

# SENATE BILL No. 188

February 8, 2007, Introduced by Senator VAN WOERKOM and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled  
 "The revised school code,"  
 by amending sections 3, 7, 623a, 684, and 686 (MCL 380.3, 380.7,  
 380.623a, 380.684, and 380.686), section 3 as amended by 2004 PA  
 303, section 623a as amended by 2004 PA 588, and section 684 as  
 amended by 1996 PA 277.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 3. (1) "Area" as used in the phrase "area vocational-  
 2 technical education program" means the geographical territory, ~~both~~  
 3 within ~~and without~~ the boundaries of ~~either~~ a K to 12 school  
 4 district, **AN INTERMEDIATE SCHOOL DISTRICT**, or a community college  
 5 district, that is designated by the state board as the service area  
 6 for the operation of an area vocational-technical education  
 7 program.

1           (2) "Area vocational-technical education program", "AREA  
2 CAREER AND TECHNICAL EDUCATION PROGRAM", OR "CAREER AND TECHNICAL  
3 EDUCATION PROGRAM" means a program of organized, systematic  
4 instruction designed to prepare the following persons for useful  
5 employment in recognized occupations:

6           (A) PERSONS PARTICIPATING IN CAREER AND TECHNICAL EDUCATION  
7 READINESS ACTIVITIES THAT LEAD TO ENROLLMENT IN A CAREER AND  
8 TECHNICAL EDUCATION PROGRAM IN HIGH SCHOOL.

9           (B) ~~(a)~~—Persons enrolled in high school.

10          (C) ~~(b)~~—Persons who have completed or left high school and who  
11 are available for full-time study in preparation for entering the  
12 labor market.

13          (D) ~~(c)~~—Persons who have entered the labor market and who need  
14 training or retraining to achieve stability or advancement in  
15 employment.

16          (3) "Board" or "school board" means the governing body of a  
17 local school district or a local act school district unless clearly  
18 otherwise stated. ~~Except in part 5a or part 6, for a school~~  
19 ~~district organized as a first class school district, if the~~  
20 ~~question under section 410 is approved in the school district, then~~  
21 ~~beginning on the next January 1 occurring at least 1 year after the~~  
22 ~~question under section 410 is presented to the school electors in~~  
23 ~~the school district, "board" or "school board" means the chief~~  
24 ~~executive officer of the first class school district.~~

25          (4) "Boarding school" means a place accepting for board, care,  
26 and instruction 5 or more children under 16 years of age.

27          (5) "Constituent district" means a local school district or

1 special act school district the territory of which is entirely  
2 within and is an integral part of an intermediate school district.

3       Sec. 7. (1) "Valuation of a fractional school district" means  
4 the sum of the valuations of the fractions thereof, each of which  
5 shall be computed in the same manner as the valuation of a whole  
6 school district.

7       (2) "Valuation of the state" means the equalized value as  
8 determined by the state board of equalization.

9       (3) "Valuation of a whole school district" means the total  
10 assessed value of the property contained in the district as fixed  
11 by the township or city board of review, which in turn is  
12 proportionately increased or decreased to the basis of the  
13 valuation of the county containing the district as fixed by the  
14 county board of equalization, and the result in turn  
15 proportionately increased or decreased to the basis of the  
16 valuation of the county containing the district as last fixed by  
17 the state board of equalization, known as the "state equalized  
18 valuation".

19       (4) "Vocational education" **OR "CAREER AND TECHNICAL EDUCATION"**  
20 means ~~vocational or technical training or retraining which is given~~  
21 ~~in schools or classes, including field or laboratory work~~  
22 ~~incidental thereto, under public supervision and control, and is~~  
23 ~~conducted as part of a program designed to fit individuals for~~  
24 ~~gainful employment as semiskilled or skilled workers or technicians~~  
25 ~~in recognized occupations, excluding a program to fit individuals~~  
26 ~~for employment in occupations which the state board determines and~~  
27 ~~specifies to be generally considered professional or as requiring a~~

~~1 baccalaureate or higher degree. The term includes guidance and~~  
~~2 counseling in connection with the training and instruction related~~  
~~3 to the occupation for which the pupil is being trained or necessary~~  
~~4 for the pupil to benefit from the training. The term includes the~~  
~~5 acquisition, maintenance, and repair of instructional supplies,~~  
~~6 teaching aids, and equipment, the construction or initial equipment~~  
~~7 of buildings, and the acquisition or rental of land. EDUCATION~~  
**8 DESIGNED TO PROVIDE CAREER DEVELOPMENT AND THE KNOWLEDGE AND SKILLS**  
**9 LEADING TO ENTRY-LEVEL TECHNICAL EMPLOYMENT OR HIGHER EDUCATION IN**  
**10 A TECHNICAL FIELD. CAREER AND TECHNICAL EDUCATION PROGRAMS INCLUDE**  
**11 CLASSROOM AND LABORATORY EXPERIENCES AND WORK-BASED INSTRUCTION.**  
**12 THE TERM INCLUDES GUIDANCE AND COUNSELING FOR A PUPIL RELATED TO**  
**13 THE CAREER FOR WHICH THE PUPIL IS BEING EDUCATED AND TRAINED.**  
**14 ALLOWABLE EXPENSES RELATED TO CAREER AND TECHNICAL EDUCATION**  
**15 DELIVERY INCLUDE ALL INSTRUCTIONAL, SUPPORT, AND ADMINISTRATIVE**  
**16 COSTS ASSOCIATED WITH PROVIDING THESE ACTIVITIES, INCLUDING, BUT**  
**17 NOT LIMITED TO, STAFF SALARIES, WAGES, AND BENEFITS; INFORMATION**  
**18 AND AWARENESS ACTIVITIES; ACQUISITION AND RENTAL OF REAL PROPERTY;**  
**19 CONSTRUCTION OF BUILDINGS; ACQUISITION OF EQUIPMENT AND SUPPLIES;**  
**20 AND MAINTENANCE, REPAIR, AND REPLACEMENT OF BUILDINGS, LANDS,**  
**21 EQUIPMENT, AND SUPPLIES.**

22       Sec. 623a. (1) An intermediate school board shall adopt  
 23 written policies governing the procurement of supplies, materials,  
 24 and equipment.

25       (2) Except as otherwise provided in subsection (3), an  
 26 intermediate school district shall not purchase an item or a group  
 27 of items purchased in a single transaction costing \$17,932.00

1 \$19,653.00 or more unless competitive bids are obtained for those  
2 items and the purchase of those items is approved by the  
3 intermediate school board. The maximum amount specified in this  
4 section shall be adjusted each year by multiplying the amount for  
5 the immediately preceding year by the percentage by which the  
6 average consumer price index for all items for the 12 months ending  
7 August 31 of the year in which the adjustment is made differs from  
8 that index's average for the 12 months ending on August 31 of the  
9 immediately preceding year and adding that product to the maximum  
10 amount that applied in the immediately preceding year, rounding to  
11 the nearest whole dollar.

12 (3) An intermediate school district is not required to obtain  
13 competitive bids for items purchased through the cooperative bulk  
14 purchasing program operated by the department of management and  
15 budget under section 263(3) of the management and budget act, 1984  
16 PA 431, MCL 18.1263.

17 (4) THE INTERMEDIATE SCHOOL BOARD OF AN INTERMEDIATE SCHOOL  
18 DISTRICT MAY ACQUIRE BY PURCHASE, LEASE, OR RENTAL, WITH OR WITHOUT  
19 OPTION TO PURCHASE, EQUIPMENT NECESSARY FOR THE OPERATION OF  
20 INTERMEDIATE SCHOOL DISTRICT PROGRAMS, INCLUDING, BUT NOT LIMITED  
21 TO, HEATING, WATER HEATING, AND COOKING EQUIPMENT FOR SCHOOL  
22 BUILDINGS, AND MAY PAY FOR THE EQUIPMENT FROM OPERATING FUNDS OF  
23 THE INTERMEDIATE SCHOOL DISTRICT. HEATING AND COOKING EQUIPMENT MAY  
24 BE PURCHASED ON A TITLE RETAINING CONTRACT OR OTHER FORM OF  
25 AGREEMENT CREATING A SECURITY INTEREST AND PLEDGING IN PAYMENT  
26 MONEY IN THE GENERAL FUND OR FUNDS RECEIVED FROM STATE SCHOOL AID.  
27 THE CONTRACTS MAY EXTEND FOR NOT MORE THAN 10 YEARS.

1           Sec. 684. (1) An intermediate school board in which an area  
2 ~~vocational-technical-CAREER AND TECHNICAL~~ education program has  
3 been established may operate area ~~vocational-technical-CAREER AND~~  
4 **TECHNICAL** education programs or may contract with local school  
5 districts or with community colleges for the operation of the  
6 programs or with a private degree-granting postsecondary  
7 institution if the intermediate school district is not within a  
8 community college district and if there existed on or before July  
9 1, 1992 a written agreement for the operation of such a program.  
10 Area ~~vocational-technical-CAREER AND TECHNICAL~~ education programs  
11 operated under sections 681 to 690 shall be submitted for review of  
12 the representatives of the constituent districts of the  
13 intermediate school district at an annual budget review meeting  
14 held on or before June 1 under section 624.

15           (2) An intermediate school board may expend area ~~vocational-~~  
16 ~~technical-CAREER AND TECHNICAL~~ education funds for the operation of  
17 area ~~vocational-technical-CAREER AND TECHNICAL~~ education programs  
18 ~~approved by the state board for acquiring, purchasing, or~~  
19 ~~constructing area vocational-technical education buildings,~~  
20 ~~acquiring sites for area vocational-technical education buildings,~~  
21 ~~and purchasing area vocational-technical education equipment-FOR~~  
22 **INSTRUCTIONAL, SUPPORT, AND ADMINISTRATIVE COSTS ASSOCIATED WITH**  
23 **PROVIDING CAREER AND TECHNICAL EDUCATION ACTIVITIES, INCLUDING, BUT**  
24 **NOT LIMITED TO, STAFF SALARIES, WAGES, AND BENEFITS; INFORMATION**  
25 **AND AWARENESS ACTIVITIES; ACQUISITION AND RENTAL OF REAL PROPERTY;**  
26 **CONSTRUCTION OF BUILDINGS; ACQUISITION OF EQUIPMENT AND SUPPLIES;**  
27 **AND MAINTENANCE, REPAIR, AND REPLACEMENT OF BUILDINGS, LANDS,**

1 EQUIPMENT, AND SUPPLIES. An intermediate school board shall not  
2 expend area vocational-technical education funds for purposes other  
3 than those set forth in sections 681 to 690. AN INTERMEDIATE SCHOOL  
4 BOARD MUST OBTAIN STATE APPROVAL TO USE STATE OR FEDERAL CAREER AND  
5 TECHNICAL EDUCATION FUNDS. EXPENDITURE OF VOCATIONAL EDUCATION  
6 MILLAGE REVENUE FOR THE PURPOSES ALLOWED UNDER THIS SUBSECTION  
7 SHALL BE DETERMINED BY THE INTERMEDIATE SCHOOL BOARD. THE  
8 INTERMEDIATE SCHOOL BOARD SHALL ENSURE THAT ALL OF THE FOLLOWING  
9 ARE MET:

10 (A) THE INTERMEDIATE SCHOOL BOARD SHALL NOTIFY THE DEPARTMENT  
11 OF LABOR AND ECONOMIC GROWTH AT THE TIME THE CAREER AND TECHNICAL  
12 EDUCATION PROGRAM IS ESTABLISHED.

13 (B) IN ORDER TO BE RESPONSIVE TO LOCAL WORKFORCE NEEDS,  
14 EMERGING TECHNOLOGIES, AND LOCAL DEMAND OCCUPATIONS, THE  
15 INTERMEDIATE SCHOOL DISTRICT SHALL ESTABLISH A PROGRAM ADVISORY  
16 COMMITTEE PURSUANT TO ADMINISTRATIVE GUIDELINES ESTABLISHED BY THE  
17 OFFICE OF CAREER AND TECHNICAL PREPARATION WITHIN THE DEPARTMENT OF  
18 LABOR AND ECONOMIC GROWTH. AT LEAST A MAJORITY OF THE MEMBERS OF  
19 THE PROGRAM ADVISORY COMMITTEE SHALL BE REPRESENTATIVES FROM  
20 BUSINESS AND INDUSTRY.

21 (C) THE PROGRAM SHALL COLLECT CAREER AND TECHNICAL EDUCATION  
22 INFORMATION DATA AND DISTRIBUTE THAT DATA TO THE APPROPRIATE STATE  
23 DEPARTMENT OR DEPARTMENTS AND TO THE PROGRAM ADVISORY COMMITTEE.

24 (3) THE DEPARTMENT MAY MONITOR CAREER AND TECHNICAL EDUCATION  
25 PROGRAMS FUNDED WITH STATE OR FEDERAL FUNDING BASED UPON FEEDBACK  
26 FROM THE PROGRAM ADVISORY COMMITTEE AND PREDETERMINED STATE OR  
27 FEDERAL SKILLS STANDARDS THAT INCLUDE STUDENT OUTCOMES.

1           (4) THE DEPARTMENT OF LABOR AND ECONOMIC GROWTH, IN  
 2 CONSULTATION WITH THE APPROPRIATE CAREER AND TECHNICAL EDUCATION  
 3 PROFESSIONALS, SHALL DEVELOP A PROCESS FOR EXPEDITED STATE APPROVAL  
 4 OF PROGRAMS THAT RECOGNIZE LOCAL WORKFORCE NEEDS, EMERGING  
 5 TECHNOLOGIES, AND LOCAL DEMAND OCCUPATIONS.

6           (5) ~~(3)~~—An intermediate school board operating under sections  
 7 681 to 690 may expend funds received under section 683 for the  
 8 costs of a special election held to renew or increase the millage  
 9 limit on the annual property tax levied for area ~~vocational-~~  
 10 ~~technical-~~**CAREER AND TECHNICAL** education purposes.

11           (6) ~~(4)~~—The treasurer of an intermediate school board shall  
 12 pay out area ~~vocational-technical-~~**CAREER AND TECHNICAL** education  
 13 funds on order of the intermediate school board.

14           Sec. 686. (1) An intermediate school board may make grants of  
 15 money to constituent districts operating area vocational-technical  
 16 education centers or to community colleges serving the intermediate  
 17 district with area vocational-technical programs for the purpose of  
 18 constructing area vocational-technical education buildings, for  
 19 site acquisition, or for area vocational-technical education  
 20 equipment, if ~~prior to granting the funds~~ **BEFORE THE GRANT IS MADE**  
 21 the board of the constituent district in which the center is  
 22 located contracts to receive nonresident children into the facility  
 23 for a period of at least 15 years after the date of **THE** contract,  
 24 or if the board of trustees of the community college contracts to  
 25 receive nonresident persons on a tuition basis into the facility  
 26 for a period of at least 15 years after the date of **THE** contract.

27           (2) The contracts **DESCRIBED IN SUBSECTION (1)** shall provide



1 that the constituent districts or community colleges are bound to  
2 accept nonpublic school pupils and nonresident pupils into  
3 designated area vocational-technical education facilities in return  
4 for and in consideration of grants-in-aid for the construction of  
5 area vocational-technical education buildings and for the purchase  
6 of area vocational-technical education buildings, sites, and  
7 equipment.

8           (3) IF AN INTERMEDIATE SCHOOL DISTRICT HAS PROVIDED AT LEAST  
9 90% OF THE FINANCIAL CONSIDERATION FOR THE ACQUISITION OR  
10 CONSTRUCTION OF AN AREA VOCATIONAL-TECHNICAL EDUCATION FACILITY, A  
11 CONSTITUENT DISTRICT MAY NOT DISPOSE OF THE FACILITY WITHOUT THE  
12 CONSENT OF THE INTERMEDIATE SCHOOL BOARD EVEN IF TITLE TO THE  
13 FACILITY IS VESTED IN THE CONSTITUENT DISTRICT.