

**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, 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, 388.1631j, 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, 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.

1 (3) Any general fund allocations under this article that are
2 not expended by the end of the state fiscal year are transferred to
3 the school aid stabilization fund created under section 11a.

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

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

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

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

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

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

27 **(ii) PROVIDE A REPORT NO LATER THAN 3 MONTHS FOLLOWING THE END**

1 OF THAT FISCAL YEAR THAT INCLUDES ALL OF THE FOLLOWING:

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

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

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

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

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

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

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

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

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

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

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

1 (C) PROPOSED AMENDMENTS TO BENCHMARKS THAT MAY BETTER INDICATE
2 EFFICACY AND USEFULNESS.

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

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

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

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

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

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

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

1 district.

2 (c) ~~The~~ **EXCEPT FOR A PUPIL ENROLLED AS A PART-TIME PUPIL UNDER**
3 **SECTION 166B, THE** primary district, in collaboration with the
4 pupil, has developed an education development plan, in a form and
5 manner specified by the department, that is kept on file by the
6 district.

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

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

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

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

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

1 credit.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 format.

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

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

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

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

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

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

1 year as calculated under section 20.

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

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

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

24 (14) As used in this section:

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

27 (b) "Mentor" means a professional employee of the primary

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

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

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

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

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

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

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

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

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

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

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

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

12 (ii) The virtual course content outline.

13 (iii) The virtual course required assessments.

14 (iv) The virtual course prerequisites.

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

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

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

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

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

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

1 (xi) The number of eligible pupils that will be accepted by
2 the provider in the virtual course. A primary district that is also
3 the provider may limit the enrollment to those pupils enrolled in
4 the primary district.

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

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

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

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

1 enrolled and is in attendance in an educating district or
2 intermediate district as described in this subsection, the pupil
3 transfer process shall do the following:

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

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

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

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

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

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

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

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

1 or intermediate district, and the department shall base all
2 subsequent payments under this article for the fiscal year to the
3 affected districts or intermediate districts on this recalculation
4 of state school aid.

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

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

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

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

12 (8) As used in this section:

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

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

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

27 (2) The department shall provide funding to **DISTRICTS IN**

1 prosperity regions 2, 4, and 9 for the pilot project described
2 under this section. From the funding ~~identified~~ **TO DISTRICTS** in
3 subsection (1), funding retained by ~~the~~ prosperity regions ~~for~~
4 ~~administration of~~ **THAT ADMINISTER** the project shall not exceed 10%,
5 and funding retained by the department for administration shall not
6 exceed 6%. **A PROSPERITY REGION MAY ENTER INTO A MEMORANDUM OF**
7 **UNDERSTANDING WITH THE DEPARTMENT OR ANOTHER PROSPERITY REGION, OR**
8 **BOTH, TO ADMINISTER THE PROJECT. IF THE DEPARTMENT ADMINISTERS THE**
9 **PROJECT FOR A PROSPERITY REGION, THE DEPARTMENT MAY RETAIN UP TO**
10 **10% OF THAT PROSPERITY REGION'S FUNDING FOR ADMINISTRATION.**

11 (3) The department shall develop and implement a competitive
12 grant program for districts within the identified prosperity
13 regions to assist in paying for the costs incurred by the district
14 to purchase or increase purchases of whole or minimally processed
15 fruits, vegetables, and legumes grown in this state. The maximum
16 amount that may be drawn down on a grant to a district shall be
17 based on the number of meals served by the school district during
18 the previous school year under the Richard B. Russell national
19 school lunch act, 42 USC 1751 to 1769j. The department shall
20 collaborate with the Michigan department of agriculture and rural
21 development to provide training to newly participating schools and
22 electronic information on Michigan agriculture.

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

27 (5) A district that receives a grant under this section shall

1 use those funds for the costs incurred by the school district to
2 purchase whole or minimally processed fruits, vegetables, and
3 legumes that meet all of the following:

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

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

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

12 (6) For Michigan-grown fruits, vegetables, and legumes that
13 satisfy the requirements of subsection (5), matching reimbursements
14 shall be made in an amount not to exceed 10 cents for every school
15 meal that is served as part of the United States Department of
16 Agriculture's child nutrition programs and that uses Michigan-grown
17 fruits, vegetables, and legumes.

18 (7) A district that receives a grant for reimbursement under
19 this section shall use the grant to purchase whole or minimally
20 processed fruits, vegetables, and legumes that are grown in this
21 state and, if minimally processed, are also processed in this
22 state.

23 (8) In awarding grants under this section, the department
24 shall work in conjunction with prosperity region offices, in
25 consultation with Michigan-based farm to school resource
26 organizations, to develop scoring criteria that assess an
27 applicant's ability to procure Michigan-grown products, prepare and

1 menu Michigan-grown products, promote and market Michigan-grown
2 products, and submit letters of intent from districts on plans for
3 educational activities that promote the goals of the program.

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

9 (10) In awarding grants, the department shall also consider
10 all of the following: the percentage of children who qualify for
11 free or reduced price school meals under the Richard B. Russell
12 national school lunch act, 42 USC 1751 to 1769j; the variety of
13 school sizes and geographic locations within the identified
14 prosperity regions; and existing or future collaboration
15 opportunities between more than 1 district in a prosperity region.

16 (11) As a condition of receiving a grant under this section, a
17 district shall provide or direct its vendors to provide to
18 prosperity region offices copies of monthly receipts that show the
19 quantity of different Michigan-grown fruits, vegetables, and
20 legumes purchased, the amount of money spent on each of these
21 products, and the name and Michigan location of the farm that grew
22 the products. The district shall also provide to the prosperity
23 region monthly lunch numbers and lunch participation rates, and
24 calendars or monthly menus noting when and how Michigan-grown
25 products were used in meals. The district and school food service
26 director or directors also shall agree to respond to brief online
27 surveys and to provide a report that shows the percentage

1 relationship of Michigan spending compared to total food spending.
2 Not later than March 1, 2018, each prosperity region office, **EITHER**
3 **ON ITS OWN OR IN CONJUNCTION WITH ANOTHER PROSPERITY REGION**, shall
4 submit a report to the department on expected outcomes and related
5 measurements for economic development and children's nutrition and
6 readiness to learn based on progress so far. The report shall
7 include at least all of the following:

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

13 (i) The data used to determine the amount of this increase
14 shall be the total dollar amount of Michigan or local fruits,
15 vegetables, and legumes purchased by schools, along with the number
16 of different types of products purchased; school food purchasing
17 trends identified along with products that are of new and growing
18 interest among food service directors; the number of businesses
19 impacted; and the percentage of total food budget spent on
20 Michigan-grown fruits, vegetables, and legumes.

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

25 (b) The ability to which pupils can access a variety of
26 healthy Michigan-grown foods through schools and increase their
27 consumption of those foods. All of the following apply for purposes

1 of this subdivision:

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

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

11 (12) The department shall compile the reports provided by
12 prosperity region offices under subsection (11) into 1 legislative
13 report. The department shall provide this report not later than
14 April 1, 2018 to the house and senate subcommittees responsible for
15 school aid, the house and senate fiscal agencies, and the state
16 budget director.

17 Sec. 32d. (1) From the funds appropriated in section 11, there
18 is allocated to eligible intermediate districts and consortia of
19 intermediate districts for great start readiness programs an amount
20 not to exceed \$243,600,000.00 for 2017-2018. Funds allocated under
21 this section for great start readiness programs shall be used to
22 provide part-day, school-day, or GSRP/Head Start blended
23 comprehensive free compensatory classroom programs designed to
24 improve the readiness and subsequent achievement of educationally
25 disadvantaged children who meet the participant eligibility and
26 prioritization guidelines as defined by the department. For a child
27 to be eligible to participate in a program under this section, the

1 child shall be at least 4, but less than 5, years of age as of
2 September 1 of the school year in which the program is offered and
3 shall meet those eligibility and prioritization guidelines. **A CHILD**
4 **WHO IS NOT 4 YEARS OF AGE AS OF SEPTEMBER 1, BUT WHO WILL BE 4**
5 **YEARS OF AGE NOT LATER THAN DECEMBER 1, IS ELIGIBLE TO PARTICIPATE**
6 **IF THE CHILD'S PARENT OR LEGAL GUARDIAN SEEKS A WAIVER FROM THE**
7 **SEPTEMBER 1 ELIGIBILITY DATE BY SUBMITTING A REQUEST FOR ENROLLMENT**
8 **IN A PROGRAM TO THE RESPONSIBLE INTERMEDIATE DISTRICT, IF THE**
9 **PROGRAM HAS CAPACITY ON OR AFTER SEPTEMBER 1 OF THE SCHOOL YEAR,**
10 **AND IF THE CHILD MEETS ELIGIBILITY AND PRIORITIZATION GUIDELINES.**

11 (2) Funds allocated under subsection (1) shall be allocated to
12 intermediate districts or consortia of intermediate districts based
13 on the formula in section 39. An intermediate district or
14 consortium of intermediate districts receiving funding under this
15 section shall act as the fiduciary for the great start readiness
16 programs. In order to be eligible to receive funds allocated under
17 this subsection from an intermediate district or consortium of
18 intermediate districts, a district, a consortium of districts, or a
19 public or private for-profit or nonprofit legal entity or agency
20 shall comply with this section and section 39.

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

26 (4) To be eligible for funding under this section, a program
27 shall prepare children for success in school through comprehensive

1 part-day, school-day, or GSRP/Head Start blended programs that
2 contain all of the following program components, as determined by
3 the department:

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

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

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

14 (d) Physical and dental health and developmental screening
15 services for all program participants.

16 (e) Referral services for families of program participants to
17 community social service agencies, including mental health
18 services, as appropriate.

19 (f) Active and continuous involvement of the parents or
20 guardians of the program participants.

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

24 (h) Participation in a school readiness advisory committee
25 convened as a workgroup of the great start collaborative that
26 provides for the involvement of classroom teachers, parents or
27 guardians of program participants, and community, volunteer, and

1 social service agencies and organizations, as appropriate. The
2 advisory committee annually shall review and make recommendations
3 regarding the program components listed in this subsection. The
4 advisory committee also shall make recommendations to the great
5 start collaborative regarding other community services designed to
6 improve all children's school readiness.

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

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

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

14 (a) Ensure compliance with all program components described in
15 subsection (4).

16 (b) Except as otherwise provided in this subdivision, ensure
17 that at least 90% of the children participating in an eligible
18 great start readiness program for whom the intermediate district is
19 receiving funds under this section are children who live with
20 families with a household income that is equal to or less than 250%
21 of the federal poverty level. If the intermediate district
22 determines that all eligible children are being served and that
23 there are no children on the waiting list who live with families
24 with a household income that is equal to or less than 250% of the
25 federal poverty level, the intermediate district may then enroll
26 children who live with families with a household income that is
27 equal to or less than 300% of the federal poverty level. The

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

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

13 (i) Teachers possessing proper training. A lead teacher must
14 have a valid teaching certificate with an early childhood (ZA or
15 ZS) endorsement or a bachelor's or higher degree in child
16 development or early childhood education with specialization in
17 preschool teaching. However, if an applicant demonstrates to the
18 department that it is unable to fully comply with this subparagraph
19 after making reasonable efforts to comply, teachers who have
20 significant but incomplete training in early childhood education or
21 child development may be used if the applicant provides to the
22 department, and the department approves, a plan for each teacher to
23 come into compliance with the standards in this subparagraph. A
24 teacher's compliance plan must be completed within 2 years of the
25 date of employment. Progress toward completion of the compliance
26 plan shall consist of at least 2 courses per calendar year.

27 (ii) Paraprofessionals possessing proper training in early

1 childhood education, including an associate's degree in early
2 childhood education or child development or the equivalent, or a
3 child development associate (CDA) credential. However, if an
4 applicant demonstrates to the department that it is unable to fully
5 comply with this subparagraph after making reasonable efforts to
6 comply, the applicant may use paraprofessionals who have completed
7 at least 1 course that earns college credit in early childhood
8 education or child development if the applicant provides to the
9 department, and the department approves, a plan for each
10 paraprofessional to come into compliance with the standards in this
11 subparagraph. A paraprofessional's compliance plan must be
12 completed within 2 years of the date of employment. Progress toward
13 completion of the compliance plan shall consist of at least 2
14 courses or 60 clock hours of training per calendar year.

15 (d) Include a program budget that contains only those costs
16 that are not reimbursed or reimbursable by federal funding, that
17 are clearly and directly attributable to the great start readiness
18 program, and that would not be incurred if the program were not
19 being offered. Eligible costs include transportation costs. The
20 program budget shall indicate the extent to which these funds will
21 supplement other federal, state, local, or private funds. Funds
22 received under this section shall not be used to supplant any
23 federal funds received by the applicant to serve children eligible
24 for a federally funded preschool program that has the capacity to
25 serve those children.

26 (6) For a grant recipient that enrolls pupils in a school-day
27 program funded under this section, each child enrolled in the

1 school-day program shall be counted as described in section 39 for
2 purposes of determining the amount of the grant award.

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

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

14 (9) An intermediate district or consortium of intermediate
15 districts may retain for administrative services provided by the
16 intermediate district or consortium of intermediate districts an
17 amount not to exceed 4% of the grant amount. Expenses incurred by
18 subrecipients engaged by the intermediate district or consortium of
19 intermediate districts for directly running portions of the program
20 shall be considered program costs or a contracted program fee for
21 service.

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

25 (11) Each grant recipient shall enroll children identified
26 under subsection (5)(b) according to how far the child's household
27 income is below 250% of the federal poverty level by ranking each

1 applicant child's household income from lowest to highest and
2 dividing the applicant children into quintiles based on how far the
3 child's household income is below 250% of the federal poverty
4 level, and then enrolling children in the quintile with the lowest
5 household income before enrolling children in the quintile with the
6 next lowest household income until slots are completely filled. If
7 the grant recipient determines that all eligible children are being
8 served and that there are no children on the waiting list who live
9 with families with a household income that is equal to or less than
10 250% of the federal poverty level, the grant recipient may then
11 enroll children who live with families with a household income that
12 is equal to or less than 300% of the federal poverty level. The
13 enrollment process shall consider income and risk factors, such
14 that children determined with higher need are enrolled before
15 children with lesser need. For purposes of this subdivision, all
16 age-eligible children served in foster care or who are experiencing
17 homelessness or who have individualized education plans
18 recommending placement in an inclusive preschool setting shall be
19 considered to live with families with household income equal to or
20 less than 250% of the federal poverty level regardless of actual
21 family income and shall be prioritized for enrollment within the
22 lowest quintile.

23 (12) An intermediate district or consortium of intermediate
24 districts receiving a grant under this section shall allow parents
25 of eligible children who are residents of the intermediate district
26 or within the consortium to choose a program operated by or
27 contracted with another intermediate district or consortium of

1 intermediate districts and shall enter into a written agreement
2 regarding payment, in a manner prescribed by the department.

3 (13) An intermediate district or consortium of intermediate
4 districts receiving a grant under this section shall conduct a
5 local process to contract with interested and eligible public and
6 private for-profit and nonprofit community-based providers that
7 meet all requirements of subsection (4) for at least 30% of its
8 total allocation. For the purposes of this 30% allocation, an
9 intermediate district or consortium of intermediate districts may
10 count children served by a Head Start grantee or delegate in a
11 blended Head Start and great start readiness school-day program.
12 Children served in a program funded only through Head Start shall
13 not be counted toward this 30% allocation. The intermediate
14 district or consortium shall report to the department, in a manner
15 prescribed by the department, a detailed list of community-based
16 providers by provider type, including private for-profit, private
17 nonprofit, community college or university, Head Start grantee or
18 delegate, and district or intermediate district, and the number and
19 proportion of its total allocation allocated to each provider as
20 subrecipient. If the intermediate district or consortium is not
21 able to contract for at least 30% of its total allocation, the
22 grant recipient shall notify the department and, if the department
23 verifies that the intermediate district or consortium attempted to
24 contract for at least 30% of its total allocation and was not able
25 to do so, then the intermediate district or consortium may retain
26 and use all of its allocation as provided under this section. To be
27 able to use this exemption, the intermediate district or consortium

1 shall demonstrate to the department that the intermediate district
2 or consortium increased the percentage of its total allocation for
3 which it contracts with a community-based provider and the
4 intermediate district or consortium shall submit evidence
5 satisfactory to the department, and the department must be able to
6 verify this evidence, demonstrating that the intermediate district
7 or consortium took measures to contract for at least 30% of its
8 total allocation as required under this subsection, including, but
9 not limited to, at least all of the following measures:

10 (a) The intermediate district or consortium notified each
11 nonparticipating licensed child care center located in the service
12 area of the intermediate district or consortium regarding the
13 center's eligibility to participate, in a manner prescribed by the
14 department.

15 (b) The intermediate district or consortium provided to each
16 nonparticipating licensed child care center located in the service
17 area of the intermediate district or consortium information
18 regarding great start readiness program requirements and a
19 description of the application and selection process for community-
20 based providers.

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

25 (14) If an intermediate district or consortium of intermediate
26 districts receiving a grant under this section fails to submit
27 satisfactory evidence to demonstrate its effort to contract for at

1 least 30% of its total allocation, as required under subsection
2 ~~(1)~~, (13), the department shall reduce the allocation to the
3 intermediate district or consortium by a percentage equal to the
4 difference between the percentage of an intermediate district's or
5 consortium's total allocation awarded to community-based providers
6 and 30% of its total allocation.

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

11 (a) Ensure that a great start resource center or the
12 department provides each intermediate district or consortium
13 receiving a grant under this section with the contact information
14 for each licensed child care center located in the service area of
15 the intermediate district or consortium by March 1 of each year.

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

20 (c) Ensure that all intermediate district, district, community
21 college or university, Head Start grantee or delegate, private for-
22 profit, and private nonprofit providers are subject to a single
23 great start to quality rating system. The rating system shall
24 ensure that regulators process all prospective providers at the
25 same pace on a first-come, first-served basis and shall not allow 1
26 type of provider to receive a great start to quality rating ahead
27 of any other type of provider.

1 (d) Not later than December 1 of each year, compile the
2 results of the information reported by each intermediate district
3 or consortium under subsection ~~(10)~~ **(13)** and report to the
4 legislature a list by intermediate district or consortium with the
5 number and percentage of each intermediate district's or
6 consortium's total allocation allocated to community-based
7 providers by provider type, including private for-profit, private
8 nonprofit, community college or university, Head Start grantee or
9 delegate, and district or intermediate district.

10 (16) A recipient of funds under this section shall report to
11 the department in a form and manner prescribed by the department
12 the number of children participating in the program who meet the
13 income eligibility criteria under subsection (5) (b) and the total
14 number of children participating in the program. For children
15 participating in the program who meet the income eligibility
16 criteria specified under subsection (5) (b), a recipient shall also
17 report whether or not a parent is available to provide care based
18 on employment status. For the purposes of this subsection,
19 "employment status" shall be defined by the department of health
20 and human services in a manner consistent with maximizing the
21 amount of spending that may be claimed for temporary assistance for
22 needy families maintenance of effort purposes.

23 (17) As used in this section:

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

27 (b) "Part-day program" means a program that operates at least

1 4 days per week, 30 weeks per year, for at least 3 hours of
2 teacher-child contact time per day but for fewer hours of teacher-
3 child contact time per day than a school-day program.

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

9 (18) An intermediate district or consortium of intermediate
10 districts receiving funds under this section shall establish and
11 charge tuition according to a sliding scale of tuition rates based
12 upon household income for children participating in an eligible
13 great start readiness program who live with families with a
14 household income that is more than 250% of the federal poverty
15 level to be used by all of its providers, as approved by the
16 department.

17 (19) From the amount appropriated in subsection (1), there is
18 allocated an amount not to exceed \$10,000,000.00 for reimbursement
19 of transportation costs for children attending great start
20 readiness programs funded under this section. To receive
21 reimbursement under this subsection, not later than November 1,
22 2017, a program funded under this section that provides
23 transportation shall submit to the intermediate district that is
24 the fiscal agent for the program a projected transportation budget.
25 The amount of the reimbursement for transportation under this
26 subsection shall be no more than the projected transportation
27 budget or \$300.00 multiplied by the number of children funded for

1 the program under this section. If the amount allocated under this
2 subsection is insufficient to fully reimburse the transportation
3 costs for all programs that provide transportation and submit the
4 required information, the reimbursement shall be prorated in an
5 equal amount per child funded. Payments shall be made to the
6 intermediate district that is the fiscal agent for each program,
7 and the intermediate district shall then reimburse the program
8 provider for transportation costs as prescribed under this
9 subsection.

10 (20) The department shall implement a process to review and
11 approve age-appropriate comprehensive classroom level quality
12 assessments for GSRP grantees that support the early childhood
13 standards of quality for prekindergarten children adopted by the
14 state board. The department shall complete the approval process and
15 make available to intermediate districts at least 2 approved
16 classroom level quality assessments no later than April 1, 2018.

17 (21) An intermediate district that is a GSRP grantee may
18 approve the use of a supplemental curriculum that aligns with and
19 enhances the age-appropriate educational curriculum in the
20 classroom. If the department objects to the use of a supplemental
21 curriculum approved by an intermediate district, the superintendent
22 of public instruction shall establish a review committee
23 independent of the department. The review committee shall meet
24 within 60 days of the department registering its objection in
25 writing and provide a final determination on the validity of the
26 objection within 60 days of the review committee's first meeting.

27 **(22) A GREAT START READINESS PROGRAM OR A GSRP/HEAD START**

1 **BLENDED PROGRAM FUNDED UNDER THIS SECTION SHALL BE PERMITTED TO**
2 **UTILIZE AMERICORPS PRE-K READING CORPS MEMBERS IN CLASSROOMS**
3 **IMPLEMENTING RESEARCH-BASED EARLY LITERACY INTERVENTION STRATEGIES.**

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

8 (2) A district that receives funds under subsection (5) may
9 spend up to 5% of those funds for professional development for
10 educators in a department-approved research-based training program
11 related to current state literacy standards for pupils in grades K
12 to 3. The professional development shall also include training in
13 the use of screening and diagnostic tools, progress monitoring, and
14 intervention methods used to address barriers to learning and
15 delays in learning that are diagnosed through the use of these
16 tools.

17 (3) A district that receives funds under subsection (5) may
18 use up to 5% of those funds to administer department-approved
19 screening and diagnostic tools to monitor the development of early
20 literacy and early reading skills of pupils in grades K to 3 and to
21 support research-based professional development for educators in
22 administering screening and diagnostic tools and in data
23 interpretation of the results obtained through the use of those
24 tools for the purpose of implementing a multi-tiered system of
25 support to improve reading proficiency among pupils in grades K to
26 3. A department-approved screening and diagnostic tool administered
27 by a district using funding under this section must include all of

1 the following components: phonemic awareness, phonics, fluency, and
2 comprehension. Further, all of the following sub-skills must be
3 assessed within each of these components:

4 (a) Phonemic awareness - segmentation, blending, and sound
5 manipulation (deletion and substitution).

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

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

8 (d) Comprehension - making meaning of text.

9 (4) From the allocations under subsection (1), there is
10 allocated an amount not to exceed \$6,000,000.00 for 2017-2018 for
11 the purpose of providing early literacy coaches at intermediate
12 districts to assist teachers in developing and implementing
13 instructional strategies for pupils in grades K to 3 so that pupils
14 are reading at grade level by the end of grade 3. All of the
15 following apply to funding under this subsection:

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

20 (i) Current state literacy standards for pupils in grades K to
21 3.

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

27 (iii) The use of data from diagnostic tools to determine the

1 necessary additional supports and interventions needed by
2 individual pupils in grades K to 3 in order to be reading at grade
3 level.

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

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

13 (ii) After distribution of the grant funding under
14 subparagraph (i), the department shall distribute the remainder of
15 grant funding for additional early literacy coaches in an amount
16 not to exceed \$75,000.00 per early literacy coach. The number of
17 funded early literacy coaches for each intermediate district shall
18 be based on the percentage of the total statewide number of pupils
19 in grades K to 3 who meet the income eligibility standards for the
20 federal free and reduced-price lunch programs who are enrolled in
21 districts in the intermediate district. For each additional early
22 literacy coach funded under this subparagraph, the department shall
23 not make an award to an intermediate district under this
24 subparagraph in an amount that is less than the amount necessary to
25 pay 1/2 of the total cost of that additional early literacy coach.

26 (5) From the allocations under subsection (1), there is
27 allocated an amount not to exceed \$20,900,000.00 for 2017-2018 to

1 districts that provide additional instructional time to those
2 pupils in grades K to 3 who have been identified by using
3 department-approved screening and diagnostic tools as needing
4 additional supports and interventions in order to be reading at
5 grade level by the end of grade 3. Additional instructional time
6 may be provided before, during, and after regular school hours or
7 as part of a year-round balanced school calendar. All of the
8 following apply to funding under this subsection:

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

12 (i) Implemented a multi-tiered system of support instructional
13 delivery model that is an evidence-based model that uses data-
14 driven problem solving to integrate academic and behavioral
15 instruction and that uses intervention delivered to all pupils in
16 varying intensities based on pupil needs. The multi-tiered system
17 of supports must provide at least all of the following essential
18 elements:

19 (A) Implements effective instruction for all learners.

20 (B) Intervenes early.

21 (C) Provides a multi-tiered model of instruction and
22 intervention that provides the following: a core curriculum and
23 classroom interventions available to all pupils that meet the needs
24 of most pupils; targeted group interventions; and intense
25 individual interventions.

26 (D) Monitors pupil progress to inform instruction.

27 (E) Uses data to make instructional decisions.

1 (F) Uses assessments including universal screening,
2 diagnostics, and progress monitoring.

3 (G) Engages families and the community.

4 (H) Implements evidence-based, scientifically validated,
5 instruction and intervention.

6 (I) Implements instruction and intervention practices with
7 fidelity.

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

9 (ii) Used department-approved research-based diagnostic tools
10 to identify individual pupils in need of additional instructional
11 time.

12 (iii) Used a reading instruction method that focuses on the 5
13 fundamental building blocks of reading: phonics, phonemic
14 awareness, fluency, vocabulary, and comprehension and content
15 knowledge.

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

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

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

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

1 (6) From the general fund money allocated in subsection (1),
2 the department shall allocate the amount of \$2,500,000.00 for 2017-
3 2018 to the Michigan Education Corps. All of the following apply to
4 funding under this subsection:

5 (a) By August 1 of the current fiscal year, the Michigan
6 Education Corps shall provide a report concerning its use of the
7 funding to the senate and house appropriations subcommittees on
8 state school aid, the senate and house fiscal agencies, and the
9 senate and house caucus policy offices on outcomes and performance
10 measures of the Michigan Education Corps, including, but not
11 limited to, the degree to which the Michigan Education Corps's
12 replication of the Michigan Reading Corps program is demonstrating
13 sufficient efficacy and impact. The report must include data
14 pertaining to at least all of the following:

15 (i) The current impact of the Michigan Reading Corps on this
16 state in terms of numbers of children and programs receiving
17 support. This portion of the report shall specify the number of
18 children tutored, including dosage and completion, and the
19 demographics of those children.

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

24 (iii) Whether the literacy improvement of children
25 participating in the Michigan Reading Corps is consistent with
26 expectations. This portion of the report shall detail at least all
27 of the following:

1 (A) Growth rate by grade level, in comparison to targeted
2 growth rate.

3 (B) Average linear growth rates.

4 (C) Exit rates.

5 (D) Percentage of children who exit who also meet or exceed
6 spring benchmarks.

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

10 (b) If the department determines that the Michigan Education
11 Corps has misused the funds allocated under this subsection, the
12 Michigan Education Corps shall reimburse this state for the amount
13 of state funding misused.

14 (c) The department may not reserve any portion of the
15 allocation provided under this subsection for an evaluation of the
16 Michigan Education Corps, the Michigan Education Corps' funding, or
17 the Michigan Education Corps' programming. The department shall
18 award the entire \$2,500,000.00 allocated under this subsection to
19 the Michigan Education Corps and shall not condition the awarding
20 of this funding on the implementation of an independent evaluation.

21 Sec. 61c. (1) From the general fund appropriation in section
22 11, there is allocated for 2017-2018 an amount not to exceed
23 ~~\$9,600,000.00~~ **\$7,000,000.00** to career education planning districts
24 for the CTE skilled trades initiative ~~under this section.~~ **DESCRIBED**
25 **IN SUBSECTIONS (2) TO (5).**

26 (2) To be eligible to receive funding under ~~this section,~~
27 **SUBSECTION (1)**, each CEPD shall apply in a form and manner

1 determined by the department. Funding to each CEPD shall be equal
2 to the quotient of the allocation under subsection (1) and the sum
3 of the number of career education planning districts applying for
4 funding under ~~this section~~. **SUBSECTION (1)**.

5 (3) The funding allocated to each CEPD shall be used to update
6 equipment in current CTE programs that have been identified in the
7 highest 5 career cluster rankings in any of the 10 regional
8 strategic plans jointly approved by the Michigan talent investment
9 agency in the department of talent and economic development and the
10 department, for training on new equipment, for professional
11 development relating to computer science or coding, or for new and
12 emerging certified CTE programs to allow CEPD administrators to
13 provide programming in communities that will enhance economic
14 development. The funding for equipment should be used to support
15 and enhance community areas that have sustained job growth, and act
16 as a commitment to build a more qualified and skilled workforce. In
17 addition, each CEPD is encouraged to explore the option of leasing
18 equipment from local private industry to encourage the use of the
19 most advanced equipment.

20 (4) The allocation of funds at the local level shall be
21 determined by CEPD administrators using data from the state,
22 region, and local sources to make well-informed decisions on
23 program equipment improvements. Grants awarded by CEPD
24 administrators for capital infrastructure shall be used to ensure
25 that CTE programs can deliver educational programs in high-wage,
26 high-skill, and high-demand occupations. Each CEPD shall continue
27 to ensure that program advisory boards make recommendations on

1 needed improvements for equipment that support job growth and job
2 skill development and retention for both the present and the
3 future.

4 (5) Not later than September 15 of each fiscal year, each CEPD
5 receiving funding under ~~this section~~ **SUBSECTION (1)** shall annually
6 report to the department, the senate and house appropriations
7 subcommittees on state school aid, and the senate and house fiscal
8 agencies and legislature on equipment purchased under ~~this section~~.
9 **SUBSECTION (1)**. In addition, the report shall identify growth data
10 on program involvement, retention, and development of student
11 skills.

12 (6) ~~From the allocation~~ **IN ADDITION TO THE FUNDS ALLOCATED**
13 under subsection (1), **FROM THE GENERAL FUND APPROPRIATION IN**
14 **SECTION 11**, there is allocated for 2017-2018 an amount not to
15 exceed ~~\$300,000.00~~ **\$500,000.00** to districts for a competitive grant
16 to mechatronics programs that operated in 2016-2017 for updating
17 mechatronics program equipment.

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

25 (8) **TO BE ELIGIBLE TO RECEIVE A COMPETITIVE GRANT UNDER**
26 **SUBSECTION (7), AN APPLICANT SHALL APPLY IN A FORM AND MANNER**
27 **DETERMINED BY THE DEPARTMENT. THE AMOUNT OF A GRANT AWARDED FROM**

1 THE ALLOCATION UNDER SUBSECTION (7) SHALL BE AT LEAST \$100,000.00
2 BUT SHALL NOT EXCEED \$1,000,000.00 AND SHALL BE USED FOR THE
3 PURCHASE OR LEASE OF EQUIPMENT FROM PRIVATE INDUSTRY PARTNERS AND
4 FOR RELATED CAPACITY BUILDING ACTIVITIES. A GRANT APPLICATION FOR A
5 GRANT AWARDED FROM THE ALLOCATION UNDER SUBSECTION (7) SHALL
6 INCLUDE AT LEAST ALL OF THE FOLLOWING INFORMATION:

7 (A) A DESCRIPTION OF HOW THE PROPOSED CAPITAL INFRASTRUCTURE
8 INITIATIVE WILL PROVIDE INCREASED CAREER OPPORTUNITIES FOR STUDENTS
9 AND ADULT LEARNERS IN HIGH-WAGE, HIGH-SKILL, AND HIGH-DEMAND
10 OCCUPATIONS.

11 (B) DEMONSTRATED EVIDENCE OF EMPLOYER DEMAND FOR THE
12 INITIATIVE AND RELATED CTE TRAINING, INCLUDING DOCUMENTATION OF
13 INDUSTRY INVOLVEMENT IN THE INITIATIVE THAT WILL ALLOW FOR WORK-
14 BASED LEARNING OPPORTUNITIES, APPRENTICESHIPS, TEACHER EXTERNSHIPS,
15 OR A COMBINATION OF THESE.

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

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

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

24 (9) THE DEPARTMENT SHALL EVALUATE GRANT APPLICATIONS UNDER
25 SUBSECTION (8) IN COLLABORATION WITH THE DEPARTMENT OF TALENT AND
26 ECONOMIC DEVELOPMENT. A MEMBER OF THE GOVERNOR'S TALENT INVESTMENT
27 BOARD MAY SERVE IN AN ADVISORY CAPACITY IN THE EVALUATION PROCESS

1 AS DETERMINED BY THE DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT.

2 (10) NOT LATER THAN DECEMBER 15 OF EACH FISCAL YEAR, EACH
3 GRANT RECIPIENT RECEIVING FUNDING UNDER SUBSECTION (7) SHALL
4 ANNUALLY REPORT TO THE DEPARTMENT, THE DEPARTMENT OF TALENT AND
5 ECONOMIC DEVELOPMENT, THE HOUSE AND SENATE APPROPRIATIONS
6 SUBCOMMITTEES ON STATE SCHOOL AID, THE HOUSE AND SENATE FISCAL
7 AGENCIES, AND THE STATE BUDGET DIRECTOR ON EQUIPMENT PURCHASED
8 UNDER SUBSECTION (7) IN THE IMMEDIATELY PRECEDING SCHOOL YEAR. THE
9 REPORT SHALL IDENTIFY GROWTH DATA ON PROGRAM INVOLVEMENT,
10 RETENTION, AND DEVELOPMENT OF STUDENT AND ADULT LEARNER SKILLS.

11 (11) ~~(7)~~As used in this section: τ

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

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

15 Sec. 64d. (1) From the general fund appropriation under
16 section 11, there is allocated an amount not to exceed
17 ~~\$1,000,000.00~~ \$2,300,000.00 for 2017-2018 for a competitive grant
18 to provide information technology education opportunities to
19 students attending schools operating grades K-12, career and
20 technical centers and career academies, and community colleges and
21 universities. It is the intent of the legislature that 2017-2018 is
22 the first of 3 years of funding for the competitive grant program.
23 Funds allocated under this section shall be used for instruction in
24 information technology skills and competencies that are essential
25 for the workplace and requested by employers and shall allow
26 participating students and faculties to secure broad-based
27 information technology certifications and, if applicable, college

1 credit.

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

5 (a) Research- and skill-development-based and information
6 technology curriculum.

7 (b) Online access to the curriculum.

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

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

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

14 (f) A process for students to obtain certifications of skills
15 and competencies in a broad base of information technology-related
16 skill areas.

17 (g) Professional development for faculty.

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

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

21 (3) The department shall give priority to proposals by
22 providers that have previously demonstrated success in this state
23 in providing high-quality information technology education
24 opportunities to students.

25 (4) The funds allocated under this section for 2017-2018 are a
26 work project appropriation, and any unexpended funds for 2017-2018
27 are to be carried forward into 2018-2019. The purpose of the work

1 project is to continue to provide information technology education
2 opportunities described in this section. The estimated completion
3 date of the work project is September 30, 2020.

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

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

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

14 (b) Assesses student skills, abilities, and preferences to
15 match them with careers of interest.

16 (c) Allows students to explore careers with access to more
17 than 600 career profiles, including, but not limited to, career
18 descriptions, education and training requirements, and earning
19 information.

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

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

27 (f) Provides students with step-by-step help to develop a job

1 search plan, write a resume and cover letter, and prepare for job
2 interviews.

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

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

9 **(4) ~~(3)~~**—Notwithstanding section 17b, payments under this
10 section shall be paid on a schedule determined by the department.

11 Sec. 95b. (1) From the general fund appropriation under
12 section 11, there is allocated to the department an amount not to
13 exceed \$2,500,000.00 for 2017-2018 for the department to adopt a
14 model value-added growth and projection analytics system and to
15 incorporate that model into its reporting requirements under the
16 every student succeeds act, Public Law 114-95. The adopted model
17 shall do at least all of the following:

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

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

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

24 (d) Include all available prior standardized assessment data
25 that meet inclusion criteria across grades, subjects, and state and
26 local assessments.

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

1 (f) Provide individual student projections showing the
2 probability of a student reaching specific performance levels on
3 future assessments.

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

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

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

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

14 (2) The department shall provide internet-based electronic
15 student growth and projection reporting based on the model adopted
16 under subsection (1) to educators at the school, district, and
17 state levels. The model shall include role-based permissions that
18 allow educators to access information about the performance of the
19 students within their immediate responsibility in accordance with
20 applicable privacy laws.

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

24 Sec. 99h. (1) From the state school aid fund appropriation in
25 section 11, there is allocated an amount not to exceed
26 \$2,500,000.00 for 2017-2018 for competitive grants to districts,
27 and from the general fund appropriation in section 11, there is

1 allocated an amount not to exceed \$300,000.00 for 2017-2018 for
2 competitive grants to nonpublic schools, that provide pupils in
3 grades K to 12 with expanded opportunities to improve mathematics,
4 science, and technology skills by participating in events hosted by
5 a science and technology development program known as FIRST (for
6 inspiration and recognition of science and technology) Robotics,
7 including JR FIRST Lego League, FIRST Lego League, FIRST tech
8 challenge, and FIRST Robotics competition. Programs funded under
9 this section are intended to increase the number of pupils
10 demonstrating proficiency in science and mathematics on the state
11 assessments and to increase the number of pupils who are college-
12 and career-ready upon high school graduation. Notwithstanding
13 section 17b, grant payments to districts and nonpublic schools
14 under this section shall be paid on a schedule determined by the
15 department. The department shall set maximum grant awards for each
16 different level of competition in a manner that both maximizes the
17 number of teams that will be able to receive funds and expands the
18 geographical distribution of teams.

19 (2) A district or nonpublic school applying for a grant under
20 this section shall submit an application in a form and manner
21 determined by the department. To be eligible for a grant, a
22 district or nonpublic school shall demonstrate in its application
23 that the district or nonpublic school has established a partnership
24 for the purposes of the FIRST Robotics program with at least 1
25 sponsor, business entity, higher education institution, or
26 technical school, shall submit a spending plan, and shall pay at
27 least 25% of the cost of the FIRST Robotics program.

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

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

5 (b) Grants to districts or nonpublic schools for event
6 registrations, materials, travel costs, and other expenses
7 associated with the preparation for and attendance at FIRST
8 Robotics events and competitions. Each grant recipient shall
9 provide a local match from other private or local funds for the
10 funds received under this subdivision equal to at least 50% of the
11 costs of participating in an event.

12 (c) Grants to districts or nonpublic schools for awards to
13 teams that advance to the state and world championship
14 competitions. The department shall determine an equal amount per
15 team for those teams that advance to the state championship and a
16 second equal award amount to those teams that advance to the world
17 championship.

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

21 **(5) TO BE ELIGIBLE TO RECEIVE FUNDS UNDER THIS SECTION, A**
22 **NONPUBLIC SCHOOL MUST BE A NONPUBLIC SCHOOL REGISTERED WITH THE**
23 **DEPARTMENT AND MUST MEET ALL APPLICABLE STATE REPORTING**
24 **REQUIREMENTS FOR NONPUBLIC SCHOOLS.**

25 Sec. 99r. (1) From the general fund appropriation under
26 section 11, there is allocated for 2016-2017 an amount not to
27 exceed \$75,000.00, and there is allocated for 2017-2018 an amount

1 not to exceed \$250,000.00, to support the creation of the MiSTEM
2 network.

3 (2) From the general fund allocation under this section, there
4 is allocated for 2016-2017 an amount not to exceed \$75,000.00 to
5 the department of technology, management, and budget to support the
6 functions of a transitional executive director and executive
7 assistant for the MiSTEM network. The department of technology,
8 management, and budget shall work with the Michigan Mathematics and
9 Science Centers Network and the MiSTEM council to hire the
10 transitional executive director and executive assistant. The
11 transitional executive director and executive assistant shall work
12 with the president and executive director of the Michigan
13 Mathematics and Science Centers Network and the chairperson and
14 vice-chairperson of the MiSTEM council. The transitional executive
15 director and executive assistant shall do all of the following:

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

18 (i) Creates a structured relationship between the MiSTEM
19 council, MiSTEM network executive director and executive assistant,
20 and MiSTEM network region staff that ensures services to all
21 regions and local communities in each region.

22 (ii) Empowers the MiSTEM network regions in a manner that
23 creates a robust statewide STEM culture, empowers STEM teachers,
24 integrates business and education into the MiSTEM network, and
25 ensures high-quality and equitable distribution of STEM experiences
26 for pupils.

27 (iii) Identifies region boundaries throughout the state and

1 identifies fiscal agents within those regions.

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

4 (v) Includes processes by which the MiSTEM network regions
5 apply for MiSTEM grants, provide feedback on grant-funded
6 programming, share best practices, and create regional master
7 plans.

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

11 (b) Form a committee for the purpose of identifying each
12 MiSTEM network region and selecting a fiscal agent and determining
13 staffing for that region. Fiscal agents shall be an intermediate
14 district within the region, a university within the region, or
15 another organization that served as fiscal agent within the
16 Michigan Mathematics and Science Centers Network. Agencies
17 interested in serving as the region's fiscal agent shall be
18 included on this committee. The committee shall also include
19 representatives of the general education leadership network and the
20 governor's talent investment board, in addition to the math and
21 science centers and MiSTEM council. The committee shall identify
22 necessary staffing levels and locations of staff and determine
23 processes by which the entire region will receive and share
24 services. All fiscal agents for the Michigan Mathematics and
25 Science Centers Network are required to maintain current levels of
26 effort for the MiSTEM network as for the Michigan Mathematics and
27 Science Centers Network.

1 (c) ~~Distribute~~ **ESTABLISH A SYSTEM TO DISTRIBUTE** and monitor
2 MiSTEM grants during the creation of the MiSTEM network. The
3 monitoring of the grants shall include conducting reviews of
4 recipients and the experiences and feedback of pupils.

5 (d) Report to the governor and the legislature on the
6 development of the MiSTEM network.

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

9 ~~(f) Hire all MiSTEM network staff between January 1, 2018 and~~
10 ~~April 1, 2018. However, if a MiSTEM network will employ Michigan~~
11 ~~Mathematics and Science Centers Network staff, those staff may be~~
12 ~~hired after April 1, 2018.~~

13 (3) From the general fund allocation under this section, there
14 is allocated for 2017-2018 an amount not to exceed \$250,000.00 to
15 support a permanent executive director and an executive assistant
16 for the MiSTEM network. After the creation of the MiSTEM network
17 region, the transitional executive director funded under subsection
18 (2) may be appointed as the permanent executive director, or a new
19 permanent executive director may be hired. The permanent executive
20 director and executive assistant shall do all of the following:

21 (a) Serve as a liaison among and between the department, the
22 department of technology, management, and budget, the MiSTEM
23 advisory council, and the regional MiSTEM centers in a manner that
24 creates a robust statewide STEM culture, that empowers STEM
25 teachers, that integrates business and education into the STEM
26 network, and that ensures high-quality STEM experiences for pupils.

27 (b) Coordinate the implementation of a marketing campaign,

1 including, but not limited to, a website that includes dashboards
2 of outcomes, to build STEM awareness and communicate STEM needs and
3 opportunities to pupils, parents, educators, and the business
4 community.

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

8 (d) Report to the governor, the legislature, and the MiSTEM
9 advisory council annually on the activities and performance of the
10 MiSTEM network regions.

11 (e) Coordinate recurring discussions and work with regional
12 staff to ensure that a network or loop of feedback and best
13 practices are shared, including funding, programming, professional
14 learning opportunities, discussion of MiSTEM strategic vision, and
15 regional objectives.

16 (f) Coordinate major grant application efforts with the MiSTEM
17 advisory council to assist regional staff with grant applications
18 on a local level. The MiSTEM advisory council shall leverage
19 private and nonprofit relationships to coordinate and align private
20 funds in addition to funds appropriated under this section.

21 (g) Train state and regional staff in the STEMworks rating
22 system.

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

24 Sec. 99t. (1) From the general fund appropriation under
25 section 11, there is allocated an amount not to exceed
26 \$1,100,000.00 for 2017-2018 to purchase statewide access to an
27 online algebra tool that meets all of the following:

1 (a) Provides students statewide with complete access to videos
2 aligned with state standards including study guides and workbooks
3 that are aligned with the videos.

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

6 (c) Provides students statewide with dynamic algebra practice
7 assessments that emulate the state assessment with immediate
8 feedback and help solving problems.

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

12 (e) Provides an online algebra professional development
13 network for teachers.

14 (f) Is already provided under a statewide contract in at least
15 1 other state that has a population of at least 18,000,000 but not
16 more than 19,000,000 according to the most recent decennial census
17 and is offered in that state in partnership with a public
18 university.

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

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

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

27 **(A) PROVIDES STUDENTS STATEWIDE WITH COMPLETE ACCESS TO**

1 MATHEMATICS SUPPORT ALIGNED WITH STATE STANDARDS THROUGH A PROGRAM
2 THAT HAS ALL OF THE FOLLOWING ELEMENTS:

3 (i) STUDENT MOTIVATION.

4 (ii) VALID AND RELIABLE ASSESSMENTS.

5 (iii) PERSONALIZED LEARNING PATHWAYS.

6 (iv) HIGHLY QUALIFIED, LIVE TEACHERS AVAILABLE ALL DAY AND ALL
7 YEAR.

8 (v) TWENTY-FOUR-HOUR REPORTING.

9 (vi) CONTENT BUILT FOR RIGOROUS MATHEMATICS.

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

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

14 Sec. 102d. (1) From the funds appropriated in section 11,
15 there is allocated an amount not to exceed \$1,500,000.00 for 2017-
16 2018 for reimbursements to districts, ~~and~~-intermediate districts,
17 **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** for the licensing
18 of school data analytical tools as described under this section.
19 The reimbursement is for districts, ~~and~~-intermediate districts, **AND**
20 **AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** that choose to use a
21 school data analytical tool to assist the district, ~~or~~-intermediate
22 district, **OR AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY** and that
23 enter into a licensing agreement for a school data analytical tool
24 with 1 of the vendors approved by the department of technology,
25 management, and budget under subsection (2). Funds allocated under
26 this section are intended to provide districts, ~~and~~-intermediate
27 districts, **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** with

1 financial forecasting and transparency reporting tools to help
2 improve the financial health of districts and to improve
3 communication with the public, resulting in increased fund balances
4 for districts and intermediate districts.

5 (2) Not later than October 15, 2017, the department of
6 technology, management, and budget shall review vendors for school
7 data analytical tools and provide districts, ~~and~~-intermediate
8 districts, **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** with a
9 list of up to 2 approved vendors that districts, ~~and~~-intermediate
10 districts, **AND AUTHORIZING BODIES OF PUBLIC SCHOOL ACADEMIES** may
11 use to be eligible for a reimbursement paid under this section. In
12 addition, a vendor approved under this section for 2016-2017 is
13 considered to be approved for use by a district, ~~or~~-intermediate
14 district, **OR AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY** and for
15 reimbursement for 2017-2018. An approved school data analytical
16 tool supplied by the vendor must meet at least all of the
17 following:

18 (a) Analyzes financial data.

19 (b) Analyzes academic data.

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

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

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

25 (3) Funds allocated under this section shall be paid to
26 districts, ~~and~~-intermediate districts, **AND AUTHORIZING BODIES OF**
27 **PUBLIC SCHOOL ACADEMIES** as a reimbursement for already having a

1 licensing agreement or for entering into a licensing agreement not
2 later than December 1, 2017 with a vendor approved under subsection
3 (2) to implement a school data analytical tool. Reimbursement will
4 be prorated for the portion of the state fiscal year not covered by
5 the licensing agreement. However, a licensing agreement that takes
6 effect after October 1, 2017 and before December 1, 2017 will not
7 be prorated if the term of the agreement is at least 1 year.

8 Reimbursement under this section shall be made as follows:

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

13 (b) The department shall determine the sum of the funding
14 requests under subdivision (a) and, if there are sufficient funds,
15 shall pay 1/2 of the costs submitted under subdivision (a). If
16 there are insufficient funds to pay 1/2 of the costs submitted
17 under (a), then reimbursement shall be made on an equal percentage
18 basis.

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

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

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

7 (4) If an intermediate district purchases both a school data
8 analytical tool specifically for intermediate district finances and
9 a school data analytical tool for those constituent districts that
10 opt in, the intermediate district shall be reimbursed for both
11 purchases under this section.

12 (5) If an intermediate district makes available to 1 or more
13 of its constituent districts a school data analytical tool funded
14 under this section, that constituent district shall not be
15 reimbursed under this section for the purchase of that school data
16 analytical tool if the constituent district has opted in for that
17 tool.

18 **(6) IF AN AUTHORIZING BODY OF A PUBLIC SCHOOL ACADEMY MAKES**
19 **AVAILABLE TO 1 OR MORE PUBLIC SCHOOL ACADEMIES A SCHOOL DATA**
20 **ANALYTICAL TOOL FUNDED UNDER THIS SECTION, THE PUBLIC SCHOOL**
21 **ACADEMY SHALL NOT BE REIMBURSED UNDER THIS SECTION FOR THE PURCHASE**
22 **OF A SCHOOL DATA ANALYTICAL TOOL IF THE PUBLIC SCHOOL ACADEMY OPTED**
23 **IN FOR THAT TOOL.**

24 (7) ~~(6)~~ Notwithstanding section 17b, payments under this
25 section shall be made on a schedule determined by the department.

26 Sec. 104c. (1) In order to receive state aid under this
27 article, a district shall administer the state assessments

1 described in this section.

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

7 (3) For the purposes of this section, the department shall
8 implement a summative assessment system that is proven to be valid
9 and reliable for administration to pupils as provided under this
10 subsection. The summative assessment system shall meet all of the
11 following requirements:

12 (a) The summative assessment system shall measure student
13 proficiency on the current state standards, shall measure student
14 growth for consecutive grade levels in which students are assessed
15 in the same subject area in both grade levels, and shall be capable
16 of measuring individual student performance.

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

23 (c) The summative assessments for science shall be
24 administered to all public school pupils in at least grades 4 and
25 7, including those pupils as required by the federal individuals
26 with disabilities education act, Public Law 108-446, and by title I
27 of the federal every student succeeds act (ESSA), Public Law 114-

1 95.

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

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

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

15 (g) The summative assessment system shall ensure that
16 students, parents, and teachers are provided with reports that
17 convey individual student proficiency and growth on the assessment
18 and that convey individual student domain-level performance in each
19 subject area, including representative questions, and individual
20 student performance in meeting state standards.

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

26 (i) The summative assessment system shall ensure the
27 capability of reporting the available data to support educator

1 evaluations.

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

5 (k) The summative assessment system shall ensure that access
6 to individually identifiable student data meets all of the
7 following:

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

10 (ii) Except as may be provided for in an agreement with a
11 vendor to provide assessment services, as necessary to support
12 educator evaluations pursuant to subdivision (i), or for research
13 or program evaluation purposes, is available only to the student;
14 to the student's parent or legal guardian; and to a school
15 administrator or teacher, to the extent that he or she has a
16 legitimate educational interest.

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

19 (m) The summative assessment system shall ensure that
20 assessments are designed so that the maximum total combined length
21 of time that schools are required to set aside for a pupil to
22 answer all test questions on all assessments that are part of the
23 system for the pupil's grade level does not exceed that maximum
24 total combined length of time for the previous statewide assessment
25 system or 9 hours, whichever is less. This subdivision does not
26 limit the amount of time a district may allow a pupil to complete a
27 test.

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

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

11 (4) In an effort to develop a cohesive state assessment
12 system, the department shall implement a request for information
13 process for a common formative assessment system that is fully
14 aligned to this state's content standards for English language arts
15 and mathematics. The department may use information compiled from a
16 request for proposal in 2016-2017 to satisfy this request.

17 (5) Beginning in the 2015-2016 school year, the department
18 shall field test assessments in the fall and spring of each school
19 year to measure English language arts and mathematics in each of
20 grades K to 2 for full implementation when the assessments have
21 been successfully field tested. This full implementation shall
22 occur not later than the 2018-2019 school year. These assessments
23 are necessary to determine a pupil's proficiency level before grade
24 3.

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

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

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

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

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

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

13 ~~—— (7) Not later than January 1, 2018, the department shall~~
14 ~~approve 1 statewide summative assessment that was included in a~~
15 ~~response to the request for proposals under subsection (6) or~~
16 ~~develop the department's own assessment that meets the requirements~~
17 ~~under subsection (6).~~

18 (6) ~~(8)~~ Not later than October **NOVEMBER** 1, 2017, the
19 department shall issue a request for proposals **INFORMATION** for not
20 less than 3 benchmark assessments that each meet all of the
21 following:

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

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

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

27 (d) Produces a pupil's results in not more than 48 hours from

1 the time the benchmark assessment is administered.

2 (e) Is self-scoring.

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

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

6 (h) Demonstrates validity and reliability as appropriate for a
7 computer adaptive assessment.

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

10 (7) ~~(9)~~ Not later than ~~January~~ **MARCH** 1, 2018 and in
11 consultation with experts in the field of education and educational
12 assessment measurement, the department shall approve at least 2
13 benchmark assessments that were included in a response to the
14 request for ~~proposals~~ **INFORMATION** under subsection ~~(8)~~ **(6)** and meet
15 the requirements described in subsection ~~(8)~~ **(6)**.

16 ~~— (10) The department is not precluded from approving a~~
17 ~~statewide summative assessment under subsection (7) and a benchmark~~
18 ~~assessment under subsection (9) that are provided by the same~~
19 ~~vendor. The summative assessment shall not be a benchmark~~
20 ~~assessment.~~

21 **(8) THE DEPARTMENT SHALL USE THE RESPONSES TO THE REQUEST FOR**
22 **INFORMATION TO CREATE A BENCHMARK ASSESSMENT BUDGET REQUEST FOR THE**
23 **2018-2019 FISCAL YEAR.**

24 (9) ~~(11)~~ This section does not prohibit districts from
25 adopting interim assessments.

26 (10) ~~(12)~~ As used in this section, "English language arts"
27 means that term as defined in section 104b.

1 SEC. 104E. (1) FROM THE GENERAL FUND APPROPRIATION IN SECTION
2 11, THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$250,000.00 FOR THE
3 IMPLEMENTATION OF AN ASSESSMENT DIGITAL LITERACY PREPARATION PILOT
4 PROJECT FOR PUPILS ENROLLED IN GRADES K TO 8. THE DEPARTMENT SHALL
5 ENSURE THAT A PILOT PROJECT FUNDED UNDER THIS SUBSECTION SATISFIES
6 ALL OF THE FOLLOWING:

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

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

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

14 (D) INCLUDES TRAINING AND PROFESSIONAL DEVELOPMENT FOR
15 TEACHERS.

16 (E) IS IMPLEMENTED IN AT LEAST 220 DISTRICTS THAT OPERATE
17 GRADES K TO 8 AND THAT REPRESENT A DIVERSE GEOGRAPHY AND SOCIO-
18 ECONOMIC DEMOGRAPHIC.

19 (2) FUNDING UNDER SUBSECTION (1) SHALL BE ALLOCATED TO A
20 DISTRICT THAT OPERATES AT LEAST GRADES K TO 8 AND HAS A PARTNERSHIP
21 WITH A THIRD PARTY THAT IS EXPERIENCED IN THE ASSESSMENT OF DIGITAL
22 LITERACY AND THE PREPARATION OF DIGITAL LITERACY SKILLS AND HAS
23 DEMONSTRABLE EXPERIENCE SERVING DISTRICTS IN THIS STATE AND LOCAL
24 EDUCATION AGENCIES IN OTHER STATES. THE DISTRICT, ALONG WITH ITS
25 THIRD-PARTY PARTNER, SHALL PROVIDE A REPORT TO THE HOUSE AND SENATE
26 APPROPRIATIONS SUBCOMMITTEES ON SCHOOL AID AND THE HOUSE AND SENATE
27 FISCAL AGENCIES ON THE EFFICACY AND USEFULNESS OF THE ASSESSMENT

1 DIGITAL LITERACY PREPARATION PILOT PROJECT NO LATER THAN SEPTEMBER
2 30, 2018.

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

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

13 (2) To be eligible for funding under this section, an eligible
14 adult education provider shall employ certificated teachers and
15 qualified administrative staff and shall offer continuing education
16 opportunities for teachers to allow them to maintain certification.

17 (3) To be eligible to be a participant funded under this
18 section, an individual shall be enrolled in an adult basic
19 education program, an adult secondary education program, an adult
20 English as a second language program, a high school equivalency
21 test preparation program, or a high school completion program, that
22 meets the requirements of this section, and for which instruction
23 is provided, and shall meet either of the following:

24 (a) Has attained 20 years of age.

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

27 (4) By April 1 of each fiscal year, the intermediate districts

1 within a prosperity region or subregion shall determine which
2 intermediate district will serve as the prosperity region's or
3 subregion's fiscal agent for the next fiscal year and shall notify
4 the department in a form and manner determined by the department.
5 The department shall approve or disapprove of the prosperity
6 region's or subregion's selected fiscal agent. From the funds
7 allocated under subsection (1), an amount as determined under this
8 subsection shall be allocated to each intermediate district serving
9 as a fiscal agent for adult education programs in each of the
10 prosperity regions or subregions identified by the department. An
11 intermediate district shall not use more than 5% of the funds
12 allocated under this subsection for administration costs for
13 serving as the fiscal agent. Beginning in 2014-2015, 67% of the
14 allocation provided to each intermediate district serving as a
15 fiscal agent shall be based on the proportion of total funding
16 formerly received by the adult education providers in that
17 prosperity region or subregion in 2013-2014, and 33% shall be
18 allocated based on the factors in subdivisions (a), (b), and (c).
19 For 2018-2019, 33% of the allocation provided to each intermediate
20 district serving as a fiscal agent shall be based upon the
21 proportion of total funding formerly received by the adult
22 education providers in that prosperity region in 2013-2014 and 67%
23 of the allocation shall be based upon the factors in subdivisions
24 (a), (b), and (c). Beginning in 2019-2020, 100% of the allocation
25 provided to each intermediate district serving as a fiscal agent
26 shall be based on the factors in subdivisions (a), (b), and (c).
27 The funding factors for this section are as follows:

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

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

14 (c) Five percent of this portion of the funding shall be
15 distributed based upon the proportion of the state population of
16 individuals age 18 or older who lack basic English language
17 proficiency 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 (5) To be an eligible fiscal agent, an intermediate district
22 must agree to do the following in a form and manner determined by
23 the department:

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

26 (b) Collaborate with the talent district career council, which
27 is an advisory council of the workforce development boards located

1 in the prosperity region or subregion, or its successor, to develop
2 a regional strategy that aligns adult education programs and
3 services into an efficient and effective delivery system for adult
4 education learners, with special consideration for providing
5 contextualized learning and career pathways and addressing barriers
6 to education and employment.

7 (c) Collaborate with the talent district career council, which
8 is an advisory council of the workforce development boards located
9 in the prosperity region or subregion, or its successor, to create
10 a local process and criteria that will identify eligible adult
11 education providers to receive funds allocated under this section
12 based on location, demand for services, past performance, quality
13 indicators as identified by the department, and cost to provide
14 instructional services. The fiscal agent shall determine all local
15 processes, criteria, and provider determinations. However, the
16 local processes, criteria, and provider services must be approved
17 by the department before funds may be distributed to the fiscal
18 agent.

19 (d) Provide oversight to its adult education providers
20 throughout the program year to ensure compliance with the
21 requirements of this section.

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

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

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

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

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

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

12 (ii) The participant fails to show progress on 2 successive
13 assessments after having completed at least 450 hours of
14 instruction.

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

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

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

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

24 (i) The participant is assessed as having attained basic
25 English proficiency as determined by a department-approved
26 assessment.

27 (ii) The participant fails to show progress on 2 successive

1 department-approved assessments after having completed at least 450
2 hours of instruction. The department shall provide information to a
3 funding recipient regarding appropriate assessment instruments for
4 this program.

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

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

10 (b) The program shall administer a pre-test approved by the
11 department before enrolling an individual to determine the
12 individual's literacy levels, shall administer a high school
13 equivalency practice test to determine the individual's potential
14 for success on the high school equivalency test, and shall
15 administer a post-test upon completion of the program in compliance
16 with the state-approved assessment policy.

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

20 (i) The participant achieves a high school equivalency
21 certificate.

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

26 (8) A high school completion program operated on a year-round
27 or school year basis may be funded under this section, subject to

1 all of the following:

2 (a) The program enrolls adults who do not have a high school
3 diploma.

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

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

10 (i) The participant passes the course and earns a high school
11 diploma.

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

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

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

19 (b) Participant completion of the adult basic education
20 objectives by achieving an educational gain as determined by the
21 national reporting system levels; for achieving basic English
22 proficiency, as determined by the department; for achieving a high
23 school equivalency certificate or passage of 1 or more individual
24 high school equivalency tests; for attainment of a high school
25 diploma or passage of a course required for a participant to attain
26 a high school diploma; for enrollment in a postsecondary
27 institution, or for entry into or retention of employment, as

1 applicable.

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

4 (d) Allowable expenditures.

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

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

15 (12) A funding recipient shall not commingle money received
16 under this section or from another source for adult education
17 purposes with any other funds and shall establish a separate ledger
18 account for funds received under this section. This subsection does
19 not prohibit a district from using general funds of the district to
20 support an adult education or community education program.

21 (13) A funding recipient receiving funds under this section
22 may establish a sliding scale of tuition rates based upon a
23 participant's family income. A funding recipient may charge a
24 participant tuition to receive adult education services under this
25 section from that sliding scale of tuition rates on a uniform
26 basis. The amount of tuition charged per participant shall not
27 exceed the actual operating cost per participant minus any funds

1 received under this section per participant. A funding recipient
2 may not charge a participant tuition under this section if the
3 participant's income is at or below 200% of the federal poverty
4 guidelines published by the United States Department of Health and
5 Human Services.

6 (14) In order to receive funds under this section, a funding
7 recipient shall furnish to the department, in a form and manner
8 determined by the department, all information needed to administer
9 this program and meet federal reporting requirements; shall allow
10 the department or the department's designee to review all records
11 related to the program for which it receives funds; and shall
12 reimburse the state for all disallowances found in the review, as
13 determined by the department. In addition, a funding recipient
14 shall agree to pay to a career and technical education program
15 under section 61a the amount of funding received under this section
16 in the proportion of career and technical education coursework used
17 to satisfy adult basic education programming, as billed to the
18 funding recipient by programs operating under section 61a.

19 (15) From the amount appropriated in subsection (1), an amount
20 not to exceed \$500,000.00 shall be allocated for 2017-2018 to not
21 more than 1 pilot program that is located in a prosperity region
22 with 2 or more subregions and that connects adult education
23 participants directly with employers by linking adult education,
24 career and technical skills, and workforce development. To be
25 eligible for funding under this subsection, a pilot program shall
26 provide a collaboration linking adult education programs within the
27 county, the area career/technical center, and local employers, and

1 shall meet the additional criteria in subsections (16) and (17).
2 Funding under this subsection for 2017-2018 is for the third of 3
3 years of funding.

4 (16) A pilot program funded under subsection (15) shall
5 require adult education staff to work with Michigan works! agency
6 to identify a cohort of participants who are most prepared to
7 successfully enter the workforce. Participants identified under
8 this subsection shall be dually enrolled in adult education
9 programming and at least 1 technical course at the area
10 career/technical center.

11 (17) A pilot program funded under subsection (15) shall have
12 on staff an adult education navigator who will serve as a
13 caseworker for each participant identified under subsection (16).
14 The navigator shall work with adult education staff and potential
15 employers to design an educational program best suited to the
16 personal and employment needs of the participant, and shall work
17 with human service agencies or other entities to address any
18 barrier in the way of participant access.

19 (18) Not later than December 1, 2018, the pilot program funded
20 under subsection (15) shall provide to the senate and house
21 appropriations subcommittees on school aid, to the senate and house
22 fiscal agencies, and to the state budget director a report
23 detailing number of participants, graduation rates, and a measure
24 of transitioning to employment.

25 (19) From the amount appropriated in subsection (1), an amount
26 not to exceed \$2,000,000.00 shall be allocated for 2017-2018 for
27 grants to not more than 5 pilot programs that are additional to the

1 pilot program funded under subsection (15) to connect adult
2 education participants with employers as provided under this
3 subsection. The grant to each eligible pilot program shall be **UP TO**
4 \$400,000.00. To receive funding under this subsection, an eligible
5 pilot program shall satisfy all of the following:

6 (a) Meets 1 of the following:

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

8 (ii) Is located in prosperity region 2 and borders prosperity
9 region 4.

10 (iii) Is located in prosperity region 4a and borders
11 prosperity region 5.

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

13 (v) Is located in prosperity region 9 and borders a
14 neighboring state.

15 (b) Begins operations at the start of the 2017-2018 school
16 year.

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

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

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

26 (21) The department shall approve at least 3 high school
27 equivalency tests and determine whether a high school equivalency

1 certificate meets the requisite standards for high school
2 equivalency in this state.

3 (22) As used in this section:

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

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

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

14 (iii) Includes counseling to support an individual in
15 achieving the individual's education and career goals.

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

19 (v) Organizes education, training, and other services to meet
20 the particular needs of an individual in a manner that accelerates
21 the educational and career advancement of the individual to the
22 extent practicable.

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

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

1 (b) "Department" means the department of talent and economic
2 development.

3 (c) "Eligible adult education provider" means a district,
4 intermediate district, a consortium of districts, a consortium of
5 intermediate districts, or a consortium of districts and
6 intermediate districts that is identified as part of the local
7 process described in subsection (5)(c) and approved by the
8 department.

9 Sec. 147a. (1) From the appropriation in section 11, there is
10 allocated for 2017-2018 an amount not to exceed \$100,000,000.00 for
11 payments to participating districts. A participating district that
12 receives money under this subsection shall use that money solely
13 for the purpose of offsetting a portion of the retirement
14 contributions owed by the district for the fiscal year in which it
15 is received. The amount allocated to each participating district
16 under this subsection shall be based on each participating
17 district's percentage of the total statewide payroll for all
18 participating districts for the immediately preceding fiscal year.
19 As used in this subsection, "participating district" means a
20 district that is a reporting unit of the Michigan public school
21 employees' retirement system under the public school employees'
22 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and
23 that reports employees to the Michigan public school employees'
24 retirement system for the applicable fiscal year.

25 (2) In addition to the allocation under subsection (1), from
26 the state school aid fund money appropriated under section 11,
27 there is allocated an amount not to exceed \$48,940,000.00 for 2017-

1 2018 for payments to participating ~~entities~~ **DISTRICTS AND**
2 **INTERMEDIATE DISTRICTS** and from the general fund money appropriated
3 under section 11, there is allocated an amount not to exceed
4 \$29,000.00 for 2017-2018 for payments to participating district
5 libraries. The amount allocated to each participating entity under
6 this subsection shall be based on each participating entity's
7 percentage of the total statewide payroll for that type of
8 participating entity for the immediately preceding fiscal year. A
9 participating entity that receives money under this subsection
10 shall use that money solely for the purpose of offsetting a portion
11 of the normal cost contribution rate. As used in this subsection:

12 (a) "District library" means a district library established
13 under the district library establishment act, 1989 PA 24, MCL
14 397.171 to 397.196.

15 (b) "Participating entity" means a district, intermediate
16 district, or district library that is a reporting unit of the
17 Michigan public school employees' retirement system under the
18 public school employees retirement act of 1979, 1980 PA 300, MCL
19 38.1301 to 38.1437, and that reports employees to the Michigan
20 public school employees' retirement system for the applicable
21 fiscal year.

22 Sec. 166b. (1) This act does not prohibit a parent or legal
23 guardian of a minor who is enrolled in any of grades kindergarten
24 to 12 in a nonpublic school or who is being home-schooled from also
25 enrolling the minor in a district, public school academy, or
26 intermediate district in any curricular offering that is provided
27 by the district, public school academy, or intermediate district at

1 a public school site and is available to pupils in the minor's
2 grade level or age group, subject to compliance with the same
3 requirements that apply to a full-time pupil's participation in the
4 offering. However, state school aid shall be provided under this
5 act for a minor enrolled as described in this subsection only for
6 curricular offerings that are available to full-time pupils in the
7 minor's grade level or age group.

8 (2) This act does not prohibit a parent or legal guardian of a
9 minor who is enrolled in any of grades kindergarten to 12 in a
10 nonpublic school or who resides within the district and is being
11 home-schooled from also enrolling the minor in the district in a
12 curricular offering being provided by the district at the nonpublic
13 school site. However, state school aid shall be provided under this
14 act for a minor enrolled as described in this subsection only if
15 all of the following apply:

16 (a) Either of the following:

17 (i) The nonpublic school site is located, or the nonpublic
18 students are educated, within the geographic boundaries of the
19 district.

20 (ii) If the nonpublic school has submitted a written request
21 to the district in which the nonpublic school is located for the
22 district to provide certain instruction under this subsection for a
23 school year and the district does not agree to provide some or all
24 of that instruction by May 1 immediately preceding that school year
25 or, if the request is submitted after March 1 immediately preceding
26 that school year, within 60 days after the nonpublic school submits
27 the request, the instruction is instead provided by an eligible

1 other district. This subparagraph does not require a nonpublic
2 school to submit more than 1 request to the district in which the
3 nonpublic school is located for that district to provide
4 instruction under this subsection, and does not require a nonpublic
5 school to submit an additional request to the district in which the
6 nonpublic school is located for that district to provide additional
7 instruction under this subsection beyond the instruction requested
8 in the original request, before having the instruction provided by
9 an eligible other district. A public school academy that is located
10 in the district in which the nonpublic school is located or in an
11 eligible other district also may provide instruction under this
12 subparagraph under the same conditions as an eligible other
13 district. As used in this subparagraph, "eligible other district"
14 means a district that is located in the same intermediate district
15 as the district in which the nonpublic school is located or is
16 located in an intermediate district that is contiguous to that
17 intermediate district.

18 (b) The nonpublic school is registered with the department as
19 a nonpublic school and meets all state reporting requirements for
20 nonpublic schools.

21 (c) The instruction is provided directly by a certified
22 teacher at the district or public school academy or at an
23 intermediate district.

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

27 (e) The curricular offering is restricted to nonessential

1 elective courses for pupils in grades kindergarten to 12.

2 (3) A nonessential course in grades ~~kindergarten-1~~ to 8 is a
3 course other than **A** mathematics, science, social studies, and
4 English language arts **COURSE REQUIRED FOR GRADE PROGRESSION**.

5 Nonessential courses in grades 9 to 12 are those other than algebra
6 1, algebra 2, English 9-12, geometry, biology, chemistry, physics,
7 economics, geography, American history, world history, the
8 Constitution, government, and civics, or courses that fulfill the
9 same credit requirement as these courses. Nonessential elective
10 courses include courses offered by the local district for high
11 school credit that are also capable of generating postsecondary
12 credit, including, at least, advanced placement and international
13 baccalaureate courses. College level courses taken by high school
14 students for college credit are nonessential courses. Remedial
15 courses for any grade in the above-listed essential courses are
16 considered essential. **KINDERGARTEN IS CONSIDERED NONESSENTIAL**.

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

20 (5) A district that receives a written request to provide
21 instruction under subsection (2) shall reply to the request in
22 writing by May 1 immediately preceding the applicable school year
23 or, if the request is made after March 1 immediately preceding that
24 school year, within 60 days after the nonpublic school submits the
25 request. The written reply shall specify whether the district
26 agrees to provide or does not agree to provide the instruction for
27 each portion of instruction included in the request.

1 Enacting section 1. In accordance with section 30 of article
2 IX of the state constitution of 1963, total state spending from
3 state sources on state school aid under article I of the state
4 school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as
5 amended by 2017 PA 108 and this amendatory act for fiscal year
6 2017-2018 is estimated at \$12,857,370,400.00 and state
7 appropriations for school aid to be paid to local units of
8 government for fiscal year 2017-2018 are estimated at
9 \$12,679,972,800.00.

10 Enacting section 2. This amendatory act takes effect October
11 1, 2017.