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Senate Bill 188 (as introduced 2-8-07)
Sponsor: Senator Gerald Van Woerkom
Committee: Education

Date Completed: 5-8-07

CONTENT

The bill would amend the Revised School Code to do the following:

- Allow an intermediate school district (ISD) to acquire equipment necessary for the operation of ISD programs, and pay for it with operating funds.**
- Expand the purposes for which an ISD may spend vocational-technical (or career and technical) education funds.**
- Require an ISD that used State or Federal career and technical education funds to obtain State approval and to establish a program advisory committee for its career and technical education program.**
- Require the Department of Labor and Economic Growth (DLEG) to develop a process for expediting State approval of programs that recognize local workforce needs and certain other changes in market demands.**
- Prohibit a constituent district from disposing of an area vocational-technical education facility without the consent of the ISD board, if the ISD had provided at least 90% of the cost of acquiring or constructing the facility.**

The bill is described in detail below.

Authority to Purchase Equipment

The bill would permit the board of an ISD to acquire by purchase, lease, or rental, with or without the option to purchase, equipment necessary for the operation of ISD programs, including heating, water heating, and cooking equipment for school buildings. The ISD board could pay for the equipment from its operating funds. Heating and cooking equipment could be purchased on a title retaining contract or other form of agreement creating a security interest and pledging in payment money in the general fund or funds received from State school aid. Those contracts could extend for a maximum term of 10 years.

Career & Technical Education Funds

Under the Code, an ISD may spend area vocational technical education funds for the operation of area vocational technical education programs approved by the State Board of Education for acquiring, purchasing, or constructing area vocational technical education buildings, acquiring sites for area vocational technical education buildings, and purchasing area vocational technical education equipment.

The bill would remove those provisions. Under the bill, an ISD board could spend career and technical education funds for the operation of career and technical education programs for instructional, support, and administrative costs associated with providing career and technical education activities, including the following:

- Staff salaries, wages, and benefits.
- Information and awareness activities.
- Acquisition and rental of real property.
- Construction of buildings.
- Acquisition of equipment and supplies.
- Maintenance, repair, and replacement of buildings, land, equipment, and supplies.

The bill would require an ISD board to obtain State approval to use State or Federal career and technical education funds. The ISD board would have to determine expenditure of vocational education millage revenue for the purposes allowed under the bill.

Career & Technical Education Program

An ISD board would have to notify DLEG when a career and technical education program was established.

To be responsive to local workforce needs, emerging technologies, and local demand occupations, the ISD would have to establish a program advisory committee under administrative guidelines established by the Office of Career and Technical Preparation within DLEG. At least a majority of the members of the committee would have to be representatives from business and industry.

The program would have to collect data on career and technical education and distribute the data to the appropriate State departments and to the program advisory committee.

Also, the Department of Education could monitor career and technical education programs funded with State or Federal funding based on feedback from the program advisory committee and predetermined State or Federal skills standards that included student outcomes.

The board of the ISD would have to ensure that all of the requirements were met.

In consultation with the appropriate career and technical education professionals, DLEG would have to develop a process for expedited State approval of programs that recognize local workforce needs, emerging technologies, and local demand occupations.

Vocational Education Facilities

The bill specifies that if an ISD had provided at least 90% of the financial consideration for the acquisition or construction of an area vocational technical education facility, a constituent district could not dispose of the facility without the consent of the ISD board even if title to the facility were vested in the constituent district.

Definitions

Under the Code, "vocational education" means vocational or technical training or retraining given in classes or schools, including field or laboratory work incidental to that training, under public supervision and control and conducted as part of a program designed to fit individuals for gainful employment as semi-skilled or skilled workers or technicians in recognized occupations, excluding a program to fit individuals for employment in occupations that the State Board of Education determines and specifies to be generally

considered professional or as requiring a baccalaureate or higher degree. The term includes guidance and counseling in connection with the training and instruction related to the occupation for which the pupil is being trained or that is necessary for the pupil to benefit from the training. The term also includes the acquisition, maintenance, and repair of instructional supplies, teaching aids, and equipment, the construction or initial equipment of buildings, and the acquisition or rental of land.

The bill would delete that definition, and would define "vocational education" or "career and technical education" as education designed to provide career development and the knowledge and skills leading to entry-level technical employment or higher education in a technical field. Career and technical education programs would include classroom and laboratory experiences and work-based instruction. The term would include guidance and counseling for a pupil related to the career for which he or she was being educated and trained. Allowable expenses related to career and technical education delivery would include all instructional, support, and administrative costs associated with providing those activities, including staff salaries, wages and benefits; information and awareness activities; acquisition and rental of real property; construction of buildings; acquisition of equipment and supplies; and maintenance, repair, and replacement of buildings, land, equipment, and supplies.

Under the Code, "area vocational-technical education program" means a program of organized systematic instruction designed to prepare the following people for useful employment in recognized occupations:

- Those enrolled in high school.
- Those who have completed or left high school and who are available for full-time study in preparation for entering the labor market.
- Those who have entered the labor market and who need training or retraining to achieve stability or advancement in employment.

The bill also would include people participating in career and technical education readiness activities that lead to enrollment in a career and technical education program in high school. The definition would apply to the terms "area career and technical education program" and "career and technical education program", as well as "area vocational-technical education program".

Under the Code, "area" as used above means the geographical territory, both within and without the boundaries of either a K-12 school district or a community college district, that is designated by the State Board of Education as the service area for the operation of an area vocational-technical education program.

Under the bill, "area" would mean the geographical territory within the boundaries of a K-12 school district, an ISD, or a community college district, that is designated by the State Board as the service area for the operation of an area vocational-technical education program.

MCL 380.3 et al.

Legislative Analyst: Curtis Walker

FISCAL IMPACT

State: The Department of Labor and Economic Growth could incur some small increased administrative costs due to the required development of a process for expedited State approval of programs that recognize local workforce needs, emerging technologies, and local demand occupations.

Local: By allowing career and technical education funding and vocational education millage revenue to be used for the maintenance, repair, and replacement of buildings, land, equipment, and supplies, the bill would free up operating funds that now must be devoted for those purposes, thereby providing more flexibility.

Intermediate school districts could see some increased administrative costs associated with the required establishment of program advisory committees pursuant to guidelines published by the Office of Career and Technical Preparation, and from collecting and distributing career and technical education information and data, if these activities are not already undertaken.

Fiscal Analyst: Kathryn Summers-Coty