

# SENATE BILL NO. 558

October 08, 2019, Introduced by Senator STAMAS 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 35a (MCL 388.1635a), as amended by 2019 PA 58.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 35a. (1) From the appropriations in section 11, there is  
2 allocated for 2019-2020 for the purposes of ~~this section~~  
3 **subsections (1) to (8)** an amount not to exceed ~~\$57,200,000.00~~  
4 **\$41,900,000.00** from the state school aid fund. The superintendent  
5 shall designate staff or contracted employees funded under this  
6 section as critical shortage. Programs funded under this section

1 are intended to ensure that this state will be a top 10 state in  
2 grade 4 reading proficiency by 2025 according to the National  
3 Assessment of Educational Progress (NAEP).

4 (2) A district that receives funds under subsection (5) may  
5 spend up to 5% of those funds for professional development for  
6 educators in a department-approved research-based training program  
7 related to current state literacy standards for pupils in grades K  
8 to 3. The professional development must also include training in  
9 the use of screening and diagnostic tools, progress monitoring, and  
10 intervention methods used to address barriers to learning and  
11 delays in learning that are diagnosed through the use of these  
12 tools.

13 (3) A district that receives funds under subsection (5) may  
14 use up to 5% of those funds to administer department-approved  
15 screening and diagnostic tools to monitor the development of early  
16 literacy and early reading skills of pupils in grades K to 3 and to  
17 support research-based professional development for educators in  
18 administering screening and diagnostic tools and in data  
19 interpretation of the results obtained through the use of those  
20 tools for the purpose of implementing a multi-tiered system of  
21 support to improve reading proficiency among pupils in grades K to  
22 3. A department-approved screening and diagnostic tool administered  
23 by a district using funding under this ~~section~~**subsection** must  
24 include all of the following components: phonemic awareness,  
25 phonics, fluency, and comprehension. Further, all of the following  
26 sub-skills must be assessed within each of these components:

27 (a) Phonemic awareness - segmentation, blending, and sound  
28 manipulation (deletion and substitution).

29 (b) Phonics - decoding (reading) and encoding (spelling).

1 (c) Fluency - reading rate, accuracy, and expression.

2 (d) Comprehension - making meaning of text.

3 (4) From the allocations under subsection (1), there is  
4 allocated an amount not to exceed \$21,000,000.00 for 2019-2020 for  
5 the purpose of providing early literacy coaches at intermediate  
6 districts to assist teachers in developing and implementing  
7 instructional strategies for pupils in grades K to 3 so that pupils  
8 are reading at grade level by the end of grade 3. All of the  
9 following apply to funding under this subsection:

10 (a) The department shall develop an application process  
11 consistent with the provisions of this subsection. An application  
12 must provide assurances that literacy coaches funded under this  
13 subsection are knowledgeable about at least the following:

14 (i) Current state literacy standards for pupils in grades K to  
15 3.

16 (ii) Implementing an instructional delivery model based on  
17 frequent use of formative, screening, and diagnostic tools, known  
18 as a multi-tiered system of support, to determine individual  
19 progress for pupils in grades K to 3 so that pupils are reading at  
20 grade level by the end of grade 3.

21 (iii) The use of data from diagnostic tools to determine the  
22 necessary additional supports and interventions needed by  
23 individual pupils in grades K to 3 in order to be reading at grade  
24 level.

25 (b) From the allocation under this subsection, the department  
26 shall award grants to intermediate districts for the support of  
27 early literacy coaches. An intermediate district must provide  
28 matching funds for at least 50% of the grant amount awarded to  
29 support the cost of the literacy coach. The department shall

1 provide this funding in the following manner:

2 (i) The department shall award each intermediate district grant  
3 funding to support the cost of 1 early literacy coach in an equal  
4 amount per early literacy coach, not to exceed \$75,000.00.

5 (ii) After distribution of the grant funding under subparagraph  
6 (i), the department shall distribute the remainder of grant funding  
7 for additional early literacy coaches in an amount not to exceed  
8 \$75,000.00 per early literacy coach. The number of funded early  
9 literacy coaches for each intermediate district is based on the  
10 percentage of the total statewide number of pupils in grades K to 3  
11 who meet the income eligibility standards for the federal free and  
12 reduced-price lunch programs who are enrolled in districts in the  
13 intermediate district. For each additional early literacy coach  
14 funded under this subparagraph, the department shall not make an  
15 award to an intermediate district under this subparagraph in an  
16 amount that is less than the amount necessary to pay 1/2 of the  
17 total cost of that additional early literacy coach.

18 (c) If an intermediate district that receives funding under  
19 this subsection uses an assessment tool that screens for signs of  
20 dyslexia, the intermediate district shall use the assessment  
21 results from that assessment tool to identify pupils who  
22 demonstrate signs of dyslexia.

23 (5) From the allocations under subsection (1), there is  
24 allocated an amount not to exceed \$19,900,000.00 for 2019-2020 to  
25 districts that provide additional instructional time to those  
26 pupils in grades K to 3 who have been identified by using  
27 department-approved screening and diagnostic tools as needing  
28 additional supports and interventions in order to be reading at  
29 grade level by the end of grade 3. Additional instructional time

1 may be provided before, during, and after regular school hours or  
2 as part of a year-round balanced school calendar. All of the  
3 following apply to funding under this subsection:

4 (a) In order to be eligible to receive funding, a district  
5 shall demonstrate to the satisfaction of the department that the  
6 district has done all of the following:

7 (i) Implemented a multi-tiered system of support instructional  
8 delivery model that is an evidence-based model that uses data-  
9 driven problem solving to integrate academic and behavioral  
10 instruction and that uses intervention delivered to all pupils in  
11 varying intensities based on pupil needs. The multi-tiered system  
12 of supports must provide at least all of the following essential  
13 components:

14 (A) Team-based leadership.

15 (B) A tiered delivery system.

16 (C) Selection and implementation of instruction,  
17 interventions, and supports.

18 (D) A comprehensive screening and assessment system.

19 (E) Continuous data-based decision making.

20 (ii) Used department-approved research-based diagnostic tools  
21 to identify individual pupils in need of additional instructional  
22 time.

23 (iii) Used a reading instruction method that focuses on the 5  
24 fundamental building blocks of reading: phonics, phonemic  
25 awareness, fluency, vocabulary, and comprehension and content  
26 knowledge.

27 (iv) Provided teachers of pupils in grades K to 3 with  
28 research-based professional development in diagnostic data  
29 interpretation.

1 (v) Complied with the requirements under section 1280f of the  
2 revised school code, MCL 380.1280f.

3 (b) The department shall distribute funding allocated under  
4 this subsection to eligible districts on an equal per-first-grade-  
5 pupil basis.

6 (c) If the funds allocated under this subsection are  
7 insufficient to fully fund the payments under this subsection,  
8 payments under this subsection are prorated on an equal per-pupil  
9 basis based on grade 1 pupils.

10 (6) Not later than September 1, of each year, a district that  
11 receives funding under subsection (4), (5), or ~~(11)~~, **(9)**, in  
12 conjunction with the Michigan data hub network, if possible, shall  
13 provide to the department a report that includes at least both of  
14 the following, in a form and manner prescribed by the department:

15 (a) For pupils in grades K to 3, the pupils, schools, and  
16 grades served with funds under this section and the categories of  
17 services provided.

18 (b) For pupils in grades K to 3, pupil proficiency and growth  
19 data that allows analysis both in the aggregate and by each of the  
20 following subgroups, as applicable:

21 (i) School.

22 (ii) Grade level.

23 (iii) Gender.

24 (iv) Race.

25 (v) Ethnicity.

26 (vi) Economically disadvantaged status.

27 (vii) Disability.

28 (viii) Pupils identified as having reading deficiencies.

1           **(7)** ~~(8)~~—From the state school aid fund money allocated under  
2 subsection (1), there is allocated an amount not to exceed  
3 \$1,000,000.00 for 2019-2020 to an intermediate district in which  
4 the combined total number of pupils in membership of all of its  
5 constituent districts is the fewest among all intermediate  
6 districts. All of the following apply to the funding under this  
7 subsection:

8           (a) Funding under this subsection must be used by the  
9 intermediate district, in partnership with an association that  
10 represents intermediate district administrators in this state, to  
11 implement both of the following:

12           (i) Literacy essentials teacher and principal training modules.

13           (ii) Face-to-face and online professional learning of literacy  
14 essentials teacher and principal training modules for literacy  
15 coaches, principals, and teachers.

16           (b) Not later than September 1 of each year, the intermediate  
17 district described in this subsection, in consultation with grant  
18 recipients, shall submit a report to the chairs of the senate and  
19 house appropriations subcommittees on state school aid and the  
20 chairs of the senate and house standing committees responsible for  
21 education legislation. The report described under this subdivision  
22 must include student achievement results in English language arts  
23 and survey results with feedback from parents and teachers  
24 regarding the initiatives implemented under this subsection.

25           **(8)** ~~(10)~~—If a district or intermediate district expends any  
26 funding received under subsection (4) or (5) for professional  
27 development in research-based effective reading instruction, the  
28 district or intermediate district shall select a professional  
29 development program from the list described under subdivision (a).

1 All of the following apply to the requirement under this  
2 subsection:

3 (a) The department shall issue a request for proposals for  
4 professional development programs in research-based effective  
5 reading instruction to develop an initial approved list of  
6 professional development programs in research-based effective  
7 reading instruction. The department shall complete and make the  
8 initial approved list public not later than December 1, 2019. After  
9 December 1, 2019, the department shall determine if it will, on a  
10 rolling basis, approve any new proposals submitted for addition to  
11 its initial approved list.

12 (b) To be included as an approved professional development  
13 program in research-based effective reading instruction under  
14 subdivision (a), an applicant must demonstrate to the department in  
15 writing the program's competency in all of the following topics:

16 (i) Understanding of phonemic awareness, phonics, fluency,  
17 vocabulary, and comprehension.

18 (ii) Appropriate use of assessments and differentiated  
19 instruction.

20 (iii) Selection of appropriate instructional materials.

21 (iv) Application of research-based instructional practices.

22 (c) As used in this subsection, "effective reading  
23 instruction" means reading instruction scientifically proven to  
24 result in improvement in pupil reading skills.

25 **(9) In addition to the appropriations in section 11, there is**  
26 **appropriated for 2019-2020 only an amount not to exceed**  
27 **\$15,000,000.00 from the state school aid fund for a summer school**  
28 **reading program for grade 3 pupils who did not score at least**  
29 **proficient on the English language arts portion of the Michigan**

1 student test of educational progress (M-STEP) and for pupils in  
2 grades K to 2 who are not reading at grade level. All of the  
3 following apply to the funding appropriated under this subsection:

4 (a) To be eligible for funding under this subsection, a  
5 district must apply in a form and manner determined by the  
6 department by not later than December 15, 2019.

7 (b) The department shall award funding under this subsection  
8 not later than March 15, 2020.

9 (c) The amount of funding to each eligible district is equal  
10 to the quotient of \$15,000,000.00 divided by the sum of the number  
11 of pupils determined by the department to have scored less than  
12 proficient on the English language arts portion of the 2019 grade 3  
13 Michigan student test of educational progress (M-STEP) among all of  
14 the districts that apply and are eligible for funding for a summer  
15 school reading program under this subsection.

16 (d) A district that is awarded funding under this subsection  
17 must agree to use the funding for 3 summer school reading programs  
18 over 3 fiscal years.

19 (e) A district that is awarded funding under this subsection  
20 must prioritize its summer school reading program toward grade 3  
21 pupils who scored less than proficient on the English language arts  
22 portion of the Michigan student test of educational progress (M-  
23 STEP), but may extend the program to any pupil in grades K to 2 who  
24 is not reading at grade level if the program has capacity.

25 (10) ~~(12)~~ Notwithstanding section 17b, the department shall  
26 make payments made under subsections (7) ~~, (8), (9), and (11)~~ (9)  
27 on a schedule determined by the department.

28 Enacting section 1. In accordance with section 30 of article  
29 IX of the state constitution of 1963, total state spending on

1 school aid under article I of the state school aid act of 1979,  
2 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2019 PA 58 and  
3 this amendatory act, from state sources for fiscal year 2019-2020  
4 is estimated at \$13,407,185,100.00 and state appropriations for  
5 school aid to be paid to local units of government for fiscal year  
6 2019-2020 are estimated at \$13,201,465,300.00.