by
25 prosperity region offices under subsection (11) into 1 legislative
26 report. The department shall provide this report not later than
27 April 1, 2018 to the house and senate subcommittees responsible for

1 school aid, the house and senate fiscal agencies, and the state
2 budget director.

3 Sec. 32d. (1) From the funds appropriated in section 11, there
4 is allocated to eligible intermediate districts and consortia of
5 intermediate districts for great start readiness programs an amount
6 not to exceed \$243,600,000.00 for 2017-2018. Funds allocated under
7 this section for great start readiness programs shall be used to
8 provide part-day, school-day, or GSRP/Head Start blended
9 comprehensive free compensatory classroom programs designed to
10 improve the readiness and subsequent achievement of educationally
11 disadvantaged children who meet the participant eligibility and
12 prioritization guidelines as defined by the department. For a child
13 to be eligible to participate in a program under this section, the
14 child shall be at least 4, but less than 5, years of age as of
15 September 1 of the school year in which the program is offered and
16 shall meet those eligibility and prioritization guidelines. **A CHILD
17 WHO IS NOT 4 YEARS OF AGE AS OF SEPTEMBER 1, BUT WHO WILL BE 4
18 YEARS OF AGE NOT LATER THAN DECEMBER 1, IS ELIGIBLE TO PARTICIPATE
19 IF THE CHILD'S PARENT OR LEGAL GUARDIAN SEEKS A WAIVER FROM THE
20 SEPTEMBER 1 ELIGIBILITY DATE BY SUBMITTING A REQUEST FOR ENROLLMENT
21 IN A PROGRAM TO THE RESPONSIBLE INTERMEDIATE DISTRICT, IF THE
22 PROGRAM HAS CAPACITY ON OR AFTER SEPTEMBER 1 OF THE SCHOOL YEAR,
23 AND IF THE CHILD MEETS ELIGIBILITY AND PRIORITIZATION GUIDELINES.**

24 (2) Funds allocated under subsection (1) shall be allocated to
25 intermediate districts or consortia of intermediate districts based
26 on the formula in section 39. An intermediate district or
27 consortium of intermediate districts receiving funding under this

1 section shall act as the fiduciary for the great start readiness
2 programs. In order to be eligible to receive funds allocated under
3 this subsection from an intermediate district or consortium of
4 intermediate districts, a district, a consortium of districts, or a
5 public or private for-profit or nonprofit legal entity or agency
6 shall comply with this section and section 39.

7 (3) In addition to the allocation under subsection (1), from
8 the general fund money appropriated under section 11, there is
9 allocated an amount not to exceed \$300,000.00 for 2017-2018 for a
10 competitive grant to continue a longitudinal evaluation of children
11 who have participated in great start readiness programs.

12 (4) To be eligible for funding under this section, a program
13 shall prepare children for success in school through comprehensive
14 part-day, school-day, or GSRP/Head Start blended programs that
15 contain all of the following program components, as determined by
16 the department:

17 (a) Participation in a collaborative recruitment and
18 enrollment process to assure that each child is enrolled in the
19 program most appropriate to his or her needs and to maximize the
20 use of federal, state, and local funds.

21 (b) An age-appropriate educational curriculum that is in
22 compliance with the early childhood standards of quality for
23 prekindergarten children adopted by the state board, including, at
24 least, the Connect4Learning curriculum.

25 (c) Nutritional services for all program participants
26 supported by federal, state, and local resources as applicable.

27 (d) Physical and dental health and developmental screening

1 services for all program participants.

2 (e) Referral services for families of program participants to
3 community social service agencies, including mental health
4 services, as appropriate.

5 (f) Active and continuous involvement of the parents or
6 guardians of the program participants.

7 (g) A plan to conduct and report annual great start readiness
8 program evaluations and continuous improvement plans using criteria
9 approved by the department.

10 (h) Participation in a school readiness advisory committee
11 convened as a workgroup of the great start collaborative that
12 provides for the involvement of classroom teachers, parents or
13 guardians of program participants, and community, volunteer, and
14 social service agencies and organizations, as appropriate. The
15 advisory committee annually shall review and make recommendations
16 regarding the program components listed in this subsection. The
17 advisory committee also shall make recommendations to the great
18 start collaborative regarding other community services designed to
19 improve all children's school readiness.

20 (i) The ongoing articulation of the kindergarten and first
21 grade programs offered by the program provider.

22 (j) Participation in this state's great start to quality
23 process with a rating of at least 3 stars.

24 (5) An application for funding under this section shall
25 provide for the following, in a form and manner determined by the
26 department:

27 (a) Ensure compliance with all program components described in

1 subsection (4).

2 (b) Except as otherwise provided in this subdivision, ensure
3 that at least 90% of the children participating in an eligible
4 great start readiness program for whom the intermediate district is
5 receiving funds under this section are children who live with
6 families with a household income that is equal to or less than 250%
7 of the federal poverty level. If the intermediate district
8 determines that all eligible children are being served and that
9 there are no children on the waiting list who live with families
10 with a household income that is equal to or less than 250% of the
11 federal poverty level, the intermediate district may then enroll
12 children who live with families with a household income that is
13 equal to or less than 300% of the federal poverty level. The
14 enrollment process shall consider income and risk factors, such
15 that children determined with higher need are enrolled before
16 children with lesser need. For purposes of this subdivision, all
17 age-eligible children served in foster care or who are experiencing
18 homelessness or who have individualized education plans
19 recommending placement in an inclusive preschool setting shall be
20 considered to live with families with household income equal to or
21 less than 250% of the federal poverty level regardless of actual
22 family income and shall be prioritized for enrollment within the
23 lowest quintile.

24 (c) Ensure that the applicant only uses qualified personnel
25 for this program, as follows:

26 (i) Teachers possessing proper training. A lead teacher must
27 have a valid teaching certificate with an early childhood (ZA or

1 ZS) endorsement or a bachelor's or higher degree in child
2 development or early childhood education with specialization in
3 preschool teaching. However, if an applicant demonstrates to the
4 department that it is unable to fully comply with this subparagraph
5 after making reasonable efforts to comply, teachers who have
6 significant but incomplete training in early childhood education or
7 child development may be used if the applicant provides to the
8 department, and the department approves, a plan for each teacher to
9 come into compliance with the standards in this subparagraph. A
10 teacher's compliance plan must be completed within 2 years of the
11 date of employment. Progress toward completion of the compliance
12 plan shall consist of at least 2 courses per calendar year.

13 (ii) Paraprofessionals possessing proper training in early
14 childhood education, including an associate's degree in early
15 childhood education or child development or the equivalent, or a
16 child development associate (CDA) credential. However, if an
17 applicant demonstrates to the department that it is unable to fully
18 comply with this subparagraph after making reasonable efforts to
19 comply, the applicant may use paraprofessionals who have completed
20 at least 1 course that earns college credit in early childhood
21 education or child development if the applicant provides to the
22 department, and the department approves, a plan for each
23 paraprofessional to come into compliance with the standards in this
24 subparagraph. A paraprofessional's compliance plan must be
25 completed within 2 years of the date of employment. Progress toward
26 completion of the compliance plan shall consist of at least 2
27 courses or 60 clock hours of training per calendar year.

1 (d) Include a program budget that contains only those costs
2 that are not reimbursed or reimbursable by federal funding, that
3 are clearly and directly attributable to the great start readiness
4 program, and that would not be incurred if the program were not
5 being offered. Eligible costs include transportation costs. The
6 program budget shall indicate the extent to which these funds will
7 supplement other federal, state, local, or private funds. Funds
8 received under this section shall not be used to supplant any
9 federal funds received by the applicant to serve children eligible
10 for a federally funded preschool program that has the capacity to
11 serve those children.

12 (6) For a grant recipient that enrolls pupils in a school-day
13 program funded under this section, each child enrolled in the
14 school-day program shall be counted as described in section 39 for
15 purposes of determining the amount of the grant award.

16 (7) For a grant recipient that enrolls pupils in a GSRP/Head
17 Start blended program, the grant recipient shall ensure that all
18 Head Start and GSRP policies and regulations are applied to the
19 blended slots, with adherence to the highest standard from either
20 program, to the extent allowable under federal law.

21 (8) An intermediate district or consortium of intermediate
22 districts receiving a grant under this section shall designate an
23 early childhood coordinator, and may provide services directly or
24 may contract with 1 or more districts or public or private for-
25 profit or nonprofit providers that meet all requirements of
26 subsections (4) and (5).

27 (9) An intermediate district or consortium of intermediate

1 districts may retain for administrative services provided by the
2 intermediate district or consortium of intermediate districts an
3 amount not to exceed 4% of the grant amount. Expenses incurred by
4 subrecipients engaged by the intermediate district or consortium of
5 intermediate districts for directly running portions of the program
6 shall be considered program costs or a contracted program fee for
7 service.

8 (10) An intermediate district or consortium of intermediate
9 districts may expend not more than 2% of the total grant amount for
10 outreach, recruiting, and public awareness of the program.

11 (11) Each grant recipient shall enroll children identified
12 under subsection (5) (b) according to how far the child's household
13 income is below 250% of the federal poverty level by ranking each
14 applicant child's household income from lowest to highest and
15 dividing the applicant children into quintiles based on how far the
16 child's household income is below 250% of the federal poverty
17 level, and then enrolling children in the quintile with the lowest
18 household income before enrolling children in the quintile with the
19 next lowest household income until slots are completely filled. If
20 the grant recipient determines that all eligible children are being
21 served and that there are no children on the waiting list who live
22 with families with a household income that is equal to or less than
23 250% of the federal poverty level, the grant recipient may then
24 enroll children who live with families with a household income that
25 is equal to or less than 300% of the federal poverty level. The
26 enrollment process shall consider income and risk factors, such
27 that children determined with higher need are enrolled before

1 children with lesser need. For purposes of this subdivision, all
2 age-eligible children served in foster care or who are experiencing
3 homelessness or who have individualized education plans
4 recommending placement in an inclusive preschool setting shall be
5 considered to live with families with household income equal to or
6 less than 250% of the federal poverty level regardless of actual
7 family income and shall be prioritized for enrollment within the
8 lowest quintile.

9 (12) An intermediate district or consortium of intermediate
10 districts receiving a grant under this section shall allow parents
11 of eligible children who are residents of the intermediate district
12 or within the consortium to choose a program operated by or
13 contracted with another intermediate district or consortium of
14 intermediate districts and shall enter into a written agreement
15 regarding payment, in a manner prescribed by the department.

16 (13) An intermediate district or consortium of intermediate
17 districts receiving a grant under this section shall conduct a
18 local process to contract with interested and eligible public and
19 private for-profit and nonprofit community-based providers that
20 meet all requirements of subsection (4) for at least 30% of its
21 total allocation. For the purposes of this 30% allocation, an
22 intermediate district or consortium of intermediate districts may
23 count children served by a Head Start grantee or delegate in a
24 blended Head Start and great start readiness school-day program.
25 Children served in a program funded only through Head Start shall
26 not be counted toward this 30% allocation. The intermediate
27 district or consortium shall report to the department, in a manner

1 prescribed by the department, a detailed list of community-based
2 providers by provider type, including private for-profit, private
3 nonprofit, community college or university, Head Start grantee or
4 delegate, and district or intermediate district, and the number and
5 proportion of its total allocation allocated to each provider as
6 subrecipient. If the intermediate district or consortium is not
7 able to contract for at least 30% of its total allocation, the
8 grant recipient shall notify the department and, if the department
9 verifies that the intermediate district or consortium attempted to
10 contract for at least 30% of its total allocation and was not able
11 to do so, then the intermediate district or consortium may retain
12 and use all of its allocation as provided under this section. To be
13 able to use this exemption, the intermediate district or consortium
14 shall demonstrate to the department that the intermediate district
15 or consortium increased the percentage of its total allocation for
16 which it contracts with a community-based provider and the
17 intermediate district or consortium shall submit evidence
18 satisfactory to the department, and the department must be able to
19 verify this evidence, demonstrating that the intermediate district
20 or consortium took measures to contract for at least 30% of its
21 total allocation as required under this subsection, including, but
22 not limited to, at least all of the following measures:

23 (a) The intermediate district or consortium notified each
24 nonparticipating licensed child care center located in the service
25 area of the intermediate district or consortium regarding the
26 center's eligibility to participate, in a manner prescribed by the
27 department.

1 (b) The intermediate district or consortium provided to each
2 nonparticipating licensed child care center located in the service
3 area of the intermediate district or consortium information
4 regarding great start readiness program requirements and a
5 description of the application and selection process for community-
6 based providers.

7 (c) The intermediate district or consortium provided to the
8 public and to participating families a list of community-based
9 great start readiness program subrecipients with a great start to
10 quality rating of at least 3 stars.

11 (14) If an intermediate district or consortium of intermediate
12 districts receiving a grant under this section fails to submit
13 satisfactory evidence to demonstrate its effort to contract for at
14 least 30% of its total allocation, as required under subsection
15 ~~(1)~~, **(13)**, the department shall reduce the allocation to the
16 intermediate district or consortium by a percentage equal to the
17 difference between the percentage of an intermediate district's or
18 consortium's total allocation awarded to community-based providers
19 and 30% of its total allocation.

20 (15) In order to assist intermediate districts and consortia
21 in complying with the requirement to contract with community-based
22 providers for at least 30% of their total allocation, the
23 department shall do all of the following:

24 (a) Ensure that a great start resource center or the
25 department provides each intermediate district or consortium
26 receiving a grant under this section with the contact information
27 for each licensed child care center located in the service area of

1 the intermediate district or consortium by March 1 of each year.

2 (b) Provide, or ensure that an organization with which the
3 department contracts provides, a community-based provider with a
4 validated great start to quality rating within 90 days of the
5 provider's having submitted a request and self-assessment.

6 (c) Ensure that all intermediate district, district, community
7 college or university, Head Start grantee or delegate, private for-
8 profit, and private nonprofit providers are subject to a single
9 great start to quality rating system. The rating system shall
10 ensure that regulators process all prospective providers at the
11 same pace on a first-come, first-served basis and shall not allow 1
12 type of provider to receive a great start to quality rating ahead
13 of any other type of provider.

14 (d) Not later than December 1 of each year, compile the
15 results of the information reported by each intermediate district
16 or consortium under subsection ~~(10)~~ **(13)** and report to the
17 legislature a list by intermediate district or consortium with the
18 number and percentage of each intermediate district's or
19 consortium's total allocation allocated to community-based
20 providers by provider type, including private for-profit, private
21 nonprofit, community college or university, Head Start grantee or
22 delegate, and district or intermediate district.

23 (16) A recipient of funds under this section shall report to
24 the department in a form and manner prescribed by the department
25 the number of children participating in the program who meet the
26 income eligibility criteria under subsection (5) (b) and the total
27 number of children participating in the program. For children

1 participating in the program who meet the income eligibility
2 criteria specified under subsection (5) (b), a recipient shall also
3 report whether or not a parent is available to provide care based
4 on employment status. For the purposes of this subsection,
5 "employment status" shall be defined by the department of health
6 and human services in a manner consistent with maximizing the
7 amount of spending that may be claimed for temporary assistance for
8 needy families maintenance of effort purposes.

9 (17) As used in this section:

10 (a) "GSRP/Head Start blended program" means a part-day program
11 funded under this section and a Head Start program, which are
12 combined for a school-day program.

13 (b) "Part-day program" means a program that operates at least
14 4 days per week, 30 weeks per year, for at least 3 hours of
15 teacher-child contact time per day but for fewer hours of teacher-
16 child contact time per day than a school-day program.

17 (c) "School-day program" means a program that operates for at
18 least the same length of day as a district's first grade program
19 for a minimum of 4 days per week, 30 weeks per year. A classroom
20 that offers a school-day program must enroll all children for the
21 school day to be considered a school-day program.

22 (18) An intermediate district or consortium of intermediate
23 districts receiving funds under this section shall establish and
24 charge tuition according to a sliding scale of tuition rates based
25 upon household income for children participating in an eligible
26 great start readiness program who live with families with a
27 household income that is more than 250% of the federal poverty

1 level to be used by all of its providers, as approved by the
2 department.

3 (19) From the amount appropriated in subsection (1), there is
4 allocated an amount not to exceed \$10,000,000.00 for reimbursement
5 of transportation costs for children attending great start
6 readiness programs funded under this section. To receive
7 reimbursement under this subsection, not later than November 1,
8 2017, a program funded under this section that provides
9 transportation shall submit to the intermediate district that is
10 the fiscal agent for the program a projected transportation budget.
11 The amount of the reimbursement for transportation under this
12 subsection shall be no more than the projected transportation
13 budget or \$300.00 multiplied by the number of children funded for
14 the program under this section. If the amount allocated under this
15 subsection is insufficient to fully reimburse the transportation
16 costs for all programs that provide transportation and submit the
17 required information, the reimbursement shall be prorated in an
18 equal amount per child funded. Payments shall be made to the
19 intermediate district that is the fiscal agent for each program,
20 and the intermediate district shall then reimburse the program
21 provider for transportation costs as prescribed under this
22 subsection.

23 (20) The department shall implement a process to review and
24 approve age-appropriate comprehensive classroom level quality
25 assessments for GSRP grantees that support the early childhood
26 standards of quality for prekindergarten children adopted by the
27 state board. The department shall complete the approval process and

1 make available to intermediate districts at least 2 approved
2 classroom level quality assessments no later than April 1, 2018.

3 (21) An intermediate district that is a GSRP grantee may
4 approve the use of a supplemental curriculum that aligns with and
5 enhances the age-appropriate educational curriculum in the
6 classroom. If the department objects to the use of a supplemental
7 curriculum approved by an intermediate district, the superintendent
8 of public instruction shall establish a review committee
9 independent of the department. The review committee shall meet
10 within 60 days of the department registering its objection in
11 writing and provide a final determination on the validity of the
12 objection within 60 days of the review committee's first meeting.

13 **(22) A GREAT START READINESS PROGRAM OR A GSRP/HEAD START**
14 **BLENDED PROGRAM FUNDED UNDER THIS SECTION SHALL BE PERMITTED TO**
15 **UTILIZE AMERICORPS PRE-K READING CORPS MEMBERS IN CLASSROOMS**
16 **IMPLEMENTING RESEARCH-BASED EARLY LITERACY INTERVENTION STRATEGIES.**

17 Sec. 35a. (1) From the appropriations in section 11, there is
18 allocated for 2017-2018 for the purposes of this section an amount
19 not to exceed \$26,900,000.00 from the state school aid fund and an
20 amount not to exceed \$2,500,000.00 from the general fund.

21 (2) A district that receives funds under subsection (5) may
22 spend up to 5% of those funds for professional development for
23 educators in a department-approved research-based training program
24 related to current state literacy standards for pupils in grades K
25 to 3. The professional development shall also include training in
26 the use of screening and diagnostic tools, progress monitoring, and
27 intervention methods used to address barriers to learning and

1 delays in learning that are diagnosed through the use of these
2 tools.

3 (3) A district that receives funds under subsection (5) may
4 use up to 5% of those funds to administer department-approved
5 screening and diagnostic tools to monitor the development of early
6 literacy and early reading skills of pupils in grades K to 3 and to
7 support research-based professional development for educators in
8 administering screening and diagnostic tools and in data
9 interpretation of the results obtained through the use of those
10 tools for the purpose of implementing a multi-tiered system of
11 support to improve reading proficiency among pupils in grades K to
12 3. A department-approved screening and diagnostic tool administered
13 by a district using funding under this section must include all of
14 the following components: phonemic awareness, phonics, fluency, and
15 comprehension. Further, all of the following sub-skills must be
16 assessed within each of these components:

17 (a) Phonemic awareness - segmentation, blending, and sound
18 manipulation (deletion and substitution).

19 (b) Phonics - decoding (reading) and encoding (spelling).

20 (c) Fluency - reading rate, accuracy, and expression.

21 (d) Comprehension - making meaning of text.

22 (4) From the allocations under subsection (1), there is
23 allocated an amount not to exceed \$6,000,000.00 for 2017-2018 for
24 the purpose of providing early literacy coaches at intermediate
25 districts to assist teachers in developing and implementing
26 instructional strategies for pupils in grades K to 3 so that pupils
27 are reading at grade level by the end of grade 3. All of the

1 following apply to funding under this subsection:

2 (a) The department shall develop an application process
3 consistent with the provisions of this subsection. An application
4 shall provide assurances that literacy coaches funded under this
5 subsection are knowledgeable about at least the following:

6 (i) Current state literacy standards for pupils in grades K to
7 3.

8 (ii) Implementing an instructional delivery model based on
9 frequent use of formative, screening, and diagnostic tools, known
10 as a multi-tiered system of support, to determine individual
11 progress for pupils in grades K to 3 so that pupils are reading at
12 grade level by the end of grade 3.

13 (iii) The use of data from diagnostic tools to determine the
14 necessary additional supports and interventions needed by
15 individual pupils in grades K to 3 in order to be reading at grade
16 level.

17 (b) From the allocation under this subsection, the department
18 shall award grants to intermediate districts for the support of
19 early literacy coaches. An intermediate district must provide
20 matching funds for at least 50% of **THE GRANT AMOUNT AWARDED TO**
21 **SUPPORT** the cost of the literacy coach. The department shall
22 provide this funding in the following manner:

23 (i) Each intermediate district shall be awarded grant funding
24 to support the cost of 1 early literacy coach in an equal amount
25 per early literacy coach, not to exceed \$75,000.00.

26 (ii) After distribution of the grant funding under
27 subparagraph (i), the department shall distribute the remainder of

1 grant funding for additional early literacy coaches in an amount
2 not to exceed \$75,000.00 per early literacy coach. The number of
3 funded early literacy coaches for each intermediate district shall
4 be based on the percentage of the total statewide number of pupils
5 in grades K to 3 who meet the income eligibility standards for the
6 federal free and reduced-price lunch programs who are enrolled in
7 districts in the intermediate district. For each additional early
8 literacy coach funded under this subparagraph, the department shall
9 not make an award to an intermediate district under this
10 subparagraph in an amount that is less than the amount necessary to
11 pay 1/2 of the total cost of that additional early literacy coach.

12 (5) From the allocations under subsection (1), there is
13 allocated an amount not to exceed \$20,900,000.00 for 2017-2018 to
14 districts that provide additional instructional time to those
15 pupils in grades K to 3 who have been identified by using
16 department-approved screening and diagnostic tools as needing
17 additional supports and interventions in order to be reading at
18 grade level by the end of grade 3. Additional instructional time
19 may be provided before, during, and after regular school hours or
20 as part of a year-round balanced school calendar. All of the
21 following apply to funding under this subsection:

22 (a) In order to be eligible to receive funding, a district
23 shall demonstrate to the satisfaction of the department that the
24 district has done all of the following:

25 (i) Implemented a multi-tiered system of support instructional
26 delivery model that is an evidence-based model that uses data-
27 driven problem solving to integrate academic and behavioral

1 instruction and that uses intervention delivered to all pupils in
2 varying intensities based on pupil needs. The multi-tiered system
3 of supports must provide at least all of the following essential
4 elements:

5 (A) Implements effective instruction for all learners.

6 (B) Intervenes early.

7 (C) Provides a multi-tiered model of instruction and
8 intervention that provides the following: a core curriculum and
9 classroom interventions available to all pupils that meet the needs
10 of most pupils; targeted group interventions; and intense
11 individual interventions.

12 (D) Monitors pupil progress to inform instruction.

13 (E) Uses data to make instructional decisions.

14 (F) Uses assessments including universal screening,
15 diagnostics, and progress monitoring.

16 (G) Engages families and the community.

17 (H) Implements evidence-based, scientifically validated,
18 instruction and intervention.

19 (I) Implements instruction and intervention practices with
20 fidelity.

21 (J) Uses a collaborative problem-solving model.

22 (ii) Used department-approved research-based diagnostic tools
23 to identify individual pupils in need of additional instructional
24 time.

25 (iii) Used a reading instruction method that focuses on the 5
26 fundamental building blocks of reading: phonics, phonemic
27 awareness, fluency, vocabulary, and comprehension and content

1 knowledge.

2 (iv) Provided teachers of pupils in grades K to 3 with
3 research-based professional development in diagnostic data
4 interpretation.

5 (v) Complied with the requirements under section 1280f of the
6 revised school code, MCL 380.1280f.

7 (b) Funding allocated under this subsection shall be
8 distributed to eligible districts by multiplying the number of
9 full-time-equivalent pupils in grade 1 in the district by \$210.00.

10 (c) If the funds allocated under this subsection are
11 insufficient to fully fund the payments under this subsection,
12 payments under this subsection shall be prorated on an equal per-
13 pupil basis based on grade 1 pupils.

14 (6) From the general fund money allocated in subsection (1),
15 the department shall allocate the amount of \$2,500,000.00 for 2017-
16 2018 to the Michigan Education Corps. All of the following apply to
17 funding under this subsection:

18 (a) By August 1 of the current fiscal year, the Michigan
19 Education Corps shall provide a report concerning its use of the
20 funding to the senate and house appropriations subcommittees on
21 state school aid, the senate and house fiscal agencies, and the
22 senate and house caucus policy offices on outcomes and performance
23 measures of the Michigan Education Corps, including, but not
24 limited to, the degree to which the Michigan Education Corps's
25 replication of the Michigan Reading Corps program is demonstrating
26 sufficient efficacy and impact. The report must include data
27 pertaining to at least all of the following:

1 (i) The current impact of the Michigan Reading Corps on this
2 state in terms of numbers of children and programs receiving
3 support. This portion of the report shall specify the number of
4 children tutored, including dosage and completion, and the
5 demographics of those children.

6 (ii) Whether the assessments and interventions are implemented
7 with fidelity. This portion of the report shall include details on
8 the total number of assessments and interventions completed and the
9 range, median, mean, and standard deviation for all assessments.

10 (iii) Whether the literacy improvement of children
11 participating in the Michigan Reading Corps is consistent with
12 expectations. This portion of the report shall detail at least all
13 of the following:

14 (A) Growth rate by grade level, in comparison to targeted
15 growth rate.

16 (B) Average linear growth rates.

17 (C) Exit rates.

18 (D) Percentage of children who exit who also meet or exceed
19 spring benchmarks.

20 (iv) The impact of the Michigan Reading Corps on organizations
21 and stakeholders, including, but not limited to, school
22 administrators, internal coaches, and AmeriCorps members.

23 (b) If the department determines that the Michigan Education
24 Corps has misused the funds allocated under this subsection, the
25 Michigan Education Corps shall reimburse this state for the amount
26 of state funding misused.

27 (c) The department may not reserve any portion of the

1 allocation provided under this subsection for an evaluation of the
2 Michigan Education Corps, the Michigan Education Corps' funding, or
3 the Michigan Education Corps' programming. The department shall
4 award the entire \$2,500,000.00 allocated under this subsection to
5 the Michigan Education Corps and shall not condition the awarding
6 of this funding on the implementation of an independent evaluation.

7 Sec. 61c. (1) From the general fund appropriation in section
8 11, there is allocated for 2017-2018 an amount not to exceed
9 ~~\$9,600,000.00~~ **\$7,000,000.00** to career education planning districts
10 for the CTE skilled trades initiative ~~under this section.~~ **DESCRIBED**
11 **IN SUBSECTIONS (2) TO (5) .**

12 (2) To be eligible to receive funding under ~~this section,~~
13 **SUBSECTION (1)**, each CEPD shall apply in a form and manner
14 determined by the department. Funding to each CEPD shall be equal
15 to the quotient of the allocation under subsection (1) and the sum
16 of the number of career education planning districts applying for
17 funding under ~~this section.~~ **SUBSECTION (1) .**

18 (3) The funding allocated to each CEPD shall be used to update
19 equipment in current CTE programs that have been identified in the
20 highest 5 career cluster rankings in any of the 10 regional
21 strategic plans jointly approved by the Michigan talent investment
22 agency in the department of talent and economic development and the
23 department, for training on new equipment, for professional
24 development relating to computer science or coding, or for new and
25 emerging certified CTE programs to allow CEPD administrators to
26 provide programming in communities that will enhance economic
27 development. The funding for equipment should be used to support

1 and enhance community areas that have sustained job growth, and act
2 as a commitment to build a more qualified and skilled workforce. In
3 addition, each CEPD is encouraged to explore the option of leasing
4 equipment from local private industry to encourage the use of the
5 most advanced equipment.

6 (4) The allocation of funds at the local level shall be
7 determined by CEPD administrators using data from the state,
8 region, and local sources to make well-informed decisions on
9 program equipment improvements. Grants awarded by CEPD
10 administrators for capital infrastructure shall be used to ensure
11 that CTE programs can deliver educational programs in high-wage,
12 high-skill, and high-demand occupations. Each CEPD shall continue
13 to ensure that program advisory boards make recommendations on
14 needed improvements for equipment that support job growth and job
15 skill development and retention for both the present and the
16 future.

17 (5) Not later than September 15 of each fiscal year, each CEPD
18 receiving funding under ~~this section~~ **SUBSECTION (1)** shall annually
19 report to the department, the senate and house appropriations
20 subcommittees on state school aid, and the senate and house fiscal
21 agencies and legislature on equipment purchased under ~~this section~~.
22 **SUBSECTION (1)**. In addition, the report shall identify growth data
23 on program involvement, retention, and development of student
24 skills.

25 (6) ~~From the allocation~~ **IN ADDITION TO THE FUNDS ALLOCATED**
26 under subsection (1), **FROM THE GENERAL FUND APPROPRIATION IN**
27 **SECTION 11**, there is allocated for 2017-2018 an amount not to

1 exceed ~~\$300,000.00~~ **\$500,000.00** to districts for a competitive grant
2 to mechatronics programs that operated in 2016-2017 for updating
3 mechatronics program equipment.

4 (7) IN ADDITION TO THE FUNDS ALLOCATED UNDER SUBSECTIONS (1)
5 AND (6), FROM THE GENERAL FUND APPROPRIATION IN SECTION 11, THERE
6 IS ALLOCATED FOR 2017-2018 AN AMOUNT NOT TO EXCEED \$5,000,000.00
7 FOR GRANTS TO DISTRICTS AND INTERMEDIATE DISTRICTS OR CONSORTIA OF
8 DISTRICTS AND INTERMEDIATE DISTRICTS FOR THE CTE EQUIPMENT AND
9 INNOVATION COMPETITIVE GRANT PROGRAM DESCRIBED IN SUBSECTIONS (8)
10 TO (10).

11 (8) TO BE ELIGIBLE TO RECEIVE A COMPETITIVE GRANT UNDER
12 SUBSECTION (7), AN APPLICANT SHALL APPLY IN A FORM AND MANNER
13 DETERMINED BY THE DEPARTMENT. THE AMOUNT OF A GRANT AWARDED FROM
14 THE ALLOCATION UNDER SUBSECTION (7) SHALL BE AT LEAST \$100,000.00
15 BUT SHALL NOT EXCEED \$1,000,000.00 AND SHALL BE USED FOR THE
16 PURCHASE OR LEASE OF EQUIPMENT FROM PRIVATE INDUSTRY PARTNERS AND
17 FOR RELATED CAPACITY BUILDING ACTIVITIES. A GRANT APPLICATION FOR A
18 GRANT AWARDED FROM THE ALLOCATION UNDER SUBSECTION (7) SHALL
19 INCLUDE AT LEAST ALL OF THE FOLLOWING INFORMATION:

20 (A) A DESCRIPTION OF HOW THE PROPOSED CAPITAL INFRASTRUCTURE
21 INITIATIVE WILL PROVIDE INCREASED CAREER OPPORTUNITIES FOR STUDENTS
22 AND ADULT LEARNERS IN HIGH-WAGE, HIGH-SKILL, AND HIGH-DEMAND
23 OCCUPATIONS.

24 (B) DEMONSTRATED EVIDENCE OF EMPLOYER DEMAND FOR THE
25 INITIATIVE AND RELATED CTE TRAINING, INCLUDING DOCUMENTATION OF
26 INDUSTRY INVOLVEMENT IN THE INITIATIVE THAT WILL ALLOW FOR WORK-
27 BASED LEARNING OPPORTUNITIES, APPRENTICESHIPS, TEACHER EXTERNSHIPS,

1 OR A COMBINATION OF THESE.

2 (C) A BUDGET FOR THE INITIATIVE, INCLUDING DEMONSTRATED
3 COMMITMENT OF LOCAL OR REGIONAL PARTNERS TO SUSTAIN THE INITIATIVE
4 BEYOND THE INITIAL GRANT FUNDING.

5 (D) A DESCRIPTION OF HOW THE INITIATIVE ALIGNS WITH OTHER CTE
6 AND COMMUNITY COLLEGE PROGRAMS AND HOW THE EQUIPMENT WILL BE
7 UTILIZED BY INITIATIVE PARTNERS.

8 (E) OTHER INFORMATION AS REQUESTED BY THE DEPARTMENT AND THE
9 DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT.

10 (9) THE DEPARTMENT SHALL EVALUATE GRANT APPLICATIONS UNDER
11 SUBSECTION (8) IN COLLABORATION WITH THE DEPARTMENT OF TALENT AND
12 ECONOMIC DEVELOPMENT. A MEMBER OF THE GOVERNOR'S TALENT INVESTMENT
13 BOARD MAY SERVE IN AN ADVISORY CAPACITY IN THE EVALUATION PROCESS
14 AS DETERMINED BY THE DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT.

15 (10) NOT LATER THAN DECEMBER 15 OF EACH FISCAL YEAR, EACH
16 GRANT RECIPIENT RECEIVING FUNDING UNDER SUBSECTION (7) SHALL
17 ANNUALLY REPORT TO THE DEPARTMENT, THE DEPARTMENT OF TALENT AND
18 ECONOMIC DEVELOPMENT, THE HOUSE AND SENATE APPROPRIATIONS
19 SUBCOMMITTEES ON STATE SCHOOL AID, THE HOUSE AND SENATE FISCAL
20 AGENCIES, AND THE STATE BUDGET DIRECTOR ON EQUIPMENT PURCHASED
21 UNDER SUBSECTION (7) IN THE IMMEDIATELY PRECEDING SCHOOL YEAR. THE
22 REPORT SHALL IDENTIFY GROWTH DATA ON PROGRAM INVOLVEMENT,
23 RETENTION, AND DEVELOPMENT OF STUDENT AND ADULT LEARNER SKILLS.

24 (11) ~~(7)~~—As used in this section: 7

25 (A) "CEPD" means a career education planning district
26 described in this section.

27 (B) "CTE" MEANS CAREER AND TECHNICAL EDUCATION.

1 Sec. 64d. (1) From the general fund appropriation under
2 section 11, there is allocated an amount not to exceed
3 ~~\$1,000,000.00~~ **\$2,300,000.00** for 2017-2018 for a competitive grant
4 to provide information technology education opportunities to
5 students attending schools operating grades K-12, career and
6 technical centers and career academies, and community colleges and
7 universities. It is the intent of the legislature that 2017-2018 is
8 the first of 3 years of funding for the competitive grant program.
9 Funds allocated under this section shall be used for instruction in
10 information technology skills and competencies that are essential
11 for the workplace and requested by employers and shall allow
12 participating students and faculties to secure broad-based
13 information technology certifications and, if applicable, college
14 credit.

15 (2) The department shall select a provider using a competitive
16 request for proposals process. Proposals submitted under this
17 subsection shall include at least the following components:

18 (a) Research- and skill-development-based and information
19 technology curriculum.

20 (b) Online access to the curriculum.

21 (c) Instructional software for classroom and student use.

22 (d) A program that includes coding curriculum and material
23 that are aligned to the CS AP exam and grants a certificate upon
24 completion of the program.

25 (e) Components for all grade levels on computational thinking
26 skills development using the latest gaming software.

27 (f) A process for students to obtain certifications of skills

1 and competencies in a broad base of information technology-related
2 skill areas.

3 (g) Professional development for faculty.

4 (h) Implementation and program support, including, but not
5 limited to, integration with current curriculum standards.

6 (i) Methods for students to earn college credit.

7 (3) The department shall give priority to proposals by
8 providers that have previously demonstrated success in this state
9 in providing high-quality information technology education
10 opportunities to students.

11 (4) The funds allocated under this section for 2017-2018 are a
12 work project appropriation, and any unexpended funds for 2017-2018
13 are to be carried forward into 2018-2019. The purpose of the work
14 project is to continue to provide information technology education
15 opportunities described in this section. The estimated completion
16 date of the work project is September 30, 2020.

17 Sec. 67a. (1) From the general fund money appropriated in
18 section 11, there is allocated for 2017-2018 an amount not to
19 exceed \$1,000,000.00 to expand an eligible web-based career
20 preparation and readiness platform to prosperity regions beyond
21 where the platform is currently being utilized.

22 (2) In order to be eligible for funding under this section, a
23 career preparation and readiness platform shall meet all of the
24 following:

25 (a) Has a partnership with intermediate districts, community
26 colleges, workforce development agencies, and community employers.

27 (b) Assesses student skills, abilities, and preferences to

1 match them with careers of interest.

2 (c) Allows students to explore careers with access to more
3 than 600 career profiles, including, but not limited to, career
4 descriptions, education and training requirements, and earning
5 information.

6 (d) Connects with local companies through company profiles
7 that include, but are not limited to, description, location, career
8 opportunities, and work-based learning activities.

9 (e) Allows students to experience careers firsthand by
10 searching for job shadowing, mock interviews, company tours,
11 company events, and internship opportunities offered by employers
12 in a student's area.

13 (f) Provides students with step-by-step help to develop a job
14 search plan, write a resume and cover letter, and prepare for job
15 interviews.

16 (g) Provides students with an understanding of the education
17 and training required for a particular career, a comparison of
18 school data and profiles, and access to college preparation,
19 scholarship, and financial aid information.

20 **(3) A GRANTEE RECEIVING FUNDING UNDER THIS SECTION SHALL**
21 **COMPLY WITH THE REQUIREMENTS OF SECTION 19B.**

22 **(4)** ~~(3)~~ Notwithstanding section 17b, payments under this
23 section shall be paid on a schedule determined by the department.

24 Sec. 95b. (1) From the general fund appropriation under
25 section 11, there is allocated to the department an amount not to
26 exceed \$2,500,000.00 for 2017-2018 for the department to adopt a
27 model value-added growth and projection analytics system and to

1 incorporate that model into its reporting requirements under the
2 every student succeeds act, Public Law 114-95. The adopted model
3 shall do at least all of the following:

4 (a) Utilize existing assessments and any future assessments
5 that are suitable for measuring student growth.

6 (b) Report student growth measures at the district, school,
7 teacher, and subgroup levels.

8 (c) Recognize the growth of tested students, including those
9 who may have missing assessment data.

10 (d) Include all available prior standardized assessment data
11 that meet inclusion criteria across grades, subjects, and state and
12 local assessments.

13 (e) Allow student growth results to be disaggregated.

14 (f) Provide individual student projections showing the
15 probability of a student reaching specific performance levels on
16 future assessments.

17 (g) Demonstrate any prior success with this state's
18 assessments through the Michigan council of educator effectiveness
19 teacher evaluation pilot.

20 **(H) DEMONSTRATE PRIOR STATEWIDE IMPLEMENTATION IN AT LEAST 2**
21 **OTHER STATES FOR AT LEAST 10 YEARS.**

22 **(I) HAVE A NATIVE ROSTER VERIFICATION SYSTEM BUILT INTO THE**
23 **VALUE-ADDED REPORTING PLATFORM THAT HAS BEEN IMPLEMENTED STATEWIDE**
24 **IN AT LEAST 2 OTHER STATES.**

25 **(J) HAVE A "HELP/CONTACT US" TICKETING SYSTEM BUILT INTO THE**
26 **VALUE-ADDED REPORTING PLATFORM.**

27 (2) The department shall provide internet-based electronic

1 student growth and projection reporting based on the model adopted
2 under subsection (1) to educators at the school, district, and
3 state levels. The model shall include role-based permissions that
4 allow educators to access information about the performance of the
5 students within their immediate responsibility in accordance with
6 applicable privacy laws.

7 (3) The model adopted under subsection (1) must not be a
8 mandatory part of teacher evaluation or educator pay-for-
9 performance systems.

10 Sec. 99h. (1) From the state school aid fund appropriation in
11 section 11, there is allocated an amount not to exceed
12 \$2,500,000.00 for 2017-2018 for competitive grants to districts,
13 and from the general fund appropriation in section 11, there is
14 allocated an amount not to exceed \$300,000.00 for 2017-2018 for
15 competitive grants to nonpublic schools, that provide pupils in
16 grades K to 12 with expanded opportunities to improve mathematics,
17 science, and technology skills by participating in events hosted by
18 a science and technology development program known as FIRST (for
19 inspiration and recognition of science and technology) Robotics,
20 including JR FIRST Lego League, FIRST Lego League, FIRST tech
21 challenge, and FIRST Robotics competition. Programs funded under
22 this section are intended to increase the number of pupils
23 demonstrating proficiency in science and mathematics on the state
24 assessments and to increase the number of pupils who are college-
25 and career-ready upon high school graduation. Notwithstanding
26 section 17b, grant payments to districts and nonpublic schools
27 under this section shall be paid on a schedule determined by the

1 department. The department shall set maximum grant awards for each
2 different level of competition in a manner that both maximizes the
3 number of teams that will be able to receive funds and expands the
4 geographical distribution of teams.

5 (2) A district or nonpublic school applying for a grant under
6 this section shall submit an application in a form and manner
7 determined by the department. To be eligible for a grant, a
8 district or nonpublic school shall demonstrate in its application
9 that the district or nonpublic school has established a partnership
10 for the purposes of the FIRST Robotics program with at least 1
11 sponsor, business entity, higher education institution, or
12 technical school, shall submit a spending plan, and shall pay at
13 least 25% of the cost of the FIRST Robotics program.

14 (3) The department shall distribute the grant funding under
15 this section for the following purposes:

16 (a) Grants to districts or nonpublic schools to pay for
17 stipends not to exceed \$1,500.00 for 1 coach per team.

18 (b) Grants to districts or nonpublic schools for event
19 registrations, materials, travel costs, and other expenses
20 associated with the preparation for and attendance at FIRST
21 Robotics events and competitions. Each grant recipient shall
22 provide a local match from other private or local funds for the
23 funds received under this subdivision equal to at least 50% of the
24 costs of participating in an event.

25 (c) Grants to districts or nonpublic schools for awards to
26 teams that advance to the state and world championship
27 competitions. The department shall determine an equal amount per

1 team for those teams that advance to the state championship and a
2 second equal award amount to those teams that advance to the world
3 championship.

4 (4) A nonpublic school that receives a grant under this
5 section may use the funds for either FIRST Robotics or Science
6 Olympiad programs.

7 **(5) TO BE ELIGIBLE TO RECEIVE FUNDS UNDER THIS SECTION, A**
8 **NONPUBLIC SCHOOL MUST BE A NONPUBLIC SCHOOL REGISTERED WITH THE**
9 **DEPARTMENT AND MUST MEET ALL APPLICABLE STATE REPORTING**
10 **REQUIREMENTS FOR NONPUBLIC SCHOOLS.**

11 Sec. 99r. (1) From the general fund appropriation under
12 section 11, there is allocated for 2016-2017 an amount not to
13 exceed \$75,000.00, and there is allocated for 2017-2018 an amount
14 not to exceed \$250,000.00, to support the creation of the MiSTEM
15 network.

16 (2) From the general fund allocation under this section, there
17 is allocated for 2016-2017 an amount not to exceed \$75,000.00 to
18 the department of technology, management, and budget to support the
19 functions of a transitional executive director and executive
20 assistant for the MiSTEM network. The department of technology,
21 management, and budget shall work with the Michigan Mathematics and
22 Science Centers Network and the MiSTEM council to hire the
23 transitional executive director and executive assistant. The
24 transitional executive director and executive assistant shall work
25 with the president and executive director of the Michigan
26 Mathematics and Science Centers Network and the chairperson and
27 vice-chairperson of the MiSTEM council. The transitional executive

1 director and executive assistant shall do all of the following:

2 (a) Develop a plan for the creation of MiSTEM network regions
3 that does all of the following:

4 (i) Creates a structured relationship between the MiSTEM
5 council, MiSTEM network executive director and executive assistant,
6 and MiSTEM network region staff that ensures services to all
7 regions and local communities in each region.

8 (ii) Empowers the MiSTEM network regions in a manner that
9 creates a robust statewide STEM culture, empowers STEM teachers,
10 integrates business and education into the MiSTEM network, and
11 ensures high-quality and equitable distribution of STEM experiences
12 for pupils.

13 (iii) Identifies region boundaries throughout the state and
14 identifies fiscal agents within those regions.

15 (iv) Identifies MiSTEM state and regional goals and objectives
16 and processes by which goals and objectives shall be measured.

17 (v) Includes processes by which the MiSTEM network regions
18 apply for MiSTEM grants, provide feedback on grant-funded
19 programming, share best practices, and create regional master
20 plans.

21 (vi) Creates a marketing campaign, including, at least, an
22 online presence which includes dashboards of outcomes for the
23 MiSTEM network.

24 (b) Form a committee for the purpose of identifying each
25 MiSTEM network region and selecting a fiscal agent and determining
26 staffing for that region. Fiscal agents shall be an intermediate
27 district within the region, a university within the region, or

1 another organization that served as fiscal agent within the
2 Michigan Mathematics and Science Centers Network. Agencies
3 interested in serving as the region's fiscal agent shall be
4 included on this committee. The committee shall also include
5 representatives of the general education leadership network and the
6 governor's talent investment board, in addition to the math and
7 science centers and MiSTEM council. The committee shall identify
8 necessary staffing levels and locations of staff and determine
9 processes by which the entire region will receive and share
10 services. All fiscal agents for the Michigan Mathematics and
11 Science Centers Network are required to maintain current levels of
12 effort for the MiSTEM network as for the Michigan Mathematics and
13 Science Centers Network.

14 (c) ~~Distribute~~ **ESTABLISH A SYSTEM TO DISTRIBUTE** and monitor
15 MiSTEM grants during the creation of the MiSTEM network. The
16 monitoring of the grants shall include conducting reviews of
17 recipients and the experiences and feedback of pupils.

18 (d) Report to the governor and the legislature on the
19 development of the MiSTEM network.

20 (e) Submit the plan developed under subdivision (a) to the
21 governor and the legislature on or before December 1, 2017.

22 ~~— (f) Hire all MiSTEM network staff between January 1, 2018 and~~
23 ~~April 1, 2018. However, if a MiSTEM network will employ Michigan~~
24 ~~Mathematics and Science Centers Network staff, those staff may be~~
25 ~~hired after April 1, 2018.~~

26 (3) From the general fund allocation under this section, there
27 is allocated for 2017-2018 an amount not to exceed \$250,000.00 to

1 support a permanent executive director and an executive assistant
2 for the MiSTEM network. After the creation of the MiSTEM network
3 region, the transitional executive director funded under subsection
4 (2) may be appointed as the permanent executive director, or a new
5 permanent executive director may be hired. The permanent executive
6 director and executive assistant shall do all of the following:

7 (a) Serve as a liaison among and between the department, the
8 department of technology, management, and budget, the MiSTEM
9 advisory council, and the regional MiSTEM centers in a manner that
10 creates a robust statewide STEM culture, that empowers STEM
11 teachers, that integrates business and education into the STEM
12 network, and that ensures high-quality STEM experiences for pupils.

13 (b) Coordinate the implementation of a marketing campaign,
14 including, but not limited to, a website that includes dashboards
15 of outcomes, to build STEM awareness and communicate STEM needs and
16 opportunities to pupils, parents, educators, and the business
17 community.

18 (c) Award and monitor MiSTEM state and federal grants to the
19 MiSTEM network regions and conduct reviews of grant recipients,
20 including, but not limited to, pupil experience and feedback.

21 (d) Report to the governor, the legislature, and the MiSTEM
22 advisory council annually on the activities and performance of the
23 MiSTEM network regions.

24 (e) Coordinate recurring discussions and work with regional
25 staff to ensure that a network or loop of feedback and best
26 practices are shared, including funding, programming, professional
27 learning opportunities, discussion of MiSTEM strategic vision, and

1 regional objectives.

2 (f) Coordinate major grant application efforts with the MiSTEM
3 advisory council to assist regional staff with grant applications
4 on a local level. The MiSTEM advisory council shall leverage
5 private and nonprofit relationships to coordinate and align private
6 funds in addition to funds appropriated under this section.

7 (g) Train state and regional staff in the STEMworks rating
8 system.

9 **(H) HIRE ALL MISTEM NETWORK STAFF NO LATER THAN JULY 1, 2018.**

10 Sec. 99t. (1) From the general fund appropriation under
11 section 11, there is allocated an amount not to exceed
12 \$1,100,000.00 for 2017-2018 to purchase statewide access to an
13 online algebra tool that meets all of the following:

14 (a) Provides students statewide with complete access to videos
15 aligned with state standards including study guides and workbooks
16 that are aligned with the videos.

17 (b) Provides students statewide with access to a personalized
18 online algebra learning tool including adaptive diagnostics.

19 (c) Provides students statewide with dynamic algebra practice
20 assessments that emulate the state assessment with immediate
21 feedback and help solving problems.

22 (d) Provides students statewide with online access to algebra
23 help 24 hours a day and 7 days a week from study experts, teachers,
24 and peers on a moderated social networking platform.

25 (e) Provides an online algebra professional development
26 network for teachers.

27 (f) Is already provided under a statewide contract in at least

1 1 other state that has a population of at least 18,000,000 but not
2 more than 19,000,000 according to the most recent decennial census
3 and is offered in that state in partnership with a public
4 university.

5 (2) The department shall purchase the online algebra tool that
6 was chosen under this section in 2016-2017.

7 (3) A GRANTEE RECEIVING FUNDING UNDER THIS SECTION SHALL
8 COMPLY WITH THE REQUIREMENTS OF SECTION 19B.

9 SEC. 99U. (1) FROM THE GENERAL FUND APPROPRIATION UNDER
10 SECTION 11, THERE IS ALLOCATED FOR 2017-2018 AN AMOUNT NOT TO
11 EXCEED \$1,000,000.00 TO PURCHASE STATEWIDE ACCESS TO AN ONLINE
12 MATHEMATICS TOOL THAT MEETS ALL OF THE FOLLOWING:

13 (A) PROVIDES STUDENTS STATEWIDE WITH COMPLETE ACCESS TO
14 MATHEMATICS SUPPORT ALIGNED WITH STATE STANDARDS THROUGH A PROGRAM
15 THAT HAS ALL OF THE FOLLOWING ELEMENTS:

16 (i) STUDENT MOTIVATION.

17 (ii) VALID AND RELIABLE ASSESSMENTS.

18 (iii) PERSONALIZED LEARNING PATHWAYS.

19 (iv) HIGHLY QUALIFIED, LIVE TEACHERS AVAILABLE ALL DAY AND ALL
20 YEAR.

21 (v) TWENTY-FOUR-HOUR REPORTING.

22 (vi) CONTENT BUILT FOR RIGOROUS MATHEMATICS.

23 (B) HAS A RECORD OF IMPROVING STUDENT MATHEMATICS SCORES IN AT
24 LEAST 5 OTHER STATES.

25 (2) A GRANTEE THAT RECEIVES FUNDING UNDER THIS SECTION SHALL
26 COMPLY WITH THE REQUIREMENTS OF SECTION 19B.

27 Sec. 102d. (1) From the funds appropriated in section 11,

1 there is allocated an amount not to exceed \$1,500,000.00 for 2017-
2 2018 for reimbursements to districts, ~~and~~-intermediate districts,
3 **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** for the licensing
4 of school data analytical tools as described under this section.
5 The reimbursement is for districts, ~~and~~-intermediate districts, **AND**
6 **AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** that choose to use a
7 school data analytical tool to assist the district, ~~or~~-intermediate
8 district, **OR AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY** and that
9 enter into a licensing agreement for a school data analytical tool
10 with 1 of the vendors approved by the department of technology,
11 management, and budget under subsection (2). Funds allocated under
12 this section are intended to provide districts, ~~and~~-intermediate
13 districts, **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** with
14 financial forecasting and transparency reporting tools to help
15 improve the financial health of districts and to improve
16 communication with the public, resulting in increased fund balances
17 for districts and intermediate districts.

18 (2) Not later than October 15, 2017, the department of
19 technology, management, and budget shall review vendors for school
20 data analytical tools and provide districts, ~~and~~-intermediate
21 districts, **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** with a
22 list of up to 2 approved vendors that districts, ~~and~~-intermediate
23 districts, **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** may
24 use to be eligible for a reimbursement paid under this section. In
25 addition, a vendor approved under this section for 2016-2017 is
26 considered to be approved for use by a district, ~~or~~-intermediate
27 district, **OR AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY** and for

1 reimbursement for 2017-2018. An approved school data analytical
2 tool supplied by the vendor must meet at least all of the
3 following:

4 (a) Analyzes financial data.

5 (b) Analyzes academic data.

6 (c) Provides early warning indicators of financial stress.

7 (d) Has the capability to provide peer district comparisons of
8 both financial and academic data.

9 (e) Has the capability to provide financial projections for at
10 least 3 subsequent fiscal years.

11 (3) Funds allocated under this section shall be paid to
12 districts, ~~and~~ intermediate districts, **AND AUTHORIZING BODIES OF**
13 **PUBLIC SCHOOL ACADEMIES** as a reimbursement for already having a
14 licensing agreement or for entering into a licensing agreement not
15 later than December 1, 2017 with a vendor approved under subsection
16 (2) to implement a school data analytical tool. Reimbursement will
17 be prorated for the portion of the state fiscal year not covered by
18 the licensing agreement. However, a licensing agreement that takes
19 effect after October 1, 2017 and before December 1, 2017 will not
20 be prorated if the term of the agreement is at least 1 year.

21 Reimbursement under this section shall be made as follows:

22 (a) All districts, ~~and~~ intermediate districts, **AND AUTHORIZING**
23 **BODIES OF PUBLIC SCHOOL ACADEMIES** seeking reimbursement shall
24 submit requests not later than December 1, 2017 indicating the cost
25 paid for the financial data analytical tool.

26 (b) The department shall determine the sum of the funding
27 requests under subdivision (a) and, if there are sufficient funds,

1 shall pay 1/2 of the costs submitted under subdivision (a). If
2 there are insufficient funds to pay 1/2 of the costs submitted
3 under (a), then reimbursement shall be made on an equal percentage
4 basis.

5 (c) Funds remaining after the calculation and payment under
6 subdivision (b) shall be distributed on an equal per-pupil basis,
7 with an intermediate district's pupils considered to be the sum of
8 the pupil memberships of the constituent districts for which the
9 intermediate district is purchasing the financial data analytical
10 tool, **AND WITH AN AUTHORIZING BODY'S PUPILS CONSIDERED TO BE THE**
11 **SUM OF THE PUPIL MEMBERSHIPS OF THE PUBLIC SCHOOL ACADEMIES**
12 **AUTHORIZED BY THE AUTHORIZING BODY FOR WHICH THE AUTHORIZING BODY**
13 **IS PURCHASING THE FINANCIAL DATA ANALYTICAL TOOL.**

14 (d) The reimbursement to a district, ~~or~~ intermediate district,
15 **OR AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY** shall not be greater
16 than the amount paid for a data analytics application.

17 (e) A district, ~~or~~ intermediate district, **OR AUTHORIZING BODY**
18 **OF A PUBLIC SCHOOL ACADEMY** shall not be reimbursed for the purchase
19 of more than 1 software application.

20 (4) If an intermediate district purchases both a school data
21 analytical tool specifically for intermediate district finances and
22 a school data analytical tool for those constituent districts that
23 opt in, the intermediate district shall be reimbursed for both
24 purchases under this section.

25 (5) If an intermediate district makes available to 1 or more
26 of its constituent districts a school data analytical tool funded
27 under this section, that constituent district shall not be

1 reimbursed under this section for the purchase of that school data
2 analytical tool if the constituent district has opted in for that
3 tool.

4 **(6) IF AN AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY MAKES**
5 **AVAILABLE TO 1 OR MORE PUBLIC SCHOOL ACADEMIES A SCHOOL DATA**
6 **ANALYTICAL TOOL FUNDED UNDER THIS SECTION, THE PUBLIC SCHOOL**
7 **ACADEMY SHALL NOT BE REIMBURSED UNDER THIS SECTION FOR THE PURCHASE**
8 **OF A SCHOOL DATA ANALYTICAL TOOL IF THE PUBLIC SCHOOL ACADEMY OPTED**
9 **IN FOR THAT TOOL.**

10 (7) ~~(6)~~ Notwithstanding section 17b, payments under this
11 section shall be made on a schedule determined by the department.

12 Sec. 104c. (1) In order to receive state aid under this
13 article, a district shall administer the state assessments
14 described in this section.

15 (2) For the purposes of this section, the department shall
16 develop for use in the spring of 2015-2016 the Michigan student
17 test of educational progress (M-STEP) assessments in English
18 language arts and mathematics. These assessments shall be aligned
19 to state standards.

20 (3) For the purposes of this section, the department shall
21 implement a summative assessment system that is proven to be valid
22 and reliable for administration to pupils as provided under this
23 subsection. The summative assessment system shall meet all of the
24 following requirements:

25 (a) The summative assessment system shall measure student
26 proficiency on the current state standards, shall measure student
27 growth for consecutive grade levels in which students are assessed

1 in the same subject area in both grade levels, and shall be capable
2 of measuring individual student performance.

3 (b) The summative assessments for English language arts and
4 mathematics shall be administered to all public school pupils in
5 grades 3 to 11, including those pupils as required by the federal
6 individuals with disabilities education act, Public Law 108-446,
7 and by title I of the federal every student succeeds act (ESSA),
8 Public Law 114-95.

9 (c) The summative assessments for science shall be
10 administered to all public school pupils in at least grades 4 and
11 7, including those pupils as required by the federal individuals
12 with disabilities education act, Public Law 108-446, and by title I
13 of the federal every student succeeds act (ESSA), Public Law 114-
14 95.

15 (d) The summative assessments for social studies shall be
16 administered to all public school pupils in at least grades 5 and
17 8, including those pupils as required by the federal individuals
18 with disabilities education act, Public Law 108-446, and by title I
19 of the federal every student succeeds act (ESSA), Public Law 114-
20 95.

21 (e) The content of the summative assessments shall be aligned
22 to state standards.

23 (f) The pool of questions for the summative assessments shall
24 be subject to a transparent review process for quality, bias, and
25 sensitive issues involving educator review and comment. The
26 department shall post samples from tests or retired tests featuring
27 questions from this pool for review by the public.

1 (g) The summative assessment system shall ensure that
2 students, parents, and teachers are provided with reports that
3 convey individual student proficiency and growth on the assessment
4 and that convey individual student domain-level performance in each
5 subject area, including representative questions, and individual
6 student performance in meeting state standards.

7 (h) The summative assessment system shall be capable of
8 providing, and the department shall ensure that students, parents,
9 teachers, administrators, and community members are provided with,
10 reports that convey aggregate student proficiency and growth data
11 by teacher, grade, school, and district.

12 (i) The summative assessment system shall ensure the
13 capability of reporting the available data to support educator
14 evaluations.

15 (j) The summative assessment system shall ensure that the
16 reports provided to districts containing individual student data
17 are available within 60 days after completion of the assessments.

18 (k) The summative assessment system shall ensure that access
19 to individually identifiable student data meets all of the
20 following:

21 (i) Is in compliance with 20 USC 1232g, commonly referred to
22 as the family educational rights and privacy act of 1974.

23 (ii) Except as may be provided for in an agreement with a
24 vendor to provide assessment services, as necessary to support
25 educator evaluations pursuant to subdivision (i), or for research
26 or program evaluation purposes, is available only to the student;
27 to the student's parent or legal guardian; and to a school

1 administrator or teacher, to the extent that he or she has a
2 legitimate educational interest.

3 (l) The summative assessment system shall ensure that the
4 assessments are pilot tested before statewide implementation.

5 (m) The summative assessment system shall ensure that
6 assessments are designed so that the maximum total combined length
7 of time that schools are required to set aside for a pupil to
8 answer all test questions on all assessments that are part of the
9 system for the pupil's grade level does not exceed that maximum
10 total combined length of time for the previous statewide assessment
11 system or 9 hours, whichever is less. This subdivision does not
12 limit the amount of time a district may allow a pupil to complete a
13 test.

14 (n) The total cost of executing the summative assessment
15 system statewide each year, including, but not limited to, the cost
16 of contracts for administration, scoring, and reporting, shall not
17 exceed an amount equal to 2 times the cost of executing the
18 previous statewide assessment after adjustment for inflation.

19 **(O) BEGINNING WITH THE 2017-2018 SCHOOL YEAR, THE SUMMATIVE**
20 **ASSESSMENT SYSTEM SHALL NOT REQUIRE MORE THAN 3 HOURS IN DURATION,**
21 **ON AVERAGE, FOR AN INDIVIDUAL PUPIL TO COMPLETE THE COMBINED**
22 **ADMINISTRATION OF THE MATH AND ENGLISH LANGUAGE ARTS PORTIONS OF**
23 **THE ASSESSMENT FOR ANY 1 GRADE LEVEL.**

24 (4) In an effort to develop a cohesive state assessment
25 system, the department shall implement a request for information
26 process for a common formative assessment system that is fully
27 aligned to this state's content standards for English language arts

1 and mathematics. The department may use information compiled from a
2 request for proposal in 2016-2017 to satisfy this request.

3 (5) Beginning in the 2015-2016 school year, the department
4 shall field test assessments in the fall and spring of each school
5 year to measure English language arts and mathematics in each of
6 grades K to 2 for full implementation when the assessments have
7 been successfully field tested. This full implementation shall
8 occur not later than the 2018-2019 school year. These assessments
9 are necessary to determine a pupil's proficiency level before grade
10 3.

11 ~~—— (6) Not later than October 1, 2017, the department shall issue~~
12 ~~a request for proposals for a statewide summative assessment. The~~
13 ~~statewide summative assessment shall meet all of the following:~~

14 ~~—— (a) Assesses all of grades 3 through 7 in math and English~~
15 ~~language arts.~~

16 ~~—— (b) Is aligned with this state's content standards.~~

17 ~~—— (c) Generates a scaled score using the fewest number of~~
18 ~~testing items necessary to sufficiently measure building level~~
19 ~~achievement based on this state's content standards.~~

20 ~~—— (d) Is proven to be a valid and reliable measurement of~~
21 ~~building level achievement.~~

22 ~~—— (e) Does not exceed 3 hours in duration on average for an~~
23 ~~individual pupil to complete the combined administration of the~~
24 ~~math and English language arts portions of the test for any 1 grade~~
25 ~~level.~~

26 ~~—— (7) Not later than January 1, 2018, the department shall~~
27 ~~approve 1 statewide summative assessment that was included in a~~

1 ~~response to the request for proposals under subsection (6) or~~
 2 ~~develop the department's own assessment that meets the requirements~~
 3 ~~under subsection (6).~~

4 **(6)** ~~(8)~~ Not later than ~~October~~ **NOVEMBER** 1, 2017, the
 5 department shall issue a request for ~~proposals~~ **INFORMATION** for not
 6 less than 3 benchmark assessments that each meet all of the
 7 following:

8 (a) Assesses all of grades 3 through 7 in math and English
 9 language arts.

10 (b) Is aligned with this state's content standards such that
 11 items were written for this state's content standards.

12 (c) Is computer adaptive above and below grade level.

13 (d) Produces a pupil's results in not more than 48 hours from
 14 the time the benchmark assessment is administered.

15 (e) Is self-scoring.

16 (f) Aligns to this state's content standards.

17 (g) Measures the academic growth of pupils and provides an
 18 estimate for adequate yearly growth.

19 (h) Demonstrates validity and reliability as appropriate for a
 20 computer adaptive assessment.

21 **(I) IS PROVIDED BY A VENDOR THAT IS WILLING TO NEGOTIATE A**
 22 **DISCOUNTED STATE RATE FOR PRICING.**

23 **(7)** ~~(9)~~ Not later than ~~January~~ **MARCH** 1, 2018 and in
 24 consultation with experts in the field of education and educational
 25 assessment measurement, the department shall approve at least ~~2~~ **3**
 26 benchmark assessments that were included in a response to the
 27 request for ~~proposals~~ **INFORMATION** under subsection ~~(8)~~ **(6)** and meet

1 the requirements described in subsection ~~(8)~~. **(6)** .

2 ~~—— (10) The department is not precluded from approving a~~
3 ~~statewide summative assessment under subsection (7) and a benchmark~~
4 ~~assessment under subsection (9) that are provided by the same~~
5 ~~vendor. The summative assessment shall not be a benchmark~~
6 ~~assessment.~~

7 **(8) THE DEPARTMENT SHALL USE THE RESPONSES TO THE REQUEST FOR**
8 **INFORMATION TO CREATE A BENCHMARK ASSESSMENT BUDGET REQUEST FOR THE**
9 **2018-2019 FISCAL YEAR.**

10 **(9)** ~~(11)~~ This section does not prohibit districts from
11 adopting interim assessments.

12 **(10)** ~~(12)~~ As used in this section, "English language arts"
13 means that term as defined in section 104b.

14 **SEC. 104E. (1) FROM THE GENERAL FUND APPROPRIATION IN SECTION**
15 **11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$250,000.00 FOR THE**
16 **IMPLEMENTATION OF AN ASSESSMENT DIGITAL LITERACY PREPARATION PILOT**
17 **PROJECT FOR PUPILS ENROLLED IN GRADES K TO 8. THE DEPARTMENT SHALL**
18 **ENSURE THAT A PILOT PROJECT FUNDED UNDER THIS SUBSECTION SATISFIES**
19 **ALL OF THE FOLLOWING:**

20 **(A) IS AVAILABLE TO DISTRICTS IN THE 2017-2018 SCHOOL YEAR.**

21 **(B) FOCUSES ON ENSURING PUPILS HAVE THE NECESSARY SKILLS**
22 **REQUIRED FOR STATE ONLINE ASSESSMENTS BY ASSESSING PUPIL DIGITAL**
23 **LITERACY SKILL LEVELS AND PROVIDING TEACHERS WITH A DIGITAL**
24 **CURRICULUM TARGETED AT AREAS OF DETERMINED WEAKNESS.**

25 **(C) ALLOWS PUPILS TO ENGAGE WITH THE DIGITAL CURRICULUM IN AN**
26 **INDEPENDENT OR TEACHER-FACILITATED MODALITY.**

27 **(D) INCLUDES TRAINING AND PROFESSIONAL DEVELOPMENT FOR**

1 **TEACHERS.**

2 **(E) IS IMPLEMENTED IN AT LEAST 220 DISTRICTS THAT OPERATE**
3 **GRADES K TO 8 AND THAT REPRESENT A DIVERSE GEOGRAPHY AND SOCIO-**
4 **ECONOMIC DEMOGRAPHIC.**

5 **(2) FUNDING UNDER SUBSECTION (1) SHALL BE ALLOCATED TO A**
6 **DISTRICT THAT OPERATES AT LEAST GRADES K TO 8 AND HAS A PARTNERSHIP**
7 **WITH A THIRD PARTY THAT IS EXPERIENCED IN THE ASSESSMENT OF DIGITAL**
8 **LITERACY AND THE PREPARATION OF DIGITAL LITERACY SKILLS AND HAS**
9 **DEMONSTRABLE EXPERIENCE SERVING DISTRICTS IN THIS STATE AND LOCAL**
10 **EDUCATION AGENCIES IN OTHER STATES. THE DISTRICT, ALONG WITH ITS**
11 **THIRD-PARTY PARTNER, SHALL PROVIDE A REPORT TO THE HOUSE AND SENATE**
12 **APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID AND THE HOUSE AND SENATE**
13 **FISCAL AGENCIES ON THE EFFICACY AND USEFULNESS OF THE ASSESSMENT**
14 **DIGITAL LITERACY PREPARATION PILOT PROJECT NO LATER THAN SEPTEMBER**
15 **30, 2018.**

16 **(3) NOTWITHSTANDING SECTION 17B, PAYMENTS UNDER SUBSECTION (1)**
17 **SHALL BE MADE IN A MANNER DETERMINED BY THE DEPARTMENT.**

18 Sec. 107. (1) From the appropriation in section 11, there is
19 allocated an amount not to exceed \$27,000,000.00 for 2017-2018 for
20 adult education programs authorized under this section. Except as
21 otherwise provided under subsections (14), (15), and (19), funds
22 allocated under this section are restricted for adult education
23 programs as authorized under this section only. A recipient of
24 funds under this section shall not use those funds for any other
25 purpose.

26 (2) To be eligible for funding under this section, an eligible
27 adult education provider shall employ certificated teachers and

1 qualified administrative staff and shall offer continuing education
2 opportunities for teachers to allow them to maintain certification.

3 (3) To be eligible to be a participant funded under this
4 section, an individual shall be enrolled in an adult basic
5 education program, an adult secondary education program, an adult
6 English as a second language program, a high school equivalency
7 test preparation program, or a high school completion program, that
8 meets the requirements of this section, and for which instruction
9 is provided, and shall meet either of the following:

10 (a) Has attained 20 years of age.

11 (b) Has attained 18 years of age and the individual's
12 graduating class has graduated.

13 (4) By April 1 of each fiscal year, the intermediate districts
14 within a prosperity region or subregion shall determine which
15 intermediate district will serve as the prosperity region's or
16 subregion's fiscal agent for the next fiscal year and shall notify
17 the department in a form and manner determined by the department.
18 The department shall approve or disapprove of the prosperity
19 region's or subregion's selected fiscal agent. From the funds
20 allocated under subsection (1), an amount as determined under this
21 subsection shall be allocated to each intermediate district serving
22 as a fiscal agent for adult education programs in each of the
23 prosperity regions or subregions identified by the department. An
24 intermediate district shall not use more than 5% of the funds
25 allocated under this subsection for administration costs for
26 serving as the fiscal agent. Beginning in 2014-2015, 67% of the
27 allocation provided to each intermediate district serving as a

1 fiscal agent shall be based on the proportion of total funding
2 formerly received by the adult education providers in that
3 prosperity region or subregion in 2013-2014, and 33% shall be
4 allocated based on the factors in subdivisions (a), (b), and (c).
5 For 2018-2019, 33% of the allocation provided to each intermediate
6 district serving as a fiscal agent shall be based upon the
7 proportion of total funding formerly received by the adult
8 education providers in that prosperity region in 2013-2014 and 67%
9 of the allocation shall be based upon the factors in subdivisions
10 (a), (b), and (c). Beginning in 2019-2020, 100% of the allocation
11 provided to each intermediate district serving as a fiscal agent
12 shall be based on the factors in subdivisions (a), (b), and (c).
13 The funding factors for this section are as follows:

14 (a) Sixty percent of this portion of the funding shall be
15 distributed based upon the proportion of the state population of
16 individuals between the ages of 18 and 24 that are not high school
17 graduates that resides in each of the prosperity regions or
18 subregions, as reported by the most recent 5-year estimates from
19 the American community survey (ACS) from the United States Census
20 Bureau.

21 (b) Thirty-five percent of this portion of the funding shall
22 be distributed based upon the proportion of the state population of
23 individuals age 25 or older who are not high school graduates that
24 resides in each of the prosperity regions or subregions, as
25 reported by the most recent 5-year estimates from the American
26 community survey (ACS) from the United States Census Bureau.

27 (c) Five percent of this portion of the funding shall be

1 distributed based upon the proportion of the state population of
2 individuals age 18 or older who lack basic English language
3 proficiency that resides in each of the prosperity regions or
4 subregions, as reported by the most recent 5-year estimates from
5 the American community survey (ACS) from the United States Census
6 Bureau.

7 (5) To be an eligible fiscal agent, an intermediate district
8 must agree to do the following in a form and manner determined by
9 the department:

10 (a) Distribute funds to adult education programs in a
11 prosperity region or subregion as described in this section.

12 (b) Collaborate with the talent district career council, which
13 is an advisory council of the workforce development boards located
14 in the prosperity region or subregion, or its successor, to develop
15 a regional strategy that aligns adult education programs and
16 services into an efficient and effective delivery system for adult
17 education learners, with special consideration for providing
18 contextualized learning and career pathways and addressing barriers
19 to education and employment.

20 (c) Collaborate with the talent district career council, which
21 is an advisory council of the workforce development boards located
22 in the prosperity region or subregion, or its successor, to create
23 a local process and criteria that will identify eligible adult
24 education providers to receive funds allocated under this section
25 based on location, demand for services, past performance, quality
26 indicators as identified by the department, and cost to provide
27 instructional services. The fiscal agent shall determine all local

1 processes, criteria, and provider determinations. However, the
2 local processes, criteria, and provider services must be approved
3 by the department before funds may be distributed to the fiscal
4 agent.

5 (d) Provide oversight to its adult education providers
6 throughout the program year to ensure compliance with the
7 requirements of this section.

8 (e) Report adult education program and participant data and
9 information as prescribed by the department.

10 (6) An adult basic education program, an adult secondary
11 education program, or an adult English as a second language program
12 operated on a year-round or school year basis may be funded under
13 this section, subject to all of the following:

14 (a) The program enrolls adults who are determined by a
15 department-approved assessment, in a form and manner prescribed by
16 the department, to be below twelfth grade level in reading or
17 mathematics, or both, or to lack basic English proficiency.

18 (b) The program tests individuals for eligibility under
19 subdivision (a) before enrollment and upon completion of the
20 program in compliance with the state-approved assessment policy.

21 (c) A participant in an adult basic education program is
22 eligible for reimbursement until 1 of the following occurs:

23 (i) The participant's reading and mathematics proficiency are
24 assessed at or above the ninth grade level.

25 (ii) The participant fails to show progress on 2 successive
26 assessments after having completed at least 450 hours of
27 instruction.

1 (d) A participant in an adult secondary education program is
2 eligible for reimbursement until 1 of the following occurs:

3 (i) The participant's reading and mathematics proficiency are
4 assessed above the twelfth grade level.

5 (ii) The participant fails to show progress on 2 successive
6 assessments after having at least 450 hours of instruction.

7 (e) A funding recipient enrolling a participant in an English
8 as a second language program is eligible for funding according to
9 subsection (9) until the participant meets 1 of the following:

10 (i) The participant is assessed as having attained basic
11 English proficiency as determined by a department-approved
12 assessment.

13 (ii) The participant fails to show progress on 2 successive
14 department-approved assessments after having completed at least 450
15 hours of instruction. The department shall provide information to a
16 funding recipient regarding appropriate assessment instruments for
17 this program.

18 (7) A high school equivalency test preparation program
19 operated on a year-round or school year basis may be funded under
20 this section, subject to all of the following:

21 (a) The program enrolls adults who do not have a high school
22 diploma or a high school equivalency certificate.

23 (b) The program shall administer a pre-test approved by the
24 department before enrolling an individual to determine the
25 individual's literacy levels, shall administer a high school
26 equivalency practice test to determine the individual's potential
27 for success on the high school equivalency test, and shall

1 administer a post-test upon completion of the program in compliance
2 with the state-approved assessment policy.

3 (c) A funding recipient shall receive funding according to
4 subsection (9) for a participant, and a participant may be enrolled
5 in the program until 1 of the following occurs:

6 (i) The participant achieves a high school equivalency
7 certificate.

8 (ii) The participant fails to show progress on 2 successive
9 department-approved assessments used to determine readiness to take
10 a high school equivalency test after having completed at least 450
11 hours of instruction.

12 (8) A high school completion program operated on a year-round
13 or school year basis may be funded under this section, subject to
14 all of the following:

15 (a) The program enrolls adults who do not have a high school
16 diploma.

17 (b) The program tests participants described in subdivision
18 (a) before enrollment and upon completion of the program in
19 compliance with the state-approved assessment policy.

20 (c) A funding recipient shall receive funding according to
21 subsection (9) for a participant in a course offered under this
22 subsection until 1 of the following occurs:

23 (i) The participant passes the course and earns a high school
24 diploma.

25 (ii) The participant fails to earn credit in 2 successive
26 semesters or terms in which the participant is enrolled after
27 having completed at least 900 hours of instruction.

1 (9) A funding recipient shall receive payments under this
2 section in accordance with all of the following:

3 (a) Statewide allocation criteria, including 3-year average
4 enrollments, census data, and local needs.

5 (b) Participant completion of the adult basic education
6 objectives by achieving an educational gain as determined by the
7 national reporting system levels; for achieving basic English
8 proficiency, as determined by the department; for achieving a high
9 school equivalency certificate or passage of 1 or more individual
10 high school equivalency tests; for attainment of a high school
11 diploma or passage of a course required for a participant to attain
12 a high school diploma; for enrollment in a postsecondary
13 institution, or for entry into or retention of employment, as
14 applicable.

15 (c) Participant completion of core indicators as identified in
16 the innovation and opportunity act.

17 (d) Allowable expenditures.

18 (10) A person who is not eligible to be a participant funded
19 under this section may receive adult education services upon the
20 payment of tuition. In addition, a person who is not eligible to be
21 served in a program under this section due to the program
22 limitations specified in subsection (6), (7), or (8) may continue
23 to receive adult education services in that program upon the
24 payment of tuition. The tuition level shall be determined by the
25 local or intermediate district conducting the program.

26 (11) An individual who is an inmate in a state correctional
27 facility shall not be counted as a participant under this section.

1 (12) A funding recipient shall not commingle money received
2 under this section or from another source for adult education
3 purposes with any other funds and shall establish a separate ledger
4 account for funds received under this section. This subsection does
5 not prohibit a district from using general funds of the district to
6 support an adult education or community education program.

7 (13) A funding recipient receiving funds under this section
8 may establish a sliding scale of tuition rates based upon a
9 participant's family income. A funding recipient may charge a
10 participant tuition to receive adult education services under this
11 section from that sliding scale of tuition rates on a uniform
12 basis. The amount of tuition charged per participant shall not
13 exceed the actual operating cost per participant minus any funds
14 received under this section per participant. A funding recipient
15 may not charge a participant tuition under this section if the
16 participant's income is at or below 200% of the federal poverty
17 guidelines published by the United States Department of Health and
18 Human Services.

19 (14) In order to receive funds under this section, a funding
20 recipient shall furnish to the department, in a form and manner
21 determined by the department, all information needed to administer
22 this program and meet federal reporting requirements; shall allow
23 the department or the department's designee to review all records
24 related to the program for which it receives funds; and shall
25 reimburse the state for all disallowances found in the review, as
26 determined by the department. In addition, a funding recipient
27 shall agree to pay to a career and technical education program

1 under section 61a the amount of funding received under this section
2 in the proportion of career and technical education coursework used
3 to satisfy adult basic education programming, as billed to the
4 funding recipient by programs operating under section 61a.

5 (15) From the amount appropriated in subsection (1), an amount
6 not to exceed \$500,000.00 shall be allocated for 2017-2018 to not
7 more than 1 pilot program that is located in a prosperity region
8 with 2 or more subregions and that connects adult education
9 participants directly with employers by linking adult education,
10 career and technical skills, and workforce development. To be
11 eligible for funding under this subsection, a pilot program shall
12 provide a collaboration linking adult education programs within the
13 county, the area career/technical center, and local employers, and
14 shall meet the additional criteria in subsections (16) and (17).
15 Funding under this subsection for 2017-2018 is for the third of 3
16 years of funding.

17 (16) A pilot program funded under subsection (15) shall
18 require adult education staff to work with Michigan works! agency
19 to identify a cohort of participants who are most prepared to
20 successfully enter the workforce. Participants identified under
21 this subsection shall be dually enrolled in adult education
22 programming and at least 1 technical course at the area
23 career/technical center.

24 (17) A pilot program funded under subsection (15) shall have
25 on staff an adult education navigator who will serve as a
26 caseworker for each participant identified under subsection (16).
27 The navigator shall work with adult education staff and potential

1 employers to design an educational program best suited to the
2 personal and employment needs of the participant, and shall work
3 with human service agencies or other entities to address any
4 barrier in the way of participant access.

5 (18) Not later than December 1, 2018, the pilot program funded
6 under subsection (15) shall provide to the senate and house
7 appropriations subcommittees on school aid, to the senate and house
8 fiscal agencies, and to the state budget director a report
9 detailing number of participants, graduation rates, and a measure
10 of transitioning to employment.

11 (19) From the amount appropriated in subsection (1), an amount
12 not to exceed \$2,000,000.00 shall be allocated for 2017-2018 for
13 grants to not more than 5 pilot programs that are additional to the
14 pilot program funded under subsection (15) to connect adult
15 education participants with employers as provided under this
16 subsection. The grant to each eligible pilot program shall be **UP TO**
17 \$400,000.00. To receive funding under this subsection, an eligible
18 pilot program shall satisfy all of the following:

19 (a) Meets 1 of the following:

20 (i) Is located in prosperity region 1c.

21 (ii) Is located in prosperity region 2 and borders prosperity
22 region 4.

23 (iii) Is located in prosperity region 4a and borders
24 prosperity region 5.

25 (iv) Is located in prosperity region 5 and borders Lake Huron.

26 (v) Is located in prosperity region 9 and borders a
27 neighboring state.

1 (b) Begins operations at the start of the 2017-2018 school
2 year.

3 (c) Replicates the pilot program funded under subsection (15).

4 (d) Meets the requirements under subsections (15), (16), and
5 (17) for a pilot program funded under subsection (15).

6 (20) Not later than December 1, 2018, a pilot program funded
7 under subsection (19) shall provide a report to the senate and
8 house appropriations subcommittees on school aid, to the senate and
9 house fiscal agencies, and to the state budget director identifying
10 the number of participants, graduation rates, and a measure of
11 transition to employment.

12 (21) The department shall approve at least 3 high school
13 equivalency tests and determine whether a high school equivalency
14 certificate meets the requisite standards for high school
15 equivalency in this state.

16 (22) As used in this section:

17 (a) "Career pathway" means a combination of rigorous and high-
18 quality education, training, and other services that comply with
19 all of the following:

20 (i) Aligns with the skill needs of industries in the economy
21 of this state or in the regional economy involved.

22 (ii) Prepares an individual to be successful in any of a full
23 range of secondary or postsecondary education options, including
24 apprenticeships registered under the act of August 16, 1937
25 (commonly known as the "national apprenticeship act"), 29 USC 50 et
26 seq.

27 (iii) Includes counseling to support an individual in

1 achieving the individual's education and career goals.

2 (iv) Includes, as appropriate, education offered concurrently
3 with and in the same context as workforce preparation activities
4 and training for a specific occupation or occupational cluster.

5 (v) Organizes education, training, and other services to meet
6 the particular needs of an individual in a manner that accelerates
7 the educational and career advancement of the individual to the
8 extent practicable.

9 (vi) Enables an individual to attain a secondary school
10 diploma or its recognized equivalent, and at least 1 recognized
11 postsecondary credential.

12 (vii) Helps an individual enter or advance within a specific
13 occupation or occupational cluster.

14 (b) "Department" means the department of talent and economic
15 development.

16 (c) "Eligible adult education provider" means a district,
17 intermediate district, a consortium of districts, a consortium of
18 intermediate districts, or a consortium of districts and
19 intermediate districts that is identified as part of the local
20 process described in subsection (5) (c) and approved by the
21 department.

22 Sec. 147a. (1) From the appropriation in section 11, there is
23 allocated for 2017-2018 an amount not to exceed \$100,000,000.00 for
24 payments to participating districts. A participating district that
25 receives money under this subsection shall use that money solely
26 for the purpose of offsetting a portion of the retirement
27 contributions owed by the district for the fiscal year in which it

1 is received. The amount allocated to each participating district
2 under this subsection shall be based on each participating
3 district's percentage of the total statewide payroll for all
4 participating districts for the immediately preceding fiscal year.
5 As used in this subsection, "participating district" means a
6 district that is a reporting unit of the Michigan public school
7 employees' retirement system under the public school employees
8 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and
9 that reports employees to the Michigan public school employees'
10 retirement system for the applicable fiscal year.

11 (2) In addition to the allocation under subsection (1), from
12 the state school aid fund money appropriated under section 11,
13 there is allocated an amount not to exceed \$48,940,000.00 for 2017-
14 2018 for payments to participating ~~entities~~**DISTRICTS AND**
15 **INTERMEDIATE DISTRICTS** and from the general fund money appropriated
16 under section 11, there is allocated an amount not to exceed
17 \$29,000.00 for 2017-2018 for payments to participating district
18 libraries. The amount allocated to each participating entity under
19 this subsection shall be based on each participating entity's
20 percentage of the total statewide payroll for that type of
21 participating entity for the immediately preceding fiscal year. A
22 participating entity that receives money under this subsection
23 shall use that money solely for the purpose of offsetting a portion
24 of the normal cost contribution rate. As used in this subsection:

25 (a) "District library" means a district library established
26 under the district library establishment act, 1989 PA 24, MCL
27 397.171 to 397.196.

1 (b) "Participating entity" means a district, intermediate
2 district, or district library that is a reporting unit of the
3 Michigan public school employees' retirement system under the
4 public school employees retirement act of 1979, 1980 PA 300, MCL
5 38.1301 to 38.1437, and that reports employees to the Michigan
6 public school employees' retirement system for the applicable
7 fiscal year.

8 Sec. 166b. (1) This act does not prohibit a parent or legal
9 guardian of a minor who is enrolled in any of grades kindergarten
10 to 12 in a nonpublic school or who is being home-schooled from also
11 enrolling the minor in a district, public school academy, or
12 intermediate district in any curricular offering that is provided
13 by the district, public school academy, or intermediate district at
14 a public school site and is available to pupils in the minor's
15 grade level or age group, subject to compliance with the same
16 requirements that apply to a full-time pupil's participation in the
17 offering. However, state school aid shall be provided under this
18 act for a minor enrolled as described in this subsection only for
19 curricular offerings that are available to full-time pupils in the
20 minor's grade level or age group.

21 (2) This act does not prohibit a parent or legal guardian of a
22 minor who is enrolled in any of grades kindergarten to 12 in a
23 nonpublic school or who resides within the district and is being
24 home-schooled from also enrolling the minor in the district in a
25 curricular offering being provided by the district at the nonpublic
26 school site. However, state school aid shall be provided under this
27 act for a minor enrolled as described in this subsection only if

1 all of the following apply:

2 (a) Either of the following:

3 (i) The nonpublic school site is located, or the nonpublic
4 students are educated, within the geographic boundaries of the
5 district.

6 (ii) If the nonpublic school has submitted a written request
7 to the district in which the nonpublic school is located for the
8 district to provide certain instruction under this subsection for a
9 school year and the district does not agree to provide some or all
10 of that instruction by May 1 immediately preceding that school year
11 or, if the request is submitted after March 1 immediately preceding
12 that school year, within 60 days after the nonpublic school submits
13 the request, the instruction is instead provided by an eligible
14 other district. This subparagraph does not require a nonpublic
15 school to submit more than 1 request to the district in which the
16 nonpublic school is located for that district to provide
17 instruction under this subsection, and does not require a nonpublic
18 school to submit an additional request to the district in which the
19 nonpublic school is located for that district to provide additional
20 instruction under this subsection beyond the instruction requested
21 in the original request, before having the instruction provided by
22 an eligible other district. A public school academy that is located
23 in the district in which the nonpublic school is located or in an
24 eligible other district also may provide instruction under this
25 subparagraph under the same conditions as an eligible other
26 district. As used in this subparagraph, "eligible other district"
27 means a district that is located in the same intermediate district

1 as the district in which the nonpublic school is located or is
2 located in an intermediate district that is contiguous to that
3 intermediate district.

4 (b) The nonpublic school is registered with the department as
5 a nonpublic school and meets all state reporting requirements for
6 nonpublic schools.

7 (c) The instruction is provided directly by a certified
8 teacher at the district or public school academy or at an
9 intermediate district.

10 (d) The curricular offering is also available to full-time
11 pupils in the minor's grade level or age group in the district or
12 public school academy at a public school site.

13 (e) The curricular offering is restricted to nonessential
14 elective courses for pupils in grades kindergarten to 12.

15 (3) A nonessential course in grades ~~kindergarten-1~~ to 8 is a
16 course other than **A** mathematics, science, social studies, and
17 English language arts **COURSE REQUIRED BY THE DISTRICT FOR GRADE**
18 **PROGRESSION**. Nonessential courses in grades 9 to 12 are those other
19 than algebra 1, algebra 2, English 9-12, geometry, biology,
20 chemistry, physics, economics, geography, American history, world
21 history, the Constitution, government, and civics, or courses that
22 fulfill the same credit requirement as these courses. Nonessential
23 elective courses include courses offered by the local district for
24 high school credit that are also capable of generating
25 postsecondary credit, including, at least, advanced placement and
26 international baccalaureate courses. College level courses taken by
27 high school students for college credit are nonessential courses.

1 Remedial courses for any grade in the above-listed essential
2 courses are considered essential. **KINDERGARTEN IS CONSIDERED**
3 **NONESSENTIAL.**

4 (4) Subject to section 6(4) (ii), a minor enrolled as described
5 in this section is a part-time pupil for purposes of state school
6 aid under this act.

7 (5) A district that receives a written request to provide
8 instruction under subsection (2) shall reply to the request in
9 writing by May 1 immediately preceding the applicable school year
10 or, if the request is made after March 1 immediately preceding that
11 school year, within 60 days after the nonpublic school submits the
12 request. The written reply shall specify whether the district
13 agrees to provide or does not agree to provide the instruction for
14 each portion of instruction included in the request.

15 Enacting section 1. In accordance with section 30 of article
16 IX of the state constitution of 1963, total state spending from
17 state sources on state school aid under article I of the state
18 school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as
19 amended by 2017 PA 108 and this amendatory act for fiscal year
20 2017-2018 is estimated at \$12,857,370,400.00 and state
21 appropriations for school aid to be paid to local units of
22 government for fiscal year 2017-2018 are estimated at
23 \$12,679,972,800.00.

24 Enacting section 2. This amendatory act takes effect October
25 1, 2017.