# HOUSE BILL No. 5056

# October 3, 2013, Introduced by Reps. Johnson, Kelly, Rendon, Lauwers, Daley, Bumstead and Brunner 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 2013 PA 60.

### 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 \$149,275,000.00 for 2013-2014. In addition, from the 5 funds appropriated in section 11, there is allocated to the great start readiness reserve fund created under subsection (14) an 6 amount not to exceed \$25,000,000.00 for 2013-2014. Funds allocated 7 under this section for great start readiness programs shall be used 8 to provide part-day, school-day, or GSRP/head start blended 9 10 comprehensive free compensatory classroom programs designed to

1 improve the readiness and subsequent achievement of educationally 2 disadvantaged children who meet the participant eligibility and prioritization quidelines as defined by the department. Beginning 3 4 in 2013-2014, for a child to be eligible to participate in a 5 program under this section, the child shall be at least 4, but less 6 than 5, years of age as of the date specified for determining a child's eligibility to attend school under section 1147 of the 7 revised school code, MCL 380.1147. 8

(2) Funds allocated under subsection (1) shall be allocated to 9 intermediate districts or consortia of intermediate districts based 10 11 on the formula in section 39. An intermediate district or 12 consortium of intermediate districts receiving funding under this 13 section shall act as the fiduciary for the great start readiness 14 programs. In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of 15 intermediate districts, a district, a consortium of districts, or a 16 17 public or private for-profit or nonprofit legal entity or agency shall comply with this section and section 39. 18

19 (3) In addition to the allocation under subsection (1), from 20 the general fund money appropriated under section 11, there is 21 allocated an amount not to exceed \$300,000.00 for 2013-2014 for a 22 competitive grant to continue a longitudinal evaluation of children 23 who have participated in great start readiness programs.

(4) To be eligible for funding under this section, a program
shall prepare children for success in school through comprehensive
part-day, school-day, or GSRP/head start blended programs that
contain all of the following program components, as determined by

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1 the department:

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

6 (b) An age-appropriate educational curriculum that is in
7 compliance with the early childhood standards of quality for
8 prekindergarten children adopted by the state board.

9 (c) Nutritional services for all program participants10 supported by federal, state, and local resources as applicable.

11 (d) Health and developmental screening services for all12 program participants.

(e) Referral services for families of program participants tocommunity social service agencies, as appropriate.

15 (f) Active and continuous involvement of the parents or16 guardians of the program participants.

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

20 (h) Participation in a multidistrict, multiagency, school 21 readiness advisory committee convened as a workgroup of the great start collaborative that provides for the involvement of classroom 22 23 teachers, parents or guardians of program participants, and 24 community, volunteer, and social service agencies and 25 organizations, as appropriate. The advisory committee annually 26 shall review the program components listed in this subsection and 27 make recommendations for changes to the great start readiness

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1 program for which it is an advisory committee.

2 (i) The ongoing articulation of the kindergarten and first3 grade programs offered by the program provider.

4 (j) Participation in this state's great start to quality5 process with a rating of at least 3 stars.

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

9 (a) Ensure compliance with all program components described in10 subsection (4).

11 (b) Ensure that at least 90% of the children participating in 12 an eligible great start readiness program for whom the provider is receiving funds under this section are children who live with 13 14 families with a household income that is equal to or less than 250% of the federal poverty level. HOWEVER, A PROVIDER MAY ENROLL MORE 15 CHILDREN WHO DO NOT LIVE WITH A FAMILY WITH A HOUSEHOLD INCOME THAT 16 17 IS EQUAL TO OR LESS THAN 250% OF THE FEDERAL POVERTY LEVEL THAN WOULD OTHERWISE BE ALLOWED UNDER THIS SUBDIVISION IF THAT 18 19 ENROLLMENT DOES NOT DISPLACE ANY CHILDREN WHO LIVE WITH A FAMILY WITH A HOUSEHOLD INCOME THAT IS EQUAL TO OR LESS THAN 250% OF THE 20 21 FEDERAL POVERTY LEVEL.

(c) Ensure that the applicant only uses qualified personnelfor this program, as follows:

(i) Teachers possessing proper training. For programs managed
directly by a district or intermediate district, a valid teaching
certificate and an early childhood (ZA or ZS) endorsement are
required. This provision does not apply to an eligible child

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1 development program. In that situation, a teacher must have a valid 2 Michigan teaching certificate with an early childhood (ZA or ZS) endorsement, a valid Michigan elementary teaching certificate with 3 4 a child development associate credential, or a bachelor's degree in 5 child development with specialization in preschool teaching. 6 However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making 7 8 reasonable efforts to comply, teachers who have significant but incomplete training in early childhood education or child 9 development may be used if the applicant provides to the 10 11 department, and the department approves, a plan for each teacher to 12 come into compliance with the standards in this subparagraph. A teacher's compliance plan must be completed within 2 years of the 13 14 date of employment. Progress toward completion of the compliance plan shall consist of at least 2 courses per calendar year. 15

(*ii*) Paraprofessionals possessing proper training in early 16 17 childhood development, including an associate's degree in early 18 childhood education or child development or the equivalent, or a 19 child development associate (CDA) credential. However, if an 20 applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to 21 22 comply, the applicant may use paraprofessionals who have completed 23 at least 1 course that earns college credit in early childhood 24 education or child development if the applicant provides to the 25 department, and the department approves, a plan for each 26 paraprofessional to come into compliance with the standards in this 27 subparagraph. A paraprofessional's compliance plan must be

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completed within 2 years of the date of employment. Progress toward
 completion of the compliance plan shall consist of at least 2
 courses or 60 clock hours of training per calendar year.

4 (d) Include a program budget that contains only those costs 5 that are not reimbursed or reimbursable by federal funding, that 6 are clearly and directly attributable to the great start readiness program, and that would not be incurred if the program were not 7 being offered. Eligible costs include transportation costs. The 8 program budget shall indicate the extent to which these funds will 9 supplement other federal, state, local, or private funds. Funds 10 11 received under this section shall not be used to supplant any 12 federal funds received by the applicant to serve children eligible 13 for a federally funded preschool program that has the capacity to serve those children. 14

15 (6) For a grant recipient that enrolls pupils in a school-day 16 program funded under this section, each child enrolled in the 17 school-day program shall be counted as 2 children served by the 18 program for purposes of determining the number of children to be 19 served and for determining the amount of the grant award. A grant 20 award shall not be increased solely on the basis of providing a 21 school-day program.

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

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(8) An intermediate district or consortium of intermediate

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districts receiving a grant under this section may provide services 1 2 directly or may contract with 1 or more districts or public or private for-profit or nonprofit providers that meet all 3 4 requirements of subsection (4) and retain for administrative 5 services an amount equal to not more than 7% of the grant amount. In addition, an intermediate district or consortium of intermediate 6 7 districts may expend not more than 2% of the total grant amount for recruiting and public awareness of the program. 8

9 (9) Each grant recipient shall enroll children identified under subsection (5)(b) according to how far the child's household 10 11 income is below 250% of the federal poverty level by ranking each 12 applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the 13 child's household income is below 250% of the federal poverty 14 level, and then enrolling children in the quintile with the lowest 15 household income before enrolling children in the quintile with the 16 17 next lowest household income until slots are completely filled.

(10) An intermediate district or consortium of intermediate 18 19 districts receiving a grant under this section shall conduct a 20 local process to contract with interested and eligible public and 21 private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its 22 total slot allocation. If the intermediate district or consortium 23 is not able to contract for at least 30% of its total slot 24 25 allocation, the grant recipient shall notify the department and, if 26 the department verifies that the intermediate district or 27 consortium attempted to contract for at least 30% of its total slot

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allocation and was not able to do so, then the intermediate
 district or consortium may retain and use all of its allocated
 slots as provided under this section.

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

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(12) As used in this section:

(a) "GSRP/head start blended program" means a part-day program
funded under this section and a head start program, which are
combined for a school-day program.

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

(c) "School-day program" means a program that operates for at
least the same length of day as a district's first grade program
for a minimum of 4 days per week, 30 weeks per year. A classroom

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that offers a school-day program must enroll all children for the
 school day to be considered a school-day program.

(13) An intermediate district or consortium of intermediate 3 4 districts receiving funds under this section shall establish a 5 sliding scale of tuition rates based upon household income for 6 children participating in an eligible great start readiness program who live with families with a household income that is more than 7 250% of the federal poverty level to be used by all of its 8 9 providers, as approved by the department. A grant recipient shall charge tuition according to that sliding scale of tuition rates on 10 11 a uniform basis for any child who does not meet the income 12 eligibility requirements under this section.

13 (14) The great start readiness reserve fund is created as a 14 separate account within the state school aid fund established by section 11 of article IX of the state constitution of 1963. Money 15 16 available in the great start readiness reserve fund may not be 17 expended for 2013-2014 unless transferred by the legislature not 18 later than January 31, 2014 to the allocation under subsection (1) 19 for great start readiness programs. Money in the great start 20 readiness reserve fund shall be expended only for purposes for 21 which state school aid fund money may be expended. The state 22 treasurer shall direct the investment of the great start readiness 23 reserve fund. The state treasurer shall credit to the great start 24 readiness reserve fund interest and earnings from fund investments. 25 Money in the great start readiness reserve fund at the close of a 26 fiscal year shall remain in the great start readiness reserve fund 27 and shall not lapse to the unreserved school aid fund balance or

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1 the general fund.