

# HOUSE BILL No. 5150

October 19, 2017, Introduced by Reps. Camilleri, Clemente, Brinks, Faris, Pagan, Hoadley, Sowerby, Hammoud, Schor, Chang, Wittenberg, Lasinski, Geiss and Zemke and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending section 32d (MCL 388.1632d), as amended by 2017 PA 108.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 child shall be at least 4, but less than 5, years of age as of  
2 September 1 of the school year in which the program is offered and  
3 shall meet those eligibility and prioritization guidelines.

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

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

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

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

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

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

7 (d) Physical and dental health and developmental screening  
8 services for all program participants.

9 (e) Referral services for families of program participants to  
10 community social service agencies, including mental health  
11 services, as appropriate.

12 (f) Active and continuous involvement of the parents or  
13 guardians of the program participants.

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

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

27 (i) The ongoing articulation of the kindergarten and first

1 grade programs offered by the program provider.

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

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

7 (a) Ensure compliance with all program components described in  
8 subsection (4).

9 (b) Except as otherwise provided in this subdivision, ensure  
10 that at least 90% of the children participating in an eligible  
11 great start readiness program for whom the intermediate district is  
12 receiving funds under this section are children who live with  
13 families with a household income that is equal to or less than ~~250%~~  
14 **350%** of the federal poverty level. If the intermediate district  
15 determines that all eligible children are being served and that  
16 there are no children on the waiting list who live with families  
17 with a household income that is equal to or less than ~~250%~~**350%** of  
18 the federal poverty level, the intermediate district may then  
19 enroll children who live with families with a household income that  
20 is equal to or less than ~~300%~~**400%** of the federal poverty level.  
21 The enrollment process shall consider income and risk factors, such  
22 that children determined with higher need are enrolled before  
23 children with lesser need. For purposes of this subdivision, all  
24 age-eligible children served in foster care or who are experiencing  
25 homelessness or who have individualized education plans  
26 recommending placement in an inclusive preschool setting shall be  
27 considered to live with families with household income equal to or

1 less than ~~250%~~**350%** of the federal poverty level regardless of  
2 actual family income and shall be prioritized for enrollment within  
3 the lowest quintile.

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

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

20 (ii) Paraprofessionals possessing proper training in early  
21 childhood education, including an associate's degree in early  
22 childhood education or child development or the equivalent, or a  
23 child development associate (CDA) credential. However, if an  
24 applicant demonstrates to the department that it is unable to fully  
25 comply with this subparagraph after making reasonable efforts to  
26 comply, the applicant may use paraprofessionals who have completed  
27 at least 1 course that earns college credit in early childhood

1 education or child development if the applicant provides to the  
2 department, and the department approves, a plan for each  
3 paraprofessional to come into compliance with the standards in this  
4 subparagraph. A paraprofessional's compliance plan must be  
5 completed within 2 years of the date of employment. Progress toward  
6 completion of the compliance plan shall consist of at least 2  
7 courses or 60 clock hours of training per calendar year.

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

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

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

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

7           (9) An intermediate district or consortium of intermediate  
8 districts may retain for administrative services provided by the  
9 intermediate district or consortium of intermediate districts an  
10 amount not to exceed 4% of the grant amount. Expenses incurred by  
11 subrecipients engaged by the intermediate district or consortium of  
12 intermediate districts for directly running portions of the program  
13 shall be considered program costs or a contracted program fee for  
14 service.

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

18           (11) Each grant recipient shall enroll children identified  
19 under subsection (5) (b) according to how far the child's household  
20 income is below ~~250%~~**350%** of the federal poverty level by ranking  
21 each applicant child's household income from lowest to highest and  
22 dividing the applicant children into quintiles based on how far the  
23 child's household income is below ~~250%~~**350%** of the federal poverty  
24 level, and then enrolling children in the quintile with the lowest  
25 household income before enrolling children in the quintile with the  
26 next lowest household income until slots are completely filled. If  
27 the grant recipient determines that all eligible children are being

1 served and that there are no children on the waiting list who live  
2 with families with a household income that is equal to or less than  
3 ~~250%~~**350%** of the federal poverty level, the grant recipient may  
4 then enroll children who live with families with a household income  
5 that is equal to or less than ~~300%~~**400%** of the federal poverty  
6 level. The enrollment process shall consider income and risk  
7 factors, such that children determined with higher need are  
8 enrolled before children with lesser need. For purposes of this  
9 subdivision, all age-eligible children served in foster care or who  
10 are experiencing homelessness or who have individualized education  
11 plans recommending placement in an inclusive preschool setting  
12 shall be considered to live with families with household income  
13 equal to or less than ~~250%~~**350%** of the federal poverty level  
14 regardless of actual family income and shall be prioritized for  
15 enrollment within the lowest quintile.

16 (12) An intermediate district or consortium of intermediate  
17 districts receiving a grant under this section shall allow parents  
18 of eligible children who are residents of the intermediate district  
19 or within the consortium to choose a program operated by or  
20 contracted with another intermediate district or consortium of  
21 intermediate districts and shall enter into a written agreement  
22 regarding payment, in a manner prescribed by the department.

23 (13) An intermediate district or consortium of intermediate  
24 districts receiving a grant under this section shall conduct a  
25 local process to contract with interested and eligible public and  
26 private for-profit and nonprofit community-based providers that  
27 meet all requirements of subsection (4) for at least 30% of its

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

1 total allocation as required under this subsection, including, but  
2 not limited to, at least all of the following measures:

3 (a) The intermediate district or consortium notified each  
4 nonparticipating licensed child care center located in the service  
5 area of the intermediate district or consortium regarding the  
6 center's eligibility to participate, in a manner prescribed by the  
7 department.

8 (b) The intermediate district or consortium provided to each  
9 nonparticipating licensed child care center located in the service  
10 area of the intermediate district or consortium information  
11 regarding great start readiness program requirements and a  
12 description of the application and selection process for community-  
13 based providers.

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

18 (14) If an intermediate district or consortium of intermediate  
19 districts receiving a grant under this section fails to submit  
20 satisfactory evidence to demonstrate its effort to contract for at  
21 least 30% of its total allocation, as required under subsection  
22 ~~(11)~~, (13), the department shall reduce the allocation to the  
23 intermediate district or consortium by a percentage equal to the  
24 difference between the percentage of an intermediate district's or  
25 consortium's total allocation awarded to community-based providers  
26 and 30% of its total allocation.

27 (15) In order to assist intermediate districts and consortia

1 in complying with the requirement to contract with community-based  
2 providers for at least 30% of their total allocation, the  
3 department shall do all of the following:

4 (a) Ensure that a great start resource center or the  
5 department provides each intermediate district or consortium  
6 receiving a grant under this section with the contact information  
7 for each licensed child care center located in the service area of  
8 the intermediate district or consortium by March 1 of each year.

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

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

21 (d) Not later than December 1 of each year, compile the  
22 results of the information reported by each intermediate district  
23 or consortium under subsection ~~(10)~~ **(13)** and report to the  
24 legislature a list by intermediate district or consortium with the  
25 number and percentage of each intermediate district's or  
26 consortium's total allocation allocated to community-based  
27 providers by provider type, including private for-profit, private

1 nonprofit, community college or university, Head Start grantee or  
2 delegate, and district or intermediate district.

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

16 (17) As used in this section:

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

20 (b) "Part-day program" means a program that operates at least  
21 4 days per week, 30 weeks per year, for at least 3 hours of  
22 teacher-child contact time per day but for fewer hours of teacher-  
23 child contact time per day than a school-day program.

24 (c) "School-day program" means a program that operates for at  
25 least the same length of day as a district's first grade program  
26 for a minimum of 4 days per week, 30 weeks per year. A classroom  
27 that offers a school-day program must enroll all children for the

1 school day to be considered a school-day program.

2 (18) An intermediate district or consortium of intermediate  
3 districts receiving funds under this section shall establish and  
4 charge tuition according to a sliding scale of tuition rates based  
5 upon household income for children participating in an eligible  
6 great start readiness program who live with families with a  
7 household income that is more than ~~250%~~ **350%** of the federal poverty  
8 level to be used by all of its providers, as approved by the  
9 department.

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

1 provider for transportation costs as prescribed under this  
2 subsection.

3 (20) The department shall implement a process to review and  
4 approve age-appropriate comprehensive classroom level quality  
5 assessments for GSRP grantees that support the early childhood  
6 standards of quality for prekindergarten children adopted by the  
7 state board. The department shall complete the approval process and  
8 make available to intermediate districts at least 2 approved  
9 classroom level quality assessments no later than April 1, 2018.

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