

Act No. 373  
 Public Acts of 1996  
 Approved by the Governor  
 July 3, 1996  
 Filed with the Secretary of State  
 July 3, 1996

**STATE OF MICHIGAN  
 88TH LEGISLATURE  
 REGULAR SESSION OF 1996**

Introduced by Senators DeGrow and Schwarz

# ENROLLED SENATE BILL No. 849

AN ACT to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 1997; to provide for the expenditure of the appropriations; to prescribe the powers and duties of certain state departments, school districts, and other governmental bodies; and to provide for the disposition of fees and other income received by certain legal entities and state agencies.

*The People of the State of Michigan enact:*

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 1997, from the following funds:

**DEPARTMENT OF EDUCATION  
 APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	664.1	
<b>GROSS APPROPRIATION</b> .....		<b>\$ 800,768,900</b>
Interdepartmental grant revenues:		
Interdepartmental grant from civil service .....		6,200
Interdepartmental grant from commerce, automated data processing .....		404,600
Interdepartmental grant from corrections academy lease .....		304,300
Interdepartmental grant from Michigan jobs commission .....		212,900
Interdepartmental grant from family independence agency .....		94,000
Interdepartmental grant from treasury .....		150,000
<b>Total interdepartmental grants and intradepartmental transfers</b> .....		<b>1,172,000</b>
<b>ADJUSTED GROSS APPROPRIATION</b> .....		<b>\$ 799,596,900</b>
Federal revenues:		
Total federal revenues .....		734,637,900
Special revenue funds:		
Local cost sharing (schools for blind/deaf) .....		7,488,200
Total local revenues .....		7,488,200
Gifts, bequests, and donations .....		711,200
Private foundations .....		19,500
Student insurance revenue .....		100,000
Total private revenues .....		830,700
Total local and private revenues .....		8,318,900
Certification fees .....		2,579,400
Commodity distribution fees .....		40,100

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Driver fees .....	\$	8,080,000
Lansing, Michigan school for the blind rent .....		855,700
Living and learning resource center - rent.....		60,000
Motorcycle license fees .....		1,004,100
Safety education fund .....		307,200
Private occupational school license fees .....		148,100
School loan exception fees.....		51,500
State employee child care center.....		90,000
Teacher testing fees.....		257,300
Training and orientation workshop fees.....		100,000
Total other state restricted revenues.....		13,573,400
State general fund/general purpose .....	\$	43,066,700

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions.....	19.0	
State board of education, per diem payments.....		\$ 19,400
Unclassified positions—6.0 FTE positions.....		485,400
Performance study/charter schools .....		300,000
State board/superintendent operations—19.0 FTE positions .....		2,077,200
GROSS APPROPRIATION.....		\$ 2,882,000
Appropriated from:		
Federal revenues:		
Federal revenues .....		612,600
State general fund/general purpose .....		\$ 2,269,400

CENTRAL SUPPORT

Full-time equated classified positions.....	66.0	
Central support—62.0 FTE positions .....		\$ 3,108,000
Office of contracts and grants—4.0 FTE positions .....		397,600
Worker's compensation.....		42,400
Federal contingency funds.....		671,600
Education commission of the states .....		82,000
Rent.....		7,100
Building occupancy charges - property management services .....		1,184,700
Training and orientation workshops .....		100,000
GROSS APPROPRIATION.....		\$ 5,593,400
Appropriated from:		
Interdepartmental grant revenues:		
Interdepartmental grant from civil service .....		6,200
Federal revenues:		
Federal contingency revenue .....		671,600
Federal revenues .....		1,511,800
Special revenue funds:		
Certification fees.....		92,800
Driver fees .....		12,900
Motorcycle license fees .....		4,100
Private occupational school license fees .....		5,100
Safety education fund .....		1,000
School loan exception fees.....		51,500
Teacher testing fees .....		5,000
Training and orientation workshop fees.....		100,000
State general fund/general purpose .....		\$ 3,131,400

SCHOOL SUPPORT SERVICES

Full-time equated classified positions.....	100.2	
School support operations—100.2 FTE positions .....		\$ 8,780,000
GROSS APPROPRIATION.....		\$ 8,780,000

Appropriated from:	
Federal revenues:	
Federal revenues .....	\$ 7,316,000
Special revenue funds:	
Commodity distribution fees .....	40,100
Driver fees .....	456,700
Motorcycle license fees .....	132,700
Safety education fund .....	111,900
State general fund/general purpose .....	\$ 722,600
<b>TECHNOLOGY AND INFORMATION SERVICES</b>	
Full-time equated classified positions .....	61.4
Technology and information operations—61.4 FTE positions.....	\$ 6,466,500
<b>GROSS APPROPRIATION</b> .....	<b>\$ 6,466,500</b>
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from commerce, automated data processing .....	404,600
Interdepartmental grant from Michigan jobs commission.....	212,900
Interdepartmental grant from treasury .....	150,000
Federal revenues:	
Federal revenues .....	3,645,600
Special revenue funds:	
Certification fees.....	246,100
Driver fees .....	10,400
State general fund/general purpose .....	\$ 1,796,900
<b>SCHOOL PROGRAM QUALITY SERVICES</b>	
Full-time equated classified positions .....	85.1
Comprehensive school health—6.6 FTE positions .....	\$ 952,800
Early childhood education—16.7 FTE positions .....	1,769,200
Michigan educational assessment program—14.0 FTE positions .....	1,328,500
School program quality operations—47.8 FTE positions .....	5,389,700
Test development and administration .....	7,382,700
<b>GROSS APPROPRIATION</b> .....	<b>\$ 16,822,900</b>
Appropriated from:	
Federal revenues:	
Federal revenues .....	5,604,400
Special revenue funds:	
Private foundations .....	19,500
State general fund/general purpose .....	\$ 11,199,000
<b>SPECIAL EDUCATION SERVICES</b>	
Full-time equated classified positions .....	48.1
Special education operations—48.1 FTE positions.....	\$ 4,116,700
<b>GROSS APPROPRIATION</b> .....	<b>\$ 4,116,700</b>
Appropriated from:	
Federal revenues:	
Federal revenues .....	3,840,800
Special revenue funds:	
Certification fees.....	19,000
State general fund/general purpose .....	\$ 256,900
<b>LANSING, MICHIGAN SCHOOL FOR THE BLIND SITE</b>	
General services.....	1,250,000
<b>GROSS APPROPRIATION</b> .....	<b>\$ 1,250,000</b>
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from corrections academy lease .....	304,300

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Special revenue funds:		
Lansing, Michigan school for the blind rent .....	\$	855,700
State employee child care center .....		90,000
State general fund/general purpose .....	\$	0

#### MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Full-time equated classified positions .....	152.3	
Michigan schools for the deaf and blind operations—150.0 FTE positions .....	\$	12,424,300
Summer institute .....		300,000
Michigan deaf/blind center—2.3 FTE position .....		148,700
Camp tuhsmeheta .....		514,000
Private gifts-blind .....		90,000
Private gifts-deaf .....		50,000
<b>GROSS APPROPRIATION</b> .....	<b>\$</b>	<b>13,527,000</b>

Appropriated from:

Federal revenues:

DAG-food and nutrition service, national school lunch .....		56,200
DED-OESE, drug free schools and communities .....		3,600
DED-OSERS, captioned films .....		12,800
DED-OSERS, handicapped children, chapter 1 .....		84,600
DED-OSERS, handicapped innovative programs .....		148,700
DED-OSERS, handicapped program, individuals with disabilities act .....		811,200

Special revenue funds:

Local cost sharing (schools for blind/deaf) .....		7,488,200
Gifts, bequests, and donations .....		711,200
Living and learning resource center-rent .....		60,000
Student insurance revenue .....		100,000
State general fund/general purpose .....	\$	4,050,500

#### CAREER DEVELOPMENT & POSTSECONDARY COORDINATION SERVICES

Full-time equated classified positions .....	91.5	
Career and technical education operations—43.0 FTE positions .....	\$	3,018,300
Higher education management operations—36.0 FTE positions .....		2,465,700
Office of minority equity—12.5 FTE positions .....		896,900
<b>GROSS APPROPRIATION</b> .....	<b>\$</b>	<b>6,380,900</b>

Appropriated from:

Federal revenues:

Federal revenues .....		4,665,800
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Special revenue funds:

Certification fees .....		106,500
Private occupational school license fees .....		143,000
State general fund/general purpose .....	\$	1,465,600

#### TEACHER PREPARATION/CERTIFICATION AND TENURE SERVICES

Full-time equated classified positions .....	40.5	
Teacher preparation and certification operations—31.5 FTE positions .....	\$	2,358,900
Tenure services operations—9.0 FTE positions .....		827,100
State tenure commission, per diem .....		11,100
Department of attorney general .....		40,000
<b>GROSS APPROPRIATION</b> .....	<b>\$</b>	<b>3,237,100</b>

Appropriated from:

Federal revenues:

Federal revenues .....		77,100
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Special revenue funds:

Certification fees .....		2,115,000
Teacher testing fees .....		252,300
State general fund/general purpose .....	\$	792,700

GRANTS AND DISTRIBUTIONS

FEDERAL PROGRAMS:

Adult basic education.....	\$	8,024,100
Acquired immunodeficiency syndrome education grants.....		150,000
Christa McAuliffe grants.....		77,600
Competitive child care and development.....		480,000
Curriculum framework grants.....		600,000
Drug free schools grant.....		13,538,000
Eisenhower mathematics and science grants.....		13,000,000
Emergency immigrant.....		300,000
Foreign language grants.....		148,400
Goals 2,000 grants.....		12,224,000
Handicapped infants and toddlers.....		16,000,000
Homeless children and youth.....		833,000
Job training partnership act.....		7,952,700
Migrant even start.....		282,300
National math/science education.....		75,000
Pre-school grants (PL 94-142).....		12,136,800
School age child care grants (87,900 GF/GP).....		349,600
School lunch program-federal share.....		220,000,000
School to work.....		1,800,000
Serve America grants.....		834,000
Special education.....		10,189,800
State literacy resource center.....		263,600
Statewide systemic initiative grant.....		1,900,000
Surplus commodity.....		2,506,000
Systems change for inclusive education.....		266,400
Title I, disadvantaged children.....		313,500,000
Title I, even start.....		3,990,000
Title I, migrant.....		12,000,000
Title VI, innovative strategies.....		13,480,900
Training personnel for education of the handicapped.....		253,600
Vocational education act of 1963.....		38,507,200

STATE PROGRAMS:

Communities first pilot projects.....	\$	95,000
Driver education.....		7,600,000
School readiness grants.....		10,528,000
Motorcycle safety education.....		867,300
National geographic alliance.....		36,800
Off-road vehicle safety training grant.....		194,300
School lunch and breakfast programs.....		6,728,000
GROSS APPROPRIATION.....	\$	<u>731,712,400</u>

Appropriated from:

Interdepartmental grant revenues:

Interdepartmental grant from family independence agency.....		94,000
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Federal revenues:

DAG-food and nutrition service, national school lunch.....		220,000,000
DAG-the emergency food assistance program.....		2,506,000
DED-grants and contracts service, school to work.....		1,800,000
DED-OBEMLA, emergency immigrant education assistance.....		300,000
DED-OERI, innovation in education.....		600,000
DED-OERI, national math and science.....		75,000
DED-OESE, Christa McAuliffe fellowships.....		77,600
DED-OESE, drug free schools and communities.....		13,538,000
DED-OESE, foreign language assistance.....		148,400
DED-OESE, goals 2,000.....		12,224,000
DED-OESE, Eisenhower mathematics and science administration.....		13,000,000

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DED-OESE, migrant even start .....	\$	282,300
DED-OESE, title I, disadvantaged children .....		313,500,000
DED-OESE, title I, even start .....		3,990,000
DED-OESE, title I, migrant education .....		12,000,000
DED-OESE, title VI, innovative strategies .....		13,480,900
DED-OSERS, handicapped infants and toddlers .....		16,000,000
DED-OSERS, handicapped preschool incentive grants .....		12,136,800
DED-OSERS, handicapped program, individuals with disabilities act .....		10,189,800
DED-OSERS, personnel development .....		253,600
DED-OSERS, severely handicapped .....		266,400
DED-OVAE, adult education, state administered program .....		8,024,100
DED-OVAE, basic grants to states .....		38,507,200
DED-OVAE, homeless children and youth .....		833,000
DED-OVAE, state literacy resource center .....		263,600
DOL, job training partnership act .....		7,952,700
HHS-administration of child and family, at risk child care .....		480,000
HHS-center for disease control, acquired immunodeficiency syndrome education .....		150,000
HHS-OHDS, dependent care block grant .....		261,700
National science foundation .....		1,900,000
Corporation for national and community service .....		834,000
Special revenue funds:		
Driver fees .....		7,600,000
Motorcycle license fees .....		867,300
Safety education fund .....		194,300
State general fund/general purpose .....	\$	17,381,700

**GENERAL SECTIONS**

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state resources in this appropriation act is \$56,640,100.00, and state appropriations to be paid to local units of government in section 101 are as follows:

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**DEPARTMENT OF EDUCATION**

School lunch and breakfast .....	\$	6,728,000
Motorcycle safety .....		867,300
Driver education .....		7,600,000
Total .....	\$	15,195,300

(2) If it appears to the principal executive officers of each department that state spending to local units of government will be less than the amount that was projected to be expended for any quarter, the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the senate and house appropriations subcommittees responsible for the department's budget, and the senate and house fiscal agencies.

Sec. 202. The appropriations made and the expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 203. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "DED" means the United States department of education.
- (c) "Department" means the Michigan department of education.

(d) "District" means a local school district as defined in section 6 of the revised school code, Act No. 451 of the Public Acts of 1976, being section 380.6 of the Michigan Compiled Laws.

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

(f) "HHS" means the United States department of health and human services.

(g) "OBEMLA" means office of bilingual education and minority languages affairs.

(h) "OERI" means office of educational research and improvement.

(i) "OESE" means office of elementary and secondary education.

(j) "OHDS" means office of human development services.

(k) "OPSE" means office of postsecondary education.

(l) "OSERS" means the office of special education rehabilitation service.

(m) "OVAE" means office of vocational and adult education.

Sec. 204. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The director of the department of management and budget shall grant exceptions to this hiring freeze when the director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services. The director of the department of management and budget shall report by the fifteenth of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

Sec. 205. (1) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$6,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

(2) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$700,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of Act No. 431 of the Public Acts of 1984.

(3) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$500,000.00 for local and private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of Act No. 431 of the Public Acts of 1984.

Sec. 206. A department or agency billed by the department of civil service for the 1% charge authorized by section 5 of article XI of the state constitution of 1963 by the end of the first fiscal quarter shall pay the total amount of the billing by the end of the second fiscal quarter.

Sec. 207. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in section 101 and that do not require additional state matching funds are appropriated for the purposes intended.

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

Sec. 211. Money appropriated in section 101 shall not be used for the purchase of foreign goods or services when competitively priced and of comparable quality American goods or services are available. By May 1, 1997, the department shall submit a report to the department of management and budget, the speaker and minority leader of the house of representatives, the majority and minority leader of the senate, and the chairpersons of the house and senate appropriations committees on efforts to comply with this section.

Sec. 212. (1) The superintendent shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies or both for the department.

(2) The superintendent shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies or both.

Sec. 213. Of the amounts appropriated in section 101 for higher education management operations, \$53,500.00 of general fund appropriations and \$143,000.00 of private occupational school license fees shall fund 3.0 FTE positions and related administrative costs of the proprietary schools oversight unit within the department.

Sec. 214. The department shall not lease real property for less than fair market value.

Sec. 215. If the department leases real property to a person or organization that is not a department of state government, the department shall not expend funds in excess of the lease revenue received to replace, renovate, or repair that real property. This section shall not apply to emergency repairs or costs associated with technological renovations.

Sec. 216. The department shall not implement an affirmative action plan unless it has been submitted to the Michigan civil rights commission for approval in accordance with section 210 of the Elliott-Larsen civil rights act, Act No. 453 of the Public Acts of 1976, being section 37.2210 of the Michigan Compiled Laws, and the Michigan civil rights commission has approved the plan.

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

Sec. 301. (1) The appropriations in section 101 may be used for per diem payments to members of boards, committees, and commissions for each day's board, committee, or commission work at which a quorum is present; for attending a hearing as authorized by the respective board, committee, or commission; or for performing official business as authorized by the respective board, committee, or commission. The per diem payments shall be at a rate as follows:

- (a) State board of education-president ..... \$ 110.00 per day
- (b) State board of education-member other than president..... \$ 100.00 per day
- (c) State tenure commission-member ..... \$ 50.00 per day

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

(3) The administrative secretary of the state board of education shall report to the public, the senate and house fiscal agencies, and the department of management and budget the previous month's expenses by fund source for members of the state board of education related to the performance of their responsibilities.

Sec. 302. (1) From the amount appropriated in section 101 to the state board of education, not more than \$27,500.00 shall be expended for travel.

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

Sec. 303. (1) From the amount appropriated in section 101 for state board/superintendent operations, there is allocated \$421,000.00 and 4.0 FTE positions to establish and operate a charter school office to administer charter school legislation and associated regulations, and to coordinate the activities of the department relating to charter schools.

(2) From the amount appropriated in section 101, there is allocated up to \$300,000.00 to conduct 2 performance studies of charter schools. Not more than \$150,000.00 shall be allocated for each study. No entity shall enter into a contract to conduct more than 1 study or be awarded more than 1 study.

Sec. 304. (1) If a person employed by this state as superintendent of public instruction is removed from that position, the state board of education, or another state agency, shall not enter into a settlement agreement concerning his or her removal unless the agreement is in settlement of a lawsuit filed against this state.

(2) The state board of education shall not grant administrative leave for more than a total of 6 months to a person employed, or previously employed, as state superintendent of public instruction.

(3) The state board of education shall not offer a contract for a person to be employed by this state as superintendent of public instruction, or extend the contract of a superintendent of public instruction, within 6 months before a general election at which state board members are elected or within 2 months after a general election at which state board members are elected. The state board shall not offer a contract for employment of a superintendent of public instruction in excess of 3 years and shall not extend a contract in increments of more than 1 year. This subsection does not prohibit the state board from employing an interim superintendent of public instruction at any time there is a vacancy.



## **TECHNOLOGY AND INFORMATION SERVICES**

Sec. 501. Included in the appropriation for technology and information services in section 101 is \$50,000.00 to publish and distribute the Michigan school report.

## **SCHOOL PROGRAM QUALITY SERVICES**

Sec. 601. (1) From the general fund allocations in section 101, the department may provide tests to nonpublic schools. The department shall notify nonpublic schools that they are eligible to receive the tests without cost to them.

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

## **SPECIAL EDUCATION SERVICES/MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

Sec. 701. The employees at the Michigan schools for the deaf and blind who work on a school year basis shall be considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 702. For each student enrolled at the Michigan schools for the deaf and blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program. The amount shall exclude room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 703. (1) The department may assess rent to the department of corrections for Michigan school for the blind site space occupied by the corrections staff training academy. The rental rates and all leasing arrangements shall be subject to the approval of the department of management and budget. Amounts received under section 101 for the corrections academy lease program may be expended by the department for operation, maintenance, and renovation expenses associated with the lease space.

(2) In addition, the department may receive and expend funds in addition to those authorized in section 101 for the rental of facilities at the Michigan school for the blind site to private or publicly funded organizations.

Sec. 704. The department shall assess rent to the state employee child care center for the rental of space it occupies at the Michigan school for the blind site. The rental rates and all leasing arrangements shall be subject to the approval of the department of management and budget. Amounts received under section 101 for the child care center may be expended by the department for the operation, maintenance, and renovation of the leased space.

Sec. 705. Proceeds from the sale of surplus property and facilities at the Michigan school for the deaf are hereby appropriated for the purposes of repairs, renovations, and maintenance of the school's campus. Any unexpended and unencumbered funds remaining on September 30, 1997 from such proceeds shall be carried forward as a work project for the purposes of repairs, renovations, and maintenance of the school's campus. The work shall be carried out by state employees, or by contract as necessary, at an estimated cost of \$132,000.00. The estimated completion date of the work is September 30, 1998.

Sec. 706. The department may assist the department of community health, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal medicaid program. The department may submit reports of direct expenses related to this effort to the department of community health for reimbursement.

Sec. 707. The unexpended balances of appropriations for the school for the deaf and blind operations shall not lapse to the state general fund at the end of the fiscal year. Any unexpended and unencumbered funds remaining on September 30, 1997, shall be carried forward as a work project and expended for special maintenance and repairs of facilities at the Michigan school for the deaf and blind. The work shall be carried out by state employees, or by contract as necessary, at an estimated cost of \$6,000.00. The estimated completion date of the work is September 30, 1998.

Sec. 708. Of the amounts appropriated in section 101 for school for the deaf/blind operations, up to \$424,000.00 of co-location savings shall be used to meet the department's repair, renovation, and special maintenance needs at the Michigan school for the deaf and blind in Flint. Residential facility improvements shall be given priority in the expenditure of these funds.

Sec. 709. There is appropriated in section 101 an amount not to exceed \$514,000.00 for Camp Tuhsmeheeta operations and facility improvements, to be funded from interest earnings on private gifts, bequests, and donations held in trust by the department.

Sec. 710. The Michigan school for the deaf and blind may promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired, including, but not limited to, distributing information to parents of children who might benefit from placement in a residential program.

### **TEACHER PREPARATION AND CERTIFICATION SERVICES**

Sec. 801. From the funds appropriated in section 101 for teacher preparation and certification services, the department shall maintain the professional personnel register and certificate revocation/felony conviction files.

### **GRANTS AND DISTRIBUTIONS**

Sec. 901. The department shall disburse the funds to a general fund grantee in accordance with the same standards of timing and amount that apply to disbursements made by the department to a federal fund grantee. The disbursement shall be restricted to the minimum amount needed for immediate disbursement by the grantee. The department may waive this section if extenuating circumstances warrant and are substantiated in the grantee's application or other appropriate documentation. A waiver granted pursuant to this section shall not be effective until 15 days after written notice of the proposed waiver is given to the chairpersons of the senate and house appropriations subcommittees having jurisdiction over the department budget.

Sec. 902. (1) The funds appropriated in section 101 for school breakfast programs shall be made available to all eligible applicant public school districts and public school academies as follows:

(a) The district or public school academy participates in the federal school breakfast program and meets all standards as prescribed by 7 C.F.R. parts 220 and 245.

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

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

(d) The payment determined under subdivision (c) is prorated if the appropriation in section 101 is not sufficient to fund all payments determined under this section.

(2) Of the appropriation of federal funds in section 101 for the national school lunch program, expenditures shall not be made in FY 1996-97 for any programs other than those authorized by the department and funded from this line item in FY 1995-96.

Sec. 903. (1) The funds appropriated in section 101 for school readiness programs shall be made available through a competitive application process as follows:

(a) An applicant may be any public or private nonprofit legal entity or agency other than a local or intermediate school district except a local or intermediate school district acting as a fiscal agent for a child caring organization regulated under Act No. 116 of the Public Acts of 1973, being sections 722.111 to 722.128 of the Michigan Compiled Laws.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) Grant awards by the state board of education may be at whatever level the board determines appropriate. A grant, when combined with other sources of state revenue for this program, shall not exceed \$3,000.00 per child or the cost of the program, whichever is less. However, in order to achieve the goals and objectives of the early childhood development programs, it is the intent of the legislature to fund these programs at the maximum optimum per pupil level.

(3) Except as otherwise provided, an applicant that received a grant under this section in the 1995-96 fiscal year shall receive priority for funding in 1996-97. However, continuation of funding is contingent on the availability of funds and documented evidence of grantee compliance with standards for early childhood development consistent with programs for 4-year-olds, as approved by the state board of education, and with all operational, fiscal, administrative, and other program requirements. After 3 years of funding, a program that received a grant under this section may reapply for funding, but will compete for available funds with other new programs and other programs also completing their third year of funding under this section. A program which offers supplementary day care and thereby offers full-day programs as part of its early childhood development program shall receive priority in the allocation of these competitive funds.

(4) A joint application process and form shall be developed by the family independence agency and the department for those participants who meet the eligibility criteria for the unified child day care program.

(5) From the appropriation in section 101 for school readiness grants, not more than \$25,000.00 shall be expended for project first step.

Sec. 904. Subject to the provisions of applicable federal law, in order to more fully integrate all job training programs for the state, the Michigan jobs commission shall be the lead agency responsible for programs funded under the federal job training partnership act, Public Law 97-300, 96 Stat. 1322, and grants distributed under that act shall be subject to the approval of the Michigan jobs commission. Changes in federal law or regulation permitting, the Michigan jobs commission shall be the state agency responsible for administering this federal program.

Sec. 905. Of the amounts appropriated in section 101 for federal Eisenhower math and science grants, the department shall identify and make available for subrecipient grant \$60,000.00 to support the operation Starbase math and science program located at the Selfridge air national guard base.

This act is ordered to take immediate effect.

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Secretary of the Senate.

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Clerk of the House of Representatives.

Approved -----

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Governor.