SUBSTITUTE FOR

SENATE BILL NO. 765

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:

PART 1

LINE-ITEM APPROPRIATIONS

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

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions......... 6.0

Full-time equated classified positions......... 600.5

GROSS APPROPRIATION	$	326,662,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	326,662,100
Federal revenues:		
Total federal revenues		226,097,500
Special revenue funds:		
Total local revenues		5,633,700
Total private revenues		1,933,300
Total other state restricted revenues		7,972,600
State general fund/general purpose	$	85,025,000

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

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 11.0		
State board of education, per diem payments	$	24,400
Unclassified positions--6.0 FTE positions		795,100
State board/superintendent operations--11.0 FTE positions		2,110,000
GROSS APPROPRIATION	$	2,929,500
Appropriated from:		
Federal revenues:		
Federal revenues		222,400
Special revenue funds:		
Private foundations		28,100
Certification fees		861,100

State general fund/general purpose	$	1,817,900

Sec. 103. CENTRAL SUPPORT

Full-time equated classified positions.......... 23.6		
Central support--23.6 FTE positions	$	3,623,400
Worker's compensation		30,800
Building occupancy charges - property management services		3,053,700
Training and orientation workshops		150,000
Terminal leave payments		554,700
GROSS APPROPRIATION	$	7,412,600
Appropriated from:		
Federal revenues:		
Federal revenues		1,641,400
Federal indirect funds		2,550,400
Special revenue funds:		
Certification fees		403,200
Teacher testing fees		3,800
Training and orientation workshop fees		150,000
State general fund/general purpose	$	2,663,800

Sec. 104. INFORMATION TECHNOLOGY SERVICES

Information technology operations	$	4,192,200
GROSS APPROPRIATION	$	4,192,200
Appropriated from:		
Federal revenues:		
Federal revenues		605,800
Federal indirect funds		1,789,800
Special revenue funds:		

Local cost sharing (schools for deaf/blind)		76,500
Certification fees		390,400
State general fund/general purpose	$	1,329,700

Sec. 105. SPECIAL EDUCATION SERVICES

Full-time equated classified positions.......... 47.0

Special education operations--47.0 FTE positions	$	8,937,300
GROSS APPROPRIATION	$	8,937,300
Appropriated from:		
Federal revenues:		
Federal revenues		8,457,300
Special revenue funds:		
Private foundations		110,100
Certification fees		44,100
State general fund/general purpose	$	325,800

Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Full-time equated classified positions.......... 77.0

Michigan schools for the deaf and blind operations--76.0 FTE positions	$	12,664,500
Camp Tuhsmeheta--1.0 FTE position		295,100
Private gifts - blind		200,000
Private gifts - deaf		50,000
GROSS APPROPRIATION	$	13,209,600
Appropriated from:		
Federal revenues:		
Federal revenues		6,900,400
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		5,233,000

Local school district service fees		312,500
Gifts, bequests, and donations		545,100
Student insurance revenue		218,600
State general fund/general purpose	$	0

Sec. 107. PROFESSIONAL PREPARATION SERVICES

Full-time equated classified positions 34.0		
Professional preparation operations--34.0 FTE positions	$	5,896,800
Department of attorney general		66,000
GROSS APPROPRIATION	$	5,962,800
Appropriated from:		
Federal revenues:		
Federal revenues		1,444,800
Special revenue funds:		
Certification fees		3,882,700
Teacher testing fees		359,300
Teacher college review fees		55,300
State general fund/general purpose	$	220,700

Sec. 108. MICHIGAN OFFICE OF GREAT START

Full-time equated classified positions 65.0		
Michigan office of great start operations--64.0 FTE positions	$	22,830,300
Child development and care external support		17,766,500
Head start collaboration office--1.0 FTE positions		307,700
Child development and care public assistance		146,916,000
GROSS APPROPRIATION	$	187,820,500
Appropriated from:		

Federal revenues:		
Federal revenues		146,888,600
Special revenue funds:		
Private foundations		250,000
Certification fees		64,200
State general fund/general purpose	$	40,617,700

Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES

Full-time equated classified positions 11.5		
State aid and school finance operations--11.5 FTE positions	$	1,861,500
GROSS APPROPRIATION	$	1,861,500
Appropriated from:		
State general fund/general purpose	$	1,861,500

Sec. 110. AUDIT SERVICES

Full-time equated classified positions 4.5		
Audit operations--4.5 FTE positions	$	602,200
GROSS APPROPRIATION	$	602,200
Appropriated from:		
Federal revenues:		
Federal indirect funds		478,700
Special revenue funds:		
Certification fees		61,200
State general fund/general purpose	$	62,300

Sec. 111. ADMINISTRATIVE LAW SERVICES

Full-time equated classified positions 2.0		
Administrative law operations--2.0 FTE positions	$	1,310,700
GROSS APPROPRIATION	$	1,310,700

Appropriated from:		
Federal revenues:		
Federal revenues		551,600
Special revenue funds:		
Certification fees		686,000
State general fund/general purpose	$	73,100

Sec. 112. ACCOUNTABILITY SERVICES

Full-time equated classified positions.......... 65.6		
Accountability services operations--65.6 FTE positions	$	14,637,700
GROSS APPROPRIATION	$	14,637,700
Appropriated from:		
Federal revenues:		
Federal revenues		13,460,700
State general fund/general purpose	$	1,177,000

Sec. 113. SCHOOL SUPPORT SERVICES

Full-time equated classified positions.......... 82.6		
School support services operations--82.6 FTE positions	$	15,111,700
Federal and private grants		3,000,000
GROSS APPROPRIATION	$	18,111,700
Appropriated from:		
Federal revenues:		
Federal revenues		16,263,600
Special revenue funds:		
Local school district service fees		11,700
Private foundations		1,000,000
Commodity distribution fees		71,700

Certification fees		85,700
State general fund/general purpose	$	679,000

Sec. 114. FIELD SERVICES

Full-time equated classified positions 45.0		
Field services operations--45.0 FTE positions	$	9,194,500
GROSS APPROPRIATION	$	9,194,500
Appropriated from:		
Federal revenues:		
Federal revenues		8,894,300
Special revenue funds:		
Certification fees		77,200
State general fund/general purpose	$	223,000

Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES

Full-time equated classified positions 63.7		
Educational improvement and innovation operations--63.7 FTE positions	$	9,382,500
Virtual learning		6,000,000
GROSS APPROPRIATION	$	15,382,500
Appropriated from:		
Federal revenues:		
Federal revenues		6,514,500
Special revenue funds:		
Certification fees		558,100
State general fund/general purpose	$	8,309,900

Sec. 116. CAREER AND TECHNICAL EDUCATION

Full-time equated classified positions 27.0

Career and technical education operations--27.0 FTE positions	$	4,758,300
GROSS APPROPRIATION	$	4,758,300
Appropriated from:		
Federal revenues:		
Federal revenues		3,826,200
State general fund/general purpose	$	932,100

Sec. 117. LIBRARY OF MICHIGAN

Full-time equated classified positions 33.0		
Library of Michigan operations--32.0 FTE positions	$	4,419,700
Library services and technology program--1.0 FTE positions		5,607,000
State aid to libraries		9,232,000
Michigan eLibrary		1,750,000
Renaissance zone reimbursements		4,700,000
MPSERS payments to libraries		2,200,000
GROSS APPROPRIATION	$	27,908,700
Appropriated from:		
Federal revenues:		
IMLS, library services and technology act		5,607,000
State general fund/general purpose	$	22,301,700

Sec. 118. SCHOOL REFORM OFFICE

Full-time equated classified positions 8.0		
School reform office operations--8.0 FTE positions	$	2,429,800
GROSS APPROPRIATION	$	2,429,800
Appropriated from:		
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
MPSERS payment to libraries.........................	$	2,200,000
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 code, 1976 PA 451, MCL 380.5.

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

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

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

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

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

Sec. 204. The state superintendent of public instruction 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. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 205. The departments and agencies shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 211. To the extent this state continues to identify schools as meeting proficiency targets, before publishing a list of schools or districts determined to have failed to make adequate yearly progress as required by the no child left behind act of 2001, Public Law 107-110, the department shall allow a school or district to appeal that determination. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not publish the list until after all appeals have been considered and decided.

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

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

(a) The dates of each travel occurrence.

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

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

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

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

(2) In addition to the funds appropriated in part 1, 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 part under section 393(2) of the management and budget act,

1984 PA 431, MCL 18.1393.

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

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

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

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

Sec. 221. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

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

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

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

Sec. 230. 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. 231. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2015 is $15,637,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $8,739,900.00. Total agency appropriations for retiree health care legacy costs are estimated at $6,897,600.00.

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

Sec. 234. From the funds appropriated in part 1, the department shall compile a report that identifies the mandates required of public and nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates and whether the requirement is for public schools, nonpublic schools, or both. The report required under this section shall be completed by April 1, 2015 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2015.

STATE BOARD/OFFICE OF THE SUPERINTENDENT

Sec. 301. (1) The appropriations in part 1 may be used for per diem payments to the state board for meetings at which a quorum is present or for performing official business authorized by the state board. 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.

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

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

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Sec. 401. 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. 402. 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. 406. (1) The Michigan schools 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. The Michigan schools for the deaf and blind shall distribute information detailing its services to all intermediate school districts in the state.

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

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

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

Senate Bill NO. 765 as amended May 8, 2014

PROFESSIONAL PREPARATION SERVICES

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

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

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

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Senate Bill NO. 765 as amended May 8, 2014

Senate Bill NO. 765 as amended May 8, 2014

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EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES

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

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

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

(b) Before August 31, 2015, provide an extensive professional development program to at least 500 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of digital learning into curricula and instruction. Not later than December 1, 2015, the department shall submit a report to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies on the number and percentage of teachers, school administrators, and school board members who have received professional development services from the department. The report shall also identify barriers and other opportunities to encourage the adoption of digital learning in the public education system.

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

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

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

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

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

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

(i) Research and establish an Internet-based platform that educators can use to create student-centric learning tools and resources and facilitate a user network that assists educators in using the platform. As part of this initiative, the department shall work collaboratively with districts and intermediate districts to establish a plan to make available online resources that align to Michigan's K-12 curriculum standards for use by students, educators, and parents.

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

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

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

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

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

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

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

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

(c) The overall course completion rate percentage.

(4) As used in this section:

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

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

(c) "Online course" means a course of study that is capable of generating a credit or a grade, that is provided in an interactive Internet-connected learning environment, in which pupils are separated from their teachers by time or location, or both, and in which a teacher who holds a valid Michigan teaching certificate is responsible for determining appropriate instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies, reporting outcomes, and evaluating the effects of instruction and support strategies.

LIBRARY OF MICHIGAN

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

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

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

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

libraries.

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

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

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

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

SCHOOL SUPPORT SERVICES

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

MICHIGAN OFFICE OF GREAT START

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

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

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

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

(c) The grant recipients.

(d) The activities funded by each grant.

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

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

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

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

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

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

SCHOOL REFORM OFFICE

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