

SUBSTITUTE FOR

A bill to make appropriations for the department of education for the fiscal year ending September 30, 2015; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. There is appropriated for the department of
4 education for the fiscal year ending September 30, 2015, from the
5 following funds:

6 DEPARTMENT OF EDUCATION

7 APPROPRIATION SUMMARY

8	Full-time equated unclassified positions.....	6.0
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9	Full-time equated classified positions.....	600.5
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1	GROSS APPROPRIATION.....	\$	326,662,100
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		0
5	ADJUSTED GROSS APPROPRIATION.....	\$	326,662,100
6	Federal revenues:		
7	Total federal revenues.....		226,097,500
8	Special revenue funds:		
9	Total local revenues.....		5,633,700
10	Total private revenues.....		1,933,300
11	Total other state restricted revenues.....		7,972,600
12	State general fund/general purpose.....	\$	85,025,000
13	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE		
14	SUPERINTENDENT		
15	Full-time equated unclassified positions..... 6.0		
16	Full-time equated classified positions..... 11.0		
17	State board of education, per diem payments.....	\$	24,400
18	Unclassified positions--6.0 FTE positions.....		795,100
19	State board/superintendent operations--11.0 FTE		
20	positions		<u>2,110,000</u>
21	GROSS APPROPRIATION.....	\$	2,929,500
22	Appropriated from:		
23	Federal revenues:		
24	Federal revenues.....		222,400
25	Special revenue funds:		
26	Private foundations.....		28,100
27	Certification fees.....		861,100

1	State general fund/general purpose	\$	1,817,900
2	Sec. 103. CENTRAL SUPPORT		
3	Full-time equated classified positions.....	23.6	
4	Central support--23.6 FTE positions	\$	3,623,400
5	Worker's compensation		30,800
6	Building occupancy charges - property management		
7	services		3,053,700
8	Training and orientation workshops		150,000
9	Terminal leave payments		554,700
10	GROSS APPROPRIATION	\$	7,412,600
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues		1,641,400
14	Federal indirect funds		2,550,400
15	Special revenue funds:		
16	Certification fees		403,200
17	Teacher testing fees		3,800
18	Training and orientation workshop fees		150,000
19	State general fund/general purpose	\$	2,663,800
20	Sec. 104. INFORMATION TECHNOLOGY SERVICES		
21	Information technology operations	\$	4,192,200
22	GROSS APPROPRIATION	\$	4,192,200
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues		605,800
26	Federal indirect funds		1,789,800
27	Special revenue funds:		

1	Local cost sharing (schools for deaf/blind)	76,500
2	Certification fees	390,400
3	State general fund/general purpose	\$ 1,329,700
4	Sec. 105. SPECIAL EDUCATION SERVICES	
5	Full-time equated classified positions	47.0
6	Special education operations--47.0 FTE positions	\$ <u>8,937,300</u>
7	GROSS APPROPRIATION	\$ 8,937,300
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues	8,457,300
11	Special revenue funds:	
12	Private foundations	110,100
13	Certification fees	44,100
14	State general fund/general purpose	\$ 325,800
15	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
16	Full-time equated classified positions	77.0
17	Michigan schools for the deaf and blind	
18	operations--76.0 FTE positions	\$ 12,664,500
19	Camp Tuhsmeheeta--1.0 FTE position	295,100
20	Private gifts - blind	200,000
21	Private gifts - deaf	<u>50,000</u>
22	GROSS APPROPRIATION	\$ 13,209,600
23	Appropriated from:	
24	Federal revenues:	
25	Federal revenues	6,900,400
26	Special revenue funds:	
27	Local cost sharing (schools for deaf/blind)	5,233,000

1	Local school district service fees	312,500
2	Gifts, bequests, and donations	545,100
3	Student insurance revenue	218,600
4	State general fund/general purpose	\$ 0
5	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
6	Full-time equated classified positions	34.0
7	Professional preparation operations--34.0 FTE	
8	positions	\$ 5,896,800
9	Department of attorney general	<u>66,000</u>
10	GROSS APPROPRIATION	\$ 5,962,800
11	Appropriated from:	
12	Federal revenues:	
13	Federal revenues	1,444,800
14	Special revenue funds:	
15	Certification fees	3,882,700
16	Teacher testing fees	359,300
17	Teacher college review fees	55,300
18	State general fund/general purpose	\$ 220,700
19	Sec. 108. MICHIGAN OFFICE OF GREAT START	
20	Full-time equated classified positions	65.0
21	Michigan office of great start operations--64.0 FTE	
22	positions	\$ 22,830,300
23	Child development and care external support	17,766,500
24	Head start collaboration office--1.0 FTE positions ...	307,700
25	Child development and care public assistance	<u>146,916,000</u>
26	GROSS APPROPRIATION	\$ 187,820,500
27	Appropriated from:	

1	Federal revenues:	
2	Federal revenues.....	146,888,600
3	Special revenue funds:	
4	Private foundations.....	250,000
5	Certification fees.....	64,200
6	State general fund/general purpose.....	\$ 40,617,700
7	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
8	Full-time equated classified positions..... 11.5	
9	State aid and school finance operations--11.5 FTE	
10	positions	\$ <u>1,861,500</u>
11	GROSS APPROPRIATION.....	\$ 1,861,500
12	Appropriated from:	
13	State general fund/general purpose.....	\$ 1,861,500
14	Sec. 110. AUDIT SERVICES	
15	Full-time equated classified positions..... 4.5	
16	Audit operations--4.5 FTE positions.....	\$ <u>602,200</u>
17	GROSS APPROPRIATION.....	\$ 602,200
18	Appropriated from:	
19	Federal revenues:	
20	Federal indirect funds.....	478,700
21	Special revenue funds:	
22	Certification fees.....	61,200
23	State general fund/general purpose.....	\$ 62,300
24	Sec. 111. ADMINISTRATIVE LAW SERVICES	
25	Full-time equated classified positions..... 2.0	
26	Administrative law operations--2.0 FTE positions	\$ <u>1,310,700</u>
27	GROSS APPROPRIATION.....	\$ 1,310,700

1	Appropriated from:	
2	Federal revenues:	
3	Federal revenues.....	551,600
4	Special revenue funds:	
5	Certification fees.....	686,000
6	State general fund/general purpose.....	\$ 73,100
7	Sec. 112. ACCOUNTABILITY SERVICES	
8	Full-time equated classified positions.....	65.6
9	Accountability services	
10	operations--65.6 FTE positions.....	\$ <u>14,637,700</u>
11	GROSS APPROPRIATION.....	\$ 14,637,700
12	Appropriated from:	
13	Federal revenues:	
14	Federal revenues.....	13,460,700
15	State general fund/general purpose.....	\$ 1,177,000
16	Sec. 113. SCHOOL SUPPORT SERVICES	
17	Full-time equated classified positions.....	82.6
18	School support services operations--82.6 FTE positions	\$ 15,111,700
19	Federal and private grants.....	<u>3,000,000</u>
20	GROSS APPROPRIATION.....	\$ 18,111,700
21	Appropriated from:	
22	Federal revenues:	
23	Federal revenues.....	16,263,600
24	Special revenue funds:	
25	Local school district service fees.....	11,700
26	Private foundations.....	1,000,000
27	Commodity distribution fees.....	71,700

1	Certification fees.....	85,700
2	State general fund/general purpose.....	\$ 679,000
3	Sec. 114. FIELD SERVICES	
4	Full-time equated classified positions.....	45.0
5	Field services operations--45.0 FTE positions.....	\$ <u>9,194,500</u>
6	GROSS APPROPRIATION.....	\$ 9,194,500
7	Appropriated from:	
8	Federal revenues:	
9	Federal revenues.....	8,894,300
10	Special revenue funds:	
11	Certification fees.....	77,200
12	State general fund/general purpose.....	\$ 223,000
13	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
14	SERVICES	
15	Full-time equated classified positions.....	63.7
16	Educational improvement and innovation	
17	operations--63.7 FTE positions.....	\$ 9,382,500
18	Virtual learning.....	<u>6,000,000</u>
19	GROSS APPROPRIATION.....	\$ 15,382,500
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	6,514,500
23	Special revenue funds:	
24	Certification fees.....	558,100
25	State general fund/general purpose.....	\$ 8,309,900
26	Sec. 116. CAREER AND TECHNICAL EDUCATION	
27	Full-time equated classified positions.....	27.0

1	Career and technical education operations--27.0 FTE	
2	positions	\$ <u>4,758,300</u>
3	GROSS APPROPRIATION.....	\$ 4,758,300
4	Appropriated from:	
5	Federal revenues:	
6	Federal revenues.....	3,826,200
7	State general fund/general purpose.....	\$ 932,100
8	Sec. 117. LIBRARY OF MICHIGAN	
9	Full-time equated classified positions..... 33.0	
10	Library of Michigan operations--32.0 FTE positions ...	\$ 4,419,700
11	Library services and technology program--1.0 FTE	
12	positions	5,607,000
13	State aid to libraries.....	9,232,000
14	Michigan eLibrary.....	1,750,000
15	Renaissance zone reimbursements.....	4,700,000
16	MPERS payments to libraries.....	<u>2,200,000</u>
17	GROSS APPROPRIATION.....	\$ 27,908,700
18	Appropriated from:	
19	Federal revenues:	
20	IMLS, library services and technology act	5,607,000
21	State general fund/general purpose.....	\$ 22,301,700
22	Sec. 118. SCHOOL REFORM OFFICE	
23	Full-time equated classified positions..... 8.0	
24	School reform office operations--8.0 FTE positions ...	\$ <u>2,429,800</u>
25	GROSS APPROPRIATION.....	\$ 2,429,800
26	Appropriated from:	
27	State general fund/general purpose.....	\$ 2,429,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2015 is \$92,997,600.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2015 is \$16,132,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries.....	\$	9,232,000
Renaissance zone reimbursements.....		4,700,000
MPERS payment to libraries.....	\$	<u>2,200,000</u>
Total department of education.....	\$	16,132,000

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

Sec. 203. As used in this part:

(a) "Department" means the Michigan department of education.

(b) "District" means a local school district as defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as defined in section 5 of the revised school

1 code, 1976 PA 451, MCL 380.5.

2 (c) "FTE" means full-time equated.

3 (d) "IMLS" means institute of museum and library services.

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

10 (f) "Retirement board" means the board that administers the
11 retirement system under the public school employees retirement act
12 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

13 (g) As used in this part and part 1, "retirement system" and
14 "MPSERS" mean the Michigan public school employees' retirement
15 system under the public school employees retirement act of 1979,
16 1980 PA 300, MCL 38.1301 to 38.1437.

17 Sec. 204. The state superintendent of public instruction shall
18 take all reasonable steps to ensure businesses in deprived and
19 depressed communities compete for and perform contracts to provide
20 services or supplies, or both. The state superintendent of public
21 instruction shall strongly encourage firms with which the
22 department contracts to subcontract with certified businesses in
23 depressed and deprived communities for services, supplies, or both.

24 Sec. 205. The departments and agencies shall use the Internet
25 to fulfill the reporting requirements of this part. This
26 requirement may include transmission of reports via electronic mail
27 to the recipients identified for each reporting requirement, or it

1 may include placement of reports on an Internet or Intranet site.

2 Sec. 206. The department shall provide through the Internet
3 the state board of education agenda and all supporting documents,
4 and shall notify the state budget director and the senate and house
5 fiscal agencies that the agenda and supporting documents are
6 available on the Internet, at the time the agenda and supporting
7 documents are provided to state board of education members.

8 Sec. 207. The department shall cooperate with the department
9 of technology, management, and budget to maintain a searchable
10 website accessible by the public at no cost that includes, but is
11 not limited to, all of the following for each department or agency:

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

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

14 (c) Fiscal year-to-date payments to a selected vendor,
15 including the vendor name, payment date, payment amount, and
16 payment description.

17 (d) The number of active department employees by job
18 classification.

19 (e) Job specifications and wage rates.

20 Sec. 208. The department shall require all public school
21 districts to maintain complete records within the personnel file of
22 a teacher or school employee of any disciplinary actions taken by
23 the local school board against the teacher or employee for sexual
24 misconduct. The records shall not be destroyed or removed from the
25 teacher's or employee's personnel file except as required by a
26 court order.

27 Sec. 211. To the extent this state continues to identify

1 schools as meeting proficiency targets, before publishing a list of
2 schools or districts determined to have failed to make adequate
3 yearly progress as required by the no child left behind act of
4 2001, Public Law 107-110, the department shall allow a school or
5 district to appeal that determination. The department shall
6 consider and act upon the appeal within 30 days after it is
7 submitted and shall not publish the list until after all appeals
8 have been considered and decided.

9 Sec. 212. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses if they are competitively priced and of comparable
15 quality. In addition, preference should be given to goods or
16 services, or both, manufactured or provided by Michigan businesses
17 owned and operated by veterans if they are competitively priced and
18 of comparable quality.

19 Sec. 214. The department and agencies receiving appropriations
20 in part 1 shall prepare a report on out-of-state travel expenses
21 not later than January 1 of each year. The travel report shall be a
22 listing of all travel by classified and unclassified employees
23 outside this state in the immediately preceding fiscal year that
24 was funded in whole or in part with funds appropriated in the
25 department's budget. The report shall be submitted to the senate
26 and house appropriations committees, the house and senate fiscal
27 agencies, and the state budget director. The report shall include

1 the following information:

2 (a) The dates of each travel occurrence.

3 (b) The transportation and related costs of each travel
4 occurrence, including the proportion funded with state general
5 fund/general purpose revenues, the proportion funded with state
6 restricted revenues, the proportion funded with federal revenues,
7 and the proportion funded with other revenues.

8 Sec. 216. The department shall not take disciplinary action
9 against an employee who communicates truthfully and factually with
10 a member of the legislature or his or her staff.

11 Sec. 218. The department and agencies receiving appropriations
12 in part 1 shall receive and retain copies of all reports funded
13 from appropriations in part 1. Federal and state guidelines for
14 short-term and long-term retention of records shall be followed.
15 The department may electronically retain copies of reports unless
16 otherwise required by federal and state guidelines.

17 Sec. 219. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$5,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in this part under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$700,000.00 for state
25 restricted contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item
27 in this part under section 393(2) of the management and budget act,

1 1984 PA 431, MCL 18.1393.

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

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

14 Sec. 220. (1) The department shall provide data requested by a
15 member of the legislature, his or her staff, or the house and
16 senate fiscal agencies in a timely manner. If the department fails
17 to provide reasonably requested data within 30 days after the
18 request, the state money appropriated in part 1 for state
19 board/superintendent operations shall be reduced by 1%.

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

25 Sec. 221. Funds appropriated in part 1 shall not be used by a
26 principal executive department, state agency, or authority to hire
27 a person to provide legal services that are the responsibility of

1 the attorney general. This prohibition does not apply to legal
2 services for bonding activities and for those activities that the
3 attorney general authorizes.

4 Sec. 222. The department shall maintain, on a publicly
5 accessible website, a department scorecard that identifies, tracks,
6 and regularly updates key metrics that are used to monitor and
7 improve the agency's performance.

8 Sec. 226. Not later than November 30, the state budget office
9 shall prepare and transmit a report that provides for estimates of
10 the total general fund/general purpose appropriation lapses at the
11 close of the fiscal year. This report shall summarize the projected
12 year-end general fund/general purpose appropriation lapses by major
13 departmental program or program areas. The report shall be
14 transmitted to the office of the state budget, the chairpersons of
15 the senate and house appropriations committees, and the senate and
16 house fiscal agencies.

17 Sec. 227. Within 14 days after the release of the executive
18 budget recommendation, the department shall cooperate with the
19 state budget office to provide the senate and house appropriations
20 chairs, the senate and house appropriations subcommittees
21 responsible for the department budget, respectively, and the senate
22 and house fiscal agencies with an annual report on estimated state
23 restricted fund balances, state restricted fund projected revenues,
24 and state restricted fund expenditures for the fiscal years ending
25 September 30, 2014 and September 30, 2015.

26 Sec. 230. The department may assist the department of
27 community health, other departments, and local school districts to

1 secure reimbursement for eligible services provided in Michigan
2 schools from the federal Medicaid program. The department may
3 submit reports of direct expenses related to this effort to the
4 department of community health for reimbursement.

5 Sec. 231. Total authorized appropriations from all sources
6 under part 1 for legacy costs for the fiscal year ending September
7 30, 2015 is \$15,637,500.00. From this amount, total agency
8 appropriations for pension-related legacy costs are estimated at
9 \$8,739,900.00. Total agency appropriations for retiree health care
10 legacy costs are estimated at \$6,897,600.00.

11 Sec. 233. No state department or agency shall issue a request
12 for proposal (RFP) for a contract in excess of \$5,000,000.00,
13 unless the department or agency has first considered issuing a
14 request for information (RFI) or a request for qualification (RFQ)
15 relative to that contract to better enable the department or agency
16 to learn more about the market for the products or services that
17 are the subject of the future RFP. The department or agency shall
18 notify the department of technology, management, and budget of the
19 evaluation process used to determine if an RFI or RFQ was not
20 necessary prior to issuing the RFP.

21 Sec. 234. From the funds appropriated in part 1, the
22 department shall compile a report that identifies the mandates
23 required of public and nonpublic schools. In compiling the report,
24 the department may consult with relevant statewide education
25 associations in Michigan. The report compiled by the department
26 shall indicate the type of mandate, including, but not limited to,
27 student health, student or building safety, accountability, and

1 educational requirements, and shall indicate whether a school has
2 to report on the specified mandates and whether the requirement is
3 for public schools, nonpublic schools, or both. The report required
4 under this section shall be completed by April 1, 2015 and
5 transmitted to the state budget director, the house and senate
6 appropriations subcommittees responsible for the department of
7 education, and the senate and house fiscal agencies not later than
8 April 15, 2015.

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

10 Sec. 301. (1) The appropriations in part 1 may be used for per
11 diem payments to the state board for meetings at which a quorum is
12 present or for performing official business authorized by the state
13 board. The per diem payments shall be at a rate as follows:

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

15 (b) State board of education - member other than president -
16 \$100.00 per day.

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

19 Sec. 302. From the amount appropriated in part 1 to the state
20 board of education, not more than \$35,000.00 shall be expended for
21 in-state travel and out-of-state travel directly related to the
22 duties of the state board of education.

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

24 Sec. 401. The employees at the Michigan schools for the deaf
25 and blind who work on a school year basis shall be considered

1 annual employees for purposes of service credits, retirement, and
2 insurance benefits.

3 Sec. 402. For each student enrolled at the Michigan schools
4 for the deaf and blind, the department shall assess the
5 intermediate school district of residence 100% of the cost of
6 operating the student's instructional program. The amount shall
7 exclude room and board related costs and the cost of weekend
8 transportation between the school and the student's home.

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

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

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

23 Sec. 407. Revenue received by the Michigan schools for the
24 deaf and blind from gifts, bequests, donations, and local district
25 service fees that is unexpended at the end of the state fiscal year
26 may be carried over to the succeeding fiscal year and shall not
27 revert to the general fund.

1 **PROFESSIONAL PREPARATION SERVICES**

2 Sec. 501. From the funds appropriated in part 1 for
3 professional preparation services, the department shall maintain
4 the registry of educational personnel and certificate
5 revocation/felony conviction files.

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

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

18 **ACCOUNTABILITY SERVICES**

19 Sec. 601. (1) In order to expend funds appropriated in part 1,
20 the department shall select an assessment system that satisfies all
21 the following requirements:

22 (a) The assessment system measures student proficiency and
23 growth on the current state curriculum standards and is capable of
24 measuring individual student performance in the following subject
25 matter areas:

1 (i) English.

2 (ii) Reading.

3 (iii) Writing.

4 (iv) Mathematics.

5 (v) Science.

6 (b) The content of the assessment system is aligned with the
7 current state curriculum standards.

8 (c) The content of the assessment is subject to a transparent
9 review process involving public review and comment.

10 (d) Ensures that students, parents, and teachers are provided
11 with reports that convey individual student proficiency and growth
12 on the assessment.

13 (e) Ensures that students, parents, teachers, administrators,
14 and community members are provided with reports that convey
15 aggregate student proficiency and growth data for a given school.

16 (f) Ensures the capability of reporting the necessary data to
17 support educator evaluations.

18 (g) Ensures that reports are available within 1 month after
19 completion of the exam.

20 (h) The assessment is capable of being implemented statewide
21 with existing infrastructure in a fully operational manner no later
22 than the 2015-2016 school year.

23 (i) Except as necessary to support educator evaluations
24 pursuant to subdivision (f), ensures that access to individual
25 student data is available only to the student, parents, legal
26 guardians, administrators, and teachers of the student.

27 (j) The assessment is pilot tested prior to statewide

1 implementation.

2 (k) Each exam shall not designate more time to be completed
3 than the previous statewide assessment designated.

4 (l) The total cost of executing the adopted assessment
5 statewide each year shall not exceed twice the cost of executing
6 the previous statewide assessment after adjustment for inflation.

7 (2) School districts are not prohibited from adopting interim
8 assessments.

9 **EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES**

10 Sec. 701. (1) From the money appropriated in part 1 for
11 virtual learning, there is allocated an amount not to exceed
12 \$6,000,000.00 for the fiscal year beginning October 1, 2014 for the
13 purposes identified in subsections (2) and (3).

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

15 (a) Research, design, and recommend competency-based online
16 assessments.

17 (b) Before August 31, 2015, provide an extensive professional
18 development program to at least 500 educational personnel,
19 including teachers, school administrators, and school board
20 members, that focuses on the effective integration of digital
21 learning into curricula and instruction. Not later than December 1,
22 2015, the department shall submit a report to the house and senate
23 appropriations subcommittees on state school aid, the state budget
24 director, and the house and senate fiscal agencies on the number
25 and percentage of teachers, school administrators, and school board
26 members who have received professional development services from

1 the department. The report shall also identify barriers and other
2 opportunities to encourage the adoption of digital learning in the
3 public education system.

4 (c) Identify and share best practices for planning,
5 implementing, and evaluating digital and blended learning delivery
6 models with intermediate districts, districts, and public school
7 academies to accelerate the adoption of innovative education
8 delivery models statewide.

9 (d) Develop and report policy recommendations to the governor
10 and the legislature that accelerate the expansion of effective
11 online learning in this state's schools.

12 (e) Promote and distribute the most current instructional
13 design standards and guidelines for online teaching.

14 (f) In collaboration with interested colleges and universities
15 in this state, recommend to the superintendent guidelines and
16 standards for a new teacher endorsement credential related to
17 effective digital learning instruction.

18 (g) Convene focus groups and conduct annual surveys of
19 teachers, administrators, pupils, parents, and others to identify
20 barriers and opportunities related to online learning.

21 (h) Produce an annual consumer awareness report for schools
22 and parents about effective online education providers and
23 education delivery models, performance data, cost structures, and
24 research trends.

25 (i) Research and establish an Internet-based platform that
26 educators can use to create student-centric learning tools and
27 resources and facilitate a user network that assists educators in

1 using the platform. As part of this initiative, the department
2 shall work collaboratively with districts and intermediate
3 districts to establish a plan to make available online resources
4 that align to Michigan's K-12 curriculum standards for use by
5 students, educators, and parents.

6 (j) Create and maintain a public statewide catalog of online
7 learning courses being offered by all public schools in this state.
8 The department shall identify and develop a list of nationally
9 recognized best practices for online learning and use this list to
10 support reviews of online course vendors, courses, and
11 instructional practices. The department shall also provide a
12 mechanism for intermediate districts to use the identified best
13 practices to review content offered by constituent districts. The
14 department shall ensure that the statewide catalog is made
15 available to the public on the department's website and allow the
16 ability to link it to each district's website as provided for in
17 section 21f of the state school aid act of 1979, 1979 PA 94, MCL
18 388.1621f. Beginning in 2014-2015, the statewide catalog shall also
19 contain all of the following:

20 (i) The number of enrollments in each online course in the
21 prior school year.

22 (ii) The number of enrollments that earned 60% or more of the
23 total course points for each online course in the prior school
24 year.

25 (iii) The completion rate for each online course.

26 (3) Not later than December 1 of each fiscal year, the
27 department shall provide a report to the house and senate

1 appropriations subcommittees on state school aid and the department
2 of education, the state budget director, and the house and senate
3 fiscal agencies that includes at least all of the following
4 information related to virtual learning for the preceding state
5 fiscal year:

6 (a) A list of online course titles available to districts.

7 (b) The total number of online course enrollments and
8 information on registrations and completions by course.

9 (c) The overall course completion rate percentage.

10 (4) As used in this section:

11 (a) "Blended learning" means a hybrid instructional delivery
12 model where pupils are provided content, instruction, and
13 assessment, in part, at a supervised educational facility away from
14 home where the pupil and a teacher with a valid Michigan teaching
15 certificate are in the same physical location and, in part, through
16 Internet-connected learning environments with some degree of pupil
17 control over time, location, and pace of instruction.

18 (b) "Digital learning" means instruction delivered via a web-
19 based educational delivery system that uses various information
20 technologies to provide a structured learning environment,
21 including online and blended learning instructional methods.

22 (c) "Online course" means a course of study that is capable of
23 generating a credit or a grade, that is provided in an interactive
24 Internet-connected learning environment, in which pupils are
25 separated from their teachers by time or location, or both, and in
26 which a teacher who holds a valid Michigan teaching certificate is
27 responsible for determining appropriate instructional methods for

1 each pupil, diagnosing learning needs, assessing pupil learning,
2 prescribing intervention strategies, reporting outcomes, and
3 evaluating the effects of instruction and support strategies.

4 **LIBRARY OF MICHIGAN**

5 Sec. 801. In addition to the funds appropriated in part 1, the
6 funds collected by the department for document reproduction and
7 services; conferences, workshops, and training classes; and the use
8 of specialized equipment, facilities, and software are appropriated
9 for all expenses necessary to provide the required services. These
10 funds are available for expenditure when they are received and may
11 be carried forward into the next succeeding fiscal year.

12 Sec. 803. It is the intent of the legislature that the library
13 of Michigan and the component programs currently within the library
14 of Michigan with the exception of the genealogical collections
15 shall be kept together in a state department.

16 Sec. 804. (1) The funds appropriated in part 1 for renaissance
17 zone reimbursements shall be used to reimburse public libraries
18 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
19 MCL 125.2692, for taxes levied in 2014. The allocations shall be
20 made not later than 60 days after the department of treasury
21 certifies to the department and to the state budget director that
22 the department of treasury has received all necessary information
23 to properly determine the amounts due to each eligible recipient.

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

1 libraries.

2 Sec. 805. (1) The funds appropriated in part 1 for Michigan
3 public school employees' retirement system reform costs shall be
4 used for payments to district libraries that are participating
5 entities of the Michigan public school employees' retirement
6 system.

7 (2) Payments made under this section shall be equal to the
8 difference between the unfunded actuarial accrued liability
9 contribution rate as calculated under section 41 of the public
10 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
11 as calculated without taking into account the maximum employer rate
12 of 20.96% included in section 41 of the public school employees
13 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum
14 employer rate of 20.96% included in section 41 of the public school
15 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

16 (3) The amount allocated to each district library under this
17 section shall be based on each district library's proportion of the
18 total covered payroll for the immediately preceding fiscal year for
19 all district libraries that are participating entities. District
20 libraries that receive funds under this section shall use the funds
21 solely for the purpose of retirement contributions as specified in
22 subsection (4).

23 (4) Each participating entity receiving funds under this
24 section shall forward an amount equal to the amount allocated under
25 subsection (3) to the retirement system in a form, manner, and time
26 frame determined by the retirement system.

1 **SCHOOL SUPPORT SERVICES**

2 Sec. 901. Within 10 days of the receipt of a grant
3 appropriated in the federal and private grants line item in part 1,
4 the department shall notify the house and senate chairpersons of
5 the appropriations subcommittees responsible for the department
6 budget, the house and senate fiscal agencies, and the state budget
7 director of the receipt of the grant, including the funding source,
8 purpose, and amount of the grant.

9 **MICHIGAN OFFICE OF GREAT START**

10 Sec. 1001. By November 1, 2014, the department shall submit a
11 report to the house and senate appropriations subcommittees on the
12 department of education budget and the house and senate fiscal
13 agencies on the number of eligible child care providers by type
14 receiving payment for child care services from the department on
15 October 1, 2014.

16 Sec. 1003. (1) The department shall provide the house and
17 senate appropriations subcommittees on the department budget with
18 an annual report on all funding appropriated to the early childhood
19 investment corporation (ECIC) by the state for fiscal year 2013-
20 2014. The report is due by February 15 and shall contain at least
21 the following information:

22 (a) Total funding appropriated to the early childhood
23 investment corporation by the state for fiscal year 2013-2014.

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

25 (c) The grant recipients.

26 (d) The activities funded by each grant.

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

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

7 Sec. 1004. (1) Not later than the 2014-2015 fiscal year, all
8 head start center-based program providers shall ensure that where
9 there is a great start readiness program requirement, policy, or
10 regulation that is more rigorous than the corresponding head start
11 requirement, policy, or regulation, all head start center-based
12 programs will meet the more rigorous great start readiness program
13 requirement, policy, or regulation, in addition to any federal
14 requirements with which head start center-based programs must
15 comply. This shall include, but is not limited to, meeting the
16 current great start readiness program classroom staff
17 qualifications whereby the lead teacher must have a Michigan
18 teaching certificate with an early childhood specialist endorsement
19 or, if subcontracted, the lead teacher must have a valid Michigan
20 teaching certificate with a childhood specialist endorsement; or a
21 valid Michigan teaching certificate with a child development
22 associate credential; or a bachelor's degree in child development
23 with a focus on teaching preschool.

24 (2) A head start center-based program may continue to employ
25 as a lead teacher an individual who does not meet the requirements
26 in subsection (1) if the individual meets both of the following
27 requirements:

1 (a) The lead teacher is annually and continually enrolled and
2 completing credit in an approved teacher preparation program
3 leading to a provisional teaching certificate as described in
4 subsection (1) or enrolled in a program leading to a bachelor's
5 degree in child development with a focus on teaching preschool.

6 (b) The lead teacher has on file with the employing entity,
7 his or her teacher preparation institution, and the department of
8 education a planned program leading to teacher certification or a
9 bachelor's degree in child development with a focus on teaching
10 preschool.

11 SCHOOL REFORM OFFICE

12 Sec. 1101. From the funds appropriated in part 1, the school
13 reform office shall assure that a student who was previously
14 enrolled in a priority school and had an individualized education
15 program will continue to have that plan and receive those services
16 if the building in which he or she is enrolled is removed from the
17 control of the resident district by action of the state school
18 reform/redesign officer, the superintendent of public instruction,
19 or any other entity. The school reform office shall assure that
20 students are being afforded special education services in
21 accordance with the individuals with disabilities education act
22 (IDEA) and shall report to the legislature on the number of
23 students who had an individualized education program and who are
24 meeting the goals of that IEP after the change in governance.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2016 for the line items listed in part 1. The fiscal year 2015-2016 appropriations are anticipated to be the same as those for fiscal year 2014-2015, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2015 consensus revenue estimating conference.

Sec. 1202. It is the intent of the legislature that the department identify the amounts for normal retirement costs and legacy retirement costs for the fiscal year ending on September 30, 2016 for the line items listed in part 1.