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FISCAL YEARS 2019 AND 2020
EXECUTIVE BUDGET RECOMMENDATION
EDUCATION BUDGET

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 6, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 19, 20, 20d, 20f, 20m, 21f,
21h, 22a, 22b, 22d, 22m, 22n, 24, 24a, 24c, 25e, 25f, 25g, 26a, 26b, 26c, 31a, 31d, 31f,
32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 56, 61a, 61b, 62, 64b, 67, 74, 81,
94, 94a, 98, 99h, 99r, 99s, 104c, 107, 147, 147a, 147b, 147c, 147e, 152a, 160, 163, 166b,
201, 206, 207a, 207b, 207c, 209, 210b, 217, 225, 226, 229a, 236, 236b, 236c, 241, 242, 245,
252, 256, 263, 264, 265, 265a, 267, 268, 269, 270, 274c, 276, 277, 278, 279, 280, 281, 282,
289, and 296 (MCL 388.1606, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m,
388.1611s, 388.1615, 388.1618, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1620m,
388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622n, 388.1624,
388.1624a, 388.1624c, 388.1625e, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c,
388.1631a, 388.1631d, 388.1631f, 388.1632d, 388.1632p, 388.1635a, 388.1639, 388.1639a,

1 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1653a, 388.1654, 388.1654b, 388.1656,
2 388.1661a, 388.1661b, 388.1662, 388.1664b, 388.1667, 388.1674, 388.1681, 388.1694,
3 388.1694a, 388.1698, 388.1699h, 388.1699r, 388.1699s, 388.1704c, 388.1707, 388.1747,
4 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1760, 388.1763, 388.1766b,
5 388.1801, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1810b, 388.1817,
6 388.1825, 388.1826, 388.1829a, 388.1836, 388.1836b, 388.1836c, 388.1841, 388.1842,
7 388.1845, 388.1852, 388.1856, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1867, 388.1868,
8 388.1869, 388.1870, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881,
9 388.1882, 388.1889, and 388.1896) sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d,
10 20f, 20m, 22a, 22b, 22d, 24, 24a, 24c, 25f, 25g, 26a, 26b, 26c, 31d, 31f, 32p, 39, 39a, 41,
11 51a, 51c, 51d, 53a, 54, 54b, 56, 61a, 61b, 62, 64b, 67, 74, 81, 94, 94a, 98, 99s, 147,
12 147b, 147c, 152a, 201, 206, 207a, 207b, 207c, 209, 210b, 217, 225, 226, 229a, 236, 236b,
13 236c, 241, 245, 252, 256, 263, 264, 265, 265a, 267, 268, 269, 270, 274c, 276, 277, 278,
14 279, 280, 281, and 282 as amended and 21h, 22m, 22n, 147e, and 160 as added by 2017 PA 108,
15 sections 11, 21f, 25e, 31a, 32d, 35a, 99h, 99r, 104c, 107, 147a, and 166b as amended by
16 2017 PA 143, section 19 as amended by 2016 PA 533, section 163 as amended by 2015 PA 85,
17 section 242 as amended by 2012 PA 201, section 289 as amended by 2013 PA 60, section 296 as
18 added by 2011 PA 62, and by adding sections 23f, 54c, 54d, 61d, 210e, and 265b; and to
19 repeal acts and parts of acts.

20
21 **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

22 **ARTICLE I**

23
24 Sec. 6. (1) "Center program" means a program operated by a district or by an
25 intermediate district for special education pupils from several districts in programs for
26 pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with
27 moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing
28 impairment, pupils with visual impairment, and pupils with physical impairment or other
29 health impairment. Programs for pupils with emotional impairment housed in buildings that
30 do not serve regular education pupils also qualify. Unless otherwise approved by the
31 department, a center program either shall serve all constituent districts within an
32 intermediate district or shall serve several districts with less than 50% of the pupils

1 residing in the operating district. In addition, special education center program pupils
2 placed part-time in noncenter programs to comply with the least restrictive environment
3 provisions of section 612 of part B of the individuals with disabilities education act, 20
4 USC 1412, may be considered center program pupils for pupil accounting purposes for the
5 time scheduled in either a center program or a noncenter program.

6 (2) "District and high school graduation rate" means the annual completion and pupil
7 dropout rate that is calculated by the center pursuant to nationally recognized standards.

8 (3) "District and high school graduation report" means a report of the number of
9 pupils, excluding adult education participants, in the district for the immediately
10 preceding school year, adjusted for those pupils who have transferred into or out of the
11 district or high school, who leave high school with a diploma or other credential of equal
12 status.

13 (4) "Membership", except as otherwise provided in this article, means for a district,
14 a public school academy, or an intermediate district the sum of the product of .90 times
15 the number of full-time equated pupils in grades K to 12 actually enrolled and in regular
16 daily attendance on the pupil membership count day for the current school year, plus the
17 product of .10 times the final audited count from the supplemental count day for the
18 immediately preceding school year. A district's, public school academy's, or intermediate
19 district's membership shall be adjusted as provided under section 25e for pupils who enroll
20 after the pupil membership count day in a strict discipline academy operating under
21 sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m. However,
22 for a district that is a community district, "membership" means the sum of the product of
23 .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in
24 regular daily attendance in the community district on the pupil membership count day for
25 the current school year, plus the product of .10 times the sum of the final audited count
26 from the supplemental count day of pupils in grades K to 12 actually enrolled and in
27 regular daily attendance in the community district for the immediately preceding school
28 year plus the final audited count from the supplemental count day of pupils in grades K to
29 12 actually enrolled and in regular daily attendance in the education achievement system
30 for the immediately preceding school year. All pupil counts used in this subsection are as
31 determined by the department and calculated by adding the number of pupils registered for
32 attendance plus pupils received by transfer and minus pupils lost as defined by rules

1 promulgated by the superintendent, and as corrected by a subsequent department audit. The
2 amount of the foundation allowance for a pupil in membership is determined under section
3 20. In making the calculation of membership, all of the following, as applicable, apply to
4 determining the membership of a district, a public school academy, or an intermediate
5 district:

6 (a) Except as otherwise provided in this subsection, and pursuant to subsection (6),
7 a pupil shall be counted in membership in the pupil's educating district or districts. An
8 individual pupil shall not be counted for more than a total of 1.0 full-time equated
9 membership.

10 (b) If a pupil is educated in a district other than the pupil's district of
11 residence, if the pupil is not being educated as part of a cooperative education program,
12 if the pupil's district of residence does not give the educating district its approval to
13 count the pupil in membership in the educating district, and if the pupil is not covered by
14 an exception specified in subsection (6) to the requirement that the educating district
15 must have the approval of the pupil's district of residence to count the pupil in
16 membership, the pupil shall not be counted in membership in any district.

17 (c) A special education pupil educated by the intermediate district shall be counted
18 in membership in the intermediate district.

19 (d) A pupil placed by a court or state agency in an on-grounds program of a juvenile
20 detention facility, a child caring institution, or a mental health institution, or a pupil
21 funded under section 53a, shall be counted in membership in the district or intermediate
22 district approved by the department to operate the program.

23 (e) A pupil enrolled in the Michigan Schools for the Deaf and Blind shall be counted
24 in membership in the pupil's intermediate district of residence.

25 (f) A pupil enrolled in a career and technical education program supported by a
26 millage levied over an area larger than a single district or in an area vocational-
27 technical education program established pursuant to section 690 of the revised school code,
28 MCL 380.690, shall be counted only in the pupil's district of residence.

29 (g) A pupil enrolled in a public school academy shall be counted in membership in the
30 public school academy.

31 (h) For the purposes of this section and section 6a, for a cyber school, as defined
32 in section 551 of the revised school code, MCL 380.551, that is in compliance with section

1 553a of the revised school code, MCL 380.553a, a pupil's participation in the cyber
2 school's educational program is considered regular daily attendance, and for a district or
3 public school academy, a pupil's participation in a virtual course as defined in section
4 21f is considered regular daily attendance.

5 (i) For a new district or public school academy beginning its operation after
6 December 31, 1994, membership for the first 2 full or partial fiscal years of operation
7 shall be determined as follows:

8 (i) If operations begin before the pupil membership count day for the fiscal year,
9 membership is the average number of full-time equated pupils in grades K to 12 actually
10 enrolled and in regular daily attendance on the pupil membership count day for the current
11 school year and on the supplemental count day for the current school year, as determined by
12 the department and calculated by adding the number of pupils registered for attendance on
13 the pupil membership count day plus pupils received by transfer and minus pupils lost as
14 defined by rules promulgated by the superintendent, and as corrected by a subsequent
15 department audit, plus the final audited count from the supplemental count day for the
16 current school year, and dividing that sum by 2.

17 (ii) If operations begin after the pupil membership count day for the fiscal year and
18 not later than the supplemental count day for the fiscal year, membership is the final
19 audited count of the number of full-time equated pupils in grades K to 12 actually enrolled
20 and in regular daily attendance on the supplemental count day for the current school year.

21 (j) If a district is the authorizing body for a public school academy, then, in the
22 first school year in which pupils are counted in membership on the pupil membership count
23 day in the public school academy, the determination of the district's membership shall
24 exclude from the district's pupil count for the immediately preceding supplemental count
25 day any pupils who are counted in the public school academy on that first pupil membership
26 count day who were also counted in the district on the immediately preceding supplemental
27 count day.

28 (k) For an extended school year program approved by the superintendent, a pupil
29 enrolled, but not scheduled to be in regular daily attendance, on a pupil membership count
30 day, shall be counted in membership.

31 (l) To be counted in membership, a pupil shall meet the minimum age requirement to be
32 eligible to attend school under section 1147 of the revised school code, MCL 380.1147, or

1 shall be enrolled under subsection (3) of that section, and shall be less than 20 years of
2 age on September 1 of the school year except as follows:

3 (i) A special education pupil who is enrolled and receiving instruction in a special
4 education program or service approved by the department, who does not have a high school
5 diploma, and who is less than 26 years of age as of September 1 of the current school year
6 shall be counted in membership.

7 (ii) A pupil who is determined by the department to meet all of the following may be
8 counted in membership:

9 (A) Is enrolled in a public school academy or an alternative education high school
10 diploma program, that is primarily focused on educating pupils with extreme barriers to
11 education, such as being homeless as defined under 42 USC 11302.

12 (B) Had dropped out of school.

13 (C) Is less than 22 years of age as of September 1 of the current school year.

14 (iii) If a child does not meet the minimum age requirement to be eligible to attend
15 school for that school year under section 1147 of the revised school code, MCL 380.1147,
16 but will be 5 years of age not later than December 1 of that school year, the district may
17 count the child in membership for that school year if the parent or legal guardian has
18 notified the district in writing that he or she intends to enroll the child in kindergarten
19 for that school year.

20 (m) An individual who has achieved a high school diploma shall not be counted in
21 membership. An individual who has achieved a high school equivalency certificate shall not
22 be counted in membership unless the individual is a student with a disability as defined in
23 R 340.1702 of the Michigan Administrative Code. An individual participating in a job
24 training program funded under former section 107a or a jobs program funded under former
25 section 107b, administered by the department of talent and economic development, or
26 participating in any successor of either of those 2 programs, shall not be counted in
27 membership.

28 (n) If a pupil counted in membership in a public school academy is also educated by a
29 district or intermediate district as part of a cooperative education program, the pupil
30 shall be counted in membership only in the public school academy unless a written agreement
31 signed by all parties designates the party or parties in which the pupil shall be counted
32 in membership, and the instructional time scheduled for the pupil in the district or

1 intermediate district shall be included in the full-time equated membership determination
2 under subdivision (q) and section 101. However, for pupils receiving instruction in both a
3 public school academy and in a district or intermediate district but not as a part of a
4 cooperative education program, the following apply:

5 (i) If the public school academy provides instruction for at least 1/2 of the class
6 hours required under section 101, the public school academy shall receive as its prorated
7 share of the full-time equated membership for each of those pupils an amount equal to 1
8 times the product of the hours of instruction the public school academy provides divided by
9 the number of hours required under section 101 for full-time equivalency, and the remainder
10 of the full-time membership for each of those pupils shall be allocated to the district or
11 intermediate district providing the remainder of the hours of instruction.

12 (ii) If the public school academy provides instruction for less than 1/2 of the class
13 hours required under section 101, the district or intermediate district providing the
14 remainder of the hours of instruction shall receive as its prorated share of the full-time
15 equated membership for each of those pupils an amount equal to 1 times the product of the
16 hours of instruction the district or intermediate district provides divided by the number
17 of hours required under section 101 for full-time equivalency, and the remainder of the
18 full-time membership for each of those pupils shall be allocated to the public school
19 academy.

20 (o) An individual less than 16 years of age as of September 1 of the current school
21 year who is being educated in an alternative education program shall not be counted in
22 membership if there are also adult education participants being educated in the same
23 program or classroom.

24 (p) The department shall give a uniform interpretation of full-time and part-time
25 memberships.

26 (q) The number of class hours used to calculate full-time equated memberships shall
27 be consistent with section 101. In determining full-time equated memberships for pupils who
28 are enrolled in a postsecondary institution, a pupil shall not be considered to be less
29 than a full-time equated pupil solely because of the effect of his or her postsecondary
30 enrollment, including necessary travel time, on the number of class hours provided by the
31 district to the pupil.

32 (r) Full-time equated memberships for pupils in kindergarten shall be determined by

1 dividing the number of instructional hours scheduled and provided per year per kindergarten
2 pupil by the same number used for determining full-time equated memberships for pupils in
3 grades 1 to 12. However, to the extent allowable under federal law, for a district or
4 public school academy that provides evidence satisfactory to the department that it used
5 federal title I money in the 2 immediately preceding school fiscal years to fund full-time
6 kindergarten, full-time equated memberships for pupils in kindergarten shall be determined
7 by dividing the number of class hours scheduled and provided per year per kindergarten
8 pupil by a number equal to 1/2 the number used for determining full-time equated
9 memberships for pupils in grades 1 to 12. The change in the counting of full-time equated
10 memberships for pupils in kindergarten that took effect for 2012-2013 is not a mandate.

11 (s) For a district or a public school academy that has pupils enrolled in a grade
12 level that was not offered by the district or public school academy in the immediately
13 preceding school year, the number of pupils enrolled in that grade level to be counted in
14 membership is the average of the number of those pupils enrolled and in regular daily
15 attendance on the pupil membership count day and the supplemental count day of the current
16 school year, as determined by the department. Membership shall be calculated by adding the
17 number of pupils registered for attendance in that grade level on the pupil membership
18 count day plus pupils received by transfer and minus pupils lost as defined by rules
19 promulgated by the superintendent, and as corrected by subsequent department audit, plus
20 the final audited count from the supplemental count day for the current school year, and
21 dividing that sum by 2.

22 (t) A pupil enrolled in a cooperative education program may be counted in membership
23 in the pupil's district of residence with the written approval of all parties to the
24 cooperative agreement.

25 (u) If, as a result of a disciplinary action, a district determines through the
26 district's alternative or disciplinary education program that the best instructional
27 placement for a pupil is in the pupil's home or otherwise apart from the general school
28 population, if that placement is authorized in writing by the district superintendent and
29 district alternative or disciplinary education supervisor, and if the district provides
30 appropriate instruction as described in this subdivision to the pupil at the pupil's home
31 or otherwise apart from the general school population, the district may count the pupil in
32 membership on a pro rata basis, with the proration based on the number of hours of

1 instruction the district actually provides to the pupil divided by the number of hours
2 required under section 101 for full-time equivalency. For the purposes of this subdivision,
3 a district shall be considered to be providing appropriate instruction if all of the
4 following are met:

5 (i) The district provides at least 2 nonconsecutive hours of instruction per week to
6 the pupil at the pupil's home or otherwise apart from the general school population under
7 the supervision of a certificated teacher.

8 (ii) The district provides instructional materials, resources, and supplies that are
9 comparable to those otherwise provided in the district's alternative education program.

10 (iii) Course content is comparable to that in the district's alternative education
11 program.

12 (iv) Credit earned is awarded to the pupil and placed on the pupil's transcript.

13 (v) If a pupil was enrolled in a public school academy on the pupil membership count
14 day, if the public school academy's contract with its authorizing body is revoked or the
15 public school academy otherwise ceases to operate, and if the pupil enrolls in a district
16 within 45 days after the pupil membership count day, the department shall adjust the
17 district's pupil count for the pupil membership count day to include the pupil in the
18 count.

19 (w) For a public school academy that has been in operation for at least 2 years and
20 that suspended operations for at least 1 semester and is resuming operations, membership is
21 the sum of the product of .90 times the number of full-time equated pupils in grades K to
22 12 actually enrolled and in regular daily attendance on the first pupil membership count
23 day or supplemental count day, whichever is first, occurring after operations resume, plus
24 the product of .10 times the final audited count from the most recent pupil membership
25 count day or supplemental count day that occurred before suspending operations, as
26 determined by the superintendent.

27 (x) If a district's membership for a particular fiscal year, as otherwise calculated
28 under this subsection, would be less than 1,550 pupils and the district has 4.5 or fewer
29 pupils per square mile, as determined by the department, and if the district does not
30 receive funding under section 22d(2), the district's membership shall be considered to be
31 the membership figure calculated under this subdivision. If a district educates and counts
32 in its membership pupils in grades 9 to 12 who reside in a contiguous district that does

1 not operate grades 9 to 12 and if 1 or both of the affected districts request the
2 department to use the determination allowed under this sentence, the department shall
3 include the square mileage of both districts in determining the number of pupils per square
4 mile for each of the districts for the purposes of this subdivision. The membership figure
5 calculated under this subdivision is the greater of the following:

6 (i) The average of the district's membership for the 3-fiscal-year period ending with
7 that fiscal year, calculated by adding the district's actual membership for each of those 3
8 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those
9 3 membership figures by 3.

10 (ii) The district's actual membership for that fiscal year as otherwise calculated
11 under this subsection.

12 (y) Full-time equated memberships for special education pupils who are not enrolled
13 in kindergarten but are enrolled in a classroom program under R 340.1754 of the Michigan
14 Administrative Code shall be determined by dividing the number of class hours scheduled and
15 provided per year by 450. Full-time equated memberships for special education pupils who
16 are not enrolled in kindergarten but are receiving early childhood special education
17 services under R 340.1755 or R 340.1862 of the Michigan Administrative Code shall be
18 determined by dividing the number of hours of service scheduled and provided per year per-
19 pupil by 180.

20 (z) A pupil of a district that begins its school year after Labor Day who is enrolled
21 in an intermediate district program that begins before Labor Day shall not be considered to
22 be less than a full-time pupil solely due to instructional time scheduled but not attended
23 by the pupil before Labor Day.

24 (aa) For the first year in which a pupil is counted in membership on the pupil
25 membership count day in a middle college program, the membership is the average of the
26 full-time equated membership on the pupil membership count day and on the supplemental
27 count day for the current school year, as determined by the department. If a pupil
28 described in this subdivision was counted in membership by the operating district on the
29 immediately preceding supplemental count day, the pupil shall be excluded from the
30 district's immediately preceding supplemental count for the purposes of determining the
31 district's membership.

32 (bb) A district or public school academy that educates a pupil who attends a United

1 States Olympic Education Center may count the pupil in membership regardless of whether or
2 not the pupil is a resident of this state.

3 (cc) A pupil enrolled in a district other than the pupil's district of residence
4 pursuant to section 1148(2) of the revised school code, MCL 380.1148, shall be counted in
5 the educating district.

6 (dd) For a pupil enrolled in a dropout recovery program that meets the requirements
7 of section 23a, the pupil shall be counted as 1/12 of a full-time equated membership for
8 each month that the district operating the program reports that the pupil was enrolled in
9 the program and was in full attendance. However, if the special membership counting
10 provisions under this subdivision and the operation of the other membership counting
11 provisions under this subsection result in a pupil being counted as more than 1.0 FTE in a
12 fiscal year, the payment made for the pupil under sections 22a and 22b shall not be based
13 on more than 1.0 FTE for that pupil, and any portion of an FTE for that pupil that exceeds
14 1.0 shall instead be paid under section 25g. The district operating the program shall
15 report to the center the number of pupils who were enrolled in the program and were in full
16 attendance for a month not later than 30 days after the end of the month. A district shall
17 not report a pupil as being in full attendance for a month unless both of the following are
18 met:

19 (i) A personalized learning plan is in place on or before the first school day of the
20 month for the first month the pupil participates in the program.

21 (ii) The pupil meets the district's definition under section 23a of satisfactory
22 monthly progress for that month or, if the pupil does not meet that definition of
23 satisfactory monthly progress for that month, the pupil did meet that definition of
24 satisfactory monthly progress in the immediately preceding month and appropriate
25 interventions are implemented within 10 school days after it is determined that the pupil
26 does not meet that definition of satisfactory monthly progress.

27 (ee) A pupil participating in a virtual course under section 21f shall be counted in
28 membership in the district enrolling the pupil.

29 (ff) If a public school academy that is not in its first or second year of operation
30 closes at the end of a school year and does not reopen for the next school year, the
31 department shall adjust the membership count of the district or other public school academy
32 in which a former pupil of the closed public school academy enrolls and is in regular daily

1 attendance for the next school year to ensure that the district or other public school
2 academy receives the same amount of membership aid for the pupil as if the pupil were
3 counted in the district or other public school academy on the supplemental count day of the
4 preceding school year.

5 (gg) If a special education pupil is expelled under section 1311 or 1311a of the
6 revised school code, MCL 380.1311 and 380.1311a, and is not in attendance on the pupil
7 membership count day because of the expulsion, and if the pupil remains enrolled in the
8 district and resumes regular daily attendance during that school year, the district's
9 membership shall be adjusted to count the pupil in membership as if he or she had been in
10 attendance on the pupil membership count day.

11 (hh) A pupil enrolled in a community district shall be counted in membership in the
12 community district.

13 (ii) A part-time pupil enrolled in a nonpublic school in grades K to 12 in accordance
14 with section 166b shall not be counted as more than 0.75 of a full-time equated membership.

15 (jj) A district that borders another state or a public school academy that operates
16 at least grades 9 to 12 and is located within 20 miles of a border with another state may
17 count in membership a pupil who is enrolled in a course at a college or university that is
18 located in the bordering state and within 20 miles of the border with this state if all of
19 the following are met:

20 (i) The pupil would meet the definition of an eligible student under the
21 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
22 were an eligible course under that act.

23 (ii) The course in which the pupil is enrolled would meet the definition of an
24 eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
25 388.524, if the course were provided by an eligible postsecondary institution under that
26 act.

27 (iii) The department determines that the college or university is an institution
28 that, in the other state, fulfills a function comparable to a state university or community
29 college, as those terms are defined in section 3 of the postsecondary enrollment options
30 act, 1996 PA 160, MCL 388.513, or is an independent nonprofit degree-granting college or
31 university.

32 (iv) The district or public school academy pays for a portion of the pupil's tuition

1 at the college or university in an amount equal to the eligible charges that the district
2 or public school academy would pay to an eligible postsecondary institution under the
3 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, as if the course
4 were an eligible course under that act.

5 (v) The district or public school academy awards high school credit to a pupil who
6 successfully completes a course as described in this subdivision.

7 (kk) A pupil enrolled in a middle college program may be counted for more than a
8 total of 1.0 full-time equated membership if the pupil is enrolled in more than the minimum
9 number of instructional days and hours required under section 101 and the pupil is expected
10 to complete the 5-year program with both a high school diploma and at least 60 transferable
11 college credits or is expected to earn an associate's degree in fewer than 5 years.

12 (5) "Public school academy" means that term as defined in section 5 of the revised
13 school code, MCL 380.5.

14 (6) "Pupil" means an individual in membership in a public school. A district must
15 have the approval of the pupil's district of residence to count the pupil in membership,
16 except approval by the pupil's district of residence is not required for any of the
17 following:

18 (a) A nonpublic part-time pupil enrolled in grades ~~K-1~~ to 12 in accordance with
19 section 166b.

20 (b) A pupil receiving 1/2 or less of his or her instruction in a district other than
21 the pupil's district of residence.

22 (c) A pupil enrolled in a public school academy.

23 (d) A pupil enrolled in a district other than the pupil's district of residence under
24 an intermediate district schools of choice pilot program as described in section 91a or
25 former section 91 if the intermediate district and its constituent districts have been
26 exempted from section 105.

27 (e) A pupil enrolled in a district other than the pupil's district of residence if
28 the pupil is enrolled in accordance with section 105 or 105c.

29 (f) A pupil who has made an official written complaint or whose parent or legal
30 guardian has made an official written complaint to law enforcement officials and to school
31 officials of the pupil's district of residence that the pupil has been the victim of a
32 criminal sexual assault or other serious assault, if the official complaint either

1 indicates that the assault occurred at school or that the assault was committed by 1 or
2 more other pupils enrolled in the school the pupil would otherwise attend in the district
3 of residence or by an employee of the district of residence. A person who intentionally
4 makes a false report of a crime to law enforcement officials for the purposes of this
5 subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL
6 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

7 (i) "At school" means in a classroom, elsewhere on school premises, on a school bus
8 or other school-related vehicle, or at a school-sponsored activity or event whether or not
9 it is held on school premises.

10 (ii) "Serious assault" means an act that constitutes a felony violation of chapter XI
11 of the Michigan penal code, 1931 PA 328, MCL 750.81 to 750.90h, or that constitutes an
12 assault and infliction of serious or aggravated injury under section 81a of the Michigan
13 penal code, 1931 PA 328, MCL 750.81a.

14 (g) A pupil whose district of residence changed after the pupil membership count day
15 and before the supplemental count day and who continues to be enrolled on the supplemental
16 count day as a nonresident in the district in which he or she was enrolled as a resident on
17 the pupil membership count day of the same school year.

18 (h) A pupil enrolled in an alternative education program operated by a district other
19 than his or her district of residence who meets 1 or more of the following:

20 (i) The pupil has been suspended or expelled from his or her district of residence
21 for any reason, including, but not limited to, a suspension or expulsion under section
22 1310, 1311, or 1311a of the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

23 (ii) The pupil had previously dropped out of school.

24 (iii) The pupil is pregnant or is a parent.

25 (iv) The pupil has been referred to the program by a court.

26 (i) A pupil enrolled in the Michigan Virtual School, for the pupil's enrollment in
27 the Michigan Virtual School.

28 (j) A pupil who is the child of a person who works at the district or who is the
29 child of a person who worked at the district as of the time the pupil first enrolled in the
30 district but who no longer works at the district due to a workforce reduction. As used in
31 this subdivision, "child" includes an adopted child, stepchild, or legal ward.

32 (k) An expelled pupil who has been denied reinstatement by the expelling district and

1 is reinstated by another school board under section 1311 or 1311a of the revised school
2 code, MCL 380.1311 and 380.1311a.

3 (l) A pupil enrolled in a district other than the pupil's district of residence in a
4 middle college program if the pupil's district of residence and the enrolling district are
5 both constituent districts of the same intermediate district.

6 (m) A pupil enrolled in a district other than the pupil's district of residence who
7 attends a United States Olympic Education Center.

8 (n) A pupil enrolled in a district other than the pupil's district of residence
9 pursuant to section 1148(2) of the revised school code, MCL 380.1148.

10 (o) A pupil who enrolls in a district other than the pupil's district of residence as
11 a result of the pupil's school not making adequate yearly progress under the no child left
12 behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-
13 95.

14 However, except for pupils enrolled in the youth challenge program at the site at
15 which the youth challenge program operated for 2015-2016, if a district educates pupils who
16 reside in another district and if the primary instructional site for those pupils is
17 established by the educating district after 2009-2010 and is located within the boundaries
18 of that other district, the educating district must have the approval of that other
19 district to count those pupils in membership.

20 (7) "Pupil membership count day" of a district or intermediate district means:

21 (a) Except as provided in subdivision (b), the first Wednesday in October each school
22 year or, for a district or building in which school is not in session on that Wednesday due
23 to conditions not within the control of school authorities, with the approval of the
24 superintendent, the immediately following day on which school is in session in the district
25 or building.

26 (b) For a district or intermediate district maintaining school during the entire
27 school year, the following days:

28 (i) Fourth Wednesday in July.

29 (ii) First Wednesday in October.

30 (iii) Second Wednesday in February.

31 (iv) Fourth Wednesday in April.

32 (8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance"

1 means pupils in grades K to 12 in attendance and receiving instruction in all classes for
2 which they are enrolled on the pupil membership count day or the supplemental count day, as
3 applicable. Except as otherwise provided in this subsection, a pupil who is absent from any
4 of the classes in which the pupil is enrolled on the pupil membership count day or
5 supplemental count day and who does not attend each of those classes during the 10
6 consecutive school days immediately following the pupil membership count day or
7 supplemental count day, except for a pupil who has been excused by the district, shall not
8 be counted as 1.0 full-time equated membership. A pupil who is excused from attendance on
9 the pupil membership count day or supplemental count day and who fails to attend each of
10 the classes in which the pupil is enrolled within 30 calendar days after the pupil
11 membership count day or supplemental count day shall not be counted as 1.0 full-time
12 equated membership. In addition, a pupil who was enrolled and in attendance in a district,
13 intermediate district, or public school academy before the pupil membership count day or
14 supplemental count day of a particular year but was expelled or suspended on the pupil
15 membership count day or supplemental count day shall only be counted as 1.0 full-time
16 equated membership if the pupil resumed attendance in the district, intermediate district,
17 or public school academy within 45 days after the pupil membership count day or
18 supplemental count day of that particular year. Pupils not counted as 1.0 full-time equated
19 membership due to an absence from a class shall be counted as a prorated membership for the
20 classes the pupil attended. For purposes of this subsection, "class" means a period of time
21 in 1 day when pupils and a certificated teacher or ~~legally qualified~~ **AN INDIVIDUAL WORKING**
22 **UNDER A VALID substitute teacher—PERMIT, AUTHORIZATION, OR APPROVAL ISSUED BY THE**
23 **DEPARTMENT** are together and instruction is taking place.

24 (9) "Rule" means a rule promulgated pursuant to the administrative procedures act of
25 1969, 1969 PA 306, MCL 24.201 to 24.328.

26 (10) "The revised school code" means 1976 PA 451, MCL 380.1 to 380.1852.

27 (11) "School district of the first class", "first class school district", and
28 "district of the first class" mean, for the purposes of this article only, a district that
29 had at least 40,000 pupils in membership for the immediately preceding fiscal year.

30 (12) "School fiscal year" means a fiscal year that commences July 1 and continues
31 through June 30.

32 (13) "State board" means the state board of education.

1 (14) "Superintendent", unless the context clearly refers to a district or
2 intermediate district superintendent, means the superintendent of public instruction
3 described in section 3 of article VIII of the state constitution of 1963.

4 (15) "Supplemental count day" means the day on which the supplemental pupil count is
5 conducted under section 6a.

6 (16) "Tuition pupil" means a pupil of school age attending school in a district other
7 than the pupil's district of residence for whom tuition may be charged to the district of
8 residence. Tuition pupil does not include a pupil who is a special education pupil, a pupil
9 described in subsection (6)(c) to (o), or a pupil whose parent or guardian voluntarily
10 enrolls the pupil in a district that is not the pupil's district of residence. A pupil's
11 district of residence shall not require a high school tuition pupil, as provided under
12 section 111, to attend another school district after the pupil has been assigned to a
13 school district.

14 (17) "State school aid fund" means the state school aid fund established in section
15 11 of article IX of the state constitution of 1963.

16 (18) "Taxable value" means the taxable value of property as determined under section
17 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

18 (19) "Textbook" means a book, electronic book, or other instructional print or
19 electronic resource that is selected and approved by the governing board of a district and
20 that contains a presentation of principles of a subject, or that is a literary work
21 relevant to the study of a subject required for the use of classroom pupils, or another
22 type of course material that forms the basis of classroom instruction.

23 (20) "Total state aid" or "total state school aid" means the total combined amount of
24 all funds due to a district, intermediate district, or other entity under this article.

25 Sec. 11. (1) ~~For the fiscal year ending September 30, 2017, there is appropriated for~~
26 ~~the public schools of this state and certain other state purposes relating to education the~~
27 ~~sum of \$12,069,644,300.00 from the state school aid fund, the sum of \$179,100,000.00 from~~
28 ~~the general fund, an amount not to exceed \$72,000,000.00 from the community district~~
29 ~~education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489,~~
30 ~~MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund. For~~
31 ~~the fiscal year ending September 30, 2018, 2019, there is appropriated for the public~~
32 ~~schools of this state and certain other state purposes relating to education the sum of~~

1 ~~\$12,547,270,300.00~~ **\$12,762,325,200.00** from the state school aid fund, the sum of
2 ~~\$215,000,000.00~~ **\$45,000,000.00** from the general fund, an amount not to exceed
3 \$72,000,000.00 from the community district education trust fund created under section 12 of
4 the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to exceed
5 ~~\$23,100,000.00~~ **\$31,900,000.00** from the MPSERS retirement obligation reform reserve fund,
6 and an amount not to exceed \$100.00 from the water emergency reserve fund. In addition, all
7 available federal funds are appropriated ~~each fiscal year~~ for the fiscal ~~years~~ **YEAR** ending
8 ~~September 30, 2017 and September 30, 2018-2019.~~

9 (2) The appropriations under this section shall be allocated as provided in this
10 article. Money appropriated under this section from the general fund shall be expended to
11 fund the purposes of this article before the expenditure of money appropriated under this
12 section from the state school aid fund.

13 (3) Any general fund allocations under this article that are not expended by the end
14 of the state fiscal year are transferred to the school aid stabilization fund created under
15 section 11a.

16 Sec. 11a. (1) The school aid stabilization fund is created as a separate account
17 within the state school aid fund established by section 11 of article IX of the state
18 constitution of 1963.

19 (2) The state treasurer may receive money or other assets from any source for deposit
20 into the school aid stabilization fund. The state treasurer shall deposit into the school
21 aid stabilization fund all of the following:

22 (a) Unexpended and unencumbered state school aid fund revenue for a fiscal year that
23 remains in the state school aid fund as of the bookclosing for that fiscal year.

24 (b) Money statutorily dedicated to the school aid stabilization fund.

25 (c) Money appropriated to the school aid stabilization fund.

26 (3) Money available in the school aid stabilization fund may not be expended without
27 a specific appropriation from the school aid stabilization fund. Money in the school aid
28 stabilization fund shall be expended only for purposes for which state school aid fund
29 money may be expended.

30 (4) The state treasurer shall direct the investment of the school aid stabilization
31 fund. The state treasurer shall credit to the school aid stabilization fund interest and
32 earnings from fund investments.

1 (5) Money in the school aid stabilization fund at the close of a fiscal year shall
2 remain in the school aid stabilization fund and shall not lapse to the unreserved school
3 aid fund balance or the general fund.

4 (6) If the maximum amount appropriated under section 11 from the state school aid
5 fund for a fiscal year exceeds the amount available for expenditure from the state school
6 aid fund for that fiscal year, there is appropriated from the school aid stabilization fund
7 to the state school aid fund an amount equal to the projected shortfall as determined by
8 the department of treasury, but not to exceed available money in the school aid
9 stabilization fund. If the money in the school aid stabilization fund is insufficient to
10 fully fund an amount equal to the projected shortfall, the state budget director shall
11 notify the legislature as required under section 296(2) and state payments in an amount
12 equal to the remainder of the projected shortfall shall be prorated in the manner provided
13 under section 296(3).

14 (7) For ~~2016-2017 and for 2017-2018,~~ **2018-2019** in addition to the appropriations in
15 section 11, there is appropriated from the school aid stabilization fund to the state
16 school aid fund the amount necessary to fully fund the allocations under this article.

17 Sec. 11j. From the appropriation in section 11, there is allocated an amount not to
18 exceed \$125,500,000.00 for ~~2017-2018~~ **2018-2019** for payments to the school loan bond
19 redemption fund in the department of treasury on behalf of districts and intermediate
20 districts. Notwithstanding section 296 or any other provision of this act, funds allocated
21 under this section are not subject to proration and shall be paid in full.

22 Sec. 11k. For ~~2017-2018,~~ **2018-2019**, there is appropriated from the general fund to
23 the school loan revolving fund an amount equal to the amount of school bond loans assigned
24 to the Michigan finance authority, not to exceed the total amount of school bond loans held
25 in reserve as long-term assets. As used in this section, "school loan revolving fund" means
26 that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL
27 141.1066c.

28 Sec. 11m. From the appropriation in section 11, there is allocated for ~~2016-2017 an~~
29 ~~amount not to exceed \$5,500,000.00 and there is allocated for 2017-2018~~ **2018-2019** an amount
30 not to exceed ~~\$6,500,000.00~~ **\$24,000,000.00** for fiscal year cash-flow borrowing costs solely
31 related to the state school aid fund established by section 11 of article IX of the state
32 constitution of 1963.

1 Sec. 11s. (1) From the general fund appropriation in section 11, there is allocated
2 ~~\$10,142,500.00 for 2016-2017 and there is allocated \$8,730,000.00~~ **\$3,230,000.00** for 2017-
3 ~~2018-2019~~ for the purpose of providing services and programs to children who reside
4 within the boundaries of a district with the majority of its territory located within the
5 boundaries of a city for which an executive proclamation of emergency is issued in the
6 current or immediately preceding ~~2-3~~ fiscal years under the emergency management act, 1976
7 PA 390, MCL 30.401 to 30.421, **AND FOR THE DEPARTMENT TO IMPLEMENT AND ADMINISTER GRANTS**
8 **AWARDED FOR, OR TO PROVIDE SERVICES FOR THESE CHILDREN.** From the funding appropriated in
9 section 11, there is allocated for ~~each fiscal year for 2016-2017 and for 2017-2018-2018-~~
10 **2019** \$100.00 from the water emergency reserve fund for the purposes of this section.

11 (2) From the allocation in subsection (1), there is allocated to a district with the
12 majority of its territory located within the boundaries of a city in which an executive
13 proclamation of emergency is issued in the current or immediately preceding ~~2-3~~ fiscal
14 years and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has
15 at least 4,000 pupils in membership for a fiscal year after 2016-2017, an amount not to
16 exceed ~~\$1,292,500.00 for 2016-2017 and an amount not to exceed \$2,625,000.00~~ **\$2,375,000.00**
17 for ~~2017-2018-2018-2019~~ for the purpose of employing school nurses and school social
18 workers. The district shall provide a report to the department in a form, manner, and
19 frequency prescribed by the department. The department shall provide a copy of that report
20 to the governor, the house and senate school aid subcommittees, the house and senate fiscal
21 agencies, and the state budget director within 5 days after receipt. The report shall
22 provide at least the following information:

23 (a) How many personnel were hired using the funds allocated under this subsection.

24 (b) A description of the services provided to pupils by those personnel.

25 (c) How many pupils received each type of service identified in subdivision (b).

26 (d) Any other information the department considers necessary to ensure that the
27 children described in subsection (1) received appropriate levels and types of services.

28 ~~(3) From the allocation in subsection (1), there is allocated to an intermediate~~
29 ~~district that has a constituent district described in subsection (2) an amount not to~~
30 ~~exceed \$1,195,000.00 for 2016-2017 and an amount not to exceed \$2,500,000.00 for 2017-2018~~
31 ~~to augment staff for the purpose of providing additional early childhood services and for~~
32 ~~nutritional services to children described in subsection (1), regardless of location of~~

1 ~~school of attendance. For 2016-2017, the early childhood services to be provided under this~~
2 ~~subsection are state early intervention services as described in subsection (4) and early~~
3 ~~literacy services. Beginning with 2017-2018, the early childhood services to be provided~~
4 ~~under this subsection are state early intervention services that are similar to the~~
5 ~~services described in the early on Michigan state plan, including ensuring that all~~
6 ~~children described in subsection (1) who are less than 4 years of age as of September 1,~~
7 ~~2016 are assessed and evaluated at least twice annually. In addition, funds allocated under~~
8 ~~this subsection may also be expended to provide informational resources to parents,~~
9 ~~educators, and the community, and to coordinate services with other local agencies. The~~
10 ~~intermediate district shall provide a report to the department in a form, manner, and~~
11 ~~frequency approved by the department. The department shall provide a copy of that report to~~
12 ~~the governor, the house and senate school aid subcommittees, the house and senate fiscal~~
13 ~~agencies, and the state budget director within 5 days after receipt. The report shall~~
14 ~~provide at least the following information:~~

15 ~~(a) How many personnel were hired using the funds appropriated in this subsection.~~

16 ~~(b) A description of the services provided to children by those personnel.~~

17 ~~(c) What types of additional nutritional services were provided.~~

18 ~~(d) How many children received each type of service identified in subdivisions (b)~~
19 ~~and (c).~~

20 ~~(e) What types of informational resources and coordination efforts were provided.~~

21 ~~(f) Any other information the department considers necessary to ensure that the~~
22 ~~children described in subsection (1) received appropriate levels and types of services.~~

23 ~~(4) For 2016-2017 only, from the allocation in subsection (1), there is allocated an~~
24 ~~amount not to exceed \$6,155,000.00 to intermediate districts described in subsection (3) to~~
25 ~~provide state early intervention services for children described in subsection (1) who are~~
26 ~~less than 4 years of age as of September 1, 2016. The intermediate district shall use these~~
27 ~~funds to provide state early intervention services that are similar to the services~~
28 ~~described in the early on Michigan state plan, including ensuring that all children~~
29 ~~described in subsection (1) who are less than 4 years of age as of September 1, 2016 are~~
30 ~~assessed and evaluated at least twice annually.~~

31 ~~(5) From the allocation in subsection (1), there is allocated an amount not to exceed~~
32 ~~\$1,500,000.00 for 2016-2017 and an amount not to exceed \$3,000,000.00 for 2017-2018 to~~

1 ~~intermediate districts described in subsection (3) to enroll children described in~~
2 ~~subsection (1) in school-day great start readiness programs, regardless of household income~~
3 ~~eligibility requirements contained in section 39. The department shall administer this~~
4 ~~funding consistent with all other provisions of the great start readiness programs~~
5 ~~contained in section 32d and section 39.~~

6 (3) ~~(6)~~ For ~~2017-2018, 2018-2019~~, from the allocation in subsection (1), there is
7 allocated an amount not to exceed \$605,000.00 for nutritional services to children
8 described in subsection (1).

9 (4) ~~(7)~~ In addition to other funding allocated and appropriated in this section,
10 there is appropriated an amount not to exceed \$15,000,000.00 ~~each fiscal year for 2016-2017~~
11 ~~and 2017-2018~~ **FOR FISCAL YEAR 2018-2019** for state restricted contingency funds. These
12 contingency funds are not available for expenditure until they have been transferred to a
13 section within this article under section 393(2) of the management and budget act, 1984 PA
14 431, MCL 18.1393.

15 (5) ~~(8)~~ Notwithstanding section 17b, payments under this section shall be paid on a
16 schedule determined by the department.

17 Sec. 15. (1) If a district or intermediate district fails to receive its proper
18 apportionment, the department, upon satisfactory proof that the district or intermediate
19 district was entitled justly, shall apportion the deficiency in the next apportionment.
20 Subject to subsections (2) and (3), if a district or intermediate district has received
21 more than its proper apportionment, the department, upon satisfactory proof, shall deduct
22 the excess in the next apportionment. Notwithstanding any other provision in this article,
23 state aid overpayments to a district, other than overpayments in payments for special
24 education or special education transportation, may be recovered from any payment made under
25 this article other than a special education or special education transportation payment,
26 from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA
27 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under
28 section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in
29 special education or special education transportation payments may be recovered from
30 subsequent special education or special education transportation payments, from the
31 proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL
32 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of

1 the revised school code, MCL 380.1211.

2 (2) If the result of an audit conducted by or for the department affects the current
3 fiscal year membership, affected payments shall be adjusted in the current fiscal year. A
4 deduction due to an adjustment made as a result of an audit conducted by or for the
5 department, or as a result of information obtained by the department from the district, an
6 intermediate district, the department of treasury, or the office of auditor general, shall
7 be deducted from the district's apportionments when the adjustment is finalized. At the
8 request of the district and upon the district presenting evidence satisfactory to the
9 department of the hardship, the department may grant up to an additional ~~9~~4 years for the
10 adjustment and may advance payments to the district otherwise authorized under this article
11 if the district would otherwise experience a significant hardship in satisfying its
12 financial obligations. ~~At the request of a district and upon the district presenting~~
13 ~~evidence satisfactory to the department of the hardship, the department may waive all or a~~
14 ~~portion of the adjustments under this subsection if the department determines that all of~~
15 ~~the following apply:~~

16 ~~(a) The district would otherwise experience a significant hardship in satisfying its~~
17 ~~financial obligations.~~

18 ~~(b) The district would otherwise experience a significant hardship in satisfying its~~
19 ~~responsibility to provide instruction to its pupils.~~

20 ~~(c) The district has taken sufficient corrective action to ensure that the circumstance~~
21 ~~or circumstances that necessitated the adjustment under this subsection do not recur.~~

22 (3) If, based on an audit by the department or the department's designee or because
23 of new or updated information received by the department, the department determines that
24 the amount paid to a district or intermediate district under this article for the current
25 fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate
26 deduction or payment in the district's or intermediate district's allocation in the next
27 apportionment after the adjustment is finalized. The deduction or payment shall be
28 calculated according to the law in effect in the fiscal year in which the incorrect amount
29 was paid. If the district does not receive an allocation for the fiscal year or if the
30 allocation is not sufficient to pay the amount of any deduction, the amount of any
31 deduction otherwise applicable shall be satisfied from the proceeds of a loan to the
32 district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or

1 from the proceeds of millage levied or pledged under section 1211 of the revised school
2 code, MCL 380.1211, as determined by the department.

3 (4) The department may conduct audits, or may direct audits by designee of the
4 department, for the current fiscal year and the immediately preceding 3 fiscal years of all
5 records related to a program for which a district or intermediate district has received
6 funds under this article.

7 (5) Expenditures made by the department under this article that are caused by the
8 write-off of prior year accruals may be funded by revenue from the write-off of prior year
9 accruals.

10 ~~(6) The department shall not deduct any funds from a district due to a pupil being~~
11 ~~counted in membership before the effective date of the amendatory act that added section~~
12 ~~6(4)(jj), or otherwise reduce an allocation under this article to a district relative to~~
13 ~~the counting of a pupil in membership as provided under section 6(4)(jj), if the district~~
14 ~~substantially complied with the requirements under section 6(4)(jj) in a previous fiscal~~
15 ~~year as if section 6(4)(jj) had been in effect in the previous fiscal year.~~

16 (6) ~~(7)~~—In addition to funds appropriated in section 11 for all programs and
17 services, there is appropriated for ~~2017-2018~~ **2018-2019** for obligations in excess of
18 applicable appropriations an amount equal to the collection of overpayments, but not to
19 exceed amounts available from overpayments.

20 Sec. 18. (1) Except as provided in another section of this article, each district or
21 other entity shall apply the money received by the district or entity under this article to
22 salaries and other compensation of teachers and other employees, tuition, transportation,
23 lighting, heating, ventilation, water service, the purchase of textbooks, other supplies,
24 and any other school operating expenditures defined in section 7. However, not more than
25 20% of the total amount received by a district under sections 22a and 22b or received by an
26 intermediate district under section 81 may be transferred by the board to either the
27 capital projects fund or to the debt retirement fund for debt service. The money shall not
28 be applied or taken for a purpose other than as provided in this section. The department
29 shall determine the reasonableness of expenditures and may withhold from a recipient of
30 funds under this article the apportionment otherwise due upon a violation by the recipient.

31 (2) A district or intermediate district shall adopt an annual budget in a manner that
32 complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

1 Within 15 days after a district board adopts its annual operating budget for the following
2 school fiscal year, or after a district board adopts a subsequent revision to that budget,
3 the district shall make all of the following available through a link on its website
4 homepage, or may make the information available through a link on its intermediate
5 district's website homepage, in a form and manner prescribed by the department:

6 (a) The annual operating budget and subsequent budget revisions.

7 (b) Using data that have already been collected and submitted to the department, a
8 summary of district expenditures for the most recent fiscal year for which they are
9 available, expressed in the following ~~2 pie charts:~~ **VISUAL DISPLAYS**

10 (i) A chart of personnel expenditures, broken into the following subcategories:

11 (A) Salaries and wages.

12 (B) Employee benefit costs, including, but not limited to, medical, dental, vision,
13 life, disability, and long-term care benefits.

14 (C) Retirement benefit costs.

15 (D) All other personnel costs.

16 (ii) A chart of all district expenditures, broken into the following subcategories:

17 (A) Instruction.

18 (B) Support services.

19 (C) Business and administration.

20 (D) Operations and maintenance.

21 (c) Links to all of the following:

22 (i) The current collective bargaining agreement for each bargaining unit.

23 (ii) Each health care benefits plan, including, but not limited to, medical, dental,
24 vision, disability, long-term care, or any other type of benefits that would constitute
25 health care services, offered to any bargaining unit or employee in the district.

26 (iii) The audit report of the audit conducted under subsection (4) for the most
27 recent fiscal year for which it is available.

28 (iv) The bids required under section 5 of the public employees health benefits act,
29 2007 PA 106, MCL 124.75.

30 (v) The district's written policy governing procurement of supplies, materials, and
31 equipment.

32 (vi) The district's written policy establishing specific categories of reimbursable

1 expenses, as described in section 1254(2) of the revised school code, MCL 380.1254.

2 (vii) Either the district's accounts payable check register for the most recent
3 school fiscal year or a statement of the total amount of expenses incurred by board members
4 or employees of the district that were reimbursed by the district for the most recent
5 school fiscal year.

6 (d) The total salary and a description and cost of each fringe benefit included in
7 the compensation package for the superintendent of the district and for each employee of
8 the district whose salary exceeds \$100,000.00.

9 (e) The annual amount spent on dues paid to associations.

10 (f) The annual amount spent on lobbying or lobbying services. As used in this
11 subdivision, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL 4.415.

12 (g) Any deficit elimination plan or enhanced deficit elimination plan the district
13 was required to submit under the revised school code.

14 (h) Identification of all credit cards maintained by the district as district credit
15 cards, the identity of all individuals authorized to use each of those credit cards, the
16 credit limit on each credit card, and the dollar limit, if any, for each individual's
17 authorized use of the credit card.

18 (i) Costs incurred for each instance of out-of-state travel by the school
19 administrator of the district that is fully or partially paid for by the district and the
20 details of each of those instances of out-of-state travel, including at least
21 identification of each individual on the trip, destination, and purpose.

22 (3) For the information required under subsection (2) (a), (2) (b) (i), and (2) (c), an
23 intermediate district shall provide the same information in the same manner as required for
24 a district under subsection (2).

25 (4) For the purposes of determining the reasonableness of expenditures, whether a
26 district or intermediate district has received the proper amount of funds under this
27 article, and whether a violation of this article has occurred, all of the following apply:

28 (a) The department shall require that each district and intermediate district have an
29 audit of the district's or intermediate district's financial and pupil accounting records
30 conducted at least annually, and at such other times as determined by the department, at
31 the expense of the district or intermediate district, as applicable. The audits must be
32 performed by a certified public accountant or by the intermediate district superintendent,

1 as may be required by the department, or in the case of a district of the first class by a
2 certified public accountant, the intermediate superintendent, or the auditor general of the
3 city. A district or intermediate district shall retain these records for the current fiscal
4 year and from at least the 3 immediately preceding fiscal years.

5 (b) If a district operates in a single building with fewer than 700 full-time equated
6 pupils, if the district has stable membership, and if the error rate of the immediately
7 preceding 2 pupil accounting field audits of the district is less than 2%, the district may
8 have a pupil accounting field audit conducted biennially but must continue to have desk
9 audits for each pupil count. The auditor must document compliance with the audit cycle in
10 the pupil auditing manual. As used in this subdivision, "stable membership" means that the
11 district's membership for the current fiscal year varies from the district's membership for
12 the immediately preceding fiscal year by less than 5%.

13 (c) A district's or intermediate district's annual financial audit shall include an
14 analysis of the financial and pupil accounting data used as the basis for distribution of
15 state school aid.

16 (d) The pupil and financial accounting records and reports, audits, and management
17 letters are subject to requirements established in the auditing and accounting manuals
18 approved and published by the department.

19 (e) All of the following shall be done not later than November 1 each year for
20 reporting the prior fiscal year data:

21 (i) A district shall file the annual financial audit reports with the intermediate
22 district and the department.

23 (ii) The intermediate district shall file the annual financial audit reports for the
24 intermediate district with the department.

25 (iii) The intermediate district shall enter the pupil membership audit reports for
26 its constituent districts and for the intermediate district, for the pupil membership count
27 day and supplemental count day, in the Michigan student data system.

28 (f) The annual financial audit reports and pupil accounting procedures reports shall
29 be available to the public in compliance with the freedom of information act, 1976 PA 442,
30 MCL 15.231 to 15.246.

31 (g) Not later than January 31 of each year, the department shall notify the state
32 budget director and the legislative appropriations subcommittees responsible for review of

1 the school aid budget of districts and intermediate districts that have not filed an annual
2 financial audit and pupil accounting procedures report required under this section for the
3 school year ending in the immediately preceding fiscal year.

4 (5) By November 1 each fiscal year, each district and intermediate district shall
5 submit to the center, in a manner prescribed by the center, annual comprehensive financial
6 data consistent with the district's or intermediate district's audited financial statements
7 and consistent with accounting manuals and charts of accounts approved and published by the
8 department. For an intermediate district, the report shall also contain the website address
9 where the department can access the report required under section 620 of the revised school
10 code, MCL 380.620. The department shall ensure that the prescribed Michigan public school
11 accounting manual chart of accounts includes standard conventions to distinguish
12 expenditures by allowable fund function and object. The functions shall include at minimum
13 categories for instruction, pupil support, instructional staff support, general
14 administration, school administration, business administration, transportation, facilities
15 operation and maintenance, facilities acquisition, and debt service; and shall include
16 object classifications of salary, benefits, including categories for active employee health
17 expenditures, purchased services, supplies, capital outlay, and other. Districts shall
18 report the required level of detail consistent with the manual as part of the comprehensive
19 annual financial report.

20 (6) By September 30 of each year, each district and intermediate district shall file
21 with the ~~department-CENTER~~ the special education actual cost report, known as "SE-4096", on
22 a form and in the manner prescribed by the ~~department-CENTER~~.

23 (7) By October 7 of each year, each district and intermediate district shall file
24 with the center the transportation expenditure report, known as "SE-4094", on a form and in
25 the manner prescribed by the center.

26 (8) The department shall review its pupil accounting and pupil auditing manuals at
27 least annually and shall periodically update those manuals to reflect changes in this
28 article.

29 (9) If a district that is a public school academy purchases property using money
30 received under this article, the public school academy shall retain ownership of the
31 property unless the public school academy sells the property at fair market value.

32 (10) If a district or intermediate district does not comply with subsections (4),

1 (5), (6), ~~and~~(7), **AND (12)** or if the department determines that the financial data
2 required under subsection (5) are not consistent with audited financial statements, the
3 department shall withhold all state school aid due to the district or intermediate district
4 under this article, beginning with the next payment due to the district or intermediate
5 district, until the district or intermediate district complies with subsections (4), (5),
6 (6), ~~and~~(7), **AND (12)**. If the district or intermediate district does not comply with
7 subsections (4), (5), (6), ~~and~~(7), **AND (12)** by the end of the fiscal year, the district or
8 intermediate district forfeits the amount withheld.

9 (11) If a district or intermediate district does not comply with subsection (2), the
10 department may withhold up to 10% of the total state school aid due to the district or
11 intermediate district under this article, beginning with the next payment due to the
12 district or intermediate district, until the district or intermediate district complies
13 with subsection (2). If the district or intermediate district does not comply with
14 subsection (2) by the end of the fiscal year, the district or intermediate district
15 forfeits the amount withheld.

16 (12) By November 1 of each year, if a district or intermediate district offers
17 virtual learning under section 21f, **OR FOR A SCHOOL OF EXCELLENCE THAT IS A CYBER SCHOOL,**
18 **AS DEFINED IN SECTION 551 OF THE REVISED SCHOOL CODE,** the district or intermediate district
19 shall submit to the department a report that details the per-pupil costs of operating the
20 virtual learning by vendor type **AND VIRTUAL LEARNING MODEL**. The report shall include ~~at~~
21 ~~least all of the following~~ information concerning the operation of virtual learning for the
22 immediately preceding school fiscal ~~year~~**-YEAR, INCLUDING INFORMATION CONCERNING SUMMER**
23 **PROGRAMMING. INFORMATION SHALL BE COLLECTED IN A FORM AND MANNER AS DETERMINED BY THE**
24 **DEPARTMENT AND SHALL BE COLLECTED IN THE MOST EFFICIENT MANNER POSSIBLE IN ORDER TO REDUCE**
25 **THE ADMINISTRATIVE BURDEN ON REPORTING ENTITIES.**

26 ~~(a) The name of the district operating the virtual learning and of each district that~~
27 ~~enrolled students in the virtual learning.~~

28 ~~(b) The total number of students enrolled in the virtual learning and the total~~
29 ~~number of membership pupils enrolled in the virtual learning.~~

30 ~~(c) For each pupil who is enrolled in a district other than the district offering~~
31 ~~virtual learning, the name of that district.~~

32 ~~(d) The district in which the pupil was enrolled before enrolling in the district~~

1 offering virtual learning.

2 ~~(e) The number of participating students who had previously dropped out of school.~~

3 ~~(f) The number of participating students who had previously been expelled from~~
4 ~~school.~~

5 ~~(g) The total cost to enroll a student in the program. This cost shall be reported on~~
6 ~~a per pupil, per course, per semester or trimester basis by vendor type. The total shall~~
7 ~~include costs broken down by cost for content development, content licensing, training,~~
8 ~~virtual instruction and instructional support, personnel, hardware and software, payment to~~
9 ~~each virtual learning provider, and other costs associated with operating virtual learning.~~

10 ~~(h) The name of each virtual education provider contracted by the district and the~~
11 ~~state in which each virtual education provider is headquartered.~~

12 (13) By March 31 of each year, the department shall submit to the house and senate
13 appropriations subcommittees on state school aid, the state budget director, and the house
14 and senate fiscal agencies a report summarizing the per-pupil costs by vendor type of
15 virtual courses available under section 21f **OR VIRTUAL COURSES PROVIDED BY A SCHOOL OF**
16 **EXCELLENCE THAT IS A CYBER SCHOOL, AS DEFINED IN SECTION 551 OF THE REVISED SCHOOL CODE,**
17 **MCD 380.551.**

18 (14) As used in subsections (12) and (13), "vendor type" means the following:

19 (a) Virtual courses provided by the Michigan Virtual University.

20 (b) Virtual courses provided by a school of excellence that is a cyber school, as
21 defined in section 551 of the revised school code, MCL 380.551.

22 (c) Virtual courses provided by third party vendors not affiliated with a Michigan
23 public school.

24 (d) Virtual courses created and offered by a district or intermediate district.

25 (15) An allocation to a district or another entity under this article is contingent
26 upon the district's or entity's compliance with this section.

27 ~~(16) Beginning October 1, 2017, and not less than once every 3 months after that~~
28 ~~date, the~~ **THE** department shall submit to the senate and house subcommittees on school aid
29 and to the senate and house standing committees on education an itemized list of
30 allocations under this article to any association or consortium consisting of associations.
31 The report shall detail the recipient or recipients, the amount allocated, and the purpose
32 for which the funds were distributed.

1 Sec. 19. (1) A district or intermediate district shall comply with all applicable
2 reporting requirements specified in state and federal law. Data provided to the center, in
3 a form and manner prescribed by the center, shall be aggregated and disaggregated as
4 required by state and federal law. In addition, a district or intermediate district shall
5 cooperate with all measures taken by the center to establish and maintain a statewide P-20
6 longitudinal data system.

7 (2) Each district shall furnish to the center not later than 5 weeks after the pupil
8 membership count day and by ~~June 30~~ **THE LAST BUSINESS DAY IN JUNE** of the school fiscal year
9 ending in the fiscal year, in a manner prescribed by the center, the information necessary
10 for the preparation of the district and high school graduation report **AND FOR PREPARATION**
11 **OF THE STATE OR FEDERAL ACCOUNTABILITY REPORTS**. This information shall meet requirements
12 established in the pupil auditing manual approved and published by the department. The
13 center shall calculate an annual graduation and pupil dropout rate for each high school,
14 each district, and this state, in compliance with nationally recognized standards for these
15 calculations. The center shall report all graduation and dropout rates to the senate and
16 house education committees and appropriations committees, the state budget director, and
17 the department not later than 30 days after the publication of the list described in
18 subsection (5). Before reporting these graduation and dropout rates, the department shall
19 allow a school or district to appeal the calculations. The department shall consider and
20 act upon the appeal within 30 days after it is submitted and shall not report these
21 graduation and dropout rates until after all appeals have been considered and decided.

22 (3) By the first business day in December and by ~~June 30~~ **THE LAST BUSINESS DAY IN**
23 **JUNE** of each year, a district shall furnish to the center, in a manner prescribed by the
24 center, information related to educational personnel as necessary for reporting required by
25 state and federal law. For the purposes of this subsection, the center shall only require
26 districts and intermediate districts to report information that is not already available
27 from the office of retirement services in the department of technology, management, and
28 budget.

29 (4) If a district or intermediate district fails to meet the requirements of this
30 section, the department shall withhold 5% of the total funds for which the district or
31 intermediate district qualifies under this article until the district or intermediate
32 district complies with all of those subsections. If the district or intermediate district

1 does not comply with all of those subsections by the end of the fiscal year, the department
2 shall place the amount withheld in an escrow account until the district or intermediate
3 district complies with all of those subsections.

4 (5) Before publishing a list of school or district accountability designations as
5 required by the no child left behind act of 2001, Public Law 107-110, or the every student
6 succeeds act, Public Law 114-95, **AND UTILIZING DATA THAT WAS CERTIFIED AS ACCURATE AND**
7 **COMPLETE AFTER DISTRICTS AND INTERMEDIATE SCHOOL DISTRICTS HAVE ADHERED TO DEADLINES, DATA**
8 **QUALITY REVIEWS AND CORRECTION PROCESSES LEADING TO LOCAL CERTIFICATION OF FINAL STUDENT**
9 **DATA IN SUBSECTION 2 OF THIS SECTION,** the department shall allow a school or district to
10 appeal **ANY CALCULATION ERRORS USED IN THE PREPARATION OF ACCOUNTABILITY METRICS.** ~~that~~
11 ~~determination.~~ The department shall consider and act upon the appeal within 30 days after
12 it is submitted and shall not publish the list until after all appeals have been considered
13 and decided.

14 (6) Beginning in 2016-2017, the department shall implement statewide standard
15 reporting requirements for education data approved by the department in conjunction with
16 the center. The department shall work with the center, intermediate districts, districts,
17 and other interested stakeholders to implement this policy change. A district or
18 intermediate district shall implement the statewide standard reporting requirements not
19 later than 2017-2018 or when a district or intermediate district updates its education data
20 reporting system, whichever is later.

21 Sec. 20. (1) For ~~2017-2018,~~ **2018-2019**, both of the following apply:

22 (a) The basic foundation allowance is ~~\$8,289.00.~~ **\$8,409.00.**

23 (b) The minimum foundation allowance is ~~\$7,631.00.~~ **\$7,871.00.**

24 (2) The amount of each district's foundation allowance shall be calculated as
25 provided in this section, using a basic foundation allowance in the amount specified in
26 subsection (1).

27 (3) Except as otherwise provided in this section, the amount of a district's
28 foundation allowance shall be calculated as follows, using in all calculations the total
29 amount of the district's foundation allowance as calculated before any proration:

30 (a) Except as otherwise provided in this subdivision, for a district that had a
31 foundation allowance for the immediately preceding state fiscal year that was at least
32 equal to the minimum foundation allowance for the immediately preceding state fiscal year,

1 but less than the basic foundation allowance for the immediately preceding state fiscal
2 year, the district shall receive a foundation allowance in an amount equal to the sum of
3 the district's foundation allowance for the immediately preceding state fiscal year plus
4 the difference between twice the dollar amount of the adjustment from the immediately
5 preceding state fiscal year to the current state fiscal year made in the basic foundation
6 allowance and [(the difference between the basic foundation allowance for the current state
7 fiscal year and basic foundation allowance for the immediately preceding state fiscal year
8 minus ~~\$20.00~~-\$40.00) times (the difference between the district's foundation allowance for
9 the immediately preceding state fiscal year and the minimum foundation allowance for the
10 immediately preceding state fiscal year) divided by the difference between the basic
11 foundation allowance for the current state fiscal year and the minimum foundation allowance
12 for the immediately preceding state fiscal year.] However, the foundation allowance for a
13 district that had less than the basic foundation allowance for the immediately preceding
14 state fiscal year shall not exceed the basic foundation allowance for the current state
15 fiscal year.

16 (b) Except as otherwise provided in this subsection, for a district that in the
17 immediately preceding state fiscal year had a foundation allowance in an amount equal to
18 the amount of the basic foundation allowance for the immediately preceding state fiscal
19 year, the district shall receive a foundation allowance for ~~2017-2018~~-2018-2019 in an
20 amount equal to the basic foundation allowance for ~~2017-2018~~-2018-2019.

21 (c) For a district that had a foundation allowance for the immediately preceding
22 state fiscal year that was greater than the basic foundation allowance for the immediately
23 preceding state fiscal year, the district's foundation allowance is an amount equal to the
24 sum of the district's foundation allowance for the immediately preceding state fiscal year
25 plus the lesser of the increase in the basic foundation allowance for the current state
26 fiscal year, as compared to the immediately preceding state fiscal year, or the product of
27 the district's foundation allowance for the immediately preceding state fiscal year times
28 the percentage increase in the United States consumer price index in the calendar year
29 ending in the immediately preceding fiscal year as reported by the May revenue estimating
30 conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL
31 18.1367b.

32 (d) For a district that has a foundation allowance that is not a whole dollar amount,

1 the district's foundation allowance shall be rounded up to the nearest whole dollar.

2 (e) For a district that received a foundation allowance supplemental payment
3 calculated under section 20m and paid under section 22b for ~~2016-2017~~, **2017-2018** the
4 district's ~~2016-2017~~ **2017-2018** foundation allowance is considered to have been an amount
5 equal to the sum of the district's actual ~~2016-2017~~ **2017-2018** foundation allowance as
6 otherwise calculated under this section plus the lesser of the per pupil amount of the
7 district's supplemental payment for ~~2016-2017~~ **2017-2018** as calculated under section 20m or
8 the product of the district's foundation allowance for the immediately preceding state
9 fiscal year times the percentage increase in the United States consumer price index in the
10 calendar year ending in the immediately preceding fiscal year as reported by the May
11 revenue estimating conference conducted under section 367b of the management and budget
12 act, 1984 PA 431, MCL 18.1367b.

13 (4) Except as otherwise provided in this subsection, beginning in 2014-2015, the
14 state portion of a district's foundation allowance is an amount equal to the district's
15 foundation allowance or the basic foundation allowance for the current state fiscal year,
16 whichever is less, minus the local portion of the district's foundation allowance. For a
17 district described in subsection (3)(c), beginning in 2014-2015, the state portion of the
18 district's foundation allowance is an amount equal to \$6,962.00 plus the difference between
19 the district's foundation allowance for the current state fiscal year and the district's
20 foundation allowance for 1998-99, minus the local portion of the district's foundation
21 allowance. For a district that has a millage reduction required under section 31 of article
22 IX of the state constitution of 1963, the state portion of the district's foundation
23 allowance shall be calculated as if that reduction did not occur. For a receiving district,
24 if school operating taxes continue to be levied on behalf of a dissolved district that has
25 been attached in whole or in part to the receiving district to satisfy debt obligations of
26 the dissolved district under section 12 of the revised school code, MCL 380.12, the taxable
27 value per membership pupil of property in the receiving district used for the purposes of
28 this subsection does not include the taxable value of property within the geographic area
29 of the dissolved district. For a community district, if school operating taxes continue to
30 be levied by a qualifying school district under section 12b of the revised school code, MCL
31 380.12b, with the same geographic area as the community district, the taxable value per
32 membership pupil of property in the community district to be used for the purposes of this

1 subsection does not include the taxable value of property within the geographic area of the
2 community district.

3 (5) The allocation calculated under this section for a pupil shall be based on the
4 foundation allowance of the pupil's district of residence. For a pupil enrolled pursuant to
5 section 105 or 105c in a district other than the pupil's district of residence, the
6 allocation calculated under this section shall be based on the lesser of the foundation
7 allowance of the pupil's district of residence or the foundation allowance of the educating
8 district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in
9 another district in a grade not offered by the pupil's district of residence, the
10 allocation calculated under this section shall be based on the foundation allowance of the
11 educating district if the educating district's foundation allowance is greater than the
12 foundation allowance of the pupil's district of residence. The calculation under this
13 subsection shall take into account a district's per-pupil allocation under section 20m.

14 (6) Except as otherwise provided in this subsection, for pupils in membership, other
15 than special education pupils, in a public school academy, the allocation calculated under
16 this section is an amount per membership pupil other than special education pupils in the
17 public school academy equal to the foundation allowance of the district in which the public
18 school academy is located or the state maximum public school academy allocation, whichever
19 is less. Except as otherwise provided in this subsection, for pupils in membership, other
20 than special education pupils, in a public school academy that is a cyber school and is
21 authorized by a school district, the allocation calculated under this section is an amount
22 per membership pupil other than special education pupils in the public school academy equal
23 to the foundation allowance of the district that authorized the public school academy or
24 the state maximum public school academy allocation, whichever is less. However, a public
25 school academy that had an allocation under this subsection before 2009-2010 that was equal
26 to the sum of the local school operating revenue per membership pupil other than special
27 education pupils for the district in which the public school academy is located and the
28 state portion of that district's foundation allowance shall not have that allocation
29 reduced as a result of the 2010 amendment to this subsection. Notwithstanding section 101,
30 for a public school academy that begins operations after the pupil membership count day,
31 the amount per membership pupil calculated under this subsection shall be adjusted by
32 multiplying that amount per membership pupil by the number of hours of pupil instruction

1 provided by the public school academy after it begins operations, as determined by the
2 department, divided by the minimum number of hours of pupil instruction required under
3 section 101(3). The result of this calculation shall not exceed the amount per membership
4 pupil otherwise calculated under this subsection. **BEGINNING IN 2018-2019, FOR PUPILS IN**
5 **MEMBERSHIP IN A PUBLIC SCHOOL ACADEMY THAT WAS ISSUED A CONTRACT UNDER SECTION 552 OF THE**
6 **REVISED SCHOOL CODE, MCL 380.552, TO OPERATE AS A SCHOOL OF EXCELLENCE THAT IS A CYBER**
7 **SCHOOL, THE ALLOCATION CALCULATED UNDER THIS SECTION SHALL BE AN AMOUNT EQUAL TO 75% OF THE**
8 **AMOUNT AS WOULD OTHERWISE BE CALCULATED UNDER THIS SUBSECTION FOR A PUBLIC SCHOOL ACADEMY.**

9 (7) Except as otherwise provided in this subsection, for pupils in membership, other
10 than special education pupils, in a community district, the allocation calculated under
11 this section is an amount per membership pupil other than special education pupils in the
12 community district equal to the foundation allowance of the qualifying school district, as
13 described in section 12b of the revised school code, MCL 380.12b, that is located within
14 the same geographic area as the community district.

15 (8) Subject to subsection (4), for a district that is formed or reconfigured after
16 June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting
17 district's foundation allowance under this section beginning after the effective date of
18 the consolidation or annexation shall be the lesser of the sum of the average of the
19 foundation allowances of each of the original or affected districts, calculated as provided
20 in this section, weighted as to the percentage of pupils in total membership in the
21 resulting district who reside in the geographic area of each of the original or affected
22 districts plus \$100.00 or the highest foundation allowance among the original or affected
23 districts. This subsection does not apply to a receiving district unless there is a
24 subsequent consolidation or annexation that affects the district. The calculation under
25 this subsection shall take into account a district's per-pupil allocation under section
26 20m.

27 (9) Each fraction used in making calculations under this section shall be rounded to
28 the fourth decimal place and the dollar amount of an increase in the basic foundation
29 allowance shall be rounded to the nearest whole dollar.

30 (10) State payments related to payment of the foundation allowance for a special
31 education pupil are not calculated under this section but are instead calculated under
32 section 51a.

1 (11) To assist the legislature in determining the basic foundation allowance for the
2 subsequent state fiscal year, each revenue estimating conference conducted under section
3 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, shall calculate a pupil
4 membership factor, a revenue adjustment factor, and an index as follows:

5 (a) The pupil membership factor shall be computed by dividing the estimated
6 membership in the school year ending in the current state fiscal year, excluding
7 intermediate district membership, by the estimated membership for the school year ending in
8 the subsequent state fiscal year, excluding intermediate district membership. If a
9 consensus membership factor is not determined at the revenue estimating conference, the
10 principals of the revenue estimating conference shall report their estimates to the house
11 and senate subcommittees responsible for school aid appropriations not later than 7 days
12 after the conclusion of the revenue conference.

13 (b) The revenue adjustment factor shall be computed by dividing the sum of the
14 estimated total state school aid fund revenue for the subsequent state fiscal year plus the
15 estimated total state school aid fund revenue for the current state fiscal year, adjusted
16 for any change in the rate or base of a tax the proceeds of which are deposited in that
17 fund and excluding money transferred into that fund from the countercyclical budget and
18 economic stabilization fund under the management and budget act, 1984 PA 431, MCL 18.1101
19 to 18.1594, by the sum of the estimated total school aid fund revenue for the current state
20 fiscal year plus the estimated total state school aid fund revenue for the immediately
21 preceding state fiscal year, adjusted for any change in the rate or base of a tax the
22 proceeds of which are deposited in that fund. If a consensus revenue factor is not
23 determined at the revenue estimating conference, the principals of the revenue estimating
24 conference shall report their estimates to the house and senate subcommittees responsible
25 for school aid appropriations not later than 7 days after the conclusion of the revenue
26 conference.

27 (c) The index shall be calculated by multiplying the pupil membership factor by the
28 revenue adjustment factor. If a consensus index is not determined at the revenue estimating
29 conference, the principals of the revenue estimating conference shall report their
30 estimates to the house and senate subcommittees responsible for school aid appropriations
31 not later than 7 days after the conclusion of the revenue conference.

32 (12) Payments to districts and public school academies shall not be made under this

1 section. Rather, the calculations under this section shall be used to determine the amount
2 of state payments under section 22b.

3 (13) If an amendment to section 2 of article VIII of the state constitution of 1963
4 allowing state aid to some or all nonpublic schools is approved by the voters of this
5 state, each foundation allowance or per-pupil payment calculation under this section may be
6 reduced.

7 (14) As used in this section:

8 (a) "Certified mills" means the lesser of 18 mills or the number of mills of school
9 operating taxes levied by the district in 1993-94.

10 (b) "Combined state and local revenue" means the aggregate of the district's state
11 school aid received by or paid on behalf of the district under this section and the
12 district's local school operating revenue.

13 (c) "Combined state and local revenue per membership pupil" means the district's
14 combined state and local revenue divided by the district's membership excluding special
15 education pupils.

16 (d) "Current state fiscal year" means the state fiscal year for which a particular
17 calculation is made.

18 (e) "Dissolved district" means a district that loses its organization, has its
19 territory attached to 1 or more other districts, and is dissolved as provided under section
20 12 of the revised school code, MCL 380.12.

21 (f) "Immediately preceding state fiscal year" means the state fiscal year immediately
22 preceding the current state fiscal year.

23 (g) "Local portion of the district's foundation allowance" means an amount that is
24 equal to the difference between (the sum of the product of the taxable value per membership
25 pupil of all property in the district that is nonexempt property times the district's
26 certified mills and, for a district with certified mills exceeding 12, the product of the
27 taxable value per membership pupil of property in the district that is commercial personal
28 property times the certified mills minus 12 mills) and (the quotient of the product of the
29 captured assessed valuation under tax increment financing acts times the district's
30 certified mills divided by the district's membership excluding special education pupils).

31 (h) "Local school operating revenue" means school operating taxes levied under
32 section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school

1 operating taxes are to be levied on behalf of a dissolved district that has been attached
2 in whole or in part to the receiving district to satisfy debt obligations of the dissolved
3 district under section 12 of the revised school code, MCL 380.12, local school operating
4 revenue does not include school operating taxes levied within the geographic area of the
5 dissolved district.

6 (i) "Local school operating revenue per membership pupil" means a district's local
7 school operating revenue divided by the district's membership excluding special education
8 pupils.

9 (j) "Maximum public school academy allocation", except as otherwise provided in this
10 subdivision, means the maximum per-pupil allocation as calculated by adding the highest
11 per-pupil allocation among all public school academies for the immediately preceding state
12 fiscal year plus the difference between twice the amount of the difference between the
13 basic foundation allowance for the current state fiscal year and the basic foundation
14 allowance for the immediately preceding state fiscal year and [(the amount of the
15 difference between the basic foundation allowance for the current state fiscal year and the
16 basic foundation allowance for the immediately preceding state fiscal year minus ~~\$20.00~~
17 **\$40.00**) times (the difference between the highest per-pupil allocation among all public
18 school academies for the immediately preceding state fiscal year and the minimum foundation
19 allowance for the immediately preceding state fiscal year) divided by the difference
20 between the basic foundation allowance for the current state fiscal year and the minimum
21 foundation allowance for the immediately preceding state fiscal year.] For the purposes of
22 this subdivision, for ~~2017-2018, 2018-2019~~, the maximum public school academy allocation is
23 ~~\$7,631.00~~ **-\$7,871.00**.

24 (k) "Membership" means the definition of that term under section 6 as in effect for
25 the particular fiscal year for which a particular calculation is made.

26 (l) "Nonexempt property" means property that is not a principal residence, qualified
27 agricultural property, qualified forest property, supportive housing property, industrial
28 personal property, commercial personal property, or property occupied by a public school
29 academy.

30 (m) "Principal residence", "qualified agricultural property", "qualified forest
31 property", "supportive housing property", "industrial personal property", and "commercial
32 personal property" mean those terms as defined in section 1211 of the revised school code,

1 MCL 380.1211.

2 (n) "Receiving district" means a district to which all or part of the territory of a
3 dissolved district is attached under section 12 of the revised school code, MCL 380.12.

4 (o) "School operating purposes" means the purposes included in the operation costs of
5 the district as prescribed in sections 7 and 18 and purposes authorized under section 1211
6 of the revised school code, MCL 380.1211.

7 (p) "School operating taxes" means local ad valorem property taxes levied under
8 section 1211 of the revised school code, MCL 380.1211, and retained for school operating
9 purposes.

10 (q) "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the
11 tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local
12 development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield
13 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor
14 improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

15 (r) "Taxable value per membership pupil" means taxable value, as certified by the
16 county treasurer and reported to the department, for the calendar year ending in the
17 current state fiscal year divided by the district's membership excluding special education
18 pupils for the school year ending in the current state fiscal year.

19 Sec. 20d. In making the final determination required under former section 20a of a
20 district's combined state and local revenue per membership pupil in 1993-94 and in making
21 calculations under section 20 for ~~2017-2018, 2018-2019~~ the department and the department of
22 treasury shall comply with all of the following:

23 (a) For a district that had combined state and local revenue per membership pupil in
24 the 1994-95 state fiscal year of \$6,500.00 or more and served as a fiscal agent for a state
25 board designated area vocational education center in the 1993-94 school year, total state
26 school aid received by or paid on behalf of the district pursuant to this act in 1993-94
27 shall exclude payments made under former section 146 and under section 147 on behalf of the
28 district's employees who provided direct services to the area vocational education center.
29 Not later than June 30, 1996, the department shall make an adjustment under this
30 subdivision to the district's combined state and local revenue per membership pupil in the
31 1994-95 state fiscal year and the department of treasury shall make a final certification
32 of the number of mills that may be levied by the district under section 1211 of the revised

1 school code, MCL 380.1211, as a result of the adjustment under this subdivision.

2 (b) If a district had an adjustment made to its 1993-94 total state school aid that
3 excluded payments made under former section 146 and under section 147 on behalf of the
4 district's employees who provided direct services for intermediate district center programs
5 operated by the district under sections 51 to 56, if nonresident pupils attending the
6 center programs were included in the district's membership for purposes of calculating the
7 combined state and local revenue per membership pupil for 1993-94, and if there is a signed
8 agreement by all constituent districts of the intermediate district that an adjustment
9 under this subdivision shall be made, the foundation allowances for 1995-96 and 1996-97 of
10 all districts that had pupils attending the intermediate district center program operated
11 by the district that had the adjustment shall be calculated as if their combined state and
12 local revenue per membership pupil for 1993-94 included resident pupils attending the
13 center program and excluded nonresident pupils attending the center program.

14 Sec. 20f. (1) From the funds appropriated in section 11, there is allocated an amount
15 not to exceed \$18,000,000.00 for ~~2017-2018~~**2018-2019** for payments to eligible districts
16 under this section.

17 (2) The funding under this subsection is from the allocation under subsection (1). A
18 district is eligible for funding under this subsection if the district received a payment
19 under this section as it was in effect for 2013-2014. A district was eligible for funding
20 in 2013-2014 if the sum of the following was less than \$5.00:

21 (a) The increase in the district's foundation allowance or per-pupil payment as
22 calculated under section 20 from 2012-2013 to 2013-2014.

23 (b) The district's equity payment per membership pupil under former section 22c for
24 2013-2014.

25 (c) The quotient of the district's allocation under section 147a for 2012-2013
26 divided by the district's membership pupils for 2012-2013 minus the quotient of the
27 district's allocation under section 147a for 2013-2014 divided by the district's membership
28 pupils for 2013-2014.

29 (3) The amount allocated to each eligible district under subsection (2) is an amount
30 per membership pupil equal to the amount per membership pupil the district received under
31 this section in 2013-2014.

32 (4) The funding under this subsection is from the allocation under subsection (1). A

1 district is eligible for funding under this subsection if the sum of the following is less
2 than \$25.00:

3 (a) The increase in the district's foundation allowance or per-pupil payment as
4 calculated under section 20 from 2014-2015 to 2015-2016.

5 (b) The decrease in the district's best practices per-pupil funding under former
6 section 22f from 2014-2015 to 2015-2016.

7 (c) The decrease in the district's pupil performance per-pupil funding under former
8 section 22j from 2014-2015 to 2015-2016.

9 (d) The quotient of the district's allocation under section 31a for 2015-2016 divided
10 by the district's membership pupils for 2015-2016 minus the quotient of the district's
11 allocation under section 31a for 2014-2015 divided by the district's membership pupils for
12 2014-2015.

13 (5) The amount allocated to each eligible district under subsection (4) is an amount
14 per membership pupil equal to \$25.00 minus the sum of the following:

15 (a) The increase in the district's foundation allowance or per-pupil payment as
16 calculated under section 20 from 2014-2015 to 2015-2016.

17 (b) The decrease in the district's best practices per-pupil funding under former
18 section 22f from 2014-2015 to 2015-2016.

19 (c) The decrease in the district's pupil performance per-pupil funding under former
20 section 22j from 2014-2015 to 2015-2016.

21 (d) The quotient of the district's allocation under section 31a for 2015-2016 divided
22 by the district's membership pupils for 2015-2016 minus the quotient of the district's
23 allocation under section 31a for 2014-2015 divided by the district's membership pupils for
24 2014-2015.

25 (6) If the allocation under subsection (1) is insufficient to fully fund payments
26 under subsections (3) and (5) as otherwise calculated under this section, the department
27 shall prorate payments under this section on an equal per-pupil basis.

28 Sec. 20m. (1) Foundation allowance supplemental payments for ~~2017-2018~~ **2018-2019** to
29 districts that in the 2015-2016 fiscal year had a foundation allowance greater than
30 \$8,169.00 shall be calculated under this section.

31 (2) The per-pupil allocation to each district under this section shall be the
32 difference between the dollar amount of the adjustment from the 2015-2016 state fiscal year

1 to the current state fiscal year in the basic foundation allowance minus the dollar amount
2 of the adjustment from the 2015-2016 fiscal year to the current state fiscal year in a
3 qualifying district's foundation allowance.

4 (3) If a district's local revenue per pupil does not exceed the sum of its foundation
5 allowance under section 20 plus the per-pupil allocation under subsection (2), the total
6 payment to the district calculated under this section shall be the product of the per-pupil
7 allocation under subsection (2) multiplied by the district's membership excluding special
8 education pupils. If a district's local revenue per pupil exceeds the foundation allowance
9 under section 20 but does not exceed the sum of the foundation allowance under section 20
10 plus the per-pupil allocation under subsection (2), the total payment to the district
11 calculated under this section shall be the product of the difference between the sum of the
12 foundation allowance under section 20 plus the per-pupil allocation under subsection (2)
13 minus the local revenue per pupil multiplied by the district's membership excluding special
14 education pupils. If a district's local revenue per pupil exceeds the sum of the foundation
15 allowance under section 20 plus the per-pupil allocation under subsection (2), there is no
16 payment calculated under this section for the district.

17 (4) Payments to districts shall not be made under this section. Rather, the
18 calculations under this section shall be made and used to determine the amount of state
19 payments under section 22b.

20 Sec. 21f. (1) A primary district shall enroll an eligible pupil in virtual courses in
21 accordance with the provisions of this section. A primary district shall not offer a
22 virtual course to an eligible pupil unless the virtual course is published in the primary
23 district's catalog of board-approved courses or in the statewide catalog of virtual courses
24 maintained by the Michigan Virtual University pursuant to section 98. The primary district
25 shall also provide on its publicly accessible website a link to the statewide catalog of
26 virtual courses maintained by the Michigan Virtual University. Unless the pupil is at least
27 age 18 or is an emancipated minor, a pupil shall not be enrolled in a virtual course
28 without the consent of the pupil's parent or legal guardian. **PARENTAL CONSENT SHALL BE**
29 **OBTAINED IN A FORM AND MANNER SPECIFIED BY THE DEPARTMENT AND KEPT ON FILE BY THE PRIMARY**
30 **DISTRICT.**

31 (2) Subject to subsection (3), a primary district shall enroll an eligible pupil in
32 up to 2 virtual courses as requested by the pupil during an academic term, semester, or

1 trimester.

2 (3) A pupil may be enrolled in more than 2 virtual courses in a specific academic
3 term, semester, or trimester if all of the following conditions are met:

4 (a) The primary district has determined that it is in the best interest of the pupil.

5 (b) The pupil agrees with the recommendation of the primary district.

6 (c) The primary district, in collaboration with the pupil, has developed an education
7 development plan, in a form and manner specified by the department, that is kept on file by
8 the district. Beginning October 1, 2016, this subdivision does not apply to a pupil
9 enrolled as a part-time pupil under section 166b.

10 (4) If the number of applicants eligible for acceptance in a virtual course does not
11 exceed the capacity of the provider to provide the virtual course, the provider shall
12 accept for enrollment all of the applicants eligible for acceptance. If the number of
13 applicants exceeds the provider's capacity to provide the virtual course, the provider
14 shall use a random draw system, subject to the need to abide by state and federal
15 antidiscrimination laws and court orders. A primary district that is also a provider shall
16 determine whether or not it has the capacity to accept applications for enrollment from
17 nonresident applicants in virtual courses and may use that limit as the reason for refusal
18 to enroll a nonresident applicant.

19 (5) A primary district may not establish additional requirements beyond those
20 specified in this subsection that would prohibit a pupil from taking a virtual course. A
21 pupil's primary district may deny the pupil enrollment in an online course if any of the
22 following apply, as determined by the district:

23 (a) The pupil is enrolled in any of grades K to 5.

24 (b) The pupil has previously gained the credits that would be provided from the
25 completion of the virtual course.

26 (c) The virtual course is not capable of generating academic credit.

27 (d) The virtual course is inconsistent with the remaining graduation requirements or
28 career interests of the pupil.

29 (e) The pupil has not completed the prerequisite coursework for the requested virtual
30 course or has not demonstrated proficiency in the prerequisite course content.

31 (f) The pupil has failed a previous virtual course in the same subject during the 2
32 most recent academic years.

1 (g) The virtual course is of insufficient quality or rigor. A primary district that
2 denies a pupil enrollment request for this reason shall enroll the pupil in a virtual
3 course in the same or a similar subject that the primary district determines is of
4 acceptable rigor and quality.

5 (h) The cost of the virtual course exceeds the amount identified in subsection ~~(9)~~
6 (10), unless the pupil or the pupil's parent or legal guardian agrees to pay the cost that
7 exceeds this amount.

8 (i) The request for a virtual course enrollment did not occur within the same
9 timelines established by the primary district for enrollment and schedule changes for
10 regular courses.

11 (j) The request for a virtual course enrollment was not made in the academic term,
12 semester, trimester, or summer preceding the enrollment. This subdivision does not apply to
13 a request made by a pupil who is newly enrolled in the primary district.

14 (6) If a pupil is denied enrollment in a virtual course by the pupil's primary
15 district, the primary district shall provide written notification to the pupil of the
16 denial, the reason or reasons for the denial pursuant to subsection (5), and a description
17 of the appeal process. The pupil may appeal the denial by submitting a letter to the
18 superintendent of the intermediate district in which the pupil's primary district is
19 located. The letter of appeal shall include the reason provided by the primary district for
20 not enrolling the pupil and the reason why the pupil is claiming that the enrollment should
21 be approved. The intermediate district superintendent or designee shall respond to the
22 appeal within 5 days after it is received. If the intermediate district superintendent or
23 designee determines that the denial of enrollment does not meet 1 or more of the reasons
24 specified in subsection (5), the primary district shall enroll the pupil in the virtual
25 course.

26 (7) To provide a virtual course to an eligible pupil under this section, a provider
27 shall do all of the following:

28 (a) Ensure that the virtual course has been published in the pupil's primary
29 district's catalog of board-approved courses or published in the statewide catalog of
30 virtual courses maintained by the Michigan Virtual University.

31 (b) Assign to each pupil a teacher of record and provide the primary district with
32 the personnel identification code assigned by the center for the teacher of record. If the

1 provider is a community college, the virtual course must be taught by an instructor
2 employed by or contracted through the providing community college.

3 (c) Offer the virtual course on an open entry and exit method, or aligned to a
4 semester, trimester, or accelerated academic term format.

5 (d) If the virtual course is offered to eligible pupils in more than 1 district, the
6 following additional requirements must also be met:

7 (i) Provide the Michigan Virtual University with a course syllabus that meets the
8 definition under subsection (14)(g) in a form and manner prescribed by the Michigan Virtual
9 University for inclusion in a statewide catalog of virtual courses.

10 (ii) Not later than October 1 of each fiscal year, provide the Michigan Virtual
11 University with an aggregated count of enrollments for each virtual course the provider
12 delivered to pupils pursuant to this section during the immediately preceding school year,
13 and the number of enrollments in which the pupil earned 60% or more of the total course
14 points for each virtual course.

15 (8) To provide an online course under this section, a community college shall ensure
16 that each online course it provides under this section generates postsecondary credit.

17 (9) For any virtual course a pupil enrolls in under this section, the pupil's primary
18 district must assign to the pupil a mentor and shall supply the provider with the mentor's
19 contact information.

20 (10) For a pupil enrolled in 1 or more virtual courses, the primary district shall
21 use foundation allowance or per-pupil funds calculated under section 20 to pay for the
22 expenses associated with the virtual course or courses. A primary district is not required
23 to pay toward the cost of a virtual course an amount that exceeds 6.67% of the minimum
24 foundation allowance for the current fiscal year as calculated under section 20.

25 (11) A virtual learning pupil shall have the same rights and access to technology in
26 his or her primary district's school facilities as all other pupils enrolled in the pupil's
27 primary district. The department shall establish standards for hardware, software, and
28 Internet access for pupils who are enrolled in more than 2 virtual courses in an academic
29 term, semester, or trimester taken at a location other than a school facility.

30 (12) If a pupil successfully completes a virtual course, as determined by the pupil's
31 primary district, the pupil's primary district shall grant appropriate academic credit for
32 completion of the course and shall count that credit toward completion of graduation and

1 subject area requirements. A pupil's school record and transcript shall identify the
2 virtual course title as it appears in the virtual course syllabus.

3 (13) The enrollment of a pupil in 1 or more virtual courses shall not result in a
4 pupil being counted as more than 1.0 full-time equivalent pupils under this article. The
5 minimum requirements to count the pupil in membership are those established by the pupil
6 accounting manual as it was in effect for the 2015-2016 school year or as subsequently
7 amended by the department if the department notifies the legislature about the proposed
8 amendment at least 60 days before the amendment becomes effective.

9 (14) As used in this section:

10 (a) "Instructor" means an individual who is employed by or contracted through a
11 community college.

12 (b) "Mentor" means a professional employee of the primary district who monitors the
13 pupil's progress, ensures the pupil has access to needed technology, is available for
14 assistance, and ensures access to the teacher of record. A mentor may also serve as the
15 teacher of record if the primary district is the provider for the virtual course and the
16 mentor meets the requirements under subdivision (e).

17 (c) "Primary district" means the district that enrolls the pupil and reports the
18 pupil for pupil membership purposes.

19 (d) "Provider" means the district, intermediate district, or community college that
20 the primary district pays to provide the virtual course or the Michigan Virtual University
21 if it is providing the virtual course.

22 (e) "Teacher of record" means a teacher who meets all of the following:

23 (i) Holds a valid Michigan teaching certificate or a teaching permit recognized by
24 the department.

25 (ii) If applicable, is endorsed in the subject area and grade of the virtual course.

26 (iii) Is responsible for providing instruction, determining instructional methods for
27 each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention
28 strategies and modifying lessons, reporting outcomes, and evaluating the effects of
29 instruction and support strategies.

30 (iv) Has a personnel identification code provided by the center.

31 (v) If the provider is a community college, is an instructor employed by or
32 contracted through the providing community college.

1 (f) "Virtual course" means a course of study that is capable of generating a credit
2 or a grade and that is provided in an interactive learning environment where the majority
3 of the curriculum is delivered using the Internet and in which pupils may be separated from
4 their instructor or teacher of record by time or location, or both.

5 (g) "Virtual course syllabus" means a document that includes all of the following:

6 (i) An alignment document detailing how the course meets applicable state standards
7 or, if the state does not have state standards, nationally recognized standards.

8 (ii) The virtual course content outline.

9 (iii) The virtual course required assessments.

10 (iv) The virtual course prerequisites.

11 (v) Expectations for actual instructor or teacher of record contact time with the
12 virtual learning pupil and other communications between a pupil and the instructor or
13 teacher of record.

14 (vi) Academic support available to the virtual learning pupil.

15 (vii) The virtual course learning outcomes and objectives.

16 (viii) The name of the institution or organization providing the virtual content.

17 (ix) The name of the institution or organization providing the instructor or teacher
18 of record.

19 (x) The course titles assigned by the provider and the course titles and course codes
20 from the National Center for Education Statistics (NCES) school codes for the exchange of
21 data (SCED).

22 (xi) The number of eligible pupils that will be accepted by the provider in the
23 virtual course. A primary district that is also the provider may limit the enrollment to
24 those pupils enrolled in the primary district.

25 (xii) The results of the virtual course quality review using the guidelines and model
26 review process published by the Michigan Virtual University.

27 (h) "Virtual learning pupil" means a pupil enrolled in 1 or more virtual courses.

28 Sec. 21h. (1) From the appropriation in section 11, there is allocated ~~\$6,000,000.00~~
29 **\$8,000,000.00** for ~~2017-2018-2018-2019~~ for assisting districts assigned by the
30 superintendent to participate in a partnership to improve student achievement. The purpose
31 of the partnership is to identify district needs, develop intervention plans, and partner
32 with public, private, and nonprofit organizations to coordinate resources and improve

1 student achievement. Assignment of a district to a partnership is at the sole discretion of
2 the superintendent.

3 (2) A district assigned to a partnership by the superintendent is eligible for
4 funding under this section if the district includes at least 1 school that has been rated
5 with a grade of "F", or comparable performance rating, in the most recent state
6 accountability system rating, that is not under the supervision of the state school
7 reform/redesign office, and that does all of the following:

8 (a) Completes a comprehensive needs evaluation in collaboration with an intermediate
9 school district, community members, education organizations, and postsecondary
10 institutions, as applicable and approved by the superintendent, within 90 days of
11 assignment to the partnership described in this section. The comprehensive needs evaluation
12 shall include at least all of the following:

13 (i) A review of the district's implementation and utilization of a multi-tiered
14 system of supports to ensure that it is used to appropriately inform instruction.

15 (ii) A review of the district and school building leadership and educator capacity to
16 substantially improve student outcomes.

17 (iii) A review of classroom, instructional, and operational practices and curriculum
18 to ensure alignment with research-based instructional practices and state curriculum
19 standards.

20 (b) Develops an intervention plan that has been approved by the superintendent and
21 that addresses the needs identified in the comprehensive needs evaluation completed under
22 subdivision (a). The intervention plan shall include at least all of the following:

23 (i) Specific actions that will be taken by the district and each of its partners to
24 improve student achievement.

25 (ii) Specific measurable benchmarks that will be met within 18 months to improve
26 student achievement and identification of expected student achievement outcomes to be
27 attained within 3 years after assignment to the partnership.

28 (3) Upon approval of the intervention plan developed under subsection (2), the
29 department shall assign a team of individuals with expertise in comprehensive school and
30 district reform to partner with the district, the intermediate district, community
31 organizations, education organizations, and postsecondary institutions identified in the
32 intervention plan to review the district's use of existing financial resources to ensure

1 that those resources are being used as efficiently and effectively as possible to improve
2 student academic achievement.

3 (4) Funds allocated under this section may be used to pay for district expenditures
4 approved by the superintendent to improve student achievement. Funds may be used for
5 professional development for teachers or district or school leadership, increased
6 instructional time, teacher mentors, or other expenditures that directly impact student
7 achievement and cannot be paid from existing district financial resources. An eligible
8 district shall not receive funds under this section for more than 3 years. Notwithstanding
9 section 17b, payments to eligible districts under this section shall be paid on a schedule
10 determined by the department.

11 (5) The department shall annually report to the legislature on the activities funded
12 under this section and how those activities impacted student achievement in eligible
13 districts that received funds under this section.

14 Sec. 22a. (1) From the appropriation in section 11, there is allocated an amount not
15 to exceed ~~\$5,207,000,000.00 for 2016-2017 and there is allocated an amount not to exceed~~
16 ~~\$5,181,800,000.00~~ **\$5,048,000,000.00** for ~~2017-2018-2018-2019~~ for payments to districts and
17 qualifying public school academies to guarantee each district and qualifying public school
18 academy an amount equal to its 1994-95 total state and local per pupil revenue for school
19 operating purposes under section 11 of article IX of the state constitution of 1963.
20 Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does
21 not apply to a district in a year in which the district levies a millage rate for school
22 district operating purposes less than it levied in 1994. However, subsection (2) applies to
23 calculating the payments under this section. Funds allocated under this section that are
24 not expended in the state fiscal year for which they were allocated, as determined by the
25 department, may be used to supplement the allocations under sections 22b, **23F**, and 51c in
26 order to fully fund those calculated allocations for the same fiscal year.

27 (2) To ensure that a district receives an amount equal to the district's 1994-95
28 total state and local per pupil revenue for school operating purposes, there is allocated
29 to each district a state portion of the district's 1994-95 foundation allowance in an
30 amount calculated as follows:

31 (a) Except as otherwise provided in this subsection, the state portion of a
32 district's 1994-95 foundation allowance is an amount equal to the district's 1994-95

1 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum
2 of the product of the taxable value per membership pupil of all property in the district
3 that is nonexempt property times the district's certified mills and, for a district with
4 certified mills exceeding 12, the product of the taxable value per membership pupil of
5 property in the district that is commercial personal property times the certified mills
6 minus 12 mills and the quotient of the ad valorem property tax revenue of the district
7 captured under tax increment financing acts divided by the district's membership. For a
8 district that has a millage reduction required under section 31 of article IX of the state
9 constitution of 1963, the state portion of the district's foundation allowance shall be
10 calculated as if that reduction did not occur. For a receiving district, if school
11 operating taxes are to be levied on behalf of a dissolved district that has been attached
12 in whole or in part to the receiving district to satisfy debt obligations of the dissolved
13 district under section 12 of the revised school code, MCL 380.12, taxable value per
14 membership pupil of all property in the receiving district that is nonexempt property and
15 taxable value per membership pupil of property in the receiving district that is commercial
16 personal property do not include property within the geographic area of the dissolved
17 district; ad valorem property tax revenue of the receiving district captured under tax
18 increment financing acts does not include ad valorem property tax revenue captured within
19 the geographic boundaries of the dissolved district under tax increment financing acts; and
20 certified mills do not include the certified mills of the dissolved district. For a
21 community district, the allocation as otherwise calculated under this section shall be
22 reduced by an amount equal to the amount of local school operating tax revenue that would
23 otherwise be due to the community district if not for the operation of section 386 of the
24 revised school code, MCL 380.386, and the amount of this reduction shall be offset by the
25 increase in funding under section 22b(2).

26 (b) For a district that had a 1994-95 foundation allowance greater than \$6,500.00,
27 the state payment under this subsection shall be the sum of the amount calculated under
28 subdivision (a) plus the amount calculated under this subdivision. The amount calculated
29 under this subdivision shall be equal to the difference between the district's 1994-95
30 foundation allowance minus \$6,500.00 and the current year hold harmless school operating
31 taxes per pupil. If the result of the calculation under subdivision (a) is negative, the
32 negative amount shall be an offset against any state payment calculated under this

1 subdivision. If the result of a calculation under this subdivision is negative, there shall
2 not be a state payment or a deduction under this subdivision. The taxable values per
3 membership pupil used in the calculations under this subdivision are as adjusted by ad
4 valorem property tax revenue captured under tax increment financing acts divided by the
5 district's membership. For a receiving district, if school operating taxes are to be levied
6 on behalf of a dissolved district that has been attached in whole or in part to the
7 receiving district to satisfy debt obligations of the dissolved district under section 12
8 of the revised school code, MCL 380.12, ad valorem property tax revenue captured under tax
9 increment financing acts do not include ad valorem property tax revenue captured within the
10 geographic boundaries of the dissolved district under tax increment financing acts.

11 (3) Beginning in 2003-2004, for pupils in membership in a qualifying public school
12 academy, there is allocated under this section to the authorizing body that is the fiscal
13 agent for the qualifying public school academy for forwarding to the qualifying public
14 school academy an amount equal to the 1994-95 per pupil payment to the qualifying public
15 school academy under section 20.

16 (4) A district or qualifying public school academy may use funds allocated under this
17 section in conjunction with any federal funds for which the district or qualifying public
18 school academy otherwise would be eligible.

19 (5) Except as otherwise provided in this subsection, for a district that is formed or
20 reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation,
21 the resulting district's 1994-95 foundation allowance under this section beginning after
22 the effective date of the consolidation or annexation shall be the average of the 1994-95
23 foundation allowances of each of the original or affected districts, calculated as provided
24 in this section, weighted as to the percentage of pupils in total membership in the
25 resulting district in the state fiscal year in which the consolidation takes place who
26 reside in the geographic area of each of the original districts. If an affected district's
27 1994-95 foundation allowance is less than the 1994-95 basic foundation allowance, the
28 amount of that district's 1994-95 foundation allowance shall be considered for the purpose
29 of calculations under this subsection to be equal to the amount of the 1994-95 basic
30 foundation allowance. This subsection does not apply to a receiving district unless there
31 is a subsequent consolidation or annexation that affects the district.

32 (6) Payments under this section are subject to section 25g.

1 (7) PAYMENTS TO DISTRICTS OR PUBLIC SCHOOL ACADEMIES SHALL NOT BE MADE UNDER THIS
2 SECTION FOR PUPILS ENROLLED PURSUANT TO SECTION 166B AND COUNTED IN MEMBERSHIP UNDER
3 SECTION 6. RATHER, THE PAYMENTS FOR SUCH PUPILS SHALL BE MADE UNDER SECTION 23F.

4 (8)—(7) As used in this section:

5 (a) "1994-95 foundation allowance" means a district's 1994-95 foundation allowance
6 calculated and certified by the department of treasury or the superintendent under former
7 section 20a as enacted in 1993 PA 336 and as amended by 1994 PA 283.

8 (b) "Certified mills" means the lesser of 18 mills or the number of mills of school
9 operating taxes levied by the district in 1993-94.

10 (c) "Current state fiscal year" means the state fiscal year for which a particular
11 calculation is made.

12 (d) "Current year hold harmless school operating taxes per pupil" means the per pupil
13 revenue generated by multiplying a district's 1994-95 hold harmless millage by the
14 district's current year taxable value per membership pupil. For a receiving district, if
15 school operating taxes are to be levied on behalf of a dissolved district that has been
16 attached in whole or in part to the receiving district to satisfy debt obligations of the
17 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value
18 per membership pupil does not include the taxable value of property within the geographic
19 area of the dissolved district.

20 (e) "Dissolved district" means a district that loses its organization, has its
21 territory attached to 1 or more other districts, and is dissolved as provided under section
22 12 of the revised school code, MCL 380.12.

23 (f) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance
24 greater than \$6,500.00, the number of mills by which the exemption from the levy of school
25 operating taxes on a homestead, qualified agricultural property, qualified forest property,
26 supportive housing property, industrial personal property, commercial personal property,
27 and property occupied by a public school academy could be reduced as provided in section
28 1211 of the revised school code, MCL 380.1211, and the number of mills of school operating
29 taxes that could be levied on all property as provided in section 1211(2) of the revised
30 school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax
31 year. For a receiving district, if school operating taxes are to be levied on behalf of a
32 dissolved district that has been attached in whole or in part to the receiving district to

1 satisfy debt obligations of the dissolved district under section 12 of the revised school
2 code, MCL 380.12, school operating taxes do not include school operating taxes levied
3 within the geographic area of the dissolved district.

4 (g) "Homestead", "qualified agricultural property", "qualified forest property",
5 "supportive housing property", "industrial personal property", and "commercial personal
6 property" mean those terms as defined in section 1211 of the revised school code, MCL
7 380.1211.

8 (h) "Membership" means the definition of that term under section 6 as in effect for
9 the particular fiscal year for which a particular calculation is made.

10 (i) "Nonexempt property" means property that is not a principal residence, qualified
11 agricultural property, qualified forest property, supportive housing property, industrial
12 personal property, commercial personal property, or property occupied by a public school
13 academy.

14 (j) "Qualifying public school academy" means a public school academy that was in
15 operation in the 1994-95 school year and is in operation in the current state fiscal year.

16 (k) "Receiving district" means a district to which all or part of the territory of a
17 dissolved district is attached under section 12 of the revised school code, MCL 380.12.

18 (l) "School operating taxes" means local ad valorem property taxes levied under
19 section 1211 of the revised school code, MCL 380.1211, and retained for school operating
20 purposes as defined in section 20.

21 (m) "Tax increment financing acts" means 1975 PA 197, MCL 125.1651 to 125.1681, the
22 tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, the local
23 development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, the brownfield
24 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, or the corridor
25 improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899.

26 (n) "Taxable value per membership pupil" means each of the following divided by the
27 district's membership:

28 (i) For the number of mills by which the exemption from the levy of school operating
29 taxes on a homestead, qualified agricultural property, qualified forest property,
30 supportive housing property, industrial personal property, commercial personal property,
31 and property occupied by a public school academy may be reduced as provided in section 1211
32 of the revised school code, MCL 380.1211, the taxable value of homestead, qualified

1 agricultural property, qualified forest property, supportive housing property, industrial
2 personal property, commercial personal property, and property occupied by a public school
3 academy for the calendar year ending in the current state fiscal year. For a receiving
4 district, if school operating taxes are to be levied on behalf of a dissolved district that
5 has been attached in whole or in part to the receiving district to satisfy debt obligations
6 of the dissolved district under section 12 of the revised school code, MCL 380.12, mills do
7 not include mills within the geographic area of the dissolved district.

8 (ii) For the number of mills of school operating taxes that may be levied on all
9 property as provided in section 1211(2) of the revised school code, MCL 380.1211, the
10 taxable value of all property for the calendar year ending in the current state fiscal
11 year. For a receiving district, if school operating taxes are to be levied on behalf of a
12 dissolved district that has been attached in whole or in part to the receiving district to
13 satisfy debt obligations of the dissolved district under section 12 of the revised school
14 code, MCL 380.12, school operating taxes do not include school operating taxes levied
15 within the geographic area of the dissolved district.

16 Sec. 22b. (1) For discretionary nonmandated payments to districts under this section,
17 there is allocated for ~~2016-2017 an amount not to exceed \$3,841,000,000.00 from the state~~
18 ~~school aid fund and general fund appropriations in section 11 and an amount not to exceed~~
19 ~~\$72,000,000.00 from the community district education trust fund appropriation in section~~
20 ~~11, and there is allocated for 2017-2018-2018-2019~~ an amount not to exceed
21 ~~\$3,965,500,000.00~~ **\$4,156,600,000.00** from the state school aid fund and general fund
22 appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community
23 district education trust fund appropriation in section 11. Except for money allocated from
24 the community district trust fund, money allocated under this section that is not expended
25 in the state fiscal year for which it was allocated, as determined by the department, may
26 be used to supplement the allocations under sections 22a, **23F**, and 51c in order to fully
27 fund those calculated allocations for the same fiscal year.

28 (2) Subject to subsection (3) and section 296, the allocation to a district under
29 this section shall be an amount equal to the sum of the amounts calculated under sections
30 20, 20m, 51a(2), 51a(3), and 51a(11), minus the sum of the allocations to the district
31 under sections 22a and 51c. For a community district, the allocation as otherwise
32 calculated under this section shall be increased by an amount equal to the amount of local

1 school operating tax revenue that would otherwise be due to the community district if not
2 for the operation of section 386 of the revised school code, MCL 380.386, and this increase
3 shall be paid from the community district education trust fund allocation in subsection (1)
4 in order to offset the absence of local school operating revenue in a community district in
5 the funding of the state portion of the foundation allowance under section 20(4).

6 (3) In order to receive an allocation under subsection (1), each district shall do
7 all of the following:

8 (a) Comply with section 1280b of the revised school code, MCL 380.1280b.

9 (b) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a
10 and 380.1278b.

11 (c) Furnish data and other information required by state and federal law to the
12 center and the department in the form and manner specified by the center or the department,
13 as applicable.

14 (d) Comply with section 1230g of the revised school code, MCL 380.1230g.

15 (e) Comply with section 21f.

16 (4) Districts are encouraged to use funds allocated under this section for the
17 purchase and support of payroll, human resources, and other business function software that
18 is compatible with that of the intermediate district in which the district is located and
19 with other districts located within that intermediate district.

20 (5) From the allocation in subsection (1), the department shall pay up to
21 \$1,000,000.00 in litigation costs incurred by this state related to commercial or
22 industrial property tax appeals, including, but not limited to, appeals of classification,
23 that impact revenues dedicated to the state school aid fund.

24 (6) From the allocation in subsection (1), the department shall pay up to
25 \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by
26 1 or more districts or intermediate districts against this state. If the allocation under
27 this section is insufficient to fully fund all payments required under this section, the
28 payments under this subsection shall be made in full before any proration of remaining
29 payments under this section.

30 (7) It is the intent of the legislature that all constitutional obligations of this
31 state have been fully funded under sections 22a, 31d, 51a, 51c, and 152a. If a claim is
32 made by an entity receiving funds under this article that challenges the legislative

1 determination of the adequacy of this funding or alleges that there exists an unfunded
2 constitutional requirement, the state budget director may escrow or allocate from the
3 discretionary funds for nonmandated payments under this section the amount as may be
4 necessary to satisfy the claim before making any payments to districts under subsection
5 (2). If funds are escrowed, the escrowed funds are a work project appropriation and the
6 funds are carried forward into the following fiscal year. The purpose of the work project
7 is to provide for any payments that may be awarded to districts as a result of litigation.
8 The work project shall be completed upon resolution of the litigation.

9 (8) If the local claims review board or a court of competent jurisdiction makes a
10 final determination that this state is in violation of section 29 of article IX of the
11 state constitution of 1963 regarding state payments to districts, the state budget director
12 shall use work project funds under subsection (7) or allocate from the discretionary funds
13 for nonmandated payments under this section the amount as may be necessary to satisfy the
14 amount owed to districts before making any payments to districts under subsection (2).

15 (9) If a claim is made in court that challenges the legislative determination of the
16 adequacy of funding for this state's constitutional obligations or alleges that there
17 exists an unfunded constitutional requirement, any interested party may seek an expedited
18 review of the claim by the local claims review board. If the claim exceeds \$10,000,000.00,
19 this state may remove the action to the court of appeals, and the court of appeals shall
20 have and shall exercise jurisdiction over the claim.

21 (10) If payments resulting from a final determination by the local claims review
22 board or a court of competent jurisdiction that there has been a violation of section 29 of
23 article IX of the state constitution of 1963 exceed the amount allocated for discretionary
24 nonmandated payments under this section, the legislature shall provide for adequate funding
25 for this state's constitutional obligations at its next legislative session.

26 (11) If a lawsuit challenging payments made to districts related to costs reimbursed
27 by federal title XIX Medicaid funds is filed against this state, then, for the purpose of
28 addressing potential liability under such a lawsuit, the state budget director may place
29 funds allocated under this section in escrow or allocate money from the funds otherwise
30 allocated under this section, up to a maximum of 50% of the amount allocated in subsection
31 (1). If funds are placed in escrow under this subsection, those funds are a work project
32 appropriation and the funds are carried forward into the following fiscal year. The purpose

1 of the work project is to provide for any payments that may be awarded to districts as a
2 result of the litigation. The work project shall be completed upon resolution of the
3 litigation. In addition, this state reserves the right to terminate future federal title
4 XIX Medicaid reimbursement payments to districts if the amount or allocation of reimbursed
5 funds is challenged in the lawsuit. As used in this subsection, "title XIX" means title XIX
6 of the social security act, 42 USC 1396 to 1396v.

7 **(12) PAYMENTS TO DISTRICTS OR PUBLIC SCHOOL ACADEMIES SHALL NOT BE MADE UNDER THIS**
8 **SECTION FOR PUPILS ENROLLED PURSUANT TO SECTION 166B AND COUNTED IN MEMBERSHIP UNDER**
9 **SECTION 6. RATHER, THE PAYMENTS FOR SUCH PUPILS SHALL BE MADE UNDER SECTION 23F.**

10 Sec. 22d. (1) From the appropriation in section 11, an amount not to exceed
11 \$5,000,000.00 is allocated for ~~2017-2018-2018-2019~~ for supplemental payments to rural
12 districts under this section.

13 (2) From the allocation under subsection (1), there is allocated for ~~2017-2018-2018-~~
14 **2019** an amount not to exceed \$957,300.00 for payments under this subsection to districts
15 that meet all of the following:

16 (a) Operates grades K to 12.

17 (b) Has fewer than 250 pupils in membership.

18 (c) Each school building operated by the district meets at least 1 of the following:

19 (i) Is located in the Upper Peninsula at least 30 miles from any other public school
20 building.

21 (ii) Is located on an island that is not accessible by bridge.

22 (3) The amount of the additional funding to each eligible district under subsection
23 (2) shall be determined under a spending plan developed as provided in this subsection and
24 approved by the superintendent of public instruction. The spending plan shall be developed
25 cooperatively by the intermediate superintendents of each intermediate district in which an
26 eligible district is located. The intermediate superintendents shall review the financial
27 situation of each eligible district, determine the minimum essential financial needs of
28 each eligible district, and develop and agree on a spending plan that distributes the
29 available funding under subsection (2) to the eligible districts based on those financial
30 needs. The intermediate superintendents shall submit the spending plan to the
31 superintendent of public instruction for approval. Upon approval by the superintendent of
32 public instruction, the amounts specified for each eligible district under the spending

1 plan are allocated under subsection (2) and shall be paid to the eligible districts in the
2 same manner as payments under section 22b.

3 (4) Subject to subsection (6), from the allocation in subsection (1), there is
4 allocated for ~~2017-2018~~ **2018-2019** an amount not to exceed \$4,042,700.00 for payments under
5 this subsection to districts that have 7.3 or fewer pupils per square mile as determined by
6 the department.

7 (5) The funds allocated under subsection (4) shall be allocated on an equal per-pupil
8 basis.

9 (6) A district receiving funds allocated under subsection (2) is not eligible for
10 funding allocated under subsection (4).

11 Sec. 22m. (1) From the appropriations in section 11, there is allocated for ~~2017-2018~~
12 **2018-2019** an amount not to exceed \$2,200,000.00 for supporting the integration of local
13 data systems into the Michigan data hub network based on common standards and applications
14 that are in compliance with section 19(6).

15 (2) An entity that is the fiscal agent for no more than 5 consortia of intermediate
16 districts that previously received funding from the technology readiness infrastructure
17 grant under former section 22i for the purpose of establishing regional data hubs that are
18 part of the Michigan data hub network is eligible for funding under this section.

19 (3) The center shall work with an advisory committee composed of representatives from
20 intermediate districts within each of the data hub regions to coordinate the activities of
21 the Michigan data hub network.

22 (4) The center, in collaboration with the Michigan data hub network, shall determine
23 the amount of funds distributed under this section to each participating regional data hub
24 within the network, based upon a competitive grant process. Entities receiving funding
25 under this section shall represent geographically diverse areas in this state.

26 (5) Notwithstanding section 17b, payments under this section shall be made on a
27 schedule determined by the center.

28 (6) To receive funding under this section, a regional data hub must have a governance
29 model that ensures local control of data, data security, and student privacy issues. The
30 integration of data within each of the regional data hubs shall provide for the actionable
31 use of data by districts and intermediate districts through common reports and dashboards
32 and for efficiently providing information to meet state and federal reporting purposes.

1 (7) Participation in a data hub region in the Michigan data hub network under this
2 section is voluntary and is not required.

3 (8) Entities receiving funding under this section shall use the funds for all of the
4 following:

5 (a) Creating an infrastructure that effectively manages the movement of data between
6 data systems used by intermediate districts, districts, and other educational organizations
7 in Michigan based on common data standards to improve student achievement.

8 (b) Utilizing the infrastructure to put in place commonly needed integrations,
9 reducing cost and effort to do that work while increasing data accuracy and usability.

10 (c) Promoting the use of a more common set of applications by promoting systems that
11 integrate with the Michigan data hub network.

12 (d) Promoting 100% district adoption of the Michigan data hub network. ~~by September~~
13 ~~30, 2018.~~

14 (e) Ensuring local control of data, data security, and student data privacy.

15 (f) Utilizing the infrastructure to promote the actionable use of data through common
16 reports and dashboards that are consistent statewide.

17 (g) Creating a governance model to facilitate sustainable operations of the
18 infrastructure in the future, including administration, legal agreements, documentation,
19 staffing, hosting, and funding.

20 (h) Evaluating future data initiatives at all levels to determine whether the
21 initiatives can be enhanced by using the standardized environment in the Michigan data hub
22 network.

23 (9) Not later than January 1, ~~2018~~, **OF EACH FISCAL YEAR**, the center shall prepare a
24 summary report of information provided by each entity that received funds under this
25 section that includes measurable outcomes based on the objectives described under this
26 section. The report shall include a summary of compiled data from each entity to provide a
27 means to evaluate the effectiveness of the project. The center shall submit the report to
28 the house and senate appropriations subcommittees on state school aid and to the house and
29 senate fiscal agencies.

30 Sec. 22n. (1) From the appropriation in section 11, there is allocated an amount not
31 to exceed \$11,000,000.00 for ~~2017-2018-2018-2019~~ for additional payments to districts for
32 the higher instructional costs of educating high school pupils.

1 (2) A district is eligible for a payment under this section if it educates pupils in
2 1 or more of grades 9 to 12.

3 (3) The payment to each eligible district under this section shall be an amount equal
4 to \$25.00 multiplied by the district's total pupil membership in grades 9 to 12 as
5 calculated under section 6 for the current fiscal year. If the allocation under subsection
6 (1) is insufficient to fully fund payments under this subsection, the department shall
7 prorate payments under this section on an equal per-pupil basis.

8 SEC. 23F. (1) FROM THE APPROPRIATION IN SECTION 11, THERE IS ALLOCATED FOR 2018-2019
9 AN AMOUNT NOT TO EXCEED \$64,100,000.00 FOR STATE FOUNDATION ALLOWANCE PAYMENTS AS
10 CALCULATED UNDER SECTION 20 TO DISTRICTS FOR NONPUBLIC PART-TIME PUPILS ENROLLED IN
11 DISTRICTS IN ACCORDANCE WITH SECTION 166B AND COUNTED IN MEMBERSHIP UNDER SECTION 6. MONEY
12 ALLOCATED UNDER THIS SECTION THAT IS NOT EXPENDED IN THE STATE FISCAL YEAR FOR WHICH IT WAS
13 ALLOCATED, AS DETERMINED BY THE DEPARTMENT, MAY BE USED TO SUPPLEMENT THE ALLOCATIONS UNDER
14 SECTIONS 22A, 22B, AND 51C IN ORDER TO FULLY FUND THOSE CALCULATED ALLOCATIONS FOR THE SAME
15 FISCAL YEAR.

16 (2) PAYMENTS TO DISTRICTS UNDER THIS SECTION SHALL BE EQUAL TO THE AMOUNT THAT WOULD
17 OTHERWISE BE PAID IN SECTION 22A AND SECTION 22B IF THE DISTRICT'S MEMBERSHIP USED TO
18 CALCULATE THOSE PAYMENTS WERE EQUAL TO THE NUMBER OF NONPUBLIC PUPILS IN MEMBERSHIP, AS
19 DEFINED IN THIS SECTION.

20 (3) IN ORDER TO RECEIVE AN ALLOCATION UNDER SUBSECTION (1), DISTRICTS SHALL DO ALL OF
21 THE FOLLOWING:

22 (A) THE DISTRICT SHALL ENSURE THAT ALL INDIVIDUALS THAT HAVE CONTACT WITH STUDENTS AS
23 PART OF A COURSE PROVIDING SERVICES TO PUPILS ENROLLED IN THE DISTRICT UNDER SECTION 166B
24 AND COUNTED IN MEMBERSHIP UNDER SECTION 6 HAVE NOT BEEN CONVICTED OF SEXUAL MISCONDUCT. THE
25 DISTRICT SHALL ENSURE THAT ANY PERSON WHO PROVIDES DIRECT OR INDIRECT CURRICULAR OFFERINGS
26 TO PUPILS AS PART OF AN OPTIONAL OR REQUIRED PORTION OF A COURSE PROVIDING SERVICES TO
27 PUPILS ENROLLED IN THE DISTRICT UNDER SECTION 166B AND COUNTED IN MEMBERSHIP UNDER SECTION
28 6, OR WHO HAS UNSUPERVISED CONTACT WITH PUPILS AS PART OF SUCH COURSE, RECEIVE THE SAME
29 CRIMINAL HISTORY AND CRIMINAL RECORDS CHECKS AS EMPLOYEES OF THE DISTRICT, AS REQUIRED IN
30 SECTION 1230, 1230A, 1230B, 1230C, 1230D, 1230E, AND 1230G OF THE REVISED SCHOOL CODE,
31 380.1230, 380.1230A, 380.1230B, 380.1230C, 380.1230D, 380.1230E, AND 380.1230G.

32 (B) IF A COURSE PROVIDING SERVICES TO PUPILS ENROLLED IN THE DISTRICT UNDER SECTION

1 166B AND COUNTED IN MEMBERSHIP UNDER SECTION 6 HAS AN ASSOCIATED OPTIONAL EXPERIENCE, THE
2 DISTRICT SHALL ENSURE THAT THE OPTIONAL EXPERIENCE IS OFFERED ON A SCHEDULE THAT WOULD MAKE
3 IT FULLY AVAILABLE TO THE MAJORITY OF FULL-TIME PUPILS IN MEMBERSHIP IN THE DISTRICT IN THE
4 SAME GRADE LEVEL OR AGE GROUP AS STUDENTS PARTICIPATING IN THE COURSE AND ENROLLING IN THE
5 DISTRICT UNDER SECTION 166B.

6 (C) THE DISTRICT SHALL PROVIDE THE DEPARTMENT, IN A FORM AND MANNER PRESCRIBED BY THE
7 DEPARTMENT IN CONJUNCTION WITH THE CENTER, INFORMATION NECESSARY TO QUANTIFY THE FOLLOWING:

8 (i) A COMPLETE LISTING OF ALL COURSES IN WHICH STUDENTS REPORTED FOR MEMBERSHIP IN
9 THE DISTRICT HAVE BEEN SERVED.

10 (ii) COURSE ENROLLMENTS BY EACH PARTICIPANT USING LOCAL CODING AND THE SCHOOL CODES
11 FOR THE EXCHANGE OF DATA (SCED).

12 (iii) IDENTIFICATION OF THE COURSE TEACHER OR MENTOR.

13 (iv) OUTCOMES FOR EACH STUDENT IN EACH COURSE.

14 (4) AS USED IN THIS SECTION "NONPUBLIC PUPILS IN MEMBERSHIP" MEANS THE NUMBER OF
15 FULL-TIME EQUATED NONPUBLIC SCHOOL PUPILS ENROLLED IN THE DISTRICT IN ACCORDANCE WITH
16 SECTION 166B AND COUNTED IN MEMBERSHIP UNDER SECTION 6. THIS NUMBER SHALL NOT EXCEED AN
17 AMOUNT EQUAL TO 5% OF THE AMOUNT CALCULATED BY SUBTRACTING THE DISTRICT'S MEMBERSHIP UNDER
18 SECTION 6 BY THE NUMBER OF FULL-TIME EQUATED NONPUBLIC SCHOOL PUPILS ENROLLED IN THE
19 DISTRICT IN ACCORDANCE WITH SECTION 166B AND COUNTED IN MEMBERSHIP UNDER SECTION 6.

20 Sec. 24. (1) From the appropriation in section 11, there is allocated for ~~2017-2018~~
21 2018-2019 an amount not to exceed \$8,000,000.00 for payments to the educating district or
22 intermediate district for educating pupils assigned by a court or the department of health
23 and human services to reside in or to attend a juvenile detention facility or child caring
24 institution licensed by the department of health and human services and approved by the
25 department to provide an on-grounds education program. The amount of the payment under this
26 section to a district or intermediate district shall be calculated as prescribed under
27 subsection (2).

28 (2) The total amount allocated under this section shall be allocated by paying to the
29 educating district or intermediate district an amount equal to the lesser of the district's
30 or intermediate district's added cost or the department's approved per-pupil allocation for
31 the district or intermediate district. For the purposes of this subsection:

32 (a) "Added cost" means 100% of the added cost each fiscal year for educating all

1 pupils assigned by a court or the department of health and human services to reside in or
2 to attend a juvenile detention facility or child caring institution licensed by the
3 department of health and human services or the department of licensing and regulatory
4 affairs and approved by the department to provide an on-grounds education program. Added
5 cost shall be computed by deducting all other revenue received under this article for
6 pupils described in this section from total costs, as approved by the department, in whole
7 or in part, for educating those pupils in the on-grounds education program or in a program
8 approved by the department that is located on property adjacent to a juvenile detention
9 facility or child caring institution. Costs reimbursed by federal funds are not included.

10 (b) "Department's approved per-pupil allocation" for a district or intermediate
11 district shall be determined by dividing the total amount allocated under this section for
12 a fiscal year by the full-time equated membership total for all pupils approved by the
13 department to be funded under this section for that fiscal year for the district or
14 intermediate district.

15 (3) A district or intermediate district educating pupils described in this section at
16 a residential child caring institution may operate, and receive funding under this section
17 for, a department-approved on-grounds educational program for those pupils that is longer
18 than 181 days, but not longer than 233 days, if the child caring institution was licensed
19 as a child caring institution and offered in 1991-92 an on-grounds educational program that
20 was longer than 181 days but not longer than 233 days and that was operated by a district
21 or intermediate district.

22 (4) Special education pupils funded under section 53a shall not be funded under this
23 section.

24 Sec. 24a. From the appropriation in section 11, there is allocated an amount not to
25 exceed ~~\$1,339,000.00~~ **\$1,355,700.00** for ~~2017-2018-2018-2019~~ for payments to intermediate
26 districts for pupils who are placed in juvenile justice service facilities operated by the
27 department of health and human services. Each intermediate district shall receive an amount
28 equal to the state share of those costs that are clearly and directly attributable to the
29 educational programs for pupils placed in facilities described in this section that are
30 located within the intermediate district's boundaries. The intermediate districts receiving
31 payments under this section shall cooperate with the department of health and human
32 services to ensure that all funding allocated under this section is utilized by the

1 intermediate district and department of health and human services for educational programs
2 for pupils described in this section. Pupils described in this section are not eligible to
3 be funded under section 24. However, a program responsibility or other fiscal
4 responsibility associated with these pupils shall not be transferred from the department of
5 health and human services to a district or intermediate district unless the district or
6 intermediate district consents to the transfer.

7 Sec. 24c. From the appropriation in section 11, there is allocated an amount not to
8 exceed ~~\$1,529,400.00~~ **\$1,545,400.00** for ~~2017-2018-2018-2019~~ for payments to districts for
9 pupils who are enrolled in a nationally administered community-based education and youth
10 mentoring program, known as the youth challenge program, that is administered by the
11 department of military and veterans affairs. Both of the following apply to a district
12 receiving payments under this section:

13 (a) The district shall contract with the department of military and veterans affairs
14 to ensure that all funding allocated under this section is utilized by the district and the
15 department of military and veterans affairs for the youth challenge program.

16 (b) The district may retain for its administrative expenses an amount not to exceed
17 3% of the amount of the payment the district receives under this section.

18 Sec. 25e. (1) The pupil membership transfer application and pupil transfer process
19 administered by the center under this section shall be used for processing pupil transfers.

20 (2) If a pupil counted in membership for the pupil membership count day transfers
21 from a district or intermediate district to enroll in another district or intermediate
22 district after the pupil membership count day and before the supplemental count day and,
23 due to the pupil's enrollment and attendance status as of the pupil membership count day,
24 the pupil was not counted in membership in the educating district or intermediate district,
25 the educating district or intermediate district may report the enrollment and attendance
26 information to the center through the pupil transfer process within 30 days after the
27 transfer or within 30 days after the pupil membership count certification date, whichever
28 is later. Pupil transfers may be submitted no earlier than the first day after the
29 certification deadline for the pupil membership count day and before the supplemental count
30 day. Upon receipt of the transfer information under this subsection indicating that a pupil
31 has enrolled and is in attendance in an educating district or intermediate district as
32 described in this subsection, the pupil transfer process shall do the following:

1 (a) Notify the district in which the pupil was previously enrolled.

2 (b) Notify both the pupil auditing staff of the intermediate district in which the
3 educating district is located and the pupil auditing staff of the intermediate district in
4 which the district that previously enrolled the pupil is located. The pupil auditing staff
5 shall investigate a representative sample based on required audit sample sizes in the pupil
6 auditing manual and may deny the pupil membership transfer.

7 (c) Aggregate the districtwide changes and notify the department for use in adjusting
8 the state aid payment system.

9 (3) The department shall do all of the following:

10 (a) Adjust the membership calculation for each district or intermediate district in
11 which the pupil was previously counted in membership or that previously received an
12 adjustment in its membership calculation under this section due to a change in the pupil's
13 enrollment and attendance so that the district's or intermediate district's membership is
14 prorated to allow the district or intermediate district to receive for each school day, as
15 determined by the financial calendar furnished by the center, in which the pupil was
16 enrolled and in attendance in the district or intermediate district an amount equal to
17 1/105 of a full-time equated membership claimed in the fall pupil membership count. The
18 district or intermediate district shall receive a prorated foundation allowance in an
19 amount equal to the product of the adjustment under this subdivision for the district or
20 intermediate district multiplied by the foundation allowance or per-pupil payment as
21 calculated under section 20 for the district or intermediate district. The foundation
22 allowance or per-pupil payment shall be adjusted by the pupil's full-time equated status as
23 affected by the membership definition under section 6(4).

24 (b) Adjust the membership calculation for the educating district or intermediate
25 district in which the pupil is enrolled and is in attendance so that the district's or
26 intermediate district's membership is increased to allow the district or intermediate
27 district to receive an amount equal to the difference between the full-time equated
28 membership claimed in the fall pupil membership count and the sum of the adjustments
29 calculated under subdivision (a) for each district or intermediate district in which the
30 pupil was previously enrolled and in attendance. The educating district or intermediate
31 district shall receive a prorated foundation allowance in an amount equal to the product of
32 the adjustment under this subdivision for the educating district or intermediate district

1 multiplied by the per-pupil payment as calculated under section 20 for the educating
2 district or intermediate district. The foundation allowance or per-pupil payment shall be
3 adjusted by the pupil's full-time equated status as affected by the membership definition
4 under section 6(4).

5 (4) The changes in calculation of state school aid required under subsection (3)
6 shall take effect as of the date that the pupil becomes enrolled and in attendance in the
7 educating district or intermediate district, and the department shall base all subsequent
8 payments under this article for the fiscal year to the affected districts or intermediate
9 districts on this recalculation of state school aid.

10 (5) If a pupil enrolls in an educating district or intermediate district as described
11 in subsection (2), the district or intermediate district in which the pupil is counted in
12 membership or another educating district or intermediate district that received an
13 adjustment in its membership calculation under subsection (3), if any, and the educating
14 district or intermediate district shall provide to the center and the department all
15 information they require to comply with this section.

16 (6) The portion of the full-time equated pupil membership for which a pupil is
17 enrolled in 1 or more online courses under section 21f that is representative of the amount
18 that the primary district paid in course costs to the course provider shall not be counted
19 or transferred under the pupil transfer process under this section.

20 (7) It is the intent of the legislature that the center determine the number of
21 pupils who did not reside in this state as of the 2018-2019 pupil membership count day but
22 who newly enrolled in a district or intermediate district after that pupil membership count
23 day and before the 2018-2019 supplemental count day. It is the intent of the legislature
24 that the center further determine the number of pupils who were counted in membership for
25 the 2018-2019 pupil membership count day but who left this state before the 2018-2019
26 supplemental count day. In 2019-2020, the center shall provide a report to the senate and
27 house appropriations subcommittees on state school aid, and to the senate and house fiscal
28 agencies, detailing the number of pupils transferring in from ~~another state or transferring~~
29 ~~out from this state~~ **OUTSIDE THE MICHIGAN PUBLIC EDUCATION SYSTEM AND THE NUMBER OF PUPILS**
30 **TRANSFERRING OUT OF THE MICHIGAN PUBLIC EDUCATION SYSTEM** between the pupil membership count
31 day and supplemental count day as described in this subsection. ~~The center shall include in~~
32 ~~the report a discussion of benefits and obstacles to developing a pupil enrollment process~~

1 ~~for pupils who newly enroll in a district or intermediate district after the pupil~~
2 ~~membership count day and before the supplemental count day, and developing a process for~~
3 ~~deducting pupils who were counted on the pupil membership count day and transfer out of~~
4 ~~this state before the supplemental count day.~~

5 (8) As used in this section:

6 (a) "Educating district or intermediate district" means the district or intermediate
7 district in which a pupil enrolls after the pupil membership count day or after an
8 adjustment was made in another district's or intermediate district's membership calculation
9 under this section due to the pupil's enrollment and attendance.

10 (b) "Pupil" means that term as defined under section 6 and also children receiving
11 early childhood special education programs and services.

12 Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there
13 is allocated an amount not to exceed \$750,000.00 for ~~2017-2018-2018-2019~~ for payments to
14 strict discipline academies established under sections 1311b to 1311m of the revised school
15 code, MCL 380.1311b to 380.1311m, as provided under this section.

16 (2) In order to receive funding under this section, a strict discipline academy shall
17 first comply with section 25e and use the pupil transfer process under that section for
18 changes in enrollment as prescribed under that section.

19 (3) The total amount allocated to a strict discipline academy under this section is
20 an amount equal to the lesser of the strict discipline academy's added cost or the
21 department's approved per-pupil allocation for the strict discipline academy. However, the
22 sum of the amounts received by a strict discipline academy under this section and under
23 section 24 shall not exceed the product of the strict discipline academy's per-pupil
24 allocation calculated under section 20 multiplied by the strict discipline academy's full-
25 time equated membership. The department shall allocate funds to strict discipline academies
26 under this section on a monthly basis. For the purposes of this subsection:

27 (a) "Added cost" means 100% of the added cost each fiscal year for educating all
28 pupils enrolled and in regular daily attendance at a strict discipline academy. Added cost
29 shall be computed by deducting all other revenue received under this article for pupils
30 described in this subsection from total costs, as approved by the department, in whole or
31 in part, for educating those pupils in a strict discipline academy. The department shall
32 include all costs including, but not limited to, educational costs, insurance, management

1 fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and
2 any other administrative costs necessary to operate the program or to comply with statutory
3 requirements. Costs reimbursed by federal funds are not included.

4 (b) "Department's approved per-pupil allocation" for a strict discipline academy
5 shall be determined by dividing the total amount allocated under this subsection for a
6 fiscal year by the full-time equated membership total for all pupils approved by the
7 department to be funded under this subsection for that fiscal year for the strict
8 discipline academy.

9 (4) Special education pupils funded under section 53a shall not be funded under this
10 section.

11 (5) If the funds allocated under this section are insufficient to fully fund the
12 adjustments under subsection (3), payments under this section shall be prorated on an equal
13 per-pupil basis.

14 (6) Payments to districts under this section shall be made according to the payment
15 schedule under section 17b.

16 Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there
17 is allocated an amount not to exceed \$750,000.00 for ~~2017-2018~~**2018-2019** for the purposes
18 of this section. If the operation of the special membership counting provisions under
19 section 6(4) (dd) and the other membership counting provisions under section 6(4) result in
20 a pupil being counted as more than 1.0 FTE in a fiscal year, then the payment made for the
21 pupil under sections 22a and 22b shall not be based on more than 1.0 FTE for that pupil,
22 and that portion of the FTE that exceeds 1.0 shall be paid under this section in an amount
23 equal to that portion multiplied by the educating district's foundation allowance or per-
24 pupil payment calculated under section 20.

25 (2) Special education pupils funded under section 53a shall not be funded under this
26 section.

27 (3) If the funds allocated under this section are insufficient to fully fund the
28 adjustments under subsection (1), payments under this section shall be prorated on an equal
29 per-pupil basis.

30 (4) Payments to districts under this section shall be made according to the payment
31 schedule under section 17b.

32 Sec. 26a. From the funds appropriated in section 11, there is allocated an amount not

1 to exceed ~~\$17,000,000.00~~ each fiscal year for ~~2016-2017~~ and for ~~2017-2018~~ **\$15,000,000.00**
2 **FOR FISCAL YEAR 2018-2019** to reimburse districts and intermediate districts pursuant to
3 section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
4 levied in ~~2016 and 2017 as applicable~~ **2018**. The allocations shall be made not later than 60
5 days after the department of treasury certifies to the department and to the state budget
6 director that the department of treasury has received all necessary information to properly
7 determine the amounts due to each eligible recipient.

8 Sec. 26b. (1) From the appropriation in section 11, there is allocated for ~~2017-2018~~
9 **2018-2019** an amount not to exceed \$4,405,100.00 for payments to districts, intermediate
10 districts, and community college districts for the portion of the payment in lieu of taxes
11 obligation that is attributable to districts, intermediate districts, and community college
12 districts pursuant to section 2154 of the natural resources and environmental protection
13 act, 1994 PA 451, MCL 324.2154.

14 (2) If the amount appropriated under this section is not sufficient to fully pay
15 obligations under this section, payments shall be prorated on an equal basis among all
16 eligible districts, intermediate districts, and community college districts.

17 Sec. 26c. (1) From the appropriation in section 11, there is allocated an amount not
18 to exceed ~~\$1,500,000.00~~ **\$3,000,000.00** for ~~2017-2018~~ **2018-2019** to the promise zone fund
19 created in subsection (3). The funds allocated under this section reflect the amount of
20 revenue from the collection of the state education tax captured under section 17(2) of the
21 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

22 (2) Funds allocated to the promise zone fund under this section shall be used solely
23 for payments to eligible districts and intermediate districts, in accordance with section
24 17(3) of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677, that have a
25 promise zone development plan approved by the department of treasury under section 7 of the
26 Michigan promise zone authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
27 intermediate districts shall use payments made under this section for reimbursement for
28 qualified educational expenses as defined in section 3 of the Michigan promise zone
29 authority act, 2008 PA 549, MCL 390.1663.

30 (3) The promise zone fund is created as a separate account within the state school
31 aid fund to be used solely for the purposes of the Michigan promise zone authority act,
32 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

1 (a) The state treasurer shall direct the investment of the promise zone fund. The
2 state treasurer shall credit to the promise zone fund interest and earnings from fund
3 investments.

4 (b) Money in the promise zone fund at the close of a fiscal year shall remain in the
5 promise zone fund and shall not lapse to the general fund.

6 (4) Subject to subsection (2), the state treasurer may make payments from the promise
7 zone fund to eligible districts and intermediate districts pursuant to the Michigan promise
8 zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the purposes of a
9 promise zone authority created under that act.

10 (5) Notwithstanding section 17b, payments under this section shall be paid on a
11 schedule determined by the department.

12 Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there
13 is allocated for ~~2017-2018-2018-2019~~ an amount not to exceed \$510,207,300.00 for payments
14 to eligible districts and eligible public school academies for the purposes of ensuring
15 that pupils are proficient in English language arts by the end of grade 3, that pupils are
16 proficient in mathematics by the end of grade 8, that pupils are attending school
17 regularly, that high school graduates are career and college ready, **THAT DISTRICTS**
18 **IMPLEMENT WITH FIDELITY A MULTI-TIERED SYSTEM OF SUPPORTS**, and for the purposes under
19 subsections (7) and (8).

20 (2) For a district that has combined state and local revenue per membership pupil
21 under sections 20 and 20m that is greater than the basic foundation allowance under section
22 20 for the current fiscal year, the allocation under this section shall be an amount equal
23 to 30% of the allocation for which it would otherwise be eligible under this section before
24 any proration under subsection (14).

25 (3) For a district or public school academy to be eligible to receive funding under
26 this section, other than funding under subsection (7) or (8), the district or public school
27 academy, for grades K to ~~3~~ **12**, shall comply with the requirements under section 1280f of
28 the revised school code, MCL 380.1280f, and **SHALL** use resources to address early literacy
29 **AND NUMERACY**, and for at least grades ~~4-K~~ to 8 or, if the district or public school academy
30 does not operate all of grades ~~4-K~~ to 8, for all of the grades it operates, must implement
31 a multi-tiered system of supports that is an evidence-based ~~model~~ **FRAMEWORK** that uses data-
32 driven problem solving to integrate academic and behavioral instruction and that uses

1 intervention delivered to all pupils in varying intensities based on pupil needs. **FOR**
2 **ENGLISH LEARNERS, THE DISTRICT SHALL IMPLEMENT CULTURALLY AND LINGUISTICALLY RESPONSIVE**
3 **TEACHING STRATEGIES FOCUSED ON ACADEMIC LANGUAGE DEVELOPMENT ALIGNED WITH STATE ENGLISH**
4 **LANGUAGE PROFICIENCY STANDARDS.** ~~This~~ **THE** multi-tiered system of supports **DESCRIBED UNDER**
5 **THIS SUBSECTION** must provide at least all of the following essential ~~elements~~ **COMPONENTS:**

6 (a) ~~Implements effective instruction for all learners.~~ **TEAM BASED LEADERSHIP.**

7 (b) ~~Intervenes early.~~ **TIERED DELIVERY SYSTEM.**

8 (c) ~~Provides a multi-tiered model of instruction and intervention that provides the~~
9 ~~following:~~ **SELECTION AND IMPLEMENTATION OF INSTRUCTION, INTERVENTIONS, AND SUPPORTS.**

10 ~~(i) A core curriculum and classroom interventions available to all pupils that meet~~
11 ~~the needs of most pupils.~~

12 ~~(ii) Targeted group interventions.~~

13 ~~(iii) Intense individual interventions.~~

14 (d) ~~Monitors pupil progress to inform instruction.~~ **COMPREHENSIVE SCREENING AND**
15 **ASSESSMENT SYSTEM.**

16 (e) ~~Uses data to make instructional decisions.~~ **CONTINUOUS DATA-BASED DECISION MAKING.**

17 ~~(f) Uses assessments including universal screening, diagnostics, and progress~~
18 ~~monitoring.~~

19 ~~(g) Engages families and the community.~~

20 ~~(h) Implements evidence-based, scientifically validated, instruction and~~
21 ~~intervention.~~

22 ~~(i) Implements instruction and intervention practices with fidelity.~~

23 ~~(j) Uses a collaborative problem-solving model.~~

24 (4) Except as otherwise provided in this subsection, an eligible district or eligible
25 public school academy shall receive under this section for each membership pupil in the
26 district or public school academy who is determined to be economically disadvantaged, as
27 reported to the center in the form and manner prescribed by the center not later than the
28 fifth Wednesday after the pupil membership count day of the immediately preceding fiscal
29 year, an amount per pupil equal to 11.5% of the statewide weighted average foundation
30 allowance. However, a public school academy that began operations as a public school
31 academy after the pupil membership count day of the immediately preceding school year shall
32 receive under this section for each membership pupil in the public school academy, who is

1 determined to be economically disadvantaged, as reported to the center in the form and
2 manner prescribed by the center not later than the fifth Wednesday after the pupil
3 membership count day of the current fiscal year, an amount per pupil equal to 11.5% of the
4 statewide weighted average foundation allowance.

5 (5) Except as otherwise provided in this section, a district or public school academy
6 receiving funding under this section shall use that money only to provide instructional
7 programs and direct noninstructional services, including, but not limited to, medical,
8 mental health, or counseling services, for at-risk pupils; for school health clinics; and
9 for the purposes of subsection (6), (7), or (8). In addition, a district that is a school
10 district of the first class or a district or public school academy in which at least 50% of
11 the pupils in membership were determined to be economically disadvantaged in the
12 immediately preceding state fiscal year, as determined and reported as described in
13 subsection (4), may use not more than 20% of the funds it receives under this section for
14 school security. A district or public school academy shall not use any of that money for
15 administrative costs. The instruction or direct noninstructional services provided under
16 this section may be conducted before or after regular school hours or by adding extra
17 school days to the school year.

18 (6) A district or public school academy that receives funds under this section and
19 that operates a school breakfast program under section 1272a of the revised school code,
20 MCL 380.1272a, shall use from the funds received under this section an amount, not to
21 exceed \$10.00 per pupil for whom the district or public school academy receives funds under
22 this section, necessary to pay for costs associated with the operation of the school
23 breakfast program.

24 (7) From the funds allocated under subsection (1), there is allocated for ~~2017-2018~~
25 **2018-2019** an amount not to exceed \$6,057,300.00 to support primary health care services
26 provided to children and adolescents up to age 21. These funds shall be expended in a form
27 and manner determined jointly by the department and the department of health and human
28 services. If any funds allocated under this subsection are not used for the purposes of
29 this subsection for the fiscal year in which they are allocated, those unused funds shall
30 be used that fiscal year to avoid or minimize any proration that would otherwise be
31 required under subsection (14) for that fiscal year.

32 (8) From the funds allocated under subsection (1), there is allocated for ~~2017-2018~~

1 **2018-2019** an amount not to exceed \$5,150,000.00 for the state portion of the hearing and
2 vision screenings as described in section 9301 of the public health code, 1978 PA 368, MCL
3 333.9301. A local public health department shall pay at least 50% of the total cost of the
4 screenings. The frequency of the screenings shall be as required under R 325.13091 to R
5 325.13096 and R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds shall be
6 awarded in a form and manner approved jointly by the department and the department of
7 health and human services. Notwithstanding section 17b, payments to eligible entities under
8 this subsection shall be paid on a schedule determined by the department.

9 (9) Each district or public school academy receiving funds under this section shall
10 submit to the department by July 15 of each fiscal year a report, in the form and manner
11 prescribed by the department, that includes a brief description of each program conducted
12 or services performed by the district or public school academy using funds under this
13 section, the amount of funds under this section allocated to each of those programs or
14 services, the total number of at-risk pupils served by each of those programs or services,
15 and the data necessary for the department and the department of health and human services
16 to verify matching funds for the temporary assistance for needy families program. In
17 prescribing the form and manner of the report, the department shall ensure that districts
18 are allowed to expend funds received under this section on any activities that are
19 permissible under this section. If a district or public school academy does not comply with
20 this subsection, the department shall withhold an amount equal to the August payment due
21 under this section until the district or public school academy complies with this
22 subsection. If the district or public school academy does not comply with this subsection
23 by the end of the state fiscal year, the withheld funds shall be forfeited to the school
24 aid fund.

25 (10) In order to receive funds under this section, a district or public school
26 academy shall allow access for the department or the department's designee to audit all
27 records related to the program for which it receives those funds. The district or public
28 school academy shall reimburse the state for all disallowances found in the audit.

29 (11) Subject to subsections (6), (7), and (8), **IN SCHOOLS WHERE GREATER THAN 50% OF**
30 **PUPILS ARE IDENTIFIED AS AT-RISK**, a district or public school academy may use ~~up to 100% of~~
31 ~~the funds it receives under this section to implement schoolwide reform in schools with 40%~~
32 ~~or more of their pupils identified as at risk pupils by providing instructional or~~

1 ~~noninstructional services consistent with the school improvement plan.~~ **REFORMS BY PROVIDING**
2 **INSTRUCTIONAL OR NONINSTRUCTIONAL SERVICES CONSISTENT WITH THE SCHOOL IMPROVEMENT PLAN THAT**
3 **ARE TIER 1 EVIDENCE BASED, HIGH QUALITY ACADEMIC, BEHAVIORAL, AND SOCIAL-EMOTIONAL**
4 **INSTRUCTION, AND PART OF THE DISTRICT'S MULTI-TIERED SYSTEM OF SUPPORT. DECISIONS ON**
5 **IMPLEMENTING SCHOOLWIDE REFORMS SHALL BE GUIDED BY THE DISTRICT'S COMPREHENSIVE NEEDS**
6 **ASSESSMENT AND SHALL BE INCLUDED IN THE DISTRICT IMPROVEMENT PLAN. SCHOOLWIDE REFORMS SHALL**
7 **FEATURE PARENT AND COMMUNITY SUPPORTS, ACTIVITIES, AND SERVICES, WHICH MAY INCLUDE THE**
8 **PATHWAYS TO POTENTIAL PROGRAM CREATED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES OR THE**
9 **COMMUNITIES IN SCHOOLS PROGRAM.**

10 (12) A district or public school academy that receives funds under this section may
11 use up to ~~3%~~ **5 PERCENT** of those funds to provide research-based professional development
12 **AND TO IMPLEMENT A COACHING MODEL THAT SUPPORTS THE MULTI-TIERED SYSTEM OF SUPPORTS**
13 **FRAMEWORK. PROFESSIONAL DEVELOPMENT MAY BE PROVIDED** to district and school leadership and
14 teachers **AND SHALL BE** ~~that is~~ aligned to professional learning standards; ~~is~~ integrated
15 into district, school building, and classroom practices; and ~~is~~ solely related to the
16 following:

17 (a) Implementing the multi-tiered system of supports required in subsection (3) with
18 fidelity and utilizing the data from that system to inform curriculum and instruction.

19 (b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required
20 under subsection (3), with fidelity.

21 (13) A district or public school academy that receives funds under this section may
22 use funds received under this section to support instructional or behavioral coaches. Funds
23 used for this purpose are not subject to the cap under subsection (12).

24 (14) If necessary, and before any proration required under section 296, the
25 department shall prorate payments under this section by reducing the amount of the
26 allocation as otherwise calculated under this section by an equal percentage per district.

27 (15) If a district is dissolved pursuant to section 12 of the revised school code,
28 MCL 380.12, the intermediate district to which the dissolved school district was
29 constituent shall determine the estimated number of pupils that are economically
30 disadvantaged and that are enrolled in each of the other districts within the intermediate
31 district and provide that estimate to the department for the purposes of distributing funds
32 under this section within 60 days after the school district is declared dissolved.

1 (16) Beginning in 2018-2019, ~~if a district or public school academy does not~~
2 ~~demonstrate to the satisfaction of the department that at least 50% of at-risk pupils are~~
3 ~~proficient in English language arts by the end of grade 3 as measured by the state~~
4 ~~assessment for the immediately preceding school year and demonstrate to the satisfaction of~~
5 ~~the department improvement over each of the 3 immediately preceding school years in the~~
6 ~~percentage of at risk pupils that are career and college ready as determined by~~
7 ~~proficiency on the English language arts, mathematics, and science content area assessments~~
8 ~~on the grade 11 summative assessment under section 1279g(2)(a) of the revised school code,~~
9 ~~MCL 380.1279g, the district or public school academy shall ensure all of the following:~~

10 ~~(a) The district or public school academy shall determine the proportion of total at-~~
11 ~~risk pupils that represents the number of pupils in grade 3 that are not proficient in~~
12 ~~English language arts by the end of grade 3, and the district or public school academy~~
13 ~~shall expend that same proportion multiplied by 1/2 of its total at-risk funds under this~~
14 ~~section on tutoring and other methods of improving grade 3 English language arts~~
15 ~~proficiency.~~

16 ~~(b) The district or public school academy shall determine the proportion of total at-~~
17 ~~risk pupils that represent the number of pupils in grade 11 that are not career and~~
18 ~~college-ready as measured by the student's score on the English language arts, mathematics,~~
19 ~~and science content area assessments on the grade 11 summative assessment under section~~
20 ~~1279g(2)(a) of the revised school code, MCL 380.1279g, and the district or public school~~
21 ~~academy shall expend that same proportion multiplied by 1/2 of its total at-risk funds~~
22 ~~under this section on tutoring and other activities to improve scores on the college~~
23 ~~entrance examination portion of the Michigan merit examination. ALL OF THE FOLLOWING APPLY~~

24 **FOR DISTRICTS AND PUBLIC SCHOOL ACADEMIES RECEIVING FUNDS UNDER THIS SECTION:**

25 **(A) IF A DISTRICT OR PUBLIC SCHOOL ACADEMY IS DETERMINED BY THE DEPARTMENT TO BE**
26 **BELOW THE STATEWIDE AVERAGE IN THE PERCENTAGE OF ECONOMICALLY DISADVANTAGED PUPILS WHO ARE**
27 **PROFICIENT IN ENGLISH LANGUAGE ARTS BY THE END OF GRADE 3, AS MEASURED ON THE 2017-2018**
28 **ENGLISH LANGUAGE ARTS STATE ASSESSMENT, THE DISTRICT OR PUBLIC SCHOOL ACADEMY SHALL COMPLY**
29 **WITH THE REQUIREMENTS DESCRIBED UNDER SUBDIVISION (D).**

30 **(B) IF A DISTRICT OR PUBLIC SCHOOL ACADEMY IS DETERMINED BY THE DEPARTMENT TO BE**
31 **BELOW THE STATEWIDE AVERAGE IN THE PERCENTAGE OF ECONOMICALLY DISADVANTAGED PUPILS WHO ARE**
32 **PROFICIENT IN MATHEMATICS AT THE END OF GRADE 8, AS MEASURED ON THE 2017-2018 MATHEMATICS**

1 STATE ASSESSMENT, THE DISTRICT OR PUBLIC SCHOOL ACADEMY SHALL COMPLY WITH THE REQUIREMENTS
2 DESCRIBED UNDER SUBDIVISION (D).

3 (C) IF A DISTRICT OR PUBLIC SCHOOL ACADEMY IS DETERMINED BY THE DEPARTMENT TO BE
4 BELOW THE STATEWIDE AVERAGE IN THE PERCENTAGE OF ECONOMICALLY DISADVANTAGED PUPILS THAT ARE
5 CAREER- AND COLLEGE-READY, AS DETERMINED BY PROFICIENCY ON THE ENGLISH LANGUAGE ARTS,
6 MATHEMATICS, AND SCIENCE CONTENT AREA ASSESSMENTS ON THE GRADE 11 SUMMATIVE ASSESSMENT
7 UNDER SECTION 1279G(2) (A) OF THE REVISED SCHOOL CODE, MCL 380.1279G, THE DISTRICT OR PUBLIC
8 SCHOOL ACADEMY SHALL COMPLY WITH THE REQUIREMENTS DESCRIBED UNDER SUBDIVISION (D).

9 (D) FOR DISTRICTS AND PUBLIC SCHOOL ACADEMIES BELOW THE STATEWIDE AVERAGES DESCRIBED
10 IN SUBDIVISION (A), SUBDIVISION (B), OR SUBDIVISION (C), THE DISTRICT OR PUBLIC SCHOOL
11 ACADEMY SHALL ACHIEVE AT LEAST ONE OF THE FOLLOWING BY OCTOBER 1, 2021 ON EACH OF THE
12 GRADE-LEVEL AND SUBJECT-AREA ASSESSMENTS DESCRIBED IN THIS SUBSECTION:

13 (i) THE DISTRICT OR PUBLIC SCHOOL ACADEMY HAS ATTAINED THE STATEWIDE AVERAGE IN THE
14 PERCENTAGE OF ECONOMICALLY DISADVANTAGED PUPILS WHO ARE PROFICIENT IN THE 2020-2021 GRADE-
15 LEVEL AND SUBJECT-AREA ASSESSMENTS DESCRIBED IN THIS SUBSECTION, AS APPLICABLE. FOR THE
16 PURPOSES OF COMPLYING WITH THIS SUBDIVISION, THE STATEWIDE AVERAGE IN THE PERCENTAGE OF
17 ECONOMICALLY DISADVANTAGED PUPILS WHO ARE PROFICIENT SHALL BE DETERMINED BY THE DEPARTMENT
18 USING DATA FROM THE 2017-18 STATE ASSESSMENTS FOR GRADE-LEVEL AND SUBJECT-AREA ASSESSMENTS
19 DESCRIBED IN THIS SUBSECTION.

20 (ii) THE DISTRICT OR PUBLIC SCHOOL ACADEMY HAS ATTAINED AN IMPROVEMENT OF AT LEAST 10
21 PERCENTAGE POINTS IN THE PERCENT OF ECONOMICALLY DISADVANTAGED PUPILS WHO ARE PROFICIENT IN
22 THE GRADE-LEVEL AND SUBJECT-AREA ASSESSMENTS DESCRIBED IN THIS SUBSECTION ON THE 2020-2021
23 STATE ASSESSMENT COMPARED TO THE DISTRICT'S RESULTS ON THE 2017-2018 STATE ASSESSMENT IN
24 THE APPLICABLE GRADES AND SUBJECT-AREAS.

25 (17) ~~As used in subsection (16), "total at-risk pupils" means the sum of the number~~
26 ~~of pupils in grade 3 that are not proficient in English language arts by the end of third~~
27 ~~grade as measured on the state assessment and the number of pupils in grade 11 that are not~~
28 ~~career- and college-ready as measured by the student's score on the English language arts,~~
29 ~~mathematics, and science content area assessments on the grade 11 summative assessment~~
30 ~~under section 1279g(2) (a) of the revised school code, MCL 380.1279g. FOR A DISTRICT OR~~
31 ~~PUBLIC SCHOOL ACADEMY NOT MEETING THE REQUIREMENTS DESCRIBED IN SUBDIVISION (16) (D), THE~~
32 ~~SUPERINTENDENT SHALL ASSIGN A TEAM OF PERSONS WITH EXPERTISE IN COMPREHENSIVE SCHOOL AND~~

1 DISTRICT REFORM TO PARTNER WITH THE DISTRICT OR PUBLIC SCHOOL ACADEMY, THE INTERMEDIATE
2 DISTRICT, COMMUNITY ORGANIZATIONS, LOCAL EMPLOYERS, EDUCATION ORGANIZATIONS, AND
3 POSTSECONDARY INSTITUTIONS AS DETERMINED BY THE SUPERINTENDENT TO CONDUCT AN EVALUATION
4 THAT INCLUDES AT LEAST ALL OF THE FOLLOWING:

5 (A) A REVIEW OF THE DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S IMPLEMENTATION AND
6 UTILIZATION OF ITS MULTI-TIERED SYSTEM OF SUPPORTS TO ENSURE IT IS BEING USED TO
7 APPROPRIATELY INFORM INSTRUCTION OF AT-RISK PUPILS AND MAKE RECOMMENDATIONS FOR CHANGES.

8 (B) AN ACADEMIC PERFORMANCE AUDIT THAT REVIEWS AT LEAST ALL OF THE FOLLOWING AND
9 INCLUDES RECOMMENDATIONS FOR CHANGES IF NECESSARY:

10 (i) DISTRICT AND BUILDING LEADERSHIP AND EDUCATOR CAPACITY TO SUBSTANTIALLY IMPROVE
11 STUDENT OUTCOMES.

12 (ii) CLASSROOM, INSTRUCTIONAL, AND OPERATIONAL PRACTICES AND CURRICULUM TO ENSURE
13 ALIGNMENT WITH RESEARCH-BASED INSTRUCTIONAL PRACTICES AND STATE CURRICULUM STANDARDS.

14 (iii) A REVIEW OF THE DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S USE OF FINANCIAL
15 RESOURCES WITH RECOMMENDATIONS TO MORE EFFECTIVELY USE THOSE RESOURCES TO IMPROVE ACADEMIC
16 ACHIEVEMENT FOR AT-RISK PUPILS. THESE RECOMMENDATIONS MUST INCLUDE A PLAN FOR USING FUNDS
17 RECEIVED UNDER THIS SECTION.

18 (D) THE DISTRICT OR PUBLIC SCHOOL ACADEMY AND THE SUPERINTENDENT SHALL BECOME AN
19 EARLY WARNING DISTRICT AND MUST ADOPT A DISTRICT IMPROVEMENT PLAN THAT INCORPORATES AT
20 LEAST ALL OF THE RECOMMENDATIONS RESULTING FROM THE EVALUATION UNDER SUBDIVISION (A),
21 SPECIFIES THE ROLES AND RESPONSIBILITIES OF THE PARTNERS, ESTABLISHES 18-MONTH BENCHMARKS,
22 AND IS SIGNED BY THE PARTNERS AND APPROVED BY THE SUPERINTENDENT.

23 (E) THE DISTRICT OR PUBLIC SCHOOL ACADEMY MUST SPEND FUNDS RECEIVED UNDER THIS
24 SECTION ONLY IN ACCORDANCE WITH THE PLAN INCLUDED UNDER SUBDIVISION (B) (III) AND SHALL
25 IMPLEMENT TIER 1 EVIDENCE BASED, HIGH QUALITY ACADEMIC AND SOCIAL-EMOTIONAL INSTRUCTION AS
26 A PART OF THEIR MULTI-TIERED SYSTEM OF SUPPORT.

27 (18) A district or public school academy that receives funds under this section may
28 use funds received under this section to provide an anti-bullying or crisis intervention
29 program.

30 (19) The department shall collaborate with the department of health and human
31 services to prioritize assigning Pathways to Potential Success coaches to elementary
32 schools that have a high percentage of pupils in grades K to 3 who are not proficient in

1 English language arts, based upon state assessments for pupils in those grades.

2 ~~(20) For the purpose of determining the number of economically disadvantaged pupils~~
3 ~~enrolled in a community district for 2017-2018, disadvantaged pupils who were enrolled in~~
4 ~~the education achievement system for 2016-2017 shall be considered to have been enrolled in~~
5 ~~the community district for 2016-2017.~~

6 (20) ~~(21)~~ As used in this section:

7 (a) "At-risk pupil" means a pupil **IN GRADES K TO 12** for whom the district has
8 documentation that the pupil meets any of the following criteria:

9 (i) The pupil is economically disadvantaged.

10 (ii) The pupil is an English language learner.

11 (iii) The pupil is chronically absent as defined by and reported to the center.

12 (iv) The pupil is a victim of child abuse or neglect.

13 (v) The pupil is a pregnant teenager or teenage parent.

14 (vi) The pupil has a family history of school failure, incarceration, or substance
15 abuse.

16 (vii) The pupil is an immigrant who has immigrated within the immediately preceding 3
17 years.

18 (viii) The pupil did not complete high school in 4 years and is still continuing in
19 school as identified in the Michigan cohort graduation and dropout report.

20 (ix) For pupils for whom the results of the state summative assessment have been
21 received, is a pupil who did not achieve proficiency on the English language arts,
22 mathematics, science, or social studies content area assessment.

23 (x) Is a pupil who is at risk of not meeting the district's or public school
24 academy's core academic curricular objectives in English language arts or mathematics, as
25 demonstrated on local assessments.

26 (b) "Economically disadvantaged" means a pupil who has been determined eligible for
27 free or reduced-price meals as determined under the Richard B. Russell national school
28 lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition
29 assistance program or temporary assistance for needy families assistance; or who is
30 homeless, migrant, or in foster care, as reported to the center.

31 (c) "English language learner" means limited English proficient pupils who speak a
32 language other than English as their primary language and have difficulty speaking,

1 reading, writing, or understanding English as reported to the center.

2 (d) "Statewide weighted average foundation allowance" means the number that is
3 calculated by adding together the result of each district's or public school academy's
4 foundation allowance or per pupil payment calculated under section 20 multiplied by the
5 number of pupils in membership in that district or public school academy, and then dividing
6 that total by the statewide number of pupils in membership. For the purposes of this
7 calculation, a district's foundation allowance shall not exceed the basic foundation
8 allowance under section 20 for the current state fiscal year.

9 Sec. 31d. (1) From the appropriations in section 11, there is allocated an amount not
10 to exceed ~~\$22,495,100.00~~ **\$23,144,000.00** for ~~2017-2018-2018-2019~~ for the purpose of making
11 payments to districts and other eligible entities under this section.

12 (2) The amounts allocated from state sources under this section shall be used to pay
13 the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state
14 mandated portion of the school lunch programs provided by those districts. The amount due
15 to each district under this section shall be computed by the department using the methods
16 of calculation adopted by the Michigan supreme court in the consolidated cases known as
17 *Durant v State of Michigan*, 456 Mich 175 (1997).

18 (3) The payments made under this section include all state payments made to districts
19 so that each district receives at least 6.0127% of the necessary costs of operating the
20 state mandated portion of the school lunch program in a fiscal year.

21 (4) The payments made under this section to districts and other eligible entities
22 that are not required under section 1272a of the revised school code, MCL 380.1272a, to
23 provide a school lunch program shall be in an amount not to exceed \$10.00 per eligible
24 pupil plus 5 cents for each free lunch and 2 cents for each reduced price lunch provided,
25 as determined by the department.

26 (5) From the federal funds appropriated in section 11, there is allocated for ~~2017-~~
27 ~~2018-2018-2019~~ all available federal funding, estimated at \$520,000,000.00 for the national
28 school lunch program and all available federal funding, estimated at \$3,200,000.00 for the
29 emergency food assistance program.

30 (6) Notwithstanding section 17b, payments to eligible entities other than districts
31 under this section shall be paid on a schedule determined by the department.

32 (7) In purchasing food for a school lunch program funded under this section,

1 preference shall be given to food that is grown or produced by Michigan businesses if it is
2 competitively priced and of comparable quality.

3 Sec. 31f. (1) From the appropriations in section 11, there is allocated an amount not
4 to exceed \$4,500,000.00 ~~each fiscal year for 2016-2017 and for 2017-2018~~ **FOR FISCAL YEAR**
5 **2018-2019** for the purpose of making payments to districts to reimburse for the cost of
6 providing breakfast.

7 (2) The funds allocated under this section for school breakfast programs shall be
8 made available to all eligible applicant districts that meet all of the following criteria:

9 (a) The district participates in the federal school breakfast program and meets all
10 standards as prescribed by 7 CFR parts 220 and 245.

11 (b) Each breakfast eligible for payment meets the federal standards described in
12 subdivision (a).

13 (3) The payment for a district under this section is at a per meal rate equal to the
14 lesser of the district's actual cost or 100% of the statewide average cost of a breakfast
15 served, as determined and approved by the department, less federal reimbursement,
16 participant payments, and other state reimbursement. The statewide average cost shall be
17 determined by the department using costs as reported in a manner approved by the department
18 for the preceding school year.

19 (4) Notwithstanding section 17b, payments under this section may be made pursuant to
20 an agreement with the department.

21 (5) In purchasing food for a school breakfast program funded under this section,
22 preference shall be given to food that is grown or produced by Michigan businesses if it is
23 competitively priced and of comparable quality.

24 Sec. 32d. (1) From the funds appropriated in section 11, there is allocated to
25 eligible intermediate districts and consortia of intermediate districts for great start
26 readiness programs an amount not to exceed \$243,600,000.00 for ~~2017-2018~~ **2018-2019**. Funds
27 allocated under this section for great start readiness programs shall be used to provide
28 part-day, school-day, or GSRP/Head Start blended comprehensive free compensatory classroom
29 programs designed to improve the readiness and subsequent achievement of educationally
30 disadvantaged children who meet the participant eligibility and prioritization guidelines
31 as defined by the department. For a child to be eligible to participate in a program under
32 this section, the child shall be at least 4, but less than 5, years of age as of September

1 1 of the school year in which the program is offered and shall meet those eligibility and
2 prioritization guidelines. A child who is not 4 years of age as of September 1, but who
3 will be 4 years of age not later than December 1, is eligible to participate if the child's
4 parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting
5 a request for enrollment in a program to the responsible intermediate district, if the
6 program has capacity on or after September 1 of the school year, and if the child meets
7 eligibility and prioritization guidelines.

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

16 (3) In addition to the allocation under subsection (1), from the general fund money
17 appropriated under section 11, there is allocated an amount not to exceed \$300,000.00 for
18 ~~2017-2018~~ **2018-2019** for a competitive grant to continue a longitudinal evaluation of
19 children who have participated in great start readiness programs.

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

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

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

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

32 (d) Physical and dental health and developmental screening services for all program

1 participants.

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

4 (f) Active and continuous involvement of the parents or guardians of the program
5 participants.

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

8 (h) Participation in a school readiness advisory committee convened as a workgroup of
9 the great start collaborative that provides for the involvement of classroom teachers,
10 parents or guardians of program participants, and community, volunteer, and social service
11 agencies and organizations, as appropriate. The advisory committee annually shall review
12 and make recommendations regarding the program components listed in this subsection. The
13 advisory committee also shall make recommendations to the great start collaborative
14 regarding other community services designed to improve all children's school readiness.

15 (i) The ongoing articulation of the kindergarten and first grade programs offered by
16 the program provider.

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

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

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

22 (b) Except as otherwise provided in this subdivision, ensure that at least 90% of the
23 children participating in an eligible great start readiness program for whom the
24 intermediate district is receiving funds under this section are children who live with
25 families with a household income that is equal to or less than 250% of the federal poverty
26 level. If the intermediate district determines that all eligible children are being served
27 and that there are no children on the waiting list who live with families with a household
28 income that is equal to or less than 250% of the federal poverty level, the intermediate
29 district may then enroll children who live with families with a household income that is
30 equal to or less than 300% of the federal poverty level. The enrollment process shall
31 consider income and risk factors, such that children determined with higher need are
32 enrolled before children with lesser need. For purposes of this subdivision, all age-

1 eligible children served in foster care or who are experiencing homelessness or who have
2 individualized education plans recommending placement in an inclusive preschool setting
3 shall be considered to live with families with household income equal to or less than 250%
4 of the federal poverty level regardless of actual family income and shall be prioritized
5 for enrollment within the lowest quintile.

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

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

19 (ii) Paraprofessionals possessing proper training in early childhood education,
20 including an associate's degree in early childhood education or child development or the
21 equivalent, or a child development associate (CDA) credential. However, if an applicant
22 demonstrates to the department that it is unable to fully comply with this subparagraph
23 after making reasonable efforts to comply, the applicant may use paraprofessionals who have
24 completed at least 1 course that earns college credit in early childhood education or child
25 development if the applicant provides to the department, and the department approves, a
26 plan for each paraprofessional to come into compliance with the standards in this
27 subparagraph. A paraprofessional's compliance plan must be completed within 2 years of the
28 date of employment. Progress toward completion of the compliance plan shall consist of at
29 least 2 courses or 60 clock hours of training per calendar year.

30 (d) Include a program budget that contains only those costs that are not reimbursed
31 or reimbursable by federal funding, that are clearly and directly attributable to the great
32 start readiness program, and that would not be incurred if the program were not being

1 offered. Eligible costs include transportation costs. The program budget shall indicate the
2 extent to which these funds will supplement other federal, state, local, or private funds.
3 Funds received under this section shall not be used to supplant any federal funds received
4 by the applicant to serve children eligible for a federally funded preschool program that
5 has the capacity to serve those children.

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

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

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

17 (9) An intermediate district or consortium of intermediate districts may retain for
18 administrative services provided by the intermediate district or consortium of intermediate
19 districts an amount not to exceed 4% of the grant amount. Expenses incurred by
20 subrecipients engaged by the intermediate district or consortium of intermediate districts
21 for directly running portions of the program shall be considered program costs or a
22 contracted program fee for service.

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

26 (11) Each grant recipient shall enroll children identified under subsection (5) (b)
27 according to how far the child's household income is below 250% of the federal poverty
28 level by ranking each applicant child's household income from lowest to highest and
29 dividing the applicant children into quintiles based on how far the child's household
30 income is below 250% of the federal poverty level, and then enrolling children in the
31 quintile with the lowest household income before enrolling children in the quintile with
32 the next lowest household income until slots are completely filled. If the grant recipient

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

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

18 (13) An intermediate district or consortium of intermediate districts receiving a
19 grant under this section shall conduct a local process to contract with interested and
20 eligible public and private for-profit and nonprofit community-based providers that meet
21 all requirements of subsection (4) for at least 30% of its total allocation. For the
22 purposes of this 30% allocation, an intermediate district or consortium of intermediate
23 districts may count children served by a Head Start grantee or delegate in a blended Head
24 Start and great start readiness school-day program. Children served in a program funded
25 only through Head Start shall not be counted toward this 30% allocation. The intermediate
26 district or consortium shall report to the department, in a manner prescribed by the
27 department, a detailed list of community-based providers by provider type, including
28 private for-profit, private nonprofit, community college or university, Head Start grantee
29 or delegate, and district or intermediate district, and the number and proportion of its
30 total allocation allocated to each provider as subrecipient. If the intermediate district
31 or consortium is not able to contract for at least 30% of its total allocation, the grant
32 recipient shall notify the department and, if the department verifies that the intermediate

1 district or consortium attempted to contract for at least 30% of its total allocation and
2 was not able to do so, then the intermediate district or consortium may retain and use all
3 of its allocation as provided under this section. To be able to use this exemption, the
4 intermediate district or consortium shall demonstrate to the department that the
5 intermediate district or consortium increased the percentage of its total allocation for
6 which it contracts with a community-based provider and the intermediate district or
7 consortium shall submit evidence satisfactory to the department, and the department must be
8 able to verify this evidence, demonstrating that the intermediate district or consortium
9 took measures to contract for at least 30% of its total allocation as required under this
10 subsection, including, but not limited to, at least all of the following measures:

11 (a) The intermediate district or consortium notified each nonparticipating licensed
12 child care center located in the service area of the intermediate district or consortium
13 regarding the center's eligibility to participate, in a manner prescribed by the
14 department.

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

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

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

29 (15) In order to assist intermediate districts and consortia in complying with the
30 requirement to contract with community-based providers for at least 30% of their total
31 allocation, the department shall do all of the following:

32 (a) Ensure that a great start resource center or the department provides each

1 intermediate district or consortium receiving a grant under this section with the contact
2 information for each licensed child care center located in the service area of the
3 intermediate district or consortium by March 1 of each year.

4 (b) Provide, or ensure that an organization with which the department contracts
5 provides, a community-based provider with a validated great start to quality rating within
6 90 days of the provider's having submitted a request and self-assessment.

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

13 (d) Not later than December 1 of each year, compile the results of the information
14 reported by each intermediate district or consortium under subsection (13) and report to
15 the legislature a list by intermediate district or consortium with the number and
16 percentage of each intermediate district's or consortium's total allocation allocated to
17 community-based providers by provider type, including private for-profit, private
18 nonprofit, community college or university, Head Start grantee or delegate, and district or
19 intermediate district.

20 (16) A recipient of funds under this section shall report to the ~~department~~ **CENTER** in
21 a form and manner prescribed by the ~~department~~ **CENTER** the number of children participating
22 in the program who meet the income eligibility criteria under subsection (5) (b) and the
23 total number of children participating in the program. For children participating in the
24 program who meet the income eligibility criteria specified under subsection (5) (b), a
25 recipient shall also report whether or not a parent is available to provide care based on
26 employment status. For the purposes of this subsection, "employment status" shall be
27 defined by the department of health and human services in a manner consistent with
28 maximizing the amount of spending that may be claimed for temporary assistance for needy
29 families maintenance of effort purposes.

30 (17) As used in this section:

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

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

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

8 (18) An intermediate district or consortium of intermediate districts receiving funds
9 under this section shall establish and charge tuition according to a sliding scale of
10 tuition rates based upon household income for children participating in an eligible great
11 start readiness program who live with families with a household income that is more than
12 250% of the federal poverty level to be used by all of its providers, as approved by the
13 department.

14 (19) From the amount appropriated in subsection (1), there is allocated an amount not
15 to exceed \$10,000,000.00 for reimbursement of transportation costs for children attending
16 great start readiness programs funded under this section. To receive reimbursement under
17 this subsection, not later than November 1, ~~2017~~, **2018**, a program funded under this section
18 that provides transportation shall submit to the intermediate district that is the fiscal
19 agent for the program a projected transportation budget. The amount of the reimbursement
20 for transportation under this subsection shall be no more than the projected transportation
21 budget or \$300.00 multiplied by the number of children funded for the program under this
22 section. If the amount allocated under this subsection is insufficient to fully reimburse
23 the transportation costs for all programs that provide transportation and submit the
24 required information, the reimbursement shall be prorated in an equal amount per child
25 funded. Payments shall be made to the intermediate district that is the fiscal agent for
26 each program, and the intermediate district shall then reimburse the program provider for
27 transportation costs as prescribed under this subsection.

28 (20) The department shall implement a process to review and approve age-appropriate
29 comprehensive classroom level quality assessments for GSRP grantees that support the early
30 childhood standards of quality for prekindergarten children adopted by the state board. The
31 department shall complete the approval process and make available to intermediate districts
32 at least 2 approved classroom level quality assessments no later than April 1, ~~2018~~ **2019**.

1 (21) An intermediate district that is a GSRP grantee may approve the use of a
2 supplemental curriculum that aligns with and enhances the age-appropriate educational
3 curriculum in the classroom. If the department objects to the use of a supplemental
4 curriculum approved by an intermediate district, the superintendent of public instruction
5 shall establish a review committee independent of the department. The review committee
6 shall meet within 60 days of the department registering its objection in writing and
7 provide a final determination on the validity of the objection within 60 days of the review
8 committee's first meeting.

9 (22) A great start readiness program or a GSRP/Head Start blended program funded
10 under this section shall be permitted to utilize AmeriCorps Pre-K Reading Corps members in
11 classrooms implementing research-based early literacy intervention strategies.

12 Sec. 32p. (1) From the appropriation in section 11, there is allocated an amount not
13 to exceed \$13,400,000.00 to intermediate districts for ~~2017-2018~~**2018-2019** for the purpose
14 of providing early childhood funding to intermediate school districts to support the
15 activities under subsection (2) and subsection (4), and to provide early childhood programs
16 for children from birth through age 8. The funding provided to each intermediate district
17 under this section shall be determined by the distribution formula established by the
18 department's office of great start to provide equitable funding statewide. In order to
19 receive funding under this section, each intermediate district shall provide an application
20 to the office of great start not later than September 15 of the immediately preceding
21 fiscal year indicating the activities planned to be provided.

22 (2) Each intermediate district or consortium of intermediate districts that receives
23 funding under this section shall convene a local great start collaborative and a parent
24 coalition. The goal of each great start collaborative and parent coalition shall be to
25 ensure the coordination and expansion of local early childhood infrastructure and programs
26 that allow every child in the community to achieve the following outcomes:

27 (a) Children born healthy.

28 (b) Children healthy, thriving, and developmentally on track from birth to third
29 grade.

30 (c) Children developmentally ready to succeed in school at the time of school entry.

31 (d) Children prepared to succeed in fourth grade and beyond by reading proficiently
32 by the end of third grade.

1 (3) Each local great start collaborative and parent coalition shall convene
2 workgroups to make recommendations about community services designed to achieve the
3 outcomes described in subsection (2) and to ensure that its local great start system
4 includes the following supports for children from birth through age 8:

- 5 (a) Physical health.
- 6 (b) Social-emotional health.
- 7 (c) Family supports and basic needs.
- 8 (d) Parent education.
- 9 (e) Early education, including the child's development of skills linked to success in
10 foundational literacy, and care.

11 (4) From the funds allocated in subsection (1), at least \$2,500,000.00 shall be used
12 for the purpose of providing home visits to at-risk children and their families. The home
13 visits shall be conducted as part of a locally coordinated, family-centered, evidence-
14 based, data-driven home visit strategic plan that is approved by the department. The goals
15 of the home visits funded under this subsection shall be to improve school readiness using
16 evidence-based methods, including a focus on developmentally appropriate outcomes for early
17 literacy, to ~~reduce the number of pupils retained in grade level, and to reduce the number~~
18 ~~of pupils requiring special education services.~~ **IMPROVE POSITIVE PARENTING PRACTICES AND TO**
19 **IMPROVE FAMILY ECONOMIC SELF-SUFFICIENCY WHILE REDUCING THE IMPACT OF HIGH RISK FACTORS**
20 **THROUGH COMMUNITY RESOURCES AND REFERRALS.** The department shall coordinate the goals of the
21 home visit strategic plans approved under this subsection with other state agency home
22 visit programs in a way that strengthens Michigan's home visiting infrastructure and
23 maximizes federal funds available for the purposes of at-risk family home visits. The
24 coordination among departments and agencies is intended to avoid duplication of state
25 services and spending, and should emphasize efficient service delivery of home visiting
26 programs.

27 (5) Not later than December 1 of each year, each intermediate district shall provide
28 a report to the department detailing the activities actually provided during the
29 immediately preceding school year and the families and children actually served. At a
30 minimum, the report shall include an evaluation of the services provided with additional
31 funding under subsection (4) for home visits, using the goals identified in subsection (4)
32 as the basis for the evaluation, including the degree to which school readiness was

1 improved, any change in the number of pupils retained at grade level, and any change in the
2 number of pupils receiving special education services. The department shall compile and
3 summarize these reports and submit its summary to the house and senate appropriations
4 subcommittees on school aid and to the house and senate fiscal agencies not later than
5 February 15 of each year.

6 (6) An intermediate district or consortium of intermediate districts that receives
7 funding under this section may carry over any unexpended funds received under this section
8 into the next fiscal year and may expend those unused funds through June 30 of the next
9 fiscal year. A recipient of a grant shall return any unexpended grant funds to the
10 department in the manner prescribed by the department not later than September 30 of the
11 next fiscal year after the fiscal year in which the funds are received.

12 Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2017-2018~~
13 **2018-2019** for the purposes of this section an amount not to exceed \$26,900,000.00 from the
14 state school aid fund. ~~and an amount not to exceed \$2,500,000.00 from the general fund. THE~~
15 **SUPERINTENDENT SHALL DESIGNATE STAFF OR CONTRACTED EMPLOYEES FUNDED UNDER THIS SECTION AS**
16 **CRITICAL SHORTAGE. PROGRAMS FUNDED UNDER THIS SECTION ARE INTENDED TO ENSURE THAT THIS**
17 **STATE WILL BE IN THE TOP 10 MOST IMPROVED STATES IN GRADE 4 READING PROFICIENCY BY THE 2019**
18 **NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS (NAEP) AND WILL BE IN THE TOP 10 STATES OVERALL**
19 **IN GRADE 4 READING PROFICIENCY BY 2025.**

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

26 (3) A district that receives funds under subsection (5) may use up to 5% of those
27 funds to administer department-approved screening and diagnostic tools to monitor the
28 development of early literacy and early reading skills of pupils in grades K to 3 and to
29 support research-based professional development for educators in administering screening
30 and diagnostic tools and in data interpretation of the results obtained through the use of
31 those tools for the purpose of implementing a multi-tiered system of support to improve
32 reading proficiency among pupils in grades K to 3. A department-approved screening and

1 diagnostic tool administered by a district using funding under this section must include
2 all of the following components: phonemic awareness, phonics, fluency, and comprehension.
3 Further, all of the following sub-skills must be assessed within each of these components:

4 (a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and
5 substitution).

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

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

8 (d) Comprehension - making meaning of text.

9 (4) From the allocations under subsection (1), there is allocated an amount not to
10 exceed \$6,000,000.00 for ~~2017-2018~~ **2018-2019** for the purpose of providing early literacy
11 coaches at intermediate districts to assist teachers in developing and implementing
12 instructional strategies for pupils in grades K to 3 so that pupils are reading at grade
13 level by the end of grade 3. All of the following apply to funding under this subsection:

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

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

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

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

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

30 (i) Each intermediate district shall be awarded grant funding to support the cost of
31 1 early literacy coach in an equal amount per early literacy coach, not to exceed
32 \$75,000.00.

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

11 (5) From the allocations under subsection (1), there is allocated an amount not to
12 exceed \$20,900,000.00 for ~~2017-2018-2018-2019~~ to districts that provide additional
13 instructional time to those pupils in grades K to 3 who have been identified by using
14 department-approved screening and diagnostic tools as needing additional supports and
15 interventions in order to be reading at grade level by the end of grade 3. Additional
16 instructional time may be provided before, during, and after regular school hours or as
17 part of a year-round balanced school calendar. All of the following apply to funding under
18 this subsection:

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

21 (i) Implemented a multi-tiered system of support instructional delivery model that is
22 an evidence-based model that uses data-driven problem solving to integrate academic and
23 behavioral instruction and that uses intervention delivered to all pupils in varying
24 intensities based on pupil needs. The multi-tiered system of supports must provide at least
25 all of the following essential elements:

26 (A) Implements effective instruction for all learners.

27 (B) Intervenes early.

28 (C) Provides a multi-tiered model of instruction and intervention that provides the
29 following: a core curriculum and classroom interventions available to all pupils that meet
30 the needs of most pupils; targeted group interventions; and intense individual
31 interventions.

32 (D) Monitors pupil progress to inform instruction.

- 1 (E) Uses data to make instructional decisions.
- 2 (F) Uses assessments including universal screening, diagnostics, and progress
3 monitoring.
- 4 (G) Engages families and the community.
- 5 (H) Implements evidence-based, scientifically validated, instruction and
6 intervention.
- 7 (I) Implements instruction and intervention practices with fidelity.
- 8 (J) Uses a collaborative problem-solving model.
- 9 (ii) Used department-approved research-based diagnostic tools to identify individual
10 pupils in need of additional instructional time.
- 11 (iii) Used a reading instruction method that focuses on the 5 fundamental building
12 blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and
13 content knowledge.
- 14 (iv) Provided teachers of pupils in grades K to 3 with research-based professional
15 development in diagnostic data interpretation.
- 16 (v) Complied with the requirements under section 1280f of the revised school code,
17 MCL 380.1280f.
- 18 (b) Funding allocated under this subsection shall be distributed to eligible
19 districts by multiplying the number of full-time-equivalent pupils in grade 1 in the
20 district by \$210.00.
- 21 (c) If the funds allocated under this subsection are insufficient to fully fund the
22 payments under this subsection, payments under this subsection shall be prorated on an
23 equal per-pupil basis based on grade 1 pupils.
- 24 ~~(6) From the general fund money allocated in subsection (1), the department shall~~
25 ~~allocate the amount of \$2,500,000.00 for 2017-2018 to the Michigan Education Corps. All of~~
26 ~~the following apply to funding under this subsection:~~
- 27 ~~(a) By August 1 of the current fiscal year, the Michigan Education Corps shall~~
28 ~~provide a report concerning its use of the funding to the senate and house appropriations~~
29 ~~subcommittees on state school aid, the senate and house fiscal agencies, and the senate and~~
30 ~~house caucus policy offices on outcomes and performance measures of the Michigan Education~~
31 ~~Corps, including, but not limited to, the degree to which the Michigan Education Corps's~~
32 ~~replication of the Michigan Reading Corps program is demonstrating sufficient efficacy and~~

1 ~~impact. The report must include data pertaining to at least all of the following:~~

2 ~~(i) The current impact of the Michigan Reading Corps on this state in terms of~~
3 ~~numbers of children and programs receiving support. This portion of the report shall~~
4 ~~specify the number of children tutored, including dosage and completion, and the~~
5 ~~demographics of those children.~~

6 ~~(ii) Whether the assessments and interventions are implemented with fidelity. This~~
7 ~~portion of the report shall include details on the total number of assessments and~~
8 ~~interventions completed and the range, median, mean, and standard deviation for all~~
9 ~~assessments.~~

10 ~~(iii) Whether the literacy improvement of children participating in the Michigan~~
11 ~~Reading Corps is consistent with expectations. This portion of the report shall detail at~~
12 ~~least all of the following:~~

13 ~~(A) Growth rate by grade level, in comparison to targeted growth rate.~~

14 ~~(B) Average linear growth rates.~~

15 ~~(C) Exit rates.~~

16 ~~(D) Percentage of children who exit who also meet or exceed spring benchmarks.~~

17 ~~(iv) The impact of the Michigan Reading Corps on organizations and stakeholders,~~
18 ~~including, but not limited to, school administrators, internal coaches, and AmeriCorps~~
19 ~~members.~~

20 ~~(b) If the department determines that the Michigan Education Corps has misused the~~
21 ~~funds allocated under this subsection, the Michigan Education Corps shall reimburse this~~
22 ~~state for the amount of state funding misused.~~

23 ~~(c) The department may not reserve any portion of the allocation provided under this~~
24 ~~subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps'~~
25 ~~funding, or the Michigan Education Corps' programming. The department shall award the~~
26 ~~entire \$2,500,000.00 allocated under this subsection to the Michigan Education Corps and~~
27 ~~shall not condition the awarding of this funding on the implementation of an independent~~
28 ~~evaluation.~~

29 Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an
30 application, in a form and manner prescribed by the department, by a date specified by the
31 department in the immediately preceding state fiscal year. The application shall include
32 all of the following:

1 (a) For ~~2017-2018-2018-2019~~ calculations, the estimated total number of children in
2 the community who meet the criteria of section 32d, as provided to the applicant by the
3 department utilizing the most recent population data available from the American community
4 survey conducted by the United States Census Bureau. Beginning in 2018-2019, the department
5 shall ensure that it provides updated American community survey population data at least
6 once every 3 years.

7 (b) The estimated number of children in the community who meet the criteria of
8 section 32d and are being served exclusively by Head Start programs operating in the
9 community.

10 (c) The number of children whom the applicant has the capacity to serve who meet the
11 criteria of section 32d including a verification of physical facility and staff resources
12 capacity.

13 (2) After notification of funding allocations, an applicant receiving funds under
14 section 32d shall also submit an implementation plan for approval, in a form and manner
15 prescribed by the department, by a date specified by the department, that details how the
16 applicant complies with the program components established by the department pursuant to
17 section 32d.

18 (3) The initial allocation to each eligible applicant under section 32d shall be the
19 lesser of the following:

20 (a) The sum of the number of children served in a school-day program in the preceding
21 school year multiplied by \$7,250.00 and the number of children served in a GSRP/Head Start
22 blended program or a part-day program in the preceding school year multiplied by \$3,625.00.

23 (b) The sum of the number of children the applicant has the capacity to serve in
24 ~~2017-2018-2018-2019~~ in a school-day program multiplied by \$7,250.00 and the number of
25 children served in a GSRP/Head Start blended program or a part-day program the applicant
26 has the capacity to serve in ~~2017-2018-2018-2019~~ multiplied by \$3,625.00.

27 (4) If funds remain after the allocations under subsection (3), the department shall
28 distribute the remaining funds to each intermediate district or consortium of intermediate
29 districts that serves less than the state percentage benchmark determined under subsection

30 (5). These remaining funds shall be distributed to each eligible applicant based upon each
31 applicant's proportionate share of the remaining unserved children necessary to meet the
32 statewide percentage benchmark in intermediate districts or consortia of intermediate

1 districts serving less than the statewide percentage benchmark. When all applicants have
2 been given the opportunity to reach the statewide percentage benchmark, the statewide
3 percentage benchmark may be reset, as determined by the department, until greater equity of
4 opportunity to serve eligible children across all intermediate school districts has been
5 achieved.

6 (5) For the purposes of subsection (4), for the ~~2017-2018~~**2018-2019** program year, the
7 department shall calculate a percentage of children served by each intermediate district or
8 consortium of intermediate districts by dividing the number of children served in the
9 immediately preceding year by that intermediate district or consortium by the total number
10 of children within the intermediate district or consortium of intermediate districts who
11 meet the criteria of section 32d as determined by the department utilizing the most recent
12 population data available from the American community survey conducted by the United States
13 Census Bureau. The department shall compare the resulting percentage of eligible children
14 served to a statewide percentage benchmark to determine if the intermediate district or
15 consortium is eligible for additional funds under subsection (4). For ~~2017-2018~~**,2018-2019**,
16 the statewide percentage benchmark is 60%.

17 (6) If, taking into account the total amount to be allocated to the applicant as
18 calculated under this section, an applicant determines that it is able to include
19 additional eligible children in the great start readiness program without additional funds
20 under section 32d, the applicant may include additional eligible children but shall not
21 receive additional funding under section 32d for those children.

22 (7) The department shall review the program components under section 32d and under
23 this section at least biennially. The department also shall convene a committee of internal
24 and external stakeholders at least once every 5 years to ensure that the funding structure
25 under this section reflects current system needs under section 32d.

26 (8) As used in this section, "school-day program", "GSRP/Head Start blended program",
27 and "part-day program" mean those terms as defined in section 32d.

28 Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated
29 ~~each~~ **FOR** fiscal year ~~for 2016-2017 and for 2017-2018~~**2018-2019** to districts, intermediate
30 districts, and other eligible entities all available federal funding, estimated at
31 ~~\$744,039,900.00 for 2016-2017 and \$731,600,000.00 for 2017-2018~~**\$730,600,000.00**, for the
32 federal programs under the no child left behind act of 2001, Public Law 107-110, or the

1 every student succeeds act, Public Law 114-95. These funds are allocated as follows:

2 (a) An amount estimated at \$1,200,000.00 ~~each fiscal year~~ **FOR 2018-2019** to provide
3 students with drug- and violence-prevention programs and to implement strategies to improve
4 school safety, funded from DED-OESE, drug-free schools and communities funds.

5 (b) An amount estimated at ~~\$111,111,900.00 for 2016-2017 and \$100,000,000.00 for~~
6 ~~2017-2018-2018-2019~~ for the purpose of preparing, training, and recruiting high-quality
7 teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

8 (c) An amount estimated at ~~\$12,200,000.00 for 2016-2017 and \$11,000,000.00 for 2017-~~
9 ~~2018-2018-2019~~ for programs to teach English to limited English proficient (LEP) children,
10 funded from DED-OESE, language acquisition state grant funds.

11 ~~(d) An amount estimated at \$250,000.00 for 2016-2017 only for the Michigan charter~~
12 ~~school subgrant program, funded from DED-OESE, charter school funds.~~

13 **(D)** ~~(e)~~ An amount estimated at ~~\$3,000,000.00 for 2016-2017 and \$2,800,000.00 for~~
14 ~~2017-2018-2018-2019~~ for rural and low income schools, funded from DED-OESE, rural and low
15 income school funds.

16 **(E)** ~~(f)~~ An amount estimated at \$535,000,000.00 ~~each fiscal year~~ **FOR 2018-2019** to
17 provide supplemental programs to enable educationally disadvantaged children to meet
18 challenging academic standards, funded from DED-OESE, title I, disadvantaged children
19 funds.

20 **(F)** ~~(g)~~ An amount estimated at ~~\$8,878,000.00 for 2016-2017 and \$9,200,000.00 for~~
21 ~~2017-2018-2018-2019~~ for the purpose of identifying and serving migrant children, funded
22 from DED-OESE, title I, migrant education funds.

23 **(G)** ~~(h)~~ An amount estimated at \$39,000,000.00 ~~each fiscal year~~ **FOR 2018-2019** for the
24 purpose of providing high-quality extended learning opportunities, after school and during
25 the summer, for children in low-performing schools, funded from DED-OESE, twenty-first
26 century community learning center funds.

27 **(H)** ~~(i)~~ An amount estimated at ~~\$18,000,000.00 each fiscal year~~ **\$12,000,000.00 FOR**
28 **2018-2019** to help support local school improvement efforts, funded from DED-OESE, title I,
29 local school improvement grants.

30 **(I)** ~~(j)~~ An amount estimated at \$15,400,000.00 ~~each fiscal year~~ **FOR 2018-2019** to
31 improve the academic achievement of students, funded from DED-OESE, title IV, student
32 support and academic enrichment grants.

1 (J) AN AMOUNT ESTIMATED AT \$5,000,000.00 FOR 2018-2019 FOR THE REMAINING BALANCE OF
2 THE AMOUNT APPROPRIATED IN 2014 PA 116, MCL 388.1632R, FOR FEDERAL FUNDING AWARDED TO THIS
3 STATE UNDER SECTIONS 14005, 14006, AND 14013 OF TITLE XIV OF THE AMERICAN RECOVERY AND
4 REINVESTMENT ACT OF 2009, PUBLIC LAW 111-5, FOR THE RACE TO THE TOP - EARLY LEARNING
5 CHALLENGE GRANT.

6 (2) From the federal funds appropriated in section 11, there is allocated for ~~2016-~~
7 ~~2017 and for 2017-2018-~~ **2018-2019** to districts, intermediate districts, and other eligible
8 entities all available federal funding, estimated at ~~\$30,800,000.00 for 2016-2017 and~~
9 ~~\$30,000,000.00 for 2017-2018-~~ **2018-2019** for the following programs that are funded by
10 federal grants:

11 (a) An amount estimated at ~~\$200,000.00 for 2016-2017 and \$100,000.00 for 2017-2018~~
12 **2018-2019** for acquired immunodeficiency syndrome education grants, funded from HHS -
13 Centers for Disease Control and Prevention, AIDS funding.

14 (b) An amount estimated at ~~\$2,600,000.00 for 2016-2017 and \$1,900,000.00 for 2017-~~
15 ~~2018-~~ **2018-2019** to provide services to homeless children and youth, funded from DED-OVAE,
16 homeless children and youth funds.

17 (c) An amount estimated at \$4,000,000.00 ~~each fiscal year~~ **FOR 2018-2019** to provide
18 mental health, substance abuse, or violence prevention services to students, funded from
19 HHS-SAMHSA.

20 (d) An amount estimated at \$24,000,000.00 ~~each fiscal year~~ **FOR 2018-2019** for
21 providing career and technical education services to pupils, funded from DED-OVAE, basic
22 grants to states.

23 (3) All federal funds allocated under this section shall be distributed in accordance
24 with federal law and with flexibility provisions outlined in Public Law 107-116, and in the
25 education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section
26 17b, payments of federal funds to districts, intermediate districts, and other eligible
27 entities under this section shall be paid on a schedule determined by the department.

28 (4) For the purposes of applying for federal grants appropriated under this article,
29 the department shall allow an intermediate district to submit a consortium application on
30 behalf of 2 or more districts with the agreement of those districts as appropriate
31 according to federal rules and guidelines.

32 (5) For the purposes of funding federal title I grants under this article, in

1 addition to any other federal grants for which a strict discipline academy is eligible, the
2 department shall allocate to strict discipline academies out of title I, part A funds equal
3 to what a strict discipline academy would have received if included and calculated under
4 title I, part D, or what it would receive under the formula allocation under title I, part
5 A, whichever is greater.

6 (6) As used in this section:

7 (a) "DED" means the United States Department of Education.

8 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

9 (c) "DED-OVAE" means the DED Office of Vocational and Adult Education.

10 (d) "HHS" means the United States Department of Health and Human Services.

11 (e) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services
12 Administration.

13 Sec.41. (1) For a district or public school academy to be eligible to receive
14 funding under this section, the district or public school academy must administer to
15 English language learners the English language proficiency assessment known as the "WIDA
16 ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the
17 appropriation in section 11, there is allocated an amount not to exceed \$6,000,000.00 for
18 ~~2017-2018~~ ~~2018-2019~~ for payments to eligible districts and eligible public school academies
19 for services for English language learners who have been administered the WIDA ACCESS for
20 English language learners.

21 (2) Funding allocated under this section shall be distributed to eligible districts
22 and eligible public school academies based on the number of full-time equivalent English
23 language learners as follows:

24 (a) \$620.00 per full-time equivalent English language learner who has been assessed
25 under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a
26 WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as
27 applicable to each assessment.

28 (b) \$410.00 per full-time equivalent English language learner who has been assessed
29 under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a
30 WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as
31 applicable to each assessment.

32 (3) If funds allocated under this section are insufficient to fully fund the payments

1 as prescribed under subsection (2), payments shall be prorated on an equal percentage
2 basis, with the same percentage proration applied to both funding categories.

3 (4) Each district or public school academy receiving funds under this section shall
4 submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages,
5 on the usage by the district or public school academy of funds under this section, in a
6 form and manner determined by the department, which shall include a brief description of
7 each program conducted or services performed by the district or public school academy using
8 funds under this section and the amount of funds under this section allocated to each of
9 those programs or services. If a district or public school academy does not comply with
10 this section, the department shall withhold an amount equal to the August payment due under
11 this section until the district or public school academy complies with this subsection. If
12 the district or public school academy does not comply with this section by the end of the
13 state fiscal year, the withheld funds shall be forfeited to the school aid fund.

14 (5) In order to receive funds under this section, a district or public school academy
15 shall allow access for the department or the department's designee to audit all records
16 related to the program for which it receives those funds. The district or public school
17 academy shall reimburse this state for all disallowances found in the audit.

18 (6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review
19 the per-pupil distribution under subsection (2), to ensure that funding levels are
20 appropriate and make recommendations for adjustments to the members of the senate and house
21 subcommittees on K-12 school aid appropriations.

22 Sec. 51a. (1) From the appropriation in section 11, there is allocated an amount not
23 to exceed ~~\$941,946,100.00 for 2016-2017 and there is allocated an amount not to exceed~~
24 ~~\$956,246,100.00~~ **\$979,346,100.00** for ~~2017-2018~~ **2018-2019** from state sources and all
25 available federal funding under sections 611 to 619 of part B of the individuals with
26 disabilities education act, 20 USC 1411 to 1419, estimated at \$370,000,000.00 ~~each~~ **FOR**
27 fiscal year ~~for 2016-2017 and for 2017-2018~~ **2018-2019**, plus any carryover federal funds
28 from previous year appropriations. In addition, from the general fund appropriation in
29 section 11, there is allocated to the department an amount not to exceed \$500,000.00 for
30 ~~2017-2018~~ **2018-2019** for the purpose of subsection (16). The allocations under this
31 subsection are for the purpose of reimbursing districts and intermediate districts for
32 special education programs, services, and special education personnel as prescribed in

1 article 3 of the revised school code, MCL 380.1701 to 380.1766; net tuition payments made
2 by intermediate districts to the Michigan Schools for the Deaf and Blind; and special
3 education programs and services for pupils who are eligible for special education programs
4 and services according to statute or rule. For meeting the costs of special education
5 programs and services not reimbursed under this article, a district or intermediate
6 district may use money in general funds or special education funds, not otherwise
7 restricted, or contributions from districts to intermediate districts, tuition payments,
8 gifts and contributions from individuals or other entities, or federal funds that may be
9 available for this purpose, as determined by the intermediate district plan prepared
10 pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766. Notwithstanding
11 section 17b, payments of federal funds to districts, intermediate districts, and other
12 eligible entities under this section shall be paid on a schedule determined by the
13 department.

14 (2) From the funds allocated under subsection (1), there is allocated the amount
15 necessary, and estimated at ~~\$260,700,000.00 for 2016-2017 and estimated at \$264,200,000.00~~
16 **\$272,100,000.00** for ~~2017-2018, 2018-2019~~, for payments toward reimbursing districts and
17 intermediate districts for 28.6138% of total approved costs of special education, excluding
18 costs reimbursed under section 53a, and 70.4165% of total approved costs of special
19 education transportation. Allocations under this subsection shall be made as follows:

20 (a) The initial amount allocated to a district under this subsection toward
21 fulfilling the specified percentages shall be calculated by multiplying the district's
22 special education pupil membership, excluding pupils described in subsection (11), times
23 the foundation allowance under section 20 of the pupil's district of residence plus the
24 amount of the district's per-pupil allocation under section 20m, not to exceed the basic
25 foundation allowance under section 20 for the current fiscal year, or, for a special
26 education pupil in membership in a district that is a public school academy, times an
27 amount equal to the amount per membership pupil calculated under section 20(6). For an
28 intermediate district, the amount allocated under this subdivision toward fulfilling the
29 specified percentages shall be an amount per special education membership pupil, excluding
30 pupils described in subsection (11), and shall be calculated in the same manner as for a
31 district, using the foundation allowance under section 20 of the pupil's district of
32 residence, not to exceed the basic foundation allowance under section 20 for the current

1 fiscal year, and that district's per-pupil allocation under section 20m.

2 (b) After the allocations under subdivision (a), districts and intermediate districts
3 for which the payments calculated under subdivision (a) do not fulfill the specified
4 percentages shall be paid the amount necessary to achieve the specified percentages for the
5 district or intermediate district.

6 (3) From the funds allocated under subsection (1), there is allocated ~~each fiscal~~
7 ~~year for 2016-2017 and for 2017-2018~~ **FOR FISCAL YEAR 2018-2019** an amount not to exceed
8 ~~\$1,000,000.00~~ **\$1,100,000.00** to make payments to districts and intermediate districts under
9 this subsection. If the amount allocated to a district or intermediate district for a
10 fiscal year under subsection (2) (b) is less than the sum of the amounts allocated to the
11 district or intermediate district for 1996-97 under sections 52 and 58, there is allocated
12 to the district or intermediate district for the fiscal year an amount equal to that
13 difference, adjusted by applying the same proration factor that was used in the
14 distribution of funds under section 52 in 1996-97 as adjusted to the district's or
15 intermediate district's necessary costs of special education used in calculations for the
16 fiscal year. This adjustment is to reflect reductions in special education program
17 operations or services between 1996-97 and subsequent fiscal years. Adjustments for
18 reductions in special education program operations or services shall be made in a manner
19 determined by the department and shall include adjustments for program or service shifts.

20 (4) If the department determines that the sum of the amounts allocated for a fiscal
21 year to a district or intermediate district under subsection (2) (a) and (b) is not
22 sufficient to fulfill the specified percentages in subsection (2), then the shortfall shall
23 be paid to the district or intermediate district during the fiscal year beginning on the
24 October 1 following the determination and payments under subsection (3) shall be adjusted
25 as necessary. If the department determines that the sum of the amounts allocated for a
26 fiscal year to a district or intermediate district under subsection (2) (a) and (b) exceeds
27 the sum of the amount necessary to fulfill the specified percentages in subsection (2),
28 then the department shall deduct the amount of the excess from the district's or
29 intermediate district's payments under this article for the fiscal year beginning on the
30 October 1 following the determination and payments under subsection (3) shall be adjusted
31 as necessary. However, if the amount allocated under subsection (2) (a) in itself exceeds
32 the amount necessary to fulfill the specified percentages in subsection (2), there shall be

1 no deduction under this subsection.

2 (5) State funds shall be allocated on a total approved cost basis. Federal funds
3 shall be allocated under applicable federal requirements, except that an amount not to
4 exceed \$3,500,000.00 may be allocated by the department ~~each~~ **FOR** fiscal year ~~for 2016-2017~~
5 ~~and for 2017-2018-2018-2019~~ to districts, intermediate districts, or other eligible
6 entities on a competitive grant basis for programs, equipment, and services that the
7 department determines to be designed to benefit or improve special education on a statewide
8 scale.

9 (6) From the amount allocated in subsection (1), there is allocated an amount not to
10 exceed \$2,200,000.00 ~~each~~ **FOR** fiscal year ~~for 2016-2017 and for 2017-2018-2018-2019~~ to
11 reimburse 100% of the net increase in necessary costs incurred by a district or
12 intermediate district in implementing the revisions in the administrative rules for special
13 education that became effective on July 1, 1987. As used in this subsection, "net increase
14 in necessary costs" means the necessary additional costs incurred solely because of new or
15 revised requirements in the administrative rules minus cost savings permitted in
16 implementing the revised rules. Net increase in necessary costs shall be determined in a
17 manner specified by the department.

18 (7) For purposes of sections 51a to 58, all of the following apply:

19 (a) "Total approved costs of special education" shall be determined in a manner
20 specified by the department and may include indirect costs, but shall not exceed 115% of
21 approved direct costs for section 52 and section 53a programs. The total approved costs
22 include salary and other compensation for all approved special education personnel for the
23 program, including payments for social security and Medicare and public school employee
24 retirement system contributions. The total approved costs do not include salaries or other
25 compensation paid to administrative personnel who are not special education personnel as
26 defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal
27 funds, other than those federal funds included in the allocation made under this article,
28 are not included. Special education approved personnel not utilized full time in the
29 evaluation of students or in the delivery of special education programs, ancillary, and
30 other related services shall be reimbursed under this section only for that portion of time
31 actually spent providing these programs and services, with the exception of special
32 education programs and services provided to youth placed in child caring institutions or

1 juvenile detention programs approved by the department to provide an on-grounds education
2 program.

3 (b) Beginning with the 2004-2005 fiscal year, a district or intermediate district
4 that employed special education support services staff to provide special education support
5 services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-
6 2004 receives the same type of support services from another district or intermediate
7 district shall report the cost of those support services for special education
8 reimbursement purposes under this article. This subdivision does not prohibit the transfer
9 of special education classroom teachers and special education classroom aides if the pupils
10 counted in membership associated with those special education classroom teachers and
11 special education classroom aides are transferred and counted in membership in the other
12 district or intermediate district in conjunction with the transfer of those teachers and
13 aides.

14 (c) If the department determines before bookclosing for a fiscal year that the
15 amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and
16 sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections
17 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate
18 district whose reimbursement for that fiscal year would otherwise be affected by
19 subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for
20 that district or intermediate district and reimbursement for that district or intermediate
21 district shall be calculated in the same manner as it was for 2003-2004. If the amount of
22 the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and
23 56 is not sufficient to fully fund the calculation of reimbursement to those districts and
24 intermediate districts under this subdivision, then the calculations and resulting
25 reimbursement under this subdivision shall be prorated on an equal percentage basis.
26 Beginning in 2015-2016, the amount of reimbursement under this subdivision for a fiscal
27 year shall not exceed \$2,000,000.00 for any district or intermediate district.

28 (d) Reimbursement for ancillary and other related services, as defined by R 340.1701c
29 of the Michigan Administrative Code, shall not be provided when those services are covered
30 by and available through private group health insurance carriers or federal reimbursed
31 program sources unless the department and district or intermediate district agree otherwise
32 and that agreement is approved by the state budget director. Expenses, other than the

1 incidental expense of filing, shall not be borne by the parent. In addition, the filing of
2 claims shall not delay the education of a pupil. A district or intermediate district shall
3 be responsible for payment of a deductible amount and for an advance payment required until
4 the time a claim is paid.

5 (e) Beginning with calculations for 2004-2005, if an intermediate district purchases
6 a special education pupil transportation service from a constituent district that was
7 previously purchased from a private entity; if the purchase from the constituent district
8 is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the
9 intermediate district to the constituent does not result in any net change in the revenue
10 the constituent district receives from payments under sections 22b and 51c, then upon
11 application by the intermediate district, the department shall direct the intermediate
12 district to continue to report the cost associated with the specific identified special
13 education pupil transportation service and shall adjust the costs reported by the
14 constituent district to remove the cost associated with that specific service.

15 (8) A pupil who is enrolled in a full-time special education program conducted or
16 administered by an intermediate district or a pupil who is enrolled in the Michigan schools
17 for the deaf and blind shall not be included in the membership count of a district, but
18 shall be counted in membership in the intermediate district of residence.

19 (9) Special education personnel transferred from 1 district to another to implement
20 the revised school code shall be entitled to the rights, benefits, and tenure to which the
21 person would otherwise be entitled had that person been employed by the receiving district
22 originally.

23 (10) If a district or intermediate district uses money received under this section
24 for a purpose other than the purpose or purposes for which the money is allocated, the
25 department may require the district or intermediate district to refund the amount of money
26 received. Money that is refunded shall be deposited in the state treasury to the credit of
27 the state school aid fund.

28 (11) From the funds allocated in subsection (1), there is allocated the amount
29 necessary, estimated at ~~\$3,500,000.00 for 2016-2017, and estimated at \$3,600,000.00~~
30 **\$3,400,000.00 for 2017-2018, 2018-2019**, to pay the foundation allowances for pupils
31 described in this subsection. The allocation to a district under this subsection shall be
32 calculated by multiplying the number of pupils described in this subsection who are counted

1 in membership in the district times the sum of the foundation allowance under section 20 of
2 the pupil's district of residence plus the amount of the district's per-pupil allocation
3 under section 20m, not to exceed the basic foundation allowance under section 20 for the
4 current fiscal year, or, for a pupil described in this subsection who is counted in
5 membership in a district that is a public school academy, times an amount equal to the
6 amount per membership pupil under section 20(6) or, for a pupil described in this
7 subsection who is counted in membership in the education achievement system, times an
8 amount equal to the amount per membership pupil under section 20(7). The allocation to an
9 intermediate district under this subsection shall be calculated in the same manner as for a
10 district, using the foundation allowance under section 20 of the pupil's district of
11 residence, not to exceed the basic foundation allowance under section 20 for the current
12 fiscal year, and that district's per-pupil allocation under section 20m. This subsection
13 applies to all of the following pupils:

14 (a) Pupils described in section 53a.

15 (b) Pupils counted in membership in an intermediate district who are not special
16 education pupils and are served by the intermediate district in a juvenile detention or
17 child caring facility.

18 (c) Pupils with an emotional impairment counted in membership by an intermediate
19 district and provided educational services by the department of health and human services.

20 (12) If it is determined that funds allocated under subsection (2) or (11) or under
21 section 51c will not be expended, funds up to the amount necessary and available may be
22 used to supplement the allocations under subsection (2) or (11) or under section 51c in
23 order to fully fund those allocations. After payments under subsections (2) and (11) and
24 section 51c, the remaining expenditures from the allocation in subsection (1) shall be made
25 in the following order:

26 (a) 100% of the reimbursement required under section 53a.

27 (b) 100% of the reimbursement required under subsection (6).

28 (c) 100% of the payment required under section 54.

29 (d) 100% of the payment required under subsection (3).

30 (e) 100% of the payments under section 56.

31 (13) The allocations under subsections (2), (3), and (11) shall be allocations to
32 intermediate districts only and shall not be allocations to districts, but instead shall be

1 calculations used only to determine the state payments under section 22b.

2 (14) If a public school academy that is not a cyber school, as defined in section 551
3 of the revised school code, MCL 380.551, enrolls under this section a pupil who resides
4 outside of the intermediate district in which the public school academy is located and who
5 is eligible for special education programs and services according to statute or rule, or
6 who is a child with disabilities, as defined under the individuals with disabilities
7 education act, Public Law 108-446, the intermediate district in which the public school
8 academy is located and the public school academy shall enter into a written agreement with
9 the intermediate district in which the pupil resides for the purpose of providing the pupil
10 with a free appropriate public education, and the written agreement shall include at least
11 an agreement on the responsibility for the payment of the added costs of special education
12 programs and services for the pupil. If the public school academy that enrolls the pupil
13 does not enter into an agreement under this subsection, the public school academy shall not
14 charge the pupil's resident intermediate district or the intermediate district in which the
15 public school academy is located the added costs of special education programs and services
16 for the pupil, and the public school academy is not eligible for any payouts based on the
17 funding formula outlined in the resident or nonresident intermediate district's plan. If a
18 pupil is not enrolled in a public school academy under this subsection, the provision of
19 special education programs and services and the payment of the added costs of special
20 education programs and services for a pupil described in this subsection are the
21 responsibility of the district and intermediate district in which the pupil resides.

22 (15) For the purpose of receiving its federal allocation under part B of the
23 individuals with disabilities education act, Public Law 108-446, a public school academy
24 that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551,
25 and is in compliance with section 553a of the revised school code, MCL 380.553a, shall
26 directly receive the federal allocation under part B of the individuals with disabilities
27 education act, Public Law 108-446, from the intermediate district in which the cyber school
28 is located, as the subrecipient. If the intermediate district does not distribute the funds
29 described in this subsection to the cyber school by the part B application due date of July
30 1, the department may distribute the funds described in this subsection directly to the
31 cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816.

32 (16) For a public school academy that is a cyber school, as defined in section 551 of

1 the revised school code, MCL 380.551, and is in compliance with section 553a of the revised
2 school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate
3 district in which the cyber school is located shall ensure that the cyber school complies
4 with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL
5 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable
6 rules; and the individuals with disabilities education act, Public Law 108-446. From the
7 general fund appropriation under subsection (1), the department shall provide appropriate
8 administrative funding to the intermediate district in which that cyber school is located
9 for the purpose of ensuring that compliance.

10 (17) For the purposes of this section, the department or the center shall only
11 require a district or intermediate district to report information that is not already
12 available from the financial information database maintained by the center.

13 Sec. 51c. As required by the court in the consolidated cases known as Durant v State
14 of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1), there is
15 allocated ~~each fiscal year for FISCAL YEAR 2016-2017 and for 2017-2018-2018-2019~~ the amount
16 necessary, estimated at ~~\$624,600,000.00 for 2016-2017 and \$635,300,000.00~~ **\$650,600,000.00**
17 ~~for 2017-2018, 2018-2019~~, for payments to reimburse districts for 28.6138% of total
18 approved costs of special education excluding costs reimbursed under section 53a, and
19 70.4165% of total approved costs of special education transportation. Funds allocated under
20 this section that are not expended in the state fiscal year for which they were allocated,
21 as determined by the department, may be used to supplement the allocations under sections
22 22a ~~and~~ 22b, **AND 23F** in order to fully fund those calculated allocations for the same
23 fiscal year.

24 Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated
25 ~~each fiscal year for FISCAL YEAR 2016-2017 and for 2017-2018, 2018-2019~~, all available
26 federal funding, estimated at ~~\$61,000,000.00 each fiscal year~~, for special education
27 programs and services that are funded by federal grants. All federal funds allocated under
28 this section shall be distributed in accordance with federal law. Notwithstanding section
29 17b, payments of federal funds to districts, intermediate districts, and other eligible
30 entities under this section shall be paid on a schedule determined by the department.

31 (2) From the federal funds allocated under subsection (1), the following amounts are
32 allocated ~~each fiscal year for 2016-2017 and for FISCAL YEAR 2017-2018-2018-2019~~:

1 (a) An amount estimated at \$14,000,000.00 ~~each fiscal year~~ for handicapped infants
2 and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

3 (b) An amount estimated at \$12,000,000.00 ~~each fiscal year~~ for preschool grants
4 (Public Law 94-142), funded from DED-OSERS, handicapped preschool incentive funds.

5 (c) An amount estimated at \$35,000,000.00 ~~each fiscal year~~ for special education
6 programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.

7 (3) As used in this section, "DED-OSERS" means the United States Department of
8 Education Office of Special Education and Rehabilitative Services.

9 Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2)
10 shall be 100% of the total approved costs of operating special education programs and
11 services approved by the department and included in the intermediate district plan adopted
12 pursuant to article 3 of the revised school code, MCL 380.1701 to 380.1766, minus the
13 district's foundation allowance calculated under section 20 and minus the district's per-
14 pupil allocation under section 20m. For intermediate districts, reimbursement for pupils
15 described in subsection (2) shall be calculated in the same manner as for a district, using
16 the foundation allowance under section 20 of the pupil's district of residence, not to
17 exceed the basic foundation allowance under section 20 for the current fiscal year, and
18 that district's per-pupil allocation under section 20m.

19 (2) Reimbursement under subsection (1) is for the following special education pupils:

20 (a) Pupils assigned to a district or intermediate district through the community
21 placement program of the courts or a state agency, if the pupil was a resident of another
22 intermediate district at the time the pupil came under the jurisdiction of the court or a
23 state agency.

24 (b) Pupils who are residents of institutions operated by the department of health and
25 human services.

26 (c) Pupils who are former residents of department of community health institutions
27 for the developmentally disabled who are placed in community settings other than the
28 pupil's home.

29 (d) Pupils enrolled in a department-approved on-grounds educational program longer
30 than 180 days, but not longer than 233 days, at a residential child care institution, if
31 the child care institution offered in 1991-92 an on-grounds educational program longer than
32 180 days but not longer than 233 days.

1 (e) Pupils placed in a district by a parent for the purpose of seeking a suitable
2 home, if the parent does not reside in the same intermediate district as the district in
3 which the pupil is placed.

4 (3) Only those costs that are clearly and directly attributable to educational
5 programs for pupils described in subsection (2), and that would not have been incurred if
6 the pupils were not being educated in a district or intermediate district, are reimbursable
7 under this section.

8 (4) The costs of transportation shall be funded under this section and shall not be
9 reimbursed under section 58.

10 (5) Not more than \$10,500,000.00 of the allocation for ~~2017-2018-2018-2019~~ in section
11 51a(1) shall be allocated under this section.

12 Sec. 54. Each intermediate district shall receive an amount per-pupil for each pupil
13 in attendance at the Michigan schools for the deaf and blind. The amount shall be
14 proportionate to the total instructional cost at each school. Not more than \$1,688,000.00
15 of the allocation for ~~2017-2018-2018-2019~~ in section 51a(1) shall be allocated under this
16 section.

17 Sec. 54b. (1) From the general fund appropriation in section 11, there is allocated
18 an amount not to exceed \$1,600,000.00 for ~~2017-2018-2018-2019~~ to continue the
19 implementation of the recommendations of the special education reform task force published
20 in January 2016.

21 (2) Except as provided in subsection (3), the department shall use funds allocated
22 under this section for the purpose of piloting statewide implementation of the Michigan
23 Integrated Behavior and Learning Support Initiative (MiBLSI), a nationally recognized
24 program that includes positive behavioral intervention and supports and provides a
25 statewide structure to support local initiatives for an integrated behavior and reading
26 program. With the assistance of the intermediate districts involved in MiBLSI, the
27 department shall identify a number of intermediate districts to participate in the pilot
28 that is sufficient to ensure that MiBLSI can be implemented statewide with fidelity and
29 sustainability. In addition, the department shall identify an intermediate district to act
30 as a fiscal agent for these funds.

31 ~~(3) In addition to the purpose under subsection (2), the department shall use funds~~
32 ~~allocated under this section for the purpose of providing training to intermediate~~

1 ~~districts and districts related to the safe implementation of emergency restraints and~~
2 ~~seclusion. The department shall develop and implement a training program that is based on~~
3 ~~the state board's adopted standards and on any other legislation enacted by the legislature~~
4 ~~regarding the emergency use of seclusion and restraint.~~

5 SEC. 54C. (1) FROM THE GENERAL FUND APPROPRIATION IN SECTION 11, THERE IS ALLOCATED
6 AN AMOUNT NOT TO EXCEED \$500,000.00 FOR 2018-2019 TO CONTINUE THE IMPLEMENTATION OF THE
7 RECOMMENDATIONS OF THE SPECIAL EDUCATION REFORM TASK FORCE PUBLISHED IN JANUARY 2016, TO
8 INCREASE ACCESS TO SERVICES AND RESOURCES FOR STUDENTS IN SPECIAL EDUCATION AND THEIR
9 PARENTS OR GUARDIANS, AND TO STRENGTHEN MEDIATION SERVICES AVAILABLE TO STUDENTS IN SPECIAL
10 EDUCATION AND THEIR PARENTS OR GUARDIANS.

11 (2) FROM THE AMOUNT ALLOCATED IN SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO
12 EXCEED \$205,000.00 FOR THE PURPOSE OF ENHANCING CAPACITY OF MICHIGAN'S PARENT TRAINING
13 INFORMATION CENTER, MICHIGAN ALLIANCE FOR FAMILIES, TO INCREASE DIRECT ADVOCACY EFFORTS,
14 WORK SURROUNDING TRANSITION ISSUES, AND AWARENESS OF THE ORGANIZATION.

15 (3) FROM THE AMOUNT ALLOCATED IN SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO
16 EXCEED \$295,000.00 FOR THE PURPOSE OF IMPROVING MEDIATION SERVICES OFFERED THROUGH THE
17 MICHIGAN SPECIAL EDUCATION MEDIATION PROGRAM, BY INCREASING AWARENESS OF MEDIATION,
18 REFRAMING THE PURPOSE OF MEDIATION, STRENGTHENING MEDIATOR KNOWLEDGE AROUND SPECIAL
19 EDUCATION, AND MAKING MEDIATION MORE ACCESSIBLE.

20 SEC. 54D. (1) FROM THE APPROPRIATIONS IN SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT
21 TO EXCEED \$5,000,000.00 FOR 2018-2019 FOR COMPETITIVE GRANTS TO INTERMEDIATE DISTRICTS, OR
22 CONSORTIUMS OF INTERMEDIATE DISTRICTS, FOR THE PURPOSE OF PROVIDING STATE EARLY ON SERVICES
23 PILOT PROGRAMS FOR CHILDREN BIRTH TO 3 YEARS OF AGE WITH DEVELOPMENTAL DELAY(S) AND/OR
24 DISABILITIES AND THEIR FAMILIES AS DESCRIBED IN THE EARLY ON MICHIGAN STATE PLAN, AS
25 APPROVED BY THE DEPARTMENT.

26 (2) TO BE ELIGIBLE TO RECEIVE FUNDING UNDER THIS SECTION, EACH INTERMEDIATE DISTRICT,
27 OR CONSORTIUM OF INTERMEDIATE DISTRICTS, SHALL APPLY IN A FORM AND MANNER DETERMINED BY THE
28 DEPARTMENT.

29 (3) THE FUNDING ALLOCATED UNDER THIS SECTION SHALL BE USED TO INCREASE EARLY ON
30 SERVICES AND RESOURCES AVAILABLE TO CHILDREN THAT DEMONSTRATE DEVELOPMENTAL DELAYS TO HELP
31 PREPARE THEM FOR SUCCESS AS THEY ENTER SCHOOL. STATE EARLY ON SERVICES INCLUDE EVALUATING
32 AND PROVIDING EARLY INTERVENTION SERVICES FOR ELIGIBLE INFANTS AND TODDLERS AND THEIR

1 FAMILIES TO ADDRESS DEVELOPMENTAL DELAYS, INCLUDING THOSE AFFECTING PHYSICAL, COGNITIVE,
2 COMMUNICATION, ADAPTIVE, SOCIAL OR EMOTIONAL DEVELOPMENT. FUNDS SHALL NOT BE USED TO
3 SUPPLANT EXISTING SERVICES THAT ARE CURRENTLY BEING PROVIDED.

4 (4) THE DEPARTMENT SHALL DEVELOP A COMPETITIVE APPLICATION PROCESS AND METHOD OF
5 GRANT DISTRIBUTION BY OCTOBER 1, 2018. AWARD DISTRIBUTION WILL OCCUR IN MULTIPLE PROSPERITY
6 REGIONS TO ENSURE PROGRAMS ARE DIVERSE GEOGRAPHICALLY AND ADDRESS DEMONSTRATED NEED FOR
7 ADDITIONAL SERVICES. THOSE APPLICANTS THAT DEMONSTRATE THE CAPACITY TO ALIGN THESE FUNDS
8 WITH FEDERAL MEDICAID REIMBURSEMENTS SHALL BE GIVEN PREFERENCE. CONSORTIUMS OF INTERMEDIATE
9 DISTRICTS COMPRISED OF ONE OR MORE INTERMEDIATE DISTRICT WITH THE CAPACITY TO ALIGN THESE
10 FUNDS WITH FEDERAL MEDICAID REIMBURSEMENTS AND ONE OR MORE WITHOUT THIS CAPACITY WILL ALSO
11 BE GIVEN PREFERENCE, AS TO ENCOURAGE MENTORSHIP AMONG INTERMEDIATE DISTRICTS IN
12 FACILITATING THIS FUNDING CAPACITY.

13 (5) THE APPLICANT INTERMEDIATE DISTRICTS SHALL REPORT DATA AND OTHER INFORMATION TO
14 THE DEPARTMENT IN A FORM, MANNER, AND FREQUENCY APPROVED BY THE DEPARTMENT TO ALLOW FOR
15 MONITORING AND EVALUATION OF THE PILOT PROJECTS AND TO ENSURE THAT THE CHILDREN DESCRIBED
16 IN SUBSECTION (1) RECEIVED APPROPRIATE LEVELS AND TYPES OF SERVICES DELIVERED BY QUALIFIED
17 PERSONNEL BASED ON THE INDIVIDUAL NEEDS OF THE CHILDREN AND THEIR FAMILIES.

18 Sec. 56. (1) For the purposes of this section:

19 (a) "Membership" means for a particular fiscal year the total membership for the
20 immediately preceding fiscal year of the intermediate district and the districts
21 constituent to the intermediate district.

22 (b) "Millage levied" means the millage levied for special education pursuant to part
23 30 of the revised school code, MCL 380.1711 to 380.1743, including a levy for debt service
24 obligations.

25 (c) "Taxable value" means the total taxable value of the districts constituent to an
26 intermediate district, except that if a district has elected not to come under part 30 of
27 the revised school code, MCL 380.1711 to 380.1743, membership and taxable value of the
28 district shall not be included in the membership and taxable value of the intermediate
29 district.

30 (2) From the allocation under section 51a(1), there is allocated an amount not to
31 exceed \$37,758,100.00 ~~each~~ **FOR** fiscal year ~~for 2016-2017 and for 2017-2018~~ **2018-2019** to
32 reimburse intermediate districts levying millages for special education pursuant to part 30

1 of the revised school code, MCL 380.1711 to 380.1743. The purpose, use, and expenditure of
2 the reimbursement shall be limited as if the funds were generated by these millages and
3 governed by the intermediate district plan adopted pursuant to article 3 of the revised
4 school code, MCL 380.1701 to 380.1766. As a condition of receiving funds under this
5 section, an intermediate district distributing any portion of special education millage
6 funds to its constituent districts shall submit for departmental approval and implement a
7 distribution plan.

8 ~~(3) Reimbursement for those millages levied in 2015-2016 shall be made in 2016-2017~~
9 ~~at an amount per 2015-2016 membership pupil computed by subtracting from \$180,900.00 the~~
10 ~~2015-2016 taxable value behind each membership pupil and multiplying the resulting~~
11 ~~difference by the 2015-2016 millage levied.~~

12 (3) ~~(4)~~ Reimbursement for those millages levied in ~~2016-2017~~ **2017-2018** shall be made
13 in ~~2017-2018~~ **2018-2019** at an amount per ~~2016-2017~~ **2017-2018** membership pupil computed by
14 subtracting from ~~\$183,200.00~~ **\$189,900.00** the ~~2016-2017~~ **2017-2018** taxable value behind each
15 membership pupil and multiplying the resulting difference by the ~~2016-2017~~ **2017-2018**
16 millage levied, and then subtracting from that amount the ~~2016-2017~~ **2017-2018** local
17 community stabilization share revenue for special education purposes behind each membership
18 pupil for reimbursement of personal property exemption loss under the local community
19 stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

20 (4) ~~(5)~~ The amount paid to a single intermediate district under this section shall
21 not exceed 62.9% of the total amount allocated under subsection (2).

22 (5) ~~(6)~~ The amount paid to a single intermediate district under this section shall
23 not be less than 75% of the amount allocated to the intermediate district under this
24 section for the immediately preceding fiscal year.

25 Sec. 61a. (1) From the appropriation in section 11, there is allocated an amount not
26 to exceed \$36,611,300.00 for ~~2017-2018~~ **2018-2019** to reimburse on an added cost basis
27 districts, except for a district that served as the fiscal agent for a vocational education
28 consortium in the 1993-94 school year and that has a foundation allowance as calculated
29 under section 20 greater than the minimum foundation allowance under that section, and
30 secondary area vocational-technical education centers for secondary-level career and
31 technical education programs according to rules approved by the superintendent.

32 Applications for participation in the programs shall be submitted in the form prescribed by

1 the department. The department shall determine the added cost for each career and technical
2 education program area. The allocation of added cost funds shall be prioritized based on
3 the capital and program expenditures needed to operate the career and technical education
4 programs provided; the number of pupils enrolled; the advancement of pupils through the
5 instructional program; the existence of an articulation agreement with at least 1
6 postsecondary institution that provides pupils with opportunities to earn postsecondary
7 credit during the pupil's participation in the career and technical education program and
8 transfers those credits to the postsecondary institution upon completion of the career and
9 technical education program; and the program rank in student placement, job openings, and
10 wages, and shall not exceed 75% of the added cost of any program. Notwithstanding any rule
11 or department determination to the contrary, when determining a district's allocation or
12 the formula for making allocations under this section, the department shall include the
13 participation of pupils in grade 9 in all of those determinations and in all portions of
14 the formula. With the approval of the department, the board of a district maintaining a
15 secondary career and technical education program may offer the program for the period from
16 the close of the school year until September 1. The program shall use existing facilities
17 and shall be operated as prescribed by rules promulgated by the superintendent.

18 (2) Except for a district that served as the fiscal agent for a vocational education
19 consortium in the 1993-94 school year, districts and intermediate districts shall be
20 reimbursed for local career and technical education administration, shared time career and
21 technical education administration, and career education planning district career and
22 technical education administration. The definition of what constitutes administration and
23 reimbursement shall be pursuant to guidelines adopted by the superintendent. Not more than
24 \$800,000.00 of the allocation in subsection (1) shall be distributed under this subsection.

25 (3) A career and technical education program funded under this section may provide an
26 opportunity for participants who are eligible to be funded under section 107 to enroll in
27 the career and technical education program funded under this section if the participation
28 does not occur during regular school hours.

29 ~~(4) In addition to the money allocated under subsections (1), (5), and (6), from the~~
30 ~~general fund money appropriated in section 11, there is allocated for 2017-2018 an amount~~
31 ~~not to exceed \$79,000.00 to an eligible Michigan-approved 501(c)(3) organization for the~~
32 ~~purposes of teaching or training restaurant management and culinary arts for career and~~

1 professional development. The department shall oversee funds distributed to an eligible
2 grantee under this section. As used in this subsection, "eligible Michigan-approved
3 501(c)(3) organization" means an organization that is exempt from taxation under section
4 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides the ProStart
5 curriculum and training to state-approved career and technical education programs with
6 classification of instructional programs (CIP) codes in the 12.05xx category, and that
7 administers national certification for the purpose of restaurant management and culinary
8 arts for career and professional development.

9 ~~(5) In addition to the funds allocated under subsections (1), (4), and (6), from the~~
10 ~~funds appropriated in section 11, there is allocated for 2017-2018 an amount not to exceed~~
11 ~~\$1,000,000.00 for competitive grants to intermediate districts to hire career and technical~~
12 ~~education counselors. All of the following apply to this funding:~~

13 ~~(a) An intermediate district seeking a grant under this subsection shall apply to the~~
14 ~~department in a form and manner specified by the department.~~

15 ~~(b) The department shall award grants under this subsection on a competitive basis to~~
16 ~~no more than 3 intermediate districts but shall give priority to the intermediate district~~
17 ~~that has the greatest number of pupils enrolled in its constituent districts and shall~~
18 ~~ensure that grants are equitably distributed to the various geographic areas of this state~~
19 ~~and to urban and rural areas.~~

20 ~~(c) To be eligible for funding under this subsection, an intermediate district shall~~
21 ~~do all of the following:~~

22 ~~(i) Catalog all available K-12 and other workforce development programs and services,~~
23 ~~including job search, job training, pre-employment certifications, career awareness~~
24 ~~programs, career and technical education programs, and other related programs and services~~
25 ~~offered by districts or intermediate districts, postsecondary institutions, and other~~
26 ~~private or public service organizations.~~

27 ~~(ii) Develop an outreach program that educates students about career and technical~~
28 ~~education options and connects students to the services cataloged under subparagraph (i).~~

29 ~~(iii) Track student placement and report on student placement to the house and senate~~
30 ~~appropriations subcommittees on school aid no later than June 30, 2018 in the form and~~
31 ~~manner prescribed by the department.~~

32 ~~(6) In addition to the funds allocated under subsections (1), (4), and (5), there is~~

1 ~~allocated an amount not to exceed \$160,000.00 for 2017-2018 to eligible districts under~~
2 ~~this subsection for the purpose of career and technical education counselors. To be~~
3 ~~eligible to receive funding under this subsection, an eligible district must be a~~
4 ~~constituent district of an intermediate district that is located in prosperity region 6 and~~
5 ~~borders prosperity regions 5, 7, and 9, and must have at least 1,600 pupils in membership~~
6 ~~in 2017-2018. A grant to an eligible district under this subsection shall be \$80,000.00.~~

7 Sec. 61b. (1) From the appropriation in section 11, there is allocated an amount not
8 to exceed \$8,000,000.00 ~~each~~ **FOR** fiscal year ~~for 2016-2017 and 2017-2018~~ **2018-2019** for CTE
9 early/middle college and CTE dual enrollment programs authorized under this section and for
10 planning grants for the development or expansion of CTE early/middle college programs. The
11 purpose of these programs is to increase the number of Michigan residents with high-quality
12 degrees or credentials, and to increase the number of students who are college and career
13 ready upon high school graduation.

14 (2) From the funds allocated under subsection (1), an amount as determined under this
15 subsection shall be allocated to each intermediate district serving as a fiscal agent for
16 state-approved CTE early/middle college and CTE dual enrollment programs in each of the
17 prosperity regions and subregions identified by the department. An intermediate district
18 shall not use more than 5% of the funds allocated under this subsection for administrative
19 costs for serving as the fiscal agent.

20 (3) To be an eligible fiscal agent, an intermediate district must agree to do all of
21 the following in a form and manner determined by the department:

22 (a) Distribute funds to eligible CTE early/middle college and CTE dual enrollment
23 programs in a prosperity region or subregion as described in this section.

24 (b) Collaborate with the ~~talent district career council~~ **CAREER AND EDUCATIONAL**
25 **ADVISORY COUNCIL** that is located in the prosperity region or subregion to develop a
26 regional strategic plan under subsection (4) that aligns CTE programs and services into an
27 efficient and effective delivery system for high school students.

28 (c) Implement a regional process to rank career clusters in the prosperity region or
29 subregion as described under subsection (4). Regional processes shall be approved by the
30 department before the ranking of career clusters.

31 (d) Report CTE early/middle college and CTE dual enrollment program and student data
32 and information as prescribed by the department **AND THE CENTER.**

1 (4) A regional strategic plan must be approved by the ~~talent district career council~~
2 **CAREER AND EDUCATIONAL ADVISORY COUNCIL** before submission to the department. A regional
3 strategic plan shall include, but not be limited to, the following:

4 (a) An identification of regional employer need based on a ranking of all career
5 clusters in the prosperity region or subregion ranked by 10-year job openings projections
6 and median wage for each standard occupational code in each career cluster as obtained from
7 the United States Bureau of Labor Statistics. Standard occupational codes within high-
8 ranking clusters also may be further ranked by median wage. The rankings shall be reviewed
9 by the ~~talent district career council~~**CAREER AND EDUCATIONAL ADVISORY COUNCIL** located in
10 the prosperity region or subregion and modified if necessary to accurately reflect employer
11 demand for talent in the prosperity region or subregion. A ~~talent district career council~~
12 **CAREER AND EDUCATIONAL ADVISORY COUNCIL** shall document that it has conducted this review
13 and certify that it is accurate. These career cluster rankings shall be determined and
14 updated once every 4 years.

15 (b) An identification of educational entities in the prosperity region or subregion
16 that will provide eligible CTE early/middle college and CTE dual enrollment programs
17 including districts, intermediate districts, postsecondary institutions, and noncredit
18 occupational training programs leading to an industry-recognized credential.

19 (c) A strategy to inform parents and students of CTE early/middle college and CTE
20 dual enrollment programs in the prosperity region or subregion.

21 (d) Any other requirements as defined by the department.

22 (5) An eligible CTE program is a program that meets all of the following:

23 (a) Has been identified in the highest 5 career cluster rankings in any of the 10
24 regional strategic plans jointly approved by the Michigan talent investment agency in the
25 department of talent and economic development and the department.

26 (b) Has a coherent sequence of courses that will allow a student to earn a high
27 school diploma and achieve at least 1 of the following in a specific career cluster:

28 (i) An associate degree.

29 (ii) An industry-recognized technical certification approved by the Michigan talent
30 investment agency in the department of talent and economic development.

31 (iii) Up to 60 transferable college credits.

32 (iv) Participation in a registered apprenticeship.

1 (c) Is aligned with the Michigan merit curriculum.

2 (d) Has an articulation agreement with at least 1 postsecondary institution that
3 provides students with opportunities to receive postsecondary credits during the student's
4 participation in the CTE early/middle college or CTE dual enrollment program and transfers
5 those credits to the postsecondary institution upon completion of the CTE early/middle
6 college or CTE dual enrollment program.

7 (e) Provides instruction that is supervised, directed, or coordinated by an
8 appropriately certificated CTE teacher or, for concurrent enrollment courses, a
9 postsecondary faculty member.

10 (f) Provides for highly integrated student support services that include at least the
11 following:

12 (i) Teachers as academic advisors.

13 (ii) Supervised course selection.

14 (iii) Monitoring of student progress and completion.

15 (iv) Career planning services provided by a local one-stop service center as
16 described in the Michigan works one-stop service center system act, 2006 PA 491, MCL
17 408.111 to 408.135, or by a high school counselor or advisor.

18 (g) Has courses that are taught on a college campus, are college courses offered at
19 the high school and taught by college faculty, or are courses taught in combination with
20 online instruction.

21 (6) Funds to eligible CTE early/middle college and CTE dual enrollment programs shall
22 be distributed as follows:

23 (a) The department shall determine statewide average CTE costs per pupil for each CIP
24 code program by calculating statewide average costs for each CIP code program for the 3
25 most recent fiscal years.

26 (b) Distribution to each eligible CTE early/middle college or CTE dual enrollment
27 program shall be the product of 50% of CTE costs per pupil times the current year pupil
28 enrollment of each eligible CTE early/middle college or CTE dual enrollment program.

29 (7) In order to receive funds under this section, a CTE early/middle college or CTE
30 dual enrollment program shall furnish to the intermediate district that is the fiscal agent
31 identified in subsection (1), in a form and manner determined by the department, all
32 information needed to administer this program and meet federal reporting requirements;

1 shall allow the department or the department's designee to review all records related to
2 the program for which it receives funds; and shall reimburse the state for all
3 disallowances found in the review, as determined by the department.

4 (8) There is allocated from the funds under subsection (1) an amount not to exceed
5 \$500,000.00 for ~~2017-2018~~ **2018-2019** for grants to intermediate districts or consortia of
6 intermediate districts for the purpose of planning for new or expanded early middle college
7 programs. Applications for grants shall be submitted in a form and manner determined by the
8 department. The amount of a grant under this subsection shall not exceed \$50,000.00. To be
9 eligible for a grant under this subsection, an intermediate district or consortia of
10 intermediate districts must provide matching funds equal to the grant received under this
11 subsection. Notwithstanding section 17b, payments under this subsection may be made as
12 determined by the department.

13 (9) Funds distributed under this section may be used to fund program expenditures
14 that would otherwise be paid from foundation allowances. A program receiving funding under
15 section 61a may receive funding under this section for allowable costs that exceed the
16 reimbursement the program received under section 61a. The combined payments received by a
17 program under section 61a and this section shall not exceed the total allowable costs of
18 the program. A program provider shall not use more than 5% of the funds allocated under
19 this section to the program for administrative costs.

20 (10) If the allocation under subsection (1) is insufficient to fully fund payments as
21 otherwise calculated under this section, the department shall prorate payments under this
22 section on an equal percentage basis.

23 (11) If pupils enrolled in a career cluster in an eligible CTE early/middle college
24 or CTE dual enrollment program qualify to be reimbursed under this section, those pupils
25 continue to qualify for reimbursement until graduation, even if the career cluster is no
26 longer identified as being in the highest 5 career cluster rankings.

27 (12) As used in this section:

28 (a) "Allowable costs" means those costs directly attributable to the program as
29 jointly determined by the Michigan talent investment agency and the department.

30 **(B) "CAREER AND EDUCATIONAL ADVISORY COUNCIL", OR ITS SUCCESSOR MEANS AN ADVISORY**
31 **COUNCIL TO THE LOCAL WORKFORCE DEVELOPMENT BOARDS LOCATED IN A PROSPERITY REGION CONSISTING**
32 **OF EDUCATIONAL, EMPLOYER, LABOR, AND PARENT REPRESENTATIVES.**

1 (C) ~~(b)~~—"CIP" means classification of instructional programs.

2 (D) ~~(c)~~—"CTE" means career and technical education programs.

3 (E) ~~(d)~~—"CTE dual enrollment program" means a 4-year high school program of
4 postsecondary courses offered by eligible postsecondary educational institutions that leads
5 to an industry-recognized certification or degree.

6 (F) ~~(e)~~—"Early/middle college program" means a 5-year high school program.

7 (G) ~~(f)~~—"Eligible postsecondary educational institution" means that term as defined
8 in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

9 ~~(g) "Talent district career council" means an advisory council to the local workforce~~
10 ~~development boards located in a prosperity region consisting of educational, employer,~~
11 ~~labor, and parent representatives.~~

12 SEC. 61D. (1) FROM THE APPROPRIATION IN SECTION 11, THERE IS ALLOCATED AN AMOUNT NOT
13 TO EXCEED \$5,000,000.00 FOR 2018-2019 FOR ADDITIONAL PAYMENTS TO DISTRICTS FOR PUPILS
14 ENROLLED IN CAREER AND TECHNICAL EDUCATION PROGRAMS. THE PURPOSE OF FUNDS UNDER THIS
15 SECTION IS TO INCREASE THE NUMBER OF MICHIGAN RESIDENTS WITH HIGH-QUALITY DEGREES OR
16 CREDENTIALS, AND TO INCREASE THE NUMBER OF STUDENTS WHO ARE COLLEGE AND CAREER READY UPON
17 HIGH SCHOOL GRADUATION.

18 (2) PAYMENTS TO DISTRICTS UNDER THIS SECTION SHALL BE CALCULATED IN THE FOLLOWING
19 MANNER:

20 (A) A PAYMENT OF \$25.00 MULTIPLIED BY THE NUMBER OF PUPILS IN GRADES 9 TO 12 WHO ARE
21 COUNTED IN MEMBERSHIP IN THE DISTRICT AND ARE ENROLLED IN AT LEAST 1 CAREER AND TECHNICAL
22 EDUCATION PROGRAM.

23 (B) AN ADDITIONAL PAYMENT OF \$25.00 MULTIPLIED BY THE NUMBER OF PUPILS IN GRADES 9
24 TO 12 WHO ARE COUNTED IN MEMBERSHIP IN THE DISTRICT AND ARE ENROLLED IN AT LEAST 1 CAREER
25 AND TECHNICAL EDUCATION PROGRAM THAT PROVIDES INSTRUCTION IN CRITICAL SKILLS AND HIGH-
26 DEMAND CAREER FIELDS.

27 (3) IF THE ALLOCATION UNDER SUBSECTION (1) IS INSUFFICIENT TO FULLY FUND PAYMENTS
28 UNDER SUBSECTION (2), THE DEPARTMENT SHALL PRORATE PAYMENTS UNDER THIS SECTION ON AN EQUAL
29 PER-PUPIL BASIS.

30 (4) AS USED IN THIS SECTION:

31 (A) "CAREER AND TECHNICAL EDUCATION PROGRAM" MEANS A STATE-APPROVED CAREER AND
32 TECHNICAL EDUCATION PROGRAM, AS DETERMINED BY THE DEPARTMENT.

1 (B) "CAREER AND TECHNICAL EDUCATION PROGRAM THAT PROVIDES INSTRUCTION IN CRITICAL
2 SKILLS AND HIGH-DEMAND CAREER FIELD" MEANS A CAREER AND TECHNICAL EDUCATION PROGRAM
3 CLASSIFIED UNDER ANY OF THE FOLLOWING 2-DIGIT CLASSIFICATION OF INSTRUCTIONAL PROGRAMS
4 (CIP) CODES:

5 (i) 01, WHICH REFERS TO "AGRICULTURE, AGRICULTURE OPERATIONS, AND RELATED SCIENCES".

6 (ii) 03, WHICH REFERS TO "NATURAL RESOURCES AND CONSERVATION".

7 (iii) 10 THROUGH 11, WHICH REFERS TO "COMMUNICATIONS TECHNOLOGIES/TECHNICIANS AND
8 SUPPORT SERVICES" AND "COMPUTER AND INFORMATION SCIENCES AND SUPPORT SERVICES".

9 (iv) 14 THROUGH 15, WHICH REFERS TO "ENGINEERING" AND "ENGINEERING TECHNOLOGIES AND
10 ENGINEERING-RELATED FIELDS".

11 (v) 26, WHICH REFERS TO "BIOLOGICAL AND BIOMEDICAL SCIENCES".

12 (vi) 46 THROUGH 48, WHICH REFERS TO "CONSTRUCTION TRADES", "MECHANIC AND REPAIR
13 TECHNOLOGIES/TECHNICIANS", AND "PRECISION PRODUCTION".

14 (vii) 51, WHICH REFERS TO "HEALTH PROFESSIONS AND RELATED PROGRAMS".

15 Sec. 62. (1) For the purposes of this section:

16 (a) "Membership" means for a particular fiscal year the total membership for the
17 immediately preceding fiscal year of the intermediate district and the districts
18 constituent to the intermediate district or the total membership for the immediately
19 preceding fiscal year of the area vocational-technical program.

20 (b) "Millage levied" means the millage levied for area vocational-technical education
21 pursuant to sections 681 to 690 of the revised school code, MCL 380.681 to 380.690,
22 including a levy for debt service obligations incurred as the result of borrowing for
23 capital outlay projects and in meeting capital projects fund requirements of area
24 vocational-technical education.

25 (c) "Taxable value" means the total taxable value of the districts constituent to an
26 intermediate district or area vocational-technical education program, except that if a
27 district has elected not to come under sections 681 to 690 of the revised school code, MCL
28 380.681 to 380.690, the membership and taxable value of that district shall not be included
29 in the membership and taxable value of the intermediate district. However, the membership
30 and taxable value of a district that has elected not to come under sections 681 to 690 of
31 the revised school code, MCL 380.681 to 380.690, shall be included in the membership and
32 taxable value of the intermediate district if the district meets both of the following:

1 (i) The district operates the area vocational-technical education program pursuant to
2 a contract with the intermediate district.

3 (ii) The district contributes an annual amount to the operation of the program that
4 is commensurate with the revenue that would have been raised for operation of the program
5 if millage were levied in the district for the program under sections 681 to 690 of the
6 revised school code, MCL 380.681 to 380.690.

7 (2) From the appropriation in section 11, there is allocated an amount not to exceed
8 \$9,190,000.00 ~~each~~ **FOR** fiscal year ~~for 2016-2017 and for 2017-2018~~ **2018-2019** to reimburse
9 intermediate districts and area vocational-technical education programs established under
10 section 690(3) of the revised school code, MCL 380.690, levying millages for area
11 vocational-technical education pursuant to sections 681 to 690 of the revised school code,
12 MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement shall be
13 limited as if the funds were generated by those millages.

14 ~~(3) Reimbursement for the millages levied in 2015-2016 shall be made in 2016-2017 at~~
15 ~~an amount per 2015-2016 membership pupil computed by subtracting from \$198,100.00 the 2015-~~
16 ~~2016 taxable value behind each membership pupil and multiplying the resulting difference by~~
17 ~~the 2015-2016 millage levied.~~

18 **(3) (4)** Reimbursement for those millages levied in ~~2016-2017~~ **2017-2018** shall be made
19 in ~~2017-2018~~ **2018-2019** at an amount per ~~2016-2017~~ **2017-2018** membership pupil computed by
20 subtracting from ~~\$199,000.00~~ **\$205,600.00** the ~~2016-2017~~ **2017-2018** taxable value behind each
21 membership pupil and multiplying the resulting difference by the ~~2016-2017~~ **2017-2018**
22 millage levied, and then subtracting from that amount the ~~2016-2017~~ **2017-2018** local
23 community stabilization share revenue for area vocational technical education behind each
24 membership pupil for reimbursement of personal property exemption loss under the local
25 community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

26 **(4) (5)** The amount paid to a single intermediate district under this section shall
27 not exceed 38.4% of the total amount allocated under subsection (2).

28 **(5) (6)** The amount paid to a single intermediate district under this section shall
29 not be less than 75% of the amount allocated to the intermediate district under this
30 section for the immediately preceding fiscal year.

31 Sec. 64b. (1) From the appropriation in section 11, there is allocated an amount not
32 to exceed \$1,750,000.00 for ~~2017-2018~~ **2018-2019** for supplemental payments to districts that

1 support the attendance of district pupils in grades 9 to 12 under the postsecondary
2 enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and
3 technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, consistent with section
4 21b, or that support the attendance of district pupils in a concurrent enrollment program
5 if the district meets the requirements under subsection (3). Programs funded under this
6 section are intended to increase the number of pupils who are college- and career-ready
7 upon high school graduation.

8 (2) To be eligible for payments under this section for supporting the attendance of
9 district pupils under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
10 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to
11 388.1913, a district shall do all of the following:

12 (a) Provide information to all high school pupils on postsecondary enrollment
13 options, including enrollment eligibility, the institutions and types of courses that are
14 eligible for participation, the decision-making process for granting academic credit, and
15 an explanation of eligible charges that will be paid by the district.

16 (b) Enter into a written agreement with a postsecondary institution before the
17 enrollment of district pupils.

18 (c) Agree to pay all eligible charges pursuant to section 21b.

19 (d) Award high school credit for the postsecondary course if the pupil successfully
20 completes the course.

21 (3) To be eligible for payments under this section for pupils enrolled in a
22 concurrent enrollment program, a district shall do all of the following:

23 (a) Provide information to all high school pupils on postsecondary enrollment
24 options, including enrollment eligibility, the institutions and types of courses that are
25 eligible for participation, the decision-making process for granting academic credit, and
26 an explanation of eligible charges that will be paid by the district.

27 (b) Enter into a written agreement with a postsecondary institution establishing the
28 concurrent enrollment program before the enrollment of district pupils in a postsecondary
29 course through the postsecondary institution.

30 (c) Ensure that the course is taught by either a high school teacher or postsecondary
31 faculty pursuant to standards established by the postsecondary institution with which the
32 district has entered into a written agreement to operate the concurrent enrollment program.

1 (d) Ensure that the written agreement provides that the postsecondary institution
2 agrees not to charge the pupil for any cost of the program.

3 (e) Ensure that the course is taught in the local district or intermediate district.

4 (f) Ensure that the pupil is awarded both high school and college credit at a
5 community college or state public university in this state upon successful completion of
6 the course as outlined in the agreement with the postsecondary institution.

7 (4) Funds shall be awarded to eligible districts under this section in the following
8 manner:

9 (a) A payment of \$10.00 per credit, for up to 3 credits, for a credit-bearing course
10 in which a pupil enrolls during the current school year, as described under either
11 subsection (2) or (3).

12 (b) An additional payment of \$30.00 per-pupil per course identified in subdivision
13 (a), if the pupil successfully completes, and is awarded both high school and postsecondary
14 credit for, the course during the current school year.

15 (5) A district requesting payment under this section shall submit an application to
16 the department in the form and manner prescribed by the department. Notwithstanding section
17 17b, payments under this section shall be made on a schedule determined by the department.

18 Sec. 67. (1) From the general fund amount appropriated in section 11, there is
19 allocated an amount not to exceed \$3,000,000.00 for ~~2017-2018~~**2018-2019** for college access
20 programs. The programs funded under this section are intended to inform students of college
21 and career options and to provide resources intended to increase the number of pupils who
22 are adequately prepared with the information needed to make informed decisions on college
23 and career. The funds appropriated under this section are intended to be used to increase
24 the number of Michigan residents with high-quality degrees or credentials. Funds
25 appropriated under this section shall not be used to supplant funding for counselors
26 already funded by districts.

27 (2) The talent investment agency of the department of talent and economic development
28 shall administer funds allocated under this section in collaboration with the Michigan
29 college access network. These funds may be used for any of the following purposes:

30 (a) Michigan college access network operations, programming, and services to local
31 college access networks.

32 (b) Local college access networks, which are community-based college access/success

1 partnerships committed to increasing the college participation and completion rates within
2 geographically defined communities through a coordinated strategy.

3 (c) The Michigan college advising program, a program intended to place trained,
4 recently graduated college advisors in high schools that serve significant numbers of low-
5 income and first-generation college-going pupils. State funds used for this purpose may not
6 exceed 33% of the total funds available under this subsection.

7 (d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that
8 establish a college access team and implement specific strategies to create a college-going
9 culture in a high school in a form and manner approved by the Michigan college access
10 network and the Michigan talent investment agency.

11 (e) The Michigan college access portal, an online one-stop portal to help pupils and
12 families plan and apply for college.

13 (f) Public awareness and outreach campaigns to encourage low-income and first-
14 generation college-going pupils to take necessary steps toward college and to assist pupils
15 and families in completing a timely and accurate free application for federal student aid.

16 (g) Subgrants to postsecondary institutions to recruit, hire, and train college
17 student mentors and college advisors to assist high school pupils in navigating the
18 postsecondary planning and enrollment process.

19 (3) For the purposes of this section, "college" means any postsecondary educational
20 opportunity that leads to a career, including, but not limited to, a postsecondary degree,
21 industry-recognized technical certification, or registered apprenticeship.

22 Sec. 74. (1) From the amount appropriated in section 11, there is allocated an amount
23 not to exceed ~~\$3,730,300.00~~ **\$3,754,900.00** for ~~2017-2018~~ **2018-2019** for the purposes of this
24 section.

25 (2) From the allocation in subsection (1), there is allocated for each fiscal year
26 the amount necessary for payments to state supported colleges or universities and
27 intermediate districts providing school bus driver safety instruction pursuant to section
28 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The payments shall be in an
29 amount determined by the department not to exceed the actual cost of instruction and driver
30 compensation for each public or nonpublic school bus driver attending a course of
31 instruction. For the purpose of computing compensation, the hourly rate allowed each school
32 bus driver shall not exceed the hourly rate received for driving a school bus.

1 Reimbursement compensating the driver during the course of instruction shall be made by the
2 department to the college or university or intermediate district providing the course of
3 instruction.

4 (3) From the allocation in subsection (1), there is allocated for ~~2017-2018~~ **2018-2019**
5 the amount necessary to pay the reasonable costs of nonspecial education auxiliary services
6 transportation provided pursuant to section 1323 of the revised school code, MCL 380.1323.
7 Districts funded under this subsection shall not receive funding under any other section of
8 this article for nonspecial education auxiliary services transportation.

9 (4) From the funds allocated in subsection (1), there is allocated an amount not to
10 exceed ~~\$1,705,300.00~~ **\$1,729,900.00** for ~~2017-2018~~ **2018-2019** for reimbursement to districts
11 and intermediate districts for costs associated with the inspection of school buses and
12 pupil transportation vehicles by the department of state police as required under section
13 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil
14 transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare
15 a statement of costs attributable to each district for which bus inspections are provided
16 and submit it to the department and to an intermediate district serving as fiduciary in a
17 time and manner determined jointly by the department and the department of state police.
18 Upon review and approval of the statement of cost, the department shall forward to the
19 designated intermediate district serving as fiduciary the amount of the reimbursement on
20 behalf of each district and intermediate district for costs detailed on the statement
21 within 45 days after receipt of the statement. The designated intermediate district shall
22 make payment in the amount specified on the statement to the department of state police
23 within 45 days after receipt of the statement. The total reimbursement of costs under this
24 subsection shall not exceed the amount allocated under this subsection. Notwithstanding
25 section 17b, payments to eligible entities under this subsection shall be paid on a
26 schedule prescribed by the department.

27 Sec. 81. (1) From the appropriation in section 11, there is allocated for ~~2017-2018~~
28 **2018-2019** to the intermediate districts the sum necessary, but not to exceed \$67,108,000.00
29 to provide state aid to intermediate districts under this section.

30 (2) The amount allocated under this section to each intermediate district is an
31 amount equal to 100% of the amount allocated to the intermediate district under this
32 section for ~~2016-2017~~ **2017-2018**. Funding provided under this section shall be used to

1 comply with requirements of this article and the revised school code that are applicable to
2 intermediate districts, and for which funding is not provided elsewhere in this article,
3 and to provide technical assistance to districts as authorized by the intermediate school
4 board.

5 (3) Intermediate districts receiving funds under this section, shall collaborate with
6 the department to develop expanded professional development opportunities for teachers to
7 update and expand their knowledge and skills needed to support the Michigan merit
8 curriculum.

9 (4) From the allocation in subsection (1), there is allocated to an intermediate
10 district, formed by the consolidation or annexation of 2 or more intermediate districts or
11 the attachment of a total intermediate district to another intermediate school district or
12 the annexation of all of the constituent K-12 districts of a previously existing
13 intermediate school district which has disorganized, an additional allotment of \$3,500.00
14 each fiscal year for each intermediate district included in the new intermediate district
15 for 3 years following consolidation, annexation, or attachment.

16 (5) In order to receive funding under this section, an intermediate district shall do
17 all of the following:

18 (a) Demonstrate to the satisfaction of the department that the intermediate district
19 employs at least 1 person who is trained in pupil accounting and auditing procedures,
20 rules, and regulations.

21 (b) Demonstrate to the satisfaction of the department that the intermediate district
22 employs at least 1 person who is trained in rules, regulations, and district reporting
23 procedures for the individual-level student data that serves as the basis for the
24 calculation of the district and high school graduation and dropout rates.

25 (c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a
26 and 380.1278b.

27 (d) Furnish data and other information required by state and federal law to the
28 center and the department in the form and manner specified by the center or the department,
29 as applicable.

30 (e) Comply with section 1230g of the revised school code, MCL 380.1230g.

31 (f) Comply with section 761 of the revised school code, MCL 380.761.

32 Sec. 94. (1) From the general fund appropriation in section 11, there is allocated to

1 the department for ~~2017-2018~~**2018-2019** an amount not to exceed \$750,000.00 for efforts to
2 increase the number of pupils who participate and succeed in advanced placement and
3 international baccalaureate programs.

4 (2) From the funds allocated under this section, the department shall award funds to
5 cover all or part of the costs of advanced placement test fees or international
6 baccalaureate test fees and international baccalaureate registration fees for low-income
7 pupils who take an advanced placement or an international baccalaureate test. Payments
8 shall not exceed \$20.00 per test completed or \$150.00 per international baccalaureate
9 registration fees per pupil registered.

10 (3) The department shall only award funds under this section if the department
11 determines that all of the following criteria are met:

12 (a) Each pupil for whom payment is made meets eligibility requirements of the federal
13 advanced placement test fee program under section 1701 of the no child left behind act of
14 2001, Public Law 107-110, or under a corresponding provision of the every student succeeds
15 act, Public Law 114-95.

16 (b) The tests are administered by the college board, the international baccalaureate
17 organization, or another test provider approved by the department.

18 (c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each
19 test for which payment is made.

20 (4) The department shall establish procedures for awarding funds under this section.

21 (5) Notwithstanding section 17b, payments under this section shall be made on a
22 schedule determined by the department.

23 Sec. 94a. (1) There is created within the state budget office in the department of
24 technology, management, and budget the center for educational performance and information.
25 The center shall do all of the following:

26 (a) Coordinate the collection of all data required by state and federal law from
27 districts, intermediate districts, and postsecondary institutions.

28 (b) Create, maintain, and enhance this state's P-20 longitudinal data system and
29 ensure that it meets the requirements of subsection (4).

30 (c) Collect data in the most efficient manner possible in order to reduce the
31 administrative burden on reporting entities, including, but not limited to, electronic
32 transcript services.

1 (d) Create, maintain, and enhance this state's web-based educational portal to
2 provide information to school leaders, teachers, researchers, and the public in compliance
3 with all federal and state privacy laws. Data shall include, but are not limited to, all of
4 the following:

5 (i) Data sets that link teachers to student information, allowing districts to assess
6 individual teacher impact on student performance and consider student growth factors in
7 teacher and principal evaluation systems.

8 (ii) Data access or, if practical, data sets, provided for regional data hubs that,
9 in combination with local data, can improve teaching and learning in the classroom.

10 (iii) Research-ready data sets for researchers to perform research that advances this
11 state's educational performance.

12 (e) Provide data in a useful manner to allow state and local policymakers to make
13 informed policy decisions.

14 (f) Provide public reports to the citizens of this state to allow them to assess
15 allocation of resources and the return on their investment in the education system of this
16 state.

17 (g) Other functions as assigned by the state budget director.

18 (2) Each state department, officer, or agency that collects information from
19 districts, intermediate districts, or postsecondary institutions as required under state or
20 federal law shall make arrangements with the center to ensure that the state department,
21 officer, or agency is in compliance with subsection (1). This subsection does not apply to
22 information collected by the department of treasury under the uniform budgeting and
23 accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001
24 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act,
25 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL
26 380.1351a.

27 (3) The center may enter into any interlocal agreements necessary to fulfill its
28 functions.

29 (4) The center shall ensure that the P-20 longitudinal data system required under
30 subsection (1)(b) meets all of the following:

31 (a) Includes data at the individual student level from preschool through
32 postsecondary education and into the workforce.

1 (b) Supports interoperability by using standard data structures, data formats, and
2 data definitions to ensure linkage and connectivity in a manner that facilitates the
3 exchange of data among agencies and institutions within the state and between states.

4 (c) Enables the matching of individual teacher and student records so that an
5 individual student may be matched with those teachers providing instruction to that
6 student.

7 (d) Enables the matching of individual teachers with information about their
8 certification and the institutions that prepared and recommended those teachers for state
9 certification.

10 (e) Enables data to be easily generated for continuous improvement and decision-
11 making, including timely reporting to parents, teachers, and school leaders on student
12 achievement.

13 (f) Ensures the reasonable quality, validity, and reliability of data contained in
14 the system.

15 (g) Provides this state with the ability to meet federal and state reporting
16 requirements.

17 (h) For data elements related to preschool through grade 12 and postsecondary, meets
18 all of the following:

19 (i) Contains a unique statewide student identifier that does not permit a student to
20 be individually identified by users of the system, except as allowed by federal and state
21 law.

22 (ii) Contains student-level enrollment, demographic, and program participation
23 information.

24 (iii) Contains student-level information about the points at which students exit,
25 transfer in, transfer out, drop out, or complete education programs.

26 (iv) Has the capacity to communicate with higher education data systems.

27 (i) For data elements related to preschool through grade 12 only, meets all of the
28 following:

29 (i) Contains yearly test records of individual students for assessments approved by
30 DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary
31 education act of 1965, 20 USC 6311, including information on individual students not
32 tested, by grade and subject.

1 (ii) Contains student-level transcript information, including information on courses
2 completed and grades earned.

3 (iii) Contains student-level college readiness test scores.

4 (j) For data elements related to postsecondary education only:

5 (i) Contains data that provide information regarding the extent to which individual
6 students transition successfully from secondary school to postsecondary education,
7 including, but not limited to, all of the following:

8 (A) Enrollment in remedial coursework.

9 (B) Completion of 1 year's worth of college credit applicable to a degree within 2
10 years of enrollment.

11 (ii) Contains data that provide other information determined necessary to address
12 alignment and adequate preparation for success in postsecondary education.

13 (5) From the general fund appropriation in section 11, there is allocated an amount
14 not to exceed ~~\$10,173,200.00 for 2016-2017 and an amount not to exceed \$16,216,000.00~~
15 **\$16,356,700.00** for ~~2017-2018-2018-2019~~ to the department of technology, management, and
16 budget to support the operations of the center. In addition, from the federal funds
17 appropriated in section 11 there is allocated for ~~each~~ fiscal year ~~for 2016-2017 and for~~
18 ~~2017-2018-2018-2019~~ the amount necessary, estimated at \$193,500.00, to support the
19 operations of the center and to establish a P-20 longitudinal data system necessary for
20 state and federal reporting purposes. The center shall cooperate with the department to
21 ensure that this state is in compliance with federal law and is maximizing opportunities
22 for increased federal funding to improve education in this state.

23 (6) From the funds allocated in subsection (5), the center may use an amount
24 determined by the center for competitive grants for ~~2017-2018-2018-2019~~ to support
25 collaborative efforts on the P-20 longitudinal data system. All of the following apply to
26 grants awarded under this subsection:

27 (a) The center shall award competitive grants to eligible intermediate districts or a
28 consortium of intermediate districts based on criteria established by the center.

29 (b) Activities funded under the grant shall support the P-20 longitudinal data system
30 portal and may include portal hosting, hardware and software acquisition, maintenance,
31 enhancements, user support and related materials, and professional learning tools and
32 activities aimed at improving the utility of the P-20 longitudinal data system.

1 (c) An applicant that received a grant under this subsection for the immediately
2 preceding fiscal year shall receive priority for funding under this section. However, after
3 3 fiscal years of continuous funding, an applicant is required to compete openly with new
4 applicants.

5 (7) Funds allocated under this section that are not expended in the fiscal year in
6 which they were allocated may be carried forward to a subsequent fiscal year and are
7 appropriated for the purposes for which the funds were originally allocated.

8 (8) The center may bill departments as necessary in order to fulfill reporting
9 requirements of state and federal law. The center may also enter into agreements to supply
10 custom data, analysis, and reporting to other principal executive departments, state
11 agencies, local units of government, and other individuals and organizations. The center
12 may receive and expend funds in addition to those authorized in subsection (5) to cover the
13 costs associated with salaries, benefits, supplies, materials, and equipment necessary to
14 provide such data, analysis, and reporting services.

15 (9) As used in this section:

16 (a) "DED-OESE" means the United States Department of Education Office of Elementary
17 and Secondary Education.

18 (b) "State education agency" means the department.

19 Sec. 98. (1) From the general fund money appropriated in section 11, there is
20 allocated an amount not to exceed \$7,387,500.00 for ~~2017-2018-2018-2019~~ for the purposes
21 described in this section. The Michigan Virtual University shall provide a report to the
22 legislature not later than November 1, ~~2017~~ **OF EACH YEAR**, that includes its mission, its
23 plans, and proposed benchmarks it must meet, which shall include a plan to achieve ~~a 50%~~
24 ~~increase in documented improvement in each requirement of the Michigan Virtual Learning~~
25 ~~Research Institute and Michigan Virtual School, and all other~~ **THE** organizational priorities
26 identified in this section, in order to receive full funding for ~~2018-2019-2019-2020~~. Not
27 later than March 1, ~~2018~~ **OF EACH YEAR**, the Michigan Virtual University shall provide an
28 update to the house and senate appropriations subcommittees on school aid to show the
29 progress being made to meet the benchmarks identified.

30 (2) The Michigan Virtual University shall operate the Michigan Virtual Learning
31 Research Institute. The Michigan Virtual Learning Research Institute shall do all of the
32 following:

1 (a) Support and accelerate innovation in education through the following activities:

2 (i) Test, evaluate, and recommend as appropriate new technology-based instructional
3 tools and resources.

4 (ii) Research, design, and recommend virtual education delivery models for use by
5 pupils and teachers that include age-appropriate multimedia instructional content.

6 (iii) Research, develop, and recommend annually to the department criteria by which
7 cyber schools and virtual course providers should be monitored and evaluated to ensure a
8 quality education for their pupils.

9 (iv) Based on pupil completion and performance data reported to the department or the
10 center for educational performance and information from cyber schools and other virtual
11 course providers operating in this state, analyze the effectiveness of virtual learning
12 delivery models in preparing pupils to be college- and career-ready and publish a report
13 that highlights enrollment totals, completion rates, and the overall impact on pupils. The
14 report shall be submitted to the house and senate appropriations subcommittees on state
15 school aid, the state budget director, the house and senate fiscal agencies, the
16 department, districts, and intermediate districts not later than March 31, ~~2018~~ **OF EACH**
17 **YEAR.**

18 (v) Provide an extensive professional development program to at least 30,000
19 educational personnel, including teachers, school administrators, and school board members,
20 that focuses on the effective integration of virtual learning into curricula and
21 instruction. The Michigan Virtual Learning Research Institute is encouraged to work with
22 the MiSTEM advisory council created under section 99s to coordinate professional
23 development of teachers in applicable fields. In addition, the Michigan Virtual Learning
24 Research Institute and external stakeholders are encouraged to coordinate with the
25 department for professional development in this state. Not later than December 1, ~~2018~~ **OF**
26 **EACH YEAR,** the Michigan Virtual Learning Research Institute shall submit a report to the
27 house and senate appropriations subcommittees on state school aid, the state budget
28 director, the house and senate fiscal agencies, and the department on the number ~~and~~
29 ~~percentage~~ of teachers, school administrators, and school board members who have received
30 professional development services from the Michigan Virtual University. The report shall
31 also identify barriers and other opportunities to encourage the adoption of virtual
32 learning in the public education system.

1 (vi) Identify and share best practices for planning, implementing, and evaluating
2 virtual and blended education delivery models with intermediate districts, districts, and
3 public school academies to accelerate the adoption of innovative education delivery models
4 statewide.

5 (b) Provide leadership for this state's system of virtual learning education by doing
6 the following activities:

7 (i) Develop and report policy recommendations to the governor and the legislature
8 that accelerate the expansion of effective virtual learning in this state's schools.

9 (ii) Provide a clearinghouse for research reports, academic studies, evaluations, and
10 other information related to virtual learning.

11 (iii) Promote and distribute the most current instructional design standards and
12 guidelines for virtual teaching.

13 (iv) In collaboration with the department and interested colleges and universities in
14 this state, support implementation and improvements related to effective virtual learning
15 instruction.

16 (v) Pursue public/private partnerships that include districts to study and implement
17 competency-based technology-rich virtual learning models.

18 (vi) Create a statewide network of school-based mentors serving as liaisons between
19 pupils, virtual instructors, parents, and school staff, as provided by the department or
20 the center, and provide mentors with research-based training and technical assistance
21 designed to help more pupils be successful virtual learners.

22 (vii) Convene focus groups and conduct annual surveys of teachers, administrators,
23 pupils, parents, and others to identify barriers and opportunities related to virtual
24 learning.

25 (viii) Produce an annual consumer awareness report for schools and parents about
26 effective virtual education providers and education delivery models, performance data, cost
27 structures, and research trends.

28 (ix) ~~Research and establish~~ **PROVIDE** an internet-based platform that educators can use
29 to create student-centric learning tools and resources **FOR SHARING IN THE STATE'S OPEN**
30 **EDUCATIONAL RESOURCE REPOSITORY** and facilitate a user network that assists educators in
31 using the **CONTENT CREATION** platform **AND STATE REPOSITORY FOR OPEN EDUCATIONAL RESOURCES**. As
32 part of this initiative, the Michigan Virtual University shall work collaboratively with

1 districts and intermediate districts to establish a plan to make available virtual
2 resources that align to Michigan's K-12 curriculum standards for use by students,
3 educators, and parents.

4 (x) Create and maintain a public statewide catalog of virtual learning courses being
5 offered by all public schools and community colleges in this state. The Michigan Virtual
6 Learning Research Institute shall identify and develop a list of nationally recognized best
7 practices for virtual learning and use this list to support reviews of virtual course
8 vendors, courses, and instructional practices. The Michigan Virtual Learning Research
9 Institute shall also provide a mechanism for intermediate districts to use the identified
10 best practices to review content offered by constituent districts. The Michigan Virtual
11 Learning Research Institute shall review the virtual course offerings of the Michigan
12 Virtual University, and make the results from these reviews available to the public as part
13 of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure
14 that the statewide catalog is made available to the public on the Michigan Virtual
15 University website and shall allow the ability to link it to each district's website as
16 provided for in section 21f. The statewide catalog shall also contain all of the following:

17 (A) The number of enrollments in each virtual course in the immediately preceding
18 school year.

19 (B) The number of enrollments that earned 60% or more of the total course points for
20 each virtual course in the immediately preceding school year.

21 (C) The ~~completion~~**PASS** rate for each virtual course.

22 (xi) ~~Develop prototype and pilot~~**SUPPORT** registration, payment services, and
23 transcript functionality ~~to~~**FOR** the statewide catalog and train key stakeholders on how to
24 use new features.

25 (xii) Collaborate with key stakeholders to examine district level accountability and
26 teacher effectiveness issues related to virtual learning under section 21f and make
27 findings and recommendations publicly available.

28 (xiii) Provide a report on the activities of the Michigan Virtual Learning Research
29 Institute.

30 (3) To further enhance its expertise and leadership in virtual learning, the Michigan
31 Virtual University shall continue to operate the Michigan Virtual School as a statewide
32 laboratory and quality model of instruction by implementing virtual and blended learning

1 solutions for Michigan schools in accordance with the following parameters:

2 (a) The Michigan Virtual School must maintain its accreditation status from
3 recognized national and international accrediting entities.

4 (b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the
5 amount allocated under this section to subsidize the cost paid by districts for virtual
6 courses.

7 (c) In providing educators responsible for the teaching of virtual courses as
8 provided for in this section, the Michigan Virtual School shall follow the requirements to
9 request and assess, and the department of state police shall provide a criminal history
10 check and criminal records check under sections 1230 and 1230a of the revised school code,
11 MCL 380.1230 and 380.1230a., in the same manner as if the Michigan Virtual School were a
12 school district under those sections.

13 (4) From the funds allocated under subsection (1), the Michigan Virtual University
14 shall allocate up to \$500,000.00 to support the expansion of new online and blended
15 educator professional development programs.

16 (5) If the course offerings are included in the statewide catalog of virtual courses
17 under subsection (2) (b) (x), the Michigan Virtual School operated by the Michigan Virtual
18 University may offer virtual course offerings, including, but not limited to, all of the
19 following:

20 (a) Information technology courses.

21 (b) College level equivalent courses, as defined in section 1471 of the revised
22 school code, MCL 380.1471.

23 (c) Courses and dual enrollment opportunities.

24 (d) Programs and services for at-risk pupils.

25 (e) High school equivalency test preparation courses for adjudicated youth.

26 (f) Special interest courses.

27 (g) Professional development programs for teachers, school administrators, other
28 school employees, and school board members.

29 (6) If a home-schooled or nonpublic school student is a resident of a district that
30 subscribes to services provided by the Michigan Virtual School, the student may use the
31 services provided by the Michigan Virtual School to the district without charge to the
32 student beyond what is charged to a district pupil using the same services.

1 (7) Not later than December 1 of each fiscal year, the Michigan Virtual University
2 shall provide a report to the house and senate appropriations subcommittees on state school
3 aid, the state budget director, the house and senate fiscal agencies, and the department
4 that includes at least all of the following information related to the Michigan Virtual
5 School for the preceding state fiscal year:

6 (a) A list of the districts served by the Michigan Virtual School.

7 (b) A list of virtual course titles available to districts.

8 (c) The total number of virtual course enrollments and information on registrations
9 and completions by course.

10 (d) The overall course completion rate percentage.

11 (8) In addition to the information listed in subsection (7), the report under
12 subsection (7) shall also include a plan to serve at least 600 schools with courses from
13 the Michigan Virtual School or with content available through the internet-based platform
14 identified in subsection (2) (b) (ix).

15 (9) The governor may appoint an advisory group for the Michigan Virtual Learning
16 Research Institute established under subsection (2). The members of the advisory group
17 shall serve at the pleasure of the governor and shall serve without compensation. The
18 purpose of the advisory group is to make recommendations to the governor, the legislature,
19 and the president and board of the Michigan Virtual University that will accelerate
20 innovation in this state's education system in a manner that will prepare elementary and
21 secondary students to be career and college ready and that will promote the goal of
22 increasing the percentage of citizens of this state with high-quality degrees and
23 credentials to at least 60% by 2025.

24 (10) Not later than November 1, ~~2017~~ **OF EACH YEAR**, the Michigan Virtual University
25 shall submit to the house and senate appropriations subcommittees on state school aid, the
26 state budget director, and the house and senate fiscal agencies a detailed budget for the
27 ~~2017-2018-2018-2019~~ fiscal year that includes a breakdown on its projected costs to deliver
28 virtual educational services to districts and a summary of the anticipated fees to be paid
29 by districts for those services. Not later than March 1 each year, the Michigan Virtual
30 University shall submit to the house and senate appropriations subcommittees on state
31 school aid, the state budget director, and the house and senate fiscal agencies a breakdown
32 on its actual costs to deliver virtual educational services to districts and a summary of

1 the actual fees paid by districts for those services based on audited financial statements
2 for the immediately preceding fiscal year.

3 (11) As used in this section:

4 (a) "Blended learning" means a hybrid instructional delivery model where pupils are
5 provided content, instruction, and assessment, in part at a supervised educational facility
6 away from home where the pupil and a teacher with a valid Michigan teaching certificate are
7 in the same physical location and in part through internet-connected learning environments
8 with some degree of pupil control over time, location, and pace of instruction.

9 (b) "Cyber school" means a full-time instructional program of virtual courses for
10 pupils that may or may not require attendance at a physical school location.

11 (c) "Virtual course" means a course of study that is capable of generating a credit
12 or a grade and that is provided in an interactive learning environment in which the
13 majority of the curriculum is delivered using the internet and in which pupils are
14 separated from their instructor or teacher of record by time or location, or both.

15 Sec. 99h. (1) From the state school aid fund appropriation in section 11, there is
16 allocated an amount not to exceed \$2,500,000.00 for ~~2017-2018~~**2018-2019** for competitive
17 grants to districts, ~~and from the general fund appropriation in section 11, there is~~
18 ~~allocated an amount not to exceed \$300,000.00 for 2017-2018 for competitive grants to~~
19 ~~nonpublic schools,~~ **INTERMEDIATE SCHOOL DISTRICTS, AND PUBLIC SCHOOL ACADEMIES** that provide
20 pupils in grades K to 12 with expanded opportunities to improve mathematics, science, and
21 technology skills by participating in events hosted by a science and technology development
22 program known as FIRST (for inspiration and recognition of science and technology)
23 Robotics, including JR FIRST Lego League, FIRST Lego League, FIRST tech challenge, and
24 FIRST Robotics competition. Programs funded under this section are intended to increase the
25 number of pupils demonstrating proficiency in science and mathematics on the state
26 assessments and to increase the number of pupils who are college- and career-ready upon
27 high school graduation. Notwithstanding section 17b, grant payments to districts ~~and~~
28 ~~nonpublic schools,~~ **INTERMEDIATE SCHOOL DISTRICTS, AND PUBLIC SCHOOL ACADEMIES** under this
29 section shall be paid on a schedule determined by the department. The department shall set
30 maximum grant awards for each different level of competition in a manner that both
31 maximizes the number of teams that will be able to receive funds and expands the
32 geographical distribution of teams.

1 (2) A district ~~or nonpublic school~~, **INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL**
2 **ACADEMY** applying for a grant under this section shall submit an application in a form and
3 manner determined by the department. To be eligible for a grant, a district ~~or nonpublic~~
4 ~~school~~, **INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY** shall demonstrate in its
5 application that ~~the district or nonpublic school~~ **IT** has established a partnership for the
6 purposes of the FIRST Robotics program with at least 1 sponsor, business entity, higher
7 education institution, or technical school, shall submit a spending plan, and shall pay at
8 least 25% of the cost of the FIRST Robotics program.

9 (3) The department shall distribute the grant funding under this section for the
10 following purposes:

11 (a) Grants to districts ~~or nonpublic schools~~, **INTERMEDIATE SCHOOL DISTRICTS, OR**
12 **PUBLIC SCHOOL ACADEMIES** to pay for stipends not to exceed \$1,500.00 for 1 coach per team.

13 (b) Grants to districts ~~or nonpublic schools~~, **INTERMEDIATE SCHOOL DISTRICTS, OR**
14 **PUBLIC SCHOOL ACADEMIES** for event registrations, materials, travel costs, and other
15 expenses associated with the preparation for and attendance at FIRST Robotics events and
16 competitions. Each grant recipient shall provide a local match from other private or local
17 funds for the funds received under this subdivision equal to at least 50% of the costs of
18 participating in an event.

19 (c) Grants to districts ~~or nonpublic schools~~, **INTERMEDIATE SCHOOL DISTRICTS, OR**
20 **PUBLIC SCHOOL ACADEMIES** for awards to teams that advance to the state and world
21 championship competitions. The department shall determine an equal amount per team for
22 those teams that advance to the state championship and a second equal award amount to those
23 teams that advance to the world championship.

24 ~~(4) A nonpublic school that receives a grant under this section may use the funds for~~
25 ~~either FIRST Robotics or Science Olympiad programs.~~

26 ~~(5) To be eligible to receive funds under this section, a nonpublic school must be a~~
27 ~~nonpublic school registered with the department and must meet all applicable state~~
28 ~~reporting requirements for nonpublic schools.~~

29 Sec. 99r. (1) From the general fund appropriation under section 11, there is
30 allocated for ~~2016-2017 an amount not to exceed \$75,000.00, and there is allocated for~~
31 ~~2017-2018-2018-2019~~ an amount not to exceed ~~\$250,000.00~~ **\$400,000.00 TO THE DEPARTMENT OF**
32 **TECHNOLOGY, MANAGEMENT, AND BUDGET**, to support the ~~creation~~ **FUNCTIONS** of the **EXECUTIVE**

1 **DIRECTOR AND EXECUTIVE ASSISTANT FOR THE MISTEM network.**

2 ~~(2) From the general fund allocation under this section, there is allocated for 2016-~~
3 ~~2017 an amount not to exceed \$75,000.00 to the department of technology, management, and~~
4 ~~budget to support the functions of a transitional executive director and executive~~
5 ~~assistant for the MiSTEM network. The department of technology, management, and budget~~
6 ~~shall work with the Michigan Mathematics and Science Centers Network and the MiSTEM council~~
7 ~~to hire the transitional executive director and executive assistant. The transitional~~
8 ~~executive director and executive assistant shall work with the president and executive~~
9 ~~director of the Michigan Mathematics and Science Centers Network and the chairperson and~~
10 ~~vice-chairperson of the MiSTEM council. The transitional executive director and executive~~
11 ~~assistant shall do all of the following:~~

12 ~~(a) Develop a plan for the creation of MiSTEM network regions that does all of the~~
13 ~~following:~~

14 ~~(i) Creates a structured relationship between the MiSTEM council, MiSTEM network~~
15 ~~executive director and executive assistant, and MiSTEM network region staff that ensures~~
16 ~~services to all regions and local communities in each region.~~

17 ~~(ii) Empowers the MiSTEM network regions in a manner that creates a robust statewide~~
18 ~~STEM culture, empowers STEM teachers, integrates business and education into the MiSTEM~~
19 ~~network, and ensures high quality and equitable distribution of STEM experiences for~~
20 ~~pupils.~~

21 ~~(iii) Identifies region boundaries throughout the state and identifies fiscal agents~~
22 ~~within those regions.~~

23 ~~(iv) Identifies MiSTEM state and regional goals and objectives and processes by which~~
24 ~~goals and objectives shall be measured.~~

25 ~~(v) Includes processes by which the MiSTEM network regions apply for MiSTEM grants,~~
26 ~~provide feedback on grant-funded programming, share best practices, and create regional~~
27 ~~master plans.~~

28 ~~(vi) Creates a marketing campaign, including, at least, an online presence which~~
29 ~~includes dashboards of outcomes for the MiSTEM network.~~

30 ~~(b) Form a committee for the purpose of identifying each MiSTEM network region and~~
31 ~~selecting a fiscal agent and determining staffing for that region. Fiscal agents shall be~~
32 ~~an intermediate district within the region, a university within the region, or another~~

1 organization that served as fiscal agent within the Michigan Mathematics and Science
2 Centers Network. Agencies interested in serving as the region's fiscal agent shall be
3 included on this committee. The committee shall also include representatives of the general
4 education leadership network and the governor's talent investment board, in addition to the
5 math and science centers and MiSTEM council. The committee shall identify necessary
6 staffing levels and locations of staff and determine processes by which the entire region
7 will receive and share services. All fiscal agents for the Michigan Mathematics and Science
8 Centers Network are required to maintain current levels of effort for the MiSTEM network as
9 for the Michigan Mathematics and Science Centers Network.

10 ~~(c) Establish a system to distribute and monitor MiSTEM grants during the creation of~~
11 ~~the MiSTEM network. The monitoring of the grants shall include conducting reviews of~~
12 ~~recipients and the experiences and feedback of pupils.~~

13 ~~(d) Report to the governor and the legislature on the development of the MiSTEM~~
14 ~~network.~~

15 ~~(e) Submit the plan developed under subdivision (a) to the governor and the~~
16 ~~legislature on or before December 1, 2017.~~

17 ~~(f) Hire all MiSTEM network staff between January 1, 2018 and April 1, 2018. However,~~
18 ~~if a MiSTEM network will employ Michigan Mathematics and Science Centers Network staff,~~
19 ~~those staff may be hired after April 1, 2018.~~

20 ~~(2) (3) From the general fund allocation under this section, there is allocated for~~
21 ~~2017-2018 an amount not to exceed \$250,000.00 to support a permanent executive director and~~
22 ~~an executive assistant for the MiSTEM network. After the creation of the MiSTEM network~~
23 ~~region, the transitional executive director funded under subsection (2) may be appointed as~~
24 ~~the permanent executive director, or a new permanent executive director may be hired. The~~
25 ~~permanent executive director and executive assistant~~ **FOR THE MISTEM NETWORK** shall do all of
26 the following:

27 (a) Serve as a liaison among and between the department, the department of
28 technology, management, and budget, the MiSTEM advisory council, **THE MICHIGAN MATHEMATICS**
29 **AND SCIENCE CENTERS NETWORK, THE GOVERNOR'S TALENT INVESTMENT BOARD, THE GENERAL EDUCATION**
30 **LEADERSHIP NETWORK,** and the ~~regional~~ MiSTEM ~~centers~~ **REGIONS** in a manner that creates a
31 robust statewide STEM culture, that empowers STEM teachers, that integrates business and
32 education into the STEM network, and that ensures high-quality STEM experiences for pupils.

1 (b) Coordinate the implementation of a marketing campaign, including, but not limited
2 to, a website that includes dashboards of outcomes, to build STEM awareness and communicate
3 STEM needs and opportunities to pupils, parents, educators, and the business community.

4 (c) ~~Award~~ **WORK WITH THE DEPARTMENT AND THE MISTEM ADVISORY COUNCIL TO COORDINATE,**
5 **AWARD**, and monitor MiSTEM state and federal grants to the MiSTEM network regions and
6 conduct reviews of grant recipients, including, but not limited to, pupil experience and
7 feedback.

8 (d) Report to the governor, the legislature, **THE DEPARTMENT**, and the MiSTEM advisory
9 council annually on the activities and performance of the MiSTEM network regions.

10 (e) Coordinate recurring discussions and work with regional staff to ensure that a
11 network or loop of feedback and best practices are shared, including funding, programming,
12 professional learning opportunities, discussion of MiSTEM strategic vision, and regional
13 objectives.

14 ~~(f) Coordinate major grant application efforts with the MiSTEM advisory council to~~
15 ~~assist regional staff with grant applications on a local level. The MiSTEM advisory council~~
16 ~~shall leverage private and nonprofit relationships to coordinate and align private funds in~~
17 ~~addition to funds appropriated under this section.~~

18 **(F) ~~(g)~~ Train state and regional staff in the STEMworks rating system IN**
19 **COLLABORATION WITH THE MISTEM ADVISORY COUNCIL AND THE DEPARTMENT.**

20 **(G) COLLABORATE WITH THE MISTEM NETWORK TO HIRE MISTEM NETWORK REGION STAFF.**

21 Sec. 99s. (1) From the funds appropriated under section 11, there is allocated for
22 ~~2017-2018-2018-2019~~ an amount not to exceed ~~\$6,234,300.00~~ **\$7,434,300.00** from the state
23 school aid fund appropriation and an amount not to exceed ~~\$1,600,000.00~~ **\$100,000.00** from
24 the general fund appropriation for Michigan science, technology, engineering, and
25 mathematics (MiSTEM) programs. In addition, from the federal funds appropriated in section
26 11, there is allocated for ~~2017-2018-2018-2019~~ an amount estimated at ~~\$4,700,000.00~~
27 **\$3,500,000.00** from DED-OESE, title II, mathematics and science partnership grants. Programs
28 funded under this section are intended to increase the number of pupils demonstrating
29 proficiency in science and mathematics on the state assessments and to increase the number
30 of pupils who are college- and career-ready upon high school graduation. Notwithstanding
31 section 17b, payments under this section shall be paid on a schedule determined by the
32 department.

1 (2) From the general fund allocation in subsection (1), there is allocated an amount
2 not to exceed ~~\$50,000.00~~ **\$100,000.00** to the department for administrative, training, and
3 travel costs related to the MiSTEM advisory council. All of the following apply to the
4 MiSTEM advisory council funded under this subsection:

5 (a) The MiSTEM advisory council is created. The MiSTEM advisory council shall provide
6 to the governor, legislature, department of talent and economic development, and department
7 recommendations designed to improve and promote innovation in STEM education and to prepare
8 students for careers in science, technology, engineering, and mathematics.

9 (b) The MiSTEM advisory council created under subdivision (a) shall consist of the
10 following members:

11 (i) The governor shall appoint 11 voting members who are representative of business
12 sectors that are important to Michigan's economy and rely on a STEM-educated workforce,
13 nonprofit organizations and associations that promote STEM education, K-12 and
14 postsecondary education entities involved in STEM-related career education, or other
15 sectors as considered appropriate by the governor. Each of these members shall serve at the
16 pleasure of the governor and for a term determined by the governor.

17 (ii) The senate majority leader shall appoint 2 members of the senate to serve as
18 nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party
19 member and 1 minority party member.

20 (iii) The speaker of the house of representatives shall appoint 2 members of the
21 house of representatives to serve as nonvoting, ex-officio members of the MiSTEM advisory
22 council, including 1 majority party member and 1 minority party member.

23 (c) Each member of the MiSTEM advisory council shall serve without compensation.

24 (d) The MiSTEM advisory council annually shall review and make recommendations to the
25 governor, the legislature, and the department concerning changes to the statewide strategy
26 adopted by the council for delivering STEM education-related opportunities to pupils. The
27 MiSTEM advisory council shall use funds received under this subsection to ensure that its
28 members or their designees are trained in the Change the Equation STEMworks rating system
29 program for the purpose of rating STEM programs.

30 (e) The MiSTEM advisory council shall make specific funding recommendations for the
31 funds allocated under subsection (3) by December 15 of each fiscal year. ~~The amount of each~~
32 ~~grant recommended shall not exceed \$100,000.00.~~ Each specific funding recommendation shall

1 be for a program approved by the MiSTEM advisory council. To be eligible for MiSTEM
2 advisory council approval, a program must satisfy all of the following:

3 (i) Align with this state's academic standards.

4 (ii) Have STEMworks certification.

5 (iii) Provide project-based experiential learning, student programming, or educator
6 professional learning experiences.

7 (iv) Focus predominantly on classroom-based STEM experiences or professional learning
8 experiences.

9 (f) The MiSTEM advisory council shall approve programs that **REPRESENT ALL NETWORK**
10 **REGIONS AND** include a diverse array of options for students and educators and at least 1
11 program in each of the following areas:

12 (i) Robotics.

13 (ii) Computer science or coding.

14 (iii) Engineering or bioscience.

15 (g) The MiSTEM advisory council is encouraged to work with the MiSTEM Network ~~regions~~
16 to develop locally and regionally developed programs and professional development
17 experiences for the programs on the list of approved programs.

18 (h) If the MiSTEM advisory council is unable to make specific funding recommendations
19 by December 15 of a fiscal year, the department ~~of technology, management, and budget~~ shall
20 award and ~~the department shall~~ distribute the funds allocated under subsection (3) on a
21 competitive grant basis that at least follows the statewide STEM strategy plan and rating
22 system recommended by the MiSTEM advisory council. Each grant ~~shall not exceed \$100,000.00~~
23 ~~and~~ must provide STEM education-related opportunities for pupils.

24 (i) The MiSTEM advisory council shall work with the executive director of the MiSTEM
25 network funded under section 99r to implement the statewide STEM strategy adopted by the
26 MiSTEM advisory council.

27 (3) From the state school aid fund money allocated under subsection (1), there is
28 allocated for ~~2017-2018-2018-2019~~ an amount not to exceed \$2,850,000.00 for the purpose of
29 funding programs under this section for ~~2017-2018-2018-2019~~, as recommended by the MiSTEM
30 advisory council.

31 ~~(4) From the state school aid fund allocation under subsection (1), there is~~
32 ~~allocated for 2017-2018 an amount not to exceed \$3,299,300.00 to support the activities and~~

1 ~~programs of mathematics and science centers. In addition, from the federal funds allocated~~
2 ~~under subsection (1), there is allocated for 2017-2018 an amount estimated at \$4,700,000.00~~
3 ~~from DED OESE, title II, mathematics and science partnership grants, for the purposes of~~
4 ~~this subsection. All of the following apply to the programs and funding under this~~
5 ~~subsection:~~

6 ~~(a) Within a service area designated locally, approved by the department, and~~
7 ~~consistent with the comprehensive master plan for mathematics and science centers developed~~
8 ~~by the department and approved by the state board, an established mathematics and science~~
9 ~~center shall provide 2 or more of the following 6 basic services, as described in the~~
10 ~~master plan, to constituent districts and communities: leadership, pupil services,~~
11 ~~curriculum support, community involvement, professional development, and resource~~
12 ~~clearinghouse services.~~

13 ~~(b) The department shall not award a state grant under this subsection to more than 1~~
14 ~~mathematics and science center located in a designated region as prescribed in the 2007~~
15 ~~master plan unless each of the grants serves a distinct target population or provides a~~
16 ~~service that does not duplicate another program in the designated region.~~

17 ~~(c) As part of the technical assistance process, the department shall provide minimum~~
18 ~~standard guidelines that may be used by the mathematics and science center for providing~~
19 ~~fair access for qualified pupils and professional staff as prescribed in this subsection.~~

20 ~~(d) Allocations under this subsection to support the activities and programs of~~
21 ~~mathematics and science centers shall be continuing support grants to all 33 established~~
22 ~~mathematics and science centers. For 2017-2018, each established mathematics and science~~
23 ~~center shall receive state funding in an amount equal to 100% of the amount it was~~
24 ~~allocated under former section 99 for 2014-2015. If a center declines state funding or a~~
25 ~~center closes, the remaining money available under this subsection shall be distributed to~~
26 ~~the remaining centers, as determined by the department.~~

27 ~~(e) From the funds allocated under this subsection, the department shall distribute~~
28 ~~for 2017-2018 an amount not to exceed \$750,000.00 in a form and manner determined by the~~
29 ~~department to those centers able to provide curriculum and professional development support~~
30 ~~to assist districts in implementing the Michigan merit curriculum components for~~
31 ~~mathematics and science. Funding under this subdivision is in addition to funding allocated~~
32 ~~under subdivision (d).~~

1 ~~(f) It is the intent of the legislature that the funding allocated under this~~
2 ~~subsection represents the final year of funding for mathematics and science centers and~~
3 ~~that mathematics and science centers shall not be funded in 2018-2019.~~

4 ~~(5) From the funds allocated under subsection (1), there is allocated an amount not~~
5 ~~to exceed \$95,000.00 to the Michigan Mathematics and Science Centers Network to reimburse~~
6 ~~intermediate school districts for transition costs incurred as the centers transition to~~
7 ~~MiSTEM network regions.~~

8 **(4) ~~(6)~~ From the ~~general fund~~ SCHOOL AID FUND allocation under subsection (1), there**
9 **is allocated an amount not to exceed ~~\$1,400,000.00~~ \$3,834,300.00 FOR 2018-2019 to SUPPORT**
10 **THE ACTIVITIES AND PROGRAMS OF** the MiSTEM network regions. **IN ADDITION, FROM THE FEDERAL**
11 **FUNDS ALLOCATED UNDER SUBSECTION (1), THERE IS ALLOCATED FOR 2018-2019 AN AMOUNT ESTIMATED**
12 **AT \$3,500,000.00 FROM DED-OESE, TITLE II, MATHEMATICS AND SCIENCE PARTNERSHIP GRANTS, FOR**
13 **THE PURPOSES OF THIS SUBSECTION.** ~~For 2017-2018 Each established MiSTEM network region shall~~
14 ~~receive funding under this subsection in an amount equal to 50% of the state funding amount~~
15 ~~allocated for 2017-2018 to the mathematics and science centers located within that region~~
16 ~~to allow the MiSTEM network region to begin operating by April 1, 2018. For former~~
17 ~~mathematics and science centers with territory in more than 1 MiSTEM network region, the~~
18 ~~amount allocated shall be divided proportionally.~~ **BEGINNING IN 2018-2019, THE FISCAL AGENT**
19 **FOR EACH MISTEM NETWORK REGION SHALL RECEIVE \$200,000.00 FOR THE BASE OPERATIONS OF EACH**
20 **REGION. THE REMAINING DOLLARS WILL BE DISTRIBUTED TO EACH FISCAL AGENT ON AN EQUAL AMOUNT**
21 **PER PUPIL BASED ON THE NUMBER OF K TO 12 PUPILS ENROLLED IN DISTRICTS WITHIN EACH REGION IN**
22 **THE PRIOR YEAR.**

23 **(5) ~~(7)~~ A MiSTEM network region shall do all of the following:**

24 **(a) Collaborate with the ~~talent district career council~~ CAREER AND EDUCATIONAL**
25 **ADVISORY COUNCIL** that is located in the ~~prosperity~~ **MISTEM** region to develop a regional
26 strategic plan for STEM education that creates a robust regional STEM culture, that
27 empowers STEM teachers, that integrates business and education into the STEM network, and
28 that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM
29 strategic plan should do all of the following:

30 **(i) Identify regional employer need for STEM.**

31 **(ii) Identify processes for regional employers and educators to create guided**
32 **pathways for STEM careers that include internships or externships, apprenticeships, and**

1 other experiential engagements for pupils.

2 (iii) Identify educator professional development opportunities, including internships
3 or externships and apprenticeships, that integrate this state's ~~science~~ content standards
4 into high-quality STEM experiences that engage pupils.

5 (b) Facilitate regional STEM events such as educator and employer networking and STEM
6 career fairs to raise STEM awareness.

7 (c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to
8 further the mission of STEM in this state in coordination with the MiSTEM advisory council
9 and its executive director.

10 (d) Facilitate application and implementation of state and federal funds under this
11 subsection and any other grants or funds for the MiSTEM network region.

12 (e) Work with districts to provide STEM programming and professional development.

13 (f) Coordinate recurring discussions and work with the ~~talent district career council~~
14 **CAREER AND EDUCATIONAL ADVISORY COUNCIL** to ensure that feedback and best practices are
15 being shared, including funding, program, professional learning opportunities, and regional
16 strategic plans.

17 **(6) FROM THE SCHOOL AID FUNDS ALLOCATED UNDER SUBSECTION (1), THE DEPARTMENT SHALL**
18 **DISTRIBUTE FOR 2018-2019 AN AMOUNT NOT TO EXCEED \$750,000.00 IN A FORM AND MANNER**
19 **DETERMINED BY THE DEPARTMENT TO THOSE NETWORK REGIONS ABLE TO PROVIDE CURRICULUM AND**
20 **PROFESSIONAL DEVELOPMENT SUPPORT TO ASSIST DISTRICTS IN IMPLEMENTING THE MICHIGAN MERIT**
21 **CURRICULUM COMPONENTS FOR MATHEMATICS AND SCIENCE.**

22 (7) ~~(8)~~ In order to receive state or federal funds under subsection (4) or (6), a
23 grant recipient shall allow access for the department or the department's designee to audit
24 all records related to the program for which it receives those funds. The grant recipient
25 shall reimburse the state for all disallowances found in the audit.

26 (8) ~~(9)~~ In order to receive state funds under subsection (4) or (6), a grant
27 recipient shall provide at least a 10% local match from local public or private resources
28 for the funds received under this subsection.

29 (9) ~~(10)~~ Not later than July 1, 2019 and July 1 of each year thereafter, a MiSTEM
30 network region that receives funds under subsection ~~(6)~~ **(4)** shall report to the executive
31 director of the MiSTEM network in a form and manner prescribed by the executive director on
32 performance measures developed by the MiSTEM network regions and approved by the executive

1 director. The performance measures shall be designed to ensure that the activities of the
2 MiSTEM network are improving student academic outcomes.

3 (10) ~~(11)~~ Not more than 5% of a MiSTEM network region grant under subsection (4) OR
4 (6) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network
5 region.

6 (11) ~~(12)~~ As used in this section:

7 (A) "CAREER AND EDUCATIONAL ADVISORY COUNCIL", OR ITS SUCCESSOR MEANS AN ADVISORY
8 COUNCIL TO THE LOCAL WORKFORCE DEVELOPMENT BOARDS LOCATED IN A PROSPERITY REGION CONSISTING
9 OF EDUCATIONAL, EMPLOYER, LABOR, AND PARENT REPRESENTATIVES.

10 (B) ~~(a)~~ "DED" means the United States Department of Education.

11 (C) ~~(b)~~ "DED-OESE" means the DED Office of Elementary and Secondary Education.

12 (D) ~~(c)~~ "STEM" means science, technology, engineering, and mathematics delivered in
13 an integrated fashion using cross-disciplinary learning experiences that can include
14 language arts, performing and fine arts, and career and technical education.

15 ~~(d) "Talent district career council" means an advisory council to the local workforce~~
16 ~~development boards located in a prosperity region consisting of educational, employer,~~
17 ~~labor, and parent representatives.~~

18 ~~(13) From the general fund allocation under subsection (1), there is allocated an~~
19 ~~amount not to exceed \$150,000.00 for 2017-2018 for a grant to the Van Andel Education~~
20 ~~Institute for the purposes of advancing and promoting science education and increasing the~~
21 ~~number of students who choose to pursue careers in science or science-related fields. Funds~~
22 ~~allocated under this subsection shall be used to provide professional development for~~
23 ~~science teachers in using student-driven, inquiry-based instruction.~~

24 ~~(14) Not later than January 1, 2019, the executive director of the MiSTEM centers~~
25 ~~network shall report to the house and senate appropriations subcommittees on school aid and~~
26 ~~the house and senate fiscal agencies on the number of male and female MiSTEM center program~~
27 ~~participants and the steps, if any, that the MiSTEM centers are taking to reduce any~~
28 ~~disparity between the number of male and female participants.~~

29 Sec. 104. (1) In order to receive state aid under this article, a district shall
30 comply with sections 1249, 1278a, 1278b, 1279, 1279g, and 1280b of the revised school code,
31 MCL 380.1249, 380.1278a, 380.1278b, 380.1279, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
32 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money

1 appropriated in section 11, there is allocated for ~~2017-2018~~**2018-2019** an amount not to
2 exceed ~~\$34,709,400.00~~**\$31,009,400.00** for payments on behalf of districts for costs
3 associated with complying with those provisions of law. In addition, from the federal funds
4 appropriated in section 11, there is allocated for ~~2017-2018~~**2018-2019** an amount estimated
5 at \$6,250,000.00, funded from DED-OESE, title VI, state assessment funds, and from DED-
6 OSERS, section 504 of part B of the individuals with disabilities education act, Public Law
7 94-142, plus any carryover federal funds from previous year appropriations, for the
8 purposes of complying with the federal no child left behind act of 2001, Public Law 107-
9 110, or the every student succeeds act, Public Law 114-95.

10 (2) The results of each test administered as part of the Michigan student test of
11 educational progress (M-STEP), including tests administered to high school students, shall
12 include an item analysis that lists all items that are counted for individual pupil scores
13 and the percentage of pupils choosing each possible response. The department shall work
14 with the center to identify the number of students enrolled at the time assessments are
15 given by each district. In calculating the percentage of pupils assessed for a district's
16 scorecard, the department shall use only the number of pupils enrolled in the district at
17 the time the district administers the assessments and shall exclude pupils who enroll in
18 the district after the district administers the assessments.

19 (3) All federal funds allocated under this section shall be distributed in accordance
20 with federal law and with flexibility provisions outlined in Public Law 107-116, and in the
21 education flexibility partnership act of 1999, Public Law 106-25.

22 ~~(4) From the funds allocated in subsection (1), there is allocated an amount not to
23 exceed \$1,000,000.00 for 2017-2018 to an intermediate district described in this subsection
24 to implement a Michigan kindergarten entry observation tool in 2017-2018. The funding under
25 this subsection is allocated to an intermediate district in prosperity region 9 with at
26 least 3,000 kindergarten pupils enrolled in its constituent districts to continue
27 participation in the Maryland Ohio pilot and cover the costs of implementing the pilot
28 observation tool, including a contract with a university for implementation of the pilot
29 observation tool. The intermediate district shall continue implementation of the 2016-2017
30 pilot study with existing participating intermediate districts during the 2017-2018 school
31 year. The Michigan kindergarten entry observation shall be conducted in all kindergarten
32 classrooms in districts located in prosperity regions 4, 5, and 9 beginning in August 2018.~~

1 ~~A constituent district of an intermediate district located within prosperity region 4, 5,~~
2 ~~or 9 shall administer the Maryland-Ohio tool within each kindergarten classroom to either~~
3 ~~the full census of kindergarten pupils or a representative sample of not less than 35% of~~
4 ~~the enrolled kindergarten pupils in each classroom. The intermediate district receiving the~~
5 ~~funding allocated under this subsection shall work with other intermediate districts to~~
6 ~~implement the Michigan kindergarten entry observation, engage with the office of great~~
7 ~~start and the department, and provide a report to the legislature on the demonstrated~~
8 ~~readiness of kindergarten pupils within the participating intermediate districts. That~~
9 ~~intermediate district may share this funding with the other affected intermediate districts~~
10 ~~and districts. Allowable costs under this subsection include those incurred in July,~~
11 ~~August, and September 2017 as well as those incurred in 2017-2018. As used in this~~
12 ~~subsection, "kindergarten" may include a classroom for young 5-year-olds, commonly referred~~
13 ~~to as "young 5s" or "developmental kindergarten". The department shall approve the language~~
14 ~~and literacy domain within the Maryland-Ohio tool, also referred to as the "Kindergarten~~
15 ~~Readiness Assessment", for use by districts as an initial assessment that may be delivered~~
16 ~~to all kindergarten students to assist with identifying any possible area of concern for a~~
17 ~~student in English language arts.~~

18 (4) ~~(5)~~—The department shall continue to make the kindergarten entry assessment
19 developed by the department and field tested in 2015-2016 **AND PILOTED IN 2017-2018**
20 available to districts in ~~2017-2018. 2018-2019. THE DEPARTMENT SHALL ENSURE THAT THE~~
21 **KINDERGARTEN ENTRY ASSESSMENT PROVIDES INFORMATION REGARDING THE EXTENT TO WHICH INDIVIDUAL**
22 **STUDENTS ARE PREPARED TO TRANSITION SUCCESSFULLY FROM PREKINDERGARTEN TO KINDERGARTEN. THE**
23 **DEPARTMENT SHALL WORK WITH THE CENTER TO ENSURE THAT RESULTS FROM THE KINDERGARTEN ENTRY**
24 **ASSESSMENT ARE INTEGRATED IN THE P-20 LONGITUDINAL DATA SYSTEM.**

25 (5) ~~(6)~~—The department may recommend, but may not require, districts to allow pupils
26 to use an external keyboard with tablet devices for online M-STEP testing, including, but
27 not limited to, open-ended test items such as constructed response or equation builder
28 items.

29 (6) ~~(7)~~—Notwithstanding section 17b, payments on behalf of districts, intermediate
30 districts, and other eligible entities under this section shall be paid on a schedule
31 determined by the department.

32 (7) ~~(8)~~—From the allocation in subsection (1), there is allocated an amount not to

1 exceed ~~\$3,200,000.00~~ **\$500,000.00** for the ~~development or selection of~~ **MAINTENANCE OF** an
2 online reporting tool to provide student-level assessment data in a secure environment to
3 educators, parents, and pupils immediately after assessments are scored. The department and
4 the center shall ensure that any data collected by the online reporting tool do not provide
5 individually identifiable student data to the federal government.

6 **(8)** ~~(9)~~ As used in this section:

7 (a) "DED" means the United States Department of Education.

8 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

9 (c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative
10 Services.

11 **AMEND** Sec. 104c. (1) In order to receive state aid under this article, a district
12 shall administer the state assessments described in this section.

13 (2) For the purposes of this section, the department shall develop **AND ADMINISTER** ~~for~~
14 ~~use in the spring of 2015-2016~~ the Michigan student test of educational progress (M-STEP)
15 assessments in English language arts and mathematics. These assessments shall be aligned to
16 state standards.

17 (3) For the purposes of this section, the department shall implement a summative
18 assessment system that is proven to be valid and reliable for administration to pupils as
19 provided under this subsection. The summative assessment system shall meet all of the
20 following requirements:

21 (a) The summative assessment system shall measure student proficiency on the current
22 state standards, shall measure student growth for consecutive grade levels in which
23 students are assessed in the same subject area in both grade levels, and shall be capable
24 of measuring individual student performance.

25 (b) The summative assessments for English language arts and mathematics shall be
26 administered to all public school pupils in grades 3 to 11, including those pupils as
27 required by the federal individuals with disabilities education act, Public Law 108-446,
28 and by title I of the federal every student succeeds act (ESSA), Public Law 114-95.

29 (c) The summative assessments for science shall be administered to all public school
30 pupils in at least grades ~~4 and 7,~~ **5 AND 8**, including those pupils as required by the
31 federal individuals with disabilities education act, Public Law 108-446, and by title I of
32 the federal every student succeeds act (ESSA), Public Law 114-95.

1 (d) The summative assessments for social studies shall be administered to all public
2 school pupils in at least grades 5 and 8, including those pupils as required by the federal
3 individuals with disabilities education act, Public Law 108-446, and by title I of the
4 federal every student succeeds act (ESSA), Public Law 114-95.

5 (e) The content of the summative assessments shall be aligned to state standards.

6 (f) The pool of questions for the summative assessments shall be subject to a
7 transparent review process for quality, bias, and sensitive issues involving educator
8 review and comment. The department shall post samples from tests or retired tests featuring
9 questions from this pool for review by the public.

10 (g) The summative assessment system shall ensure that students, parents, and teachers
11 are provided with reports that convey individual student proficiency and growth on the
12 assessment and that convey individual student domain-level performance in each subject
13 area, including representative questions, and individual student performance in meeting
14 state standards.

15 (h) The summative assessment system shall be capable of providing, and the department
16 shall ensure that students, parents, teachers, administrators, and community members are
17 provided with, reports that convey aggregate student proficiency and growth data by
18 teacher, grade, school, and district.

19 (i) The summative assessment system shall ensure the capability of reporting the
20 available data to support educator evaluations.

21 (j) The summative assessment system shall ensure that the reports provided to
22 districts containing individual student data are available within 60 days after completion
23 of the assessments.

24 (k) The summative assessment system shall ensure that access to individually
25 identifiable student data meets all of the following:

26 (i) Is in compliance with 20 USC 1232g, commonly referred to as the family
27 educational rights and privacy act of 1974.

28 (ii) Except as may be provided for in an agreement with a vendor to provide
29 assessment services, as necessary to support educator evaluations pursuant to subdivision
30 (i), or for research or program evaluation purposes, is available only to the student; to
31 the student's parent or legal guardian; and to a school administrator or teacher, to the
32 extent that he or she has a legitimate educational interest.

1 (l) The summative assessment system shall ensure that the assessments are pilot
2 tested before statewide implementation.

3 (m) The summative assessment system shall ensure that assessments are designed so
4 that the maximum total combined length of time that schools are required to set aside for a
5 pupil to answer all test questions on all assessments that are part of the system for the
6 pupil's grade level does not exceed that maximum total combined length of time for the
7 previous statewide assessment system or 9 hours, whichever is less. This subdivision does
8 not limit the amount of time a district may allow a pupil to complete a test.

9 (n) The total cost of executing the summative assessment system statewide each year,
10 including, but not limited to, the cost of contracts for administration, scoring, and
11 reporting, shall not exceed an amount equal to 2 times the cost of executing the previous
12 statewide assessment after adjustment for inflation.

13 (o) Beginning with the 2017-2018 school year, the summative assessment system shall
14 not require more than 3 hours in duration, on average, for an individual pupil to complete
15 the combined administration of the math and English language arts portions of the
16 assessment for any 1 grade level.

17 ~~(4) In an effort to develop a cohesive state assessment system, the department shall~~
18 ~~implement a request for information process for a common formative assessment system that~~
19 ~~is fully aligned to this state's content standards for English language arts and~~
20 ~~mathematics. The department may use information compiled from a request for proposal in~~
21 ~~2016-2017 to satisfy this request.~~

22 **(4)** ~~(5) Beginning in the 2015-2016 school year, the~~ **THE** department shall ~~field test~~
23 **ADMINISTER BENCHMARK** assessments in the fall and spring of each school year to measure
24 English language arts and mathematics in each of grades K to 2. ~~for full implementation~~
25 ~~when the assessments have been successfully field tested. This full~~ **FULL** implementation
26 shall occur not later than the 2018-2019 school year. These assessments are necessary to
27 determine a pupil's proficiency level before grade 3.

28 ~~(6) Not later than November 1, 2017, the department shall issue a request for~~
29 ~~information for not less than 3 benchmark assessments that each meet all of the following:~~

30 ~~(a) Assesses all of grades 3 through 7 in math and English language arts.~~

31 ~~(b) Is aligned with this state's content standards such that items were written for~~
32 ~~this state's content standards.~~

1 ~~(c) Is computer adaptive above and below grade level.~~

2 ~~(d) Produces a pupil's results in not more than 48 hours from the time the benchmark~~
3 ~~assessment is administered.~~

4 ~~(e) Is self-scoring.~~

5 ~~(f) Aligns to this state's content standards.~~

6 ~~(g) Measures the academic growth of pupils and provides an estimate for adequate~~
7 ~~yearly growth.~~

8 ~~(h) Demonstrates validity and reliability as appropriate for a computer adaptive~~
9 ~~assessment.~~

10 ~~(i) Is provided by a vendor that is willing to negotiate a discounted state rate for~~
11 ~~pricing.~~

12 ~~(7) Not later than March 1, 2018 and in consultation with experts in the field of~~
13 ~~education and educational assessment measurement, the department shall approve at least 3~~
14 ~~benchmark assessments that were included in a response to the request for information under~~
15 ~~subsection (6) and meet the requirements described in subsection (6).~~

16 ~~(8) The department shall use the responses to the request for information to create a~~
17 ~~benchmark assessment budget request for the 2018-2019 fiscal year.~~

18 **(5) THE DEPARTMENT SHALL PROVIDE GUIDANCE TO DISTRICTS ON OPTIONALLY ADOPTING AND**
19 **IMPLEMENTING DEPARTMENT-APPROVED BENCHMARK ASSESSMENTS FOR GRADES 3 THROUGH 7 IN ENGLISH**
20 **LANGUAGE ARTS AND MATHEMATICS AND SHALL RECOMMEND THAT DISTRICTS COMMIT TO USING THE SAME**
21 **BENCHMARK ASSESSMENT FOR NO LESS THAN THREE YEARS WITHOUT SWITCHING TO ANOTHER BENCHMARK**
22 **ASSESSMENT.**

23 ~~(6) (9)~~ This section does not prohibit districts from adopting interim assessments.

24 ~~(7) (10)~~ As used in this section, "English language arts" means that term as defined
25 in section 104b.

26 Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not
27 to exceed \$27,000,000.00 for ~~2017-2018-2018-2019~~ for adult education programs authorized
28 under this section. Except as otherwise provided under subsections (14), ~~(15), and (19),~~
29 **AND (15)** funds allocated under this section are restricted for adult education programs as
30 authorized under this section only. A recipient of funds under this section shall not use
31 those funds for any other purpose.

32 (2) To be eligible for funding under this section, an eligible adult education

1 provider shall employ certificated teachers and qualified administrative staff and shall
2 offer continuing education opportunities for teachers to allow them to maintain
3 certification.

4 (3) To be eligible to be a participant funded under this section, an individual shall
5 be enrolled in an adult basic education program, an adult secondary education program, an
6 adult English as a second language program, a high school equivalency test preparation
7 program, or a high school completion program, that meets the requirements of this section,
8 and for which instruction is provided, and **THE INDIVIDUAL shall HAVE ATTAINED 18 YEARS OF**
9 **AGE AND THE INDIVIDUAL'S GRADUATING CLASS HAS GRADUATED.** ~~meet either of the following:~~

10 ~~(a) Has attained 20 years of age.~~

11 ~~(b) Has attained 18 years of age and the individual's graduating class has graduated.~~

12 (4) By April 1 of each fiscal year, the intermediate districts within a prosperity
13 region or subregion shall determine which intermediate district will serve as the
14 prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify
15 the department in a form and manner determined by the department. The department shall
16 approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From
17 the funds allocated under subsection (1), an amount as determined under this subsection
18 shall be allocated to each intermediate district serving as a fiscal agent for adult
19 education programs in each of the prosperity regions or subregions identified by the
20 department. An intermediate district shall not use more than 5% of the funds allocated
21 under this subsection for administration costs for serving as the fiscal agent. Beginning
22 in 2014-2015, 67% of the allocation provided to each intermediate district serving as a
23 fiscal agent shall be based on the proportion of total funding formerly received by the
24 adult education providers in that prosperity region or subregion in 2013-2014, and 33%
25 shall be allocated based on the factors in subdivisions (a), (b), and (c). For 2018-2019,
26 33% of the allocation provided to each intermediate district serving as a fiscal agent
27 shall be based upon the proportion of total funding formerly received by the adult
28 education providers in that prosperity region in 2013-2014 and 67% of the allocation shall
29 be based upon the factors in subdivisions (a), (b), and (c). Beginning in 2019-2020, 100%
30 of the allocation provided to each intermediate district serving as a fiscal agent shall be
31 based on the factors in subdivisions (a), (b), and (c). The funding factors for this
32 section are as follows:

1 (a) Sixty percent of this portion of the funding shall be distributed based upon the
2 proportion of the state population of individuals between the ages of 18 and 24 that are
3 not high school graduates that resides in each of the prosperity regions or subregions, as
4 reported by the most recent 5-year estimates from the American community survey (ACS) from
5 the United States Census Bureau.

6 (b) Thirty-five percent of this portion of the funding shall be distributed based
7 upon the proportion of the state population of individuals age 25 or older who are not high
8 school graduates that resides in each of the prosperity regions or subregions, as reported
9 by the most recent 5-year estimates from the American community survey (ACS) from the
10 United States Census Bureau.

11 (c) Five percent of this portion of the funding shall be distributed based upon the
12 proportion of the state population of individuals age 18 or older who lack basic English
13 language proficiency that resides in each of the prosperity regions or subregions, as
14 reported by the most recent 5-year estimates from the American community survey (ACS) from
15 the United States Census Bureau.

16 (5) To be an eligible fiscal agent, an intermediate district must agree to do the
17 following in a form and manner determined by the department:

18 (a) Distribute funds to adult education programs in a prosperity region or subregion
19 as described in this section.

20 (b) Collaborate with the ~~talent district career council~~, **CAREER AND EDUCATIONAL**
21 **ADVISORY COUNCIL**, which is an advisory council of the workforce development boards located
22 in the prosperity region or subregion, or its successor, to develop a regional strategy
23 that aligns adult education programs and services into an efficient and effective delivery
24 system for adult education learners, with special consideration for providing
25 contextualized learning and career pathways and addressing barriers to education and
26 employment.

27 (c) Collaborate with the ~~talent district career council~~, **CAREER AND EDUCATIONAL**
28 **ADVISORY COUNCIL**, which is an advisory council of the workforce development boards located
29 in the prosperity region or subregion, or its successor, to create a local process and
30 criteria that will identify eligible adult education providers to receive funds allocated
31 under this section based on location, demand for services, past performance, quality
32 indicators as identified by the department, and cost to provide instructional services. The

1 fiscal agent shall determine all local processes, criteria, and provider determinations.
2 However, the local processes, criteria, and provider services must be approved by the
3 department before funds may be distributed to the fiscal agent.

4 (d) Provide oversight to its adult education providers throughout the program year to
5 ensure compliance with the requirements of this section.

6 (e) Report adult education program and participant data and information as prescribed
7 by the department.

8 (6) An adult basic education program, an adult secondary education program, or an
9 adult English as a second language program operated on a year-round or school year basis
10 may be funded under this section, subject to all of the following:

11 (a) The program enrolls adults who are determined by a department-approved
12 assessment, in a form and manner prescribed by the department, to be below twelfth grade
13 level in reading or mathematics, or both, or to lack basic English proficiency.

14 (b) The program tests individuals for eligibility under subdivision (a) before
15 enrollment and upon completion of the program in compliance with the state-approved
16 assessment policy.

17 (c) A participant in an adult basic education program is eligible for reimbursement
18 until 1 of the following occurs:

19 (i) The participant's reading and mathematics proficiency are assessed at or above
20 the ninth grade level.

21 (ii) The participant fails to show progress on 2 successive assessments after having
22 completed at least 450 hours of instruction.

23 (d) A participant in an adult secondary education program is eligible for
24 reimbursement until 1 of the following occurs:

25 (i) The participant's reading and mathematics proficiency are assessed above the
26 twelfth grade level.

27 (ii) The participant fails to show progress on 2 successive assessments after having
28 at least 450 hours of instruction.

29 (e) A funding recipient enrolling a participant in an English as a second language
30 program is eligible for funding according to subsection (9) until the participant meets 1
31 of the following:

32 (i) The participant is assessed as having attained basic English proficiency as

1 determined by a department-approved assessment.

2 (ii) The participant fails to show progress on 2 successive department-approved
3 assessments after having completed at least 450 hours of instruction. The department shall
4 provide information to a funding recipient regarding appropriate assessment instruments for
5 this program.

6 (7) A high school equivalency test preparation program operated on a year-round or
7 school year basis may be funded under this section, subject to all of the following:

8 (a) The program enrolls adults who do not have a high school diploma or a high school
9 equivalency certificate.

10 (b) The program shall administer a pre-test approved by the department before
11 enrolling an individual to determine the individual's literacy levels, shall administer a
12 high school equivalency practice test to determine the individual's potential for success
13 on the high school equivalency test, and shall administer a post-test upon completion of
14 the program in compliance with the state-approved assessment policy.

15 (c) A funding recipient shall receive funding according to subsection (9) for a
16 participant, and a participant may be enrolled in the program until 1 of the following
17 occurs:

18 (i) The participant achieves a high school equivalency certificate.

19 (ii) The participant fails to show progress on 2 successive department-approved
20 assessments used to determine readiness to take a high school equivalency test after having
21 completed at least 450 hours of instruction.

22 (8) A high school completion program operated on a year-round or school year basis
23 may be funded under this section, subject to all of the following:

24 (a) The program enrolls adults who do not have a high school diploma.

25 (b) The program tests participants described in subdivision (a) before enrollment and
26 upon completion of the program in compliance with the state-approved assessment policy.

27 (c) A funding recipient shall receive funding according to subsection (9) for a
28 participant in a course offered under this subsection until 1 of the following occurs:

29 (i) The participant passes the course and earns a high school diploma.

30 (ii) The participant fails to earn credit in 2 successive semesters or terms in which
31 the participant is enrolled after having completed at least 900 hours of instruction.

32 (9) A funding recipient shall receive payments under this section in accordance with

1 all of the following:

2 (a) Statewide allocation criteria, including 3-year average enrollments, census data,
3 and local needs.

4 (b) Participant completion of the adult basic education objectives by achieving an
5 educational gain as determined by the national reporting system levels; for achieving basic
6 English proficiency, as determined by the department; for achieving a high school
7 equivalency certificate or passage of 1 or more individual high school equivalency tests;
8 for attainment of a high school diploma or passage of a course required for a participant
9 to attain a high school diploma; for enrollment in a postsecondary institution, or for
10 entry into or retention of employment, as applicable.

11 (c) Participant completion of core indicators as identified in the innovation and
12 opportunity act.

13 (d) Allowable expenditures.

14 (10) A person who is not eligible to be a participant funded under this section may
15 receive adult education services upon the payment of tuition. In addition, a person who is
16 not eligible to be served in a program under this section due to the program limitations
17 specified in subsection (6), (7), or (8) may continue to receive adult education services
18 in that program upon the payment of tuition. The tuition level shall be determined by the
19 local or intermediate district conducting the program.

20 (11) An individual who is an inmate in a state correctional facility shall not be
21 counted as a participant under this section.

22 (12) A funding recipient shall not commingle money received under this section or
23 from another source for adult education purposes with any other funds and shall establish a
24 separate ledger account for funds received under this section. This subsection does not
25 prohibit a district from using general funds of the district to support an adult education
26 or community education program.

27 (13) A funding recipient receiving funds under this section may establish a sliding
28 scale of tuition rates based upon a participant's family income. A funding recipient may
29 charge a participant tuition to receive adult education services under this section from
30 that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per
31 participant shall not exceed the actual operating cost per participant minus any funds
32 received under this section per participant. A funding recipient may not charge a

1 participant tuition under this section if the participant's income is at or below 200% of
2 the federal poverty guidelines published by the United States Department of Health and
3 Human Services.

4 (14) In order to receive funds under this section, a funding recipient shall furnish
5 to the department, in a form and manner determined by the department, all information
6 needed to administer this program and meet federal reporting requirements; shall allow the
7 department or the department's designee to review all records related to the program for
8 which it receives funds; and shall reimburse the state for all disallowances found in the
9 review, as determined by the department. In addition, a funding recipient shall agree to
10 pay to a career and technical education program under section 61a the amount of funding
11 received under this section in the proportion of career and technical education coursework
12 used to satisfy adult basic education programming, as billed to the funding recipient by
13 programs operating under section 61a.

14 ~~(15) From the amount appropriated in subsection (1), an amount not to exceed~~
15 ~~\$500,000.00 shall be allocated for 2017-2018 to not more than 1 pilot program that is~~
16 ~~located in a prosperity region with 2 or more subregions and that connects adult education~~
17 ~~participants directly with employers by linking adult education, career and technical~~
18 ~~skills, and workforce development. To be eligible for funding under this subsection, a~~
19 ~~pilot program shall provide a collaboration linking adult education programs within the~~
20 ~~county, the area career/technical center, and local employers, and shall meet the~~
21 ~~additional criteria in subsections (16) and (17). Funding under this subsection for 2017-~~
22 ~~2018 is for the third of 3 years of funding.~~

23 ~~(16) A pilot program funded under subsection (15) shall require adult education staff~~
24 ~~to work with Michigan works! agency to identify a cohort of participants who are most~~
25 ~~prepared to successfully enter the workforce. Participants identified under this subsection~~
26 ~~shall be dually enrolled in adult education programming and at least 1 technical course at~~
27 ~~the area career/technical center.~~

28 ~~(17) A pilot program funded under subsection (15) shall have on staff an adult~~
29 ~~education navigator who will serve as a caseworker for each participant identified under~~
30 ~~subsection (16). The navigator shall work with adult education staff and potential~~
31 ~~employers to design an educational program best suited to the personal and employment needs~~
32 ~~of the participant, and shall work with human service agencies or other entities to address~~

1 ~~any barrier in the way of participant access.~~

2 ~~(18) Not later than December 1, 2018, the pilot program funded under subsection (15)~~
3 ~~shall provide to the senate and house appropriations subcommittees on school aid, to the~~
4 ~~senate and house fiscal agencies, and to the state budget director, a report detailing~~
5 ~~number of participants, graduation rates, and a measure of transitioning to employment.~~

6 (15) ~~(19)~~ From the amount appropriated in subsection (1), an amount not to exceed
7 \$2,000,000.00 shall be allocated for ~~2017-2018~~ **2018-2019** for grants to not more than 5
8 pilot programs ~~that are additional to the pilot program funded under subsection (15)~~ to
9 connect adult education participants with employers as provided under this subsection. **TO**
10 **BE ELIGIBLE FOR FUNDING UNDER THIS SUBSECTION, A PILOT PROGRAM SHALL PROVIDE A**
11 **COLLABORATION LINKING ADULT EDUCATION PROGRAMS WITHIN THE COUNTY, THE AREA CAREER/TECHNICAL**
12 **CENTER, AND LOCAL EMPLOYERS.** The grant to each eligible pilot program shall be up to
13 \$400,000.00. To receive funding under this subsection, an eligible pilot program shall
14 satisfy all of the following:

15 (a) Meets 1 of the following:

16 (i) Is located in prosperity region 1c.

17 (ii) Is located in prosperity region 2 and borders prosperity region 4.

18 (iii) Is located in prosperity region 4a and borders prosperity region 5.

19 (iv) Is located in prosperity region 5 and borders Lake Huron.

20 (v) Is located in prosperity region 9 and borders a neighboring state.

21 **(B) SHALL REQUIRE ADULT EDUCATION STAFF TO WORK WITH MICHIGAN WORKS! AGENCY TO**
22 **IDENTIFY A COHORT OF PARTICIPANTS WHO ARE MOST PREPARED TO SUCCESSFULLY ENTER THE**
23 **WORKFORCE. PARTICIPANTS IDENTIFIED UNDER THIS SUBSECTION SHALL BE DUALY ENROLLED IN ADULT**
24 **EDUCATION PROGRAMMING AND AT LEAST 1 TECHNICAL COURSE AT THE AREA CAREER/TECHNICAL CENTER.**

25 **(C) SHALL HAVE A PERSON STAFFED AS AN ADULT EDUCATION NAVIGATOR WHO WILL SERVE AS A**
26 **CASEWORKER FOR EACH PARTICIPANT IDENTIFIED UNDER SUBDIVISION (B). THE NAVIGATOR SHALL WORK**
27 **WITH ADULT EDUCATION STAFF AND POTENTIAL EMPLOYERS TO DESIGN AN EDUCATIONAL PROGRAM BEST**
28 **SUITED TO THE PERSONAL AND EMPLOYMENT NEEDS OF THE PARTICIPANT, AND SHALL WORK WITH HUMAN**
29 **SERVICE AGENCIES OR OTHER ENTITIES TO ADDRESS ANY BARRIER IN THE WAY OF PARTICIPANT ACCESS.**

30 ~~(b) Begins operations at the start of the 2017-2018 school year.~~

31 ~~(c) Replicates the pilot program funded under subsection (15).~~

32 ~~(d) Meets the requirements under subsections (15), (16), and (17) for a pilot program~~

1 ~~funded under subsection (15).~~

2 (16) ~~(20)~~ Not later than December 1, ~~2018~~ 2019, a pilot program funded under
3 subsection ~~(19)~~ (15) shall provide a report to the senate and house appropriations
4 subcommittees on school aid, to the senate and house fiscal agencies, and to the state
5 budget director identifying the number of participants, graduation rates, and a measure of
6 transition to employment.

7 (17) ~~(21)~~ The department shall approve at least 3 high school equivalency tests and
8 determine whether a high school equivalency certificate meets the requisite standards for
9 high school equivalency in this state.

10 (18) ~~(22)~~ As used in this section:

11 (a) "Career pathway" means a combination of rigorous and high-quality education,
12 training, and other services that comply with all of the following:

13 (i) Aligns with the skill needs of industries in the economy of this state or in the
14 regional economy involved.

15 (ii) Prepares an individual to be successful in any of a full range of secondary or
16 postsecondary education options, including apprenticeships registered under the act of
17 August 16, 1937 (commonly known as the "national apprenticeship act"), 29 USC 50 et seq.

18 (iii) Includes counseling to support an individual in achieving the individual's
19 education and career goals.

20 (iv) Includes, as appropriate, education offered concurrently with and in the same
21 context as workforce preparation activities and training for a specific occupation or
22 occupational cluster.

23 (v) Organizes education, training, and other services to meet the particular needs of
24 an individual in a manner that accelerates the educational and career advancement of the
25 individual to the extent practicable.

26 (vi) Enables an individual to attain a secondary school diploma or its recognized
27 equivalent, and at least 1 recognized postsecondary credential.

28 (vii) Helps an individual enter or advance within a specific occupation or
29 occupational cluster.

30 (b) "Department" means the department of talent and economic development.

31 (c) "Eligible adult education provider" means a district, intermediate district, a
32 consortium of districts, a consortium of intermediate districts, or a consortium of

1 districts and intermediate districts that is identified as part of the local process
2 described in subsection (5)(c) and approved by the department.

3 Sec. 147. (1) The allocation for ~~2017-2018-2018-2019~~ for the public school employees'
4 retirement system pursuant to the public school employees retirement act of 1979, 1980 PA
5 300, MCL 38.1301 to 38.1437, shall be made using the individual projected benefit entry age
6 normal cost method of valuation and risk assumptions adopted by the public school employees
7 retirement board and the department of technology, management, and budget.

8 (2) The annual level percentage of payroll contribution rates for the ~~2017-2018-2018-~~
9 **2019** fiscal year, as determined by the retirement system, are estimated as follows:

10 (a) For public school employees who first worked for a public school reporting unit
11 before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level
12 percentage of payroll contribution rate is estimated at ~~36.88%~~ **38.39%**, with ~~25.56%~~ **26.18%**
13 paid directly by the employer.

14 (b) For public school employees who first worked for a public school reporting unit
15 on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual
16 level percentage of payroll contribution rate is estimated at ~~35.60%~~ **36.60%**, with ~~24.28%~~
17 **24.39%** paid directly by the employer.

18 (c) For public school employees who first worked for a public school reporting unit
19 on or after July 1, 2010 and who participate in the personal healthcare fund, the annual
20 level percentage of payroll contribution rate is estimated at ~~35.35%~~ **36.24%**, with 24.03%
21 paid directly by the employer.

22 (d) For public school employees who first worked for a public school reporting unit
23 on or after September 4, 2012, who elect defined contribution, and who participate in the
24 personal healthcare fund, the annual level percentage of payroll contribution rate is
25 estimated at ~~32.28%~~ **33.17%**, with 20.96% paid directly by the employer.

26 (e) For public school employees who first worked for a public school reporting unit
27 before July 1, 2010, who elect defined contribution, and who are enrolled in the health
28 premium subsidy, the annual level percentage of payroll contribution rate is estimated at
29 ~~32.53%~~ **33.53%**, with ~~21.21%~~ **21.32%** paid directly by the employer.

30 (f) For public school employees who first worked for a public school reporting unit
31 before July 1, 2010, who elect defined contribution, and who participate in the personal
32 healthcare fund, the annual level percentage of payroll contribution rate is estimated at

1 ~~32.28%~~**33.17%**, with 20.96% paid directly by the employer.

2 (g) For public school employees who first worked for a public school reporting unit
3 before July 1, 2010 and who participate in the personal healthcare fund, the annual level
4 percentage of payroll contribution rate is estimated at ~~36.63%~~**38.03%**, with ~~25.31%~~**25.82%**
5 paid directly by the employer.

6 **(H) FOR PUBLIC SCHOOL EMPLOYEES WHO FIRST WORKED FOR A PUBLIC SCHOOL REPORTING UNIT**
7 **AFTER JANUARY 31, 2018 AND WHO ELECT TO BECOME MEMBERS OF THE MPSERS PLAN, THE ANNUAL LEVEL**
8 **PERCENTAGE OF PAYROLL CONTRIBUTION RATE IS ESTIMATED AT 39.37%, WITH 27.16% PAID DIRECTLY**
9 **BY THE EMPLOYER.**

10 (3) In addition to the employer payments described in subsection (2), the employer
11 shall pay the applicable contributions to the Tier 2 plan, as determined by the public
12 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

13 (4) The contribution rates in subsection (2) reflect an amortization period of ~~21~~**20**
14 years for ~~2017-2018~~**2018-2019**. The public school employees' retirement system board shall
15 notify each district and intermediate district by February 28 of each fiscal year of the
16 estimated contribution rate for the next fiscal year.

17 Sec. 147a. (1) From the appropriation in section 11, there is allocated for ~~2017-2018~~
18 **2018-2019** an amount not to exceed \$100,000,000.00 for payments to participating districts.
19 A participating district that receives money under this subsection shall use that money
20 solely for the purpose of offsetting a portion of the retirement contributions owed by the
21 district for the fiscal year in which it is received. The amount allocated to each
22 participating district under this subsection shall be based on each participating
23 district's percentage of the total statewide payroll for all participating districts for
24 the immediately preceding fiscal year. As used in this subsection, "participating district"
25 means a district that is a reporting unit of the Michigan public school employees'
26 retirement system under the public school employees retirement act of 1979, 1980 PA 300,
27 MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees'
28 retirement system for the applicable fiscal year.

29 (2) In addition to the allocation under subsection (1), from the state school aid
30 fund money appropriated under section 11, there is allocated an amount not to exceed
31 ~~\$48,940,000.00~~**\$88,091,000.00** for ~~2017-2018~~**2018-2019** for payments to participating
32 districts and intermediate districts and from the general fund money appropriated under

1 section 11, there is allocated an amount not to exceed ~~\$29,000.00~~ **\$48,000.00** for ~~2017-2018~~
2 **2018-2019** for payments to participating district libraries. The amount allocated to each
3 participating entity under this subsection shall be based on each participating entity's
4 percentage of the total statewide payroll for that type of participating entity for the
5 immediately preceding fiscal year. A participating entity that receives money under this
6 subsection shall use that money solely for the purpose of offsetting a portion of the
7 normal cost contribution rate. As used in this subsection:

8 (a) "District library" means a district library established under the district
9 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

10 (b) "Participating entity" means a district, intermediate district, or district
11 library that is a reporting unit of the Michigan public school employees' retirement system
12 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
13 38.1437, and that reports employees to the Michigan public school employees' retirement
14 system for the applicable fiscal year.

15 Sec. 147b. (1) The MPSERS retirement obligation reform reserve fund is created as a
16 separate account within the state school aid fund.

17 (2) The state treasurer may receive money or other assets from any source for deposit
18 into the MPSERS retirement obligation reform reserve fund. The state treasurer shall direct
19 the investment of the MPSERS retirement obligation reform reserve fund. The state treasurer
20 shall credit to the MPSERS retirement obligation reform reserve fund interest and earnings
21 from the MPSERS retirement obligation reform reserve fund.

22 (3) Money available in the MPSERS retirement obligation reform reserve fund shall not
23 be expended without a specific appropriation.

24 (4) Money in the MPSERS retirement obligation reform reserve fund at the close of the
25 fiscal year shall remain in the MPSERS retirement obligation reform reserve fund and shall
26 not lapse to the state school aid fund or to the general fund. The department of treasury
27 shall be the administrator of the MPSERS retirement obligation reform reserve fund for
28 auditing purposes.

29 ~~(5) If the contributions described in section 43c of the public school employees~~
30 ~~retirement act of 1979, 1980 PA 300, MCL 38.1343c, as that section was added by 2010 PA 75,~~
31 ~~are determined by a final order of a court of competent jurisdiction for which all rights~~
32 ~~of appeal have been exhausted to be constitutional and if the order for preliminary~~

1 ~~injunction in case no. 10-45 MM issued on July 13, 2010 is lifted, the money placed in a~~
2 ~~separate interest bearing account as a result of implementing the preliminary injunction~~
3 ~~shall be deposited into the MPERS retirement obligation reform reserve fund created in~~
4 ~~this section to be used solely for health care unfunded accrued liabilities.~~

5 ~~(6) For the fiscal year ending September 30, 2018, \$55,000,000.00 from the state~~
6 ~~school aid fund shall be deposited into the MPERS retirement obligation reform reserve~~
7 ~~fund to be used for the purposes under section 147e.~~

8 Sec. 147c. (1) From the appropriation in section 11, there is allocated for ~~2017-2018~~
9 ~~2018-2019~~ an amount not to exceed ~~\$960,130,000.00~~ **\$1,032,000,000.00** from the state school
10 aid fund for payments to districts and intermediate districts that are participating
11 entities of the Michigan public school employees' retirement system. In addition, from the
12 general fund money appropriated in section 11, there is allocated for ~~2017-2018~~ ~~2018-2019~~
13 an amount not to exceed ~~\$654,000.00~~ **\$700,000.00** for payments to district libraries that are
14 participating entities of the Michigan public school employees' retirement system. All of
15 the following apply to funding under this subsection:

16 (a) For ~~2017-2018~~ ~~2018-2019~~, the amounts allocated under this subsection are
17 estimated to provide an average MPERS rate cap per pupil amount of ~~\$640.00~~ **\$690.00** and are
18 estimated to provide a rate cap per pupil for districts ranging between \$4.00 and ~~\$3,020.00~~
19 **\$3,000.00**.

20 (b) Payments made under this subsection shall be equal to the difference between the
21 unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41
22 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as
23 calculated without taking into account the maximum employer rate of 20.96% included in
24 section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
25 and the maximum employer rate of 20.96% included in section 41 of the public school
26 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

27 (c) The amount allocated to each participating entity under this subsection shall be
28 based on each participating entity's proportion of the total covered payroll for the
29 immediately preceding fiscal year for the same type of participating entities. A
30 participating entity that receives funds under this subsection shall use the funds solely
31 for the purpose of retirement contributions as specified in subdivision (d).

32 (d) Each participating entity receiving funds under this subsection shall forward an

1 amount equal to the amount allocated under subdivision (c) to the retirement system in a
2 form, manner, and time frame determined by the retirement system.

3 (e) Funds allocated under this subsection should be considered when comparing a
4 district's growth in total state aid funding from 1 fiscal year to the next.

5 (f) Not later than December 20, ~~2017-2018~~, the department shall publish and post on
6 its website an estimated MPSERS rate cap per pupil for each district.

7 (g) It is the intent ~~of the legislature~~ that any funds allocated under this
8 subsection are first applied to pension contributions, and if any funds remain after that
9 payment, those remaining funds shall be applied to other postemployment benefit
10 contributions.

11 (h) As used in this subsection:

12 (i) "District library" means a district library established under the district
13 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

14 (ii) "MPSERS rate cap per pupil" means an amount equal to the quotient of the
15 district's payment under this subsection divided by the district's pupils in membership.

16 (iii) "Participating entity" means a district, intermediate district, or district
17 library that is a reporting unit of the Michigan public school employees' retirement system
18 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
19 38.1437, and that reports employees to the Michigan public school employees' retirement
20 system for the applicable fiscal year.

21 (iv) "Retirement board" means the board that administers the retirement system under
22 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

23 (v) "Retirement system" means the Michigan public school employees' retirement system
24 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
25 38.1437.

26 ~~(2) In addition to the funds allocated under subsection (1), from the appropriation~~
27 ~~in section 11, there is allocated for 2017-2018 only an amount not to exceed~~
28 ~~\$200,000,000.00 for payments to participating entities. Notwithstanding section 17b,~~
29 ~~payments to eligible participating entities under this subsection shall be paid in 1~~
30 ~~installment no later than October 20, 2017. Payments under this subsection shall be made as~~
31 ~~follows:~~

32 ~~(a) The amount allocated to each participating entity under this subsection shall be~~

1 ~~based on each participating entity's proportion of the total covered payroll for the fiscal~~
2 ~~year ending September 30, 2016. A participating entity that receives funds under this~~
3 ~~subsection shall use the funds solely for purposes of this subsection.~~

4 ~~(b) Each participating entity receiving funds under this subsection shall forward an~~
5 ~~amount equal to the sum of the amount allocated under this subsection and the amount~~
6 ~~allocated under subsection (1) to the retirement system in a form, manner, and time frame~~
7 ~~prescribed by the retirement system.~~

8 ~~(c) Payments under this subsection shall be used by the retirement system~~
9 ~~specifically for the payment or prepayment of the final years or partial years of any~~
10 ~~additional costs to the retirement system due to the operation of section 81b of the public~~
11 ~~school employees retirement act of 1979, 1980 PA 300, MCL 38.1381b, without regard to the~~
12 ~~amortization of those costs under section 81b(5) of the public school employees retirement~~
13 ~~act of 1979, 1980 PA 300, MCL 38.1381b, and in a manner and form as determined by the~~
14 ~~office of retirement services.~~

15 ~~(d) As used in this subsection:~~

16 ~~(i) "Participating entity" means a district, intermediate district, community~~
17 ~~college, or district library that is a reporting unit of the Michigan public school~~
18 ~~employees' retirement system under the public school employees retirement act of 1979, 1980~~
19 ~~PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school~~
20 ~~employees' retirement system for the applicable fiscal year.~~

21 ~~(ii) "Retirement system" means the Michigan public school employees' retirement~~
22 ~~system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301~~
23 ~~to 38.1437.~~

24 Sec. 147e. (1) From the appropriation in section 11, there is allocated for ~~2017-2018~~
25 **2018-2019** an amount not to exceed ~~\$23,100,000.00~~ **\$31,900,000.00** from the MPSERS retirement
26 obligation reform reserve fund **AND \$5,700,000.00 FROM THE STATE SCHOOL AID FUND** for
27 payments to participating entities.

28 (2) The payment to each participating entity under this section shall be the sum of
29 the amounts under this subsection as follows:

30 (a) An amount equal to the contributions made by a participating entity for the
31 additional contribution made to a qualified participant's Tier 2 account in an amount equal
32 to the contribution made by the qualified participant not to exceed 3% of the qualified

1 participant's compensation as provided for under section 131(6) of the public school
2 employees retirement act of 1979, 1980 PA 300, MCL 38.1431. ~~if that act is amended by~~
3 ~~either Senate Bill No. 401 or House Bill No. 4647 of the 99th Legislature.~~

4 (b) Beginning October 1, 2017, an amount equal to the contributions made by a
5 participating entity for a qualified participant who is only a Tier 2 qualified participant
6 under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL
7 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the
8 qualified participant's compensation. ~~if that act is amended by either Senate Bill No. 401~~
9 ~~or House Bill No. 4647 of the 99th Legislature.~~

10 (c) An amount equal to the increase in employer normal cost contributions under
11 section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL
12 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in
13 Tier 1, compared to the employer normal cost contribution for a member under section 41b(1)
14 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b. ~~if~~
15 ~~section 41b of the public school employees retirement act of 1979, 1980 PA 300, MCL~~
16 ~~38.1341b, is amended by either Senate Bill No. 401 or House Bill No. 4647 of the 99th~~
17 ~~Legislature.~~

18 (3) As used in this section:

19 (a) "Member" means that term as defined under the public school employees retirement
20 act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

21 (b) "Participating entity" means a district, intermediate district, or community
22 college that is a reporting unit of the Michigan public school employees' retirement system
23 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
24 38.1437, and that reports employees to the Michigan public school employees' retirement
25 system for the applicable fiscal year.

26 (c) "Qualified participant" means that term as defined under section 124 of the
27 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

28 Sec. 152a. (1) As required by the court in the consolidated cases known as Adair v
29 State of Michigan, 486 Mich 468 (2010), from the state school aid fund money appropriated
30 in section 11 there is allocated for ~~2017-2018-2018-2019~~ an amount not to exceed
31 \$38,000,500.00 to be used solely for the purpose of paying necessary costs related to the
32 state-mandated collection, maintenance, and reporting of data to this state.

1 (2) From the allocation in subsection (1), the department shall make payments to
2 districts and intermediate districts in an equal amount per-pupil based on the total number
3 of pupils in membership in each district and intermediate district. The department shall
4 not make any adjustment to these payments after the final installment payment under section
5 17b is made.

6 Sec. 160. If a district or intermediate district requests the superintendent to grant
7 a waiver for the district or intermediate district from the requirements of section 1284b
8 of the revised school code, MCL 380.1284b, that district or intermediate district shall use
9 a portion of its funding under this article to conduct a ~~joint~~ public hearing ~~with the~~
10 ~~department~~ to be held before the waiver is granted at a location within the district or
11 intermediate district.

12 Sec. 163. (1) Except as provided in the revised school code, the board of a district
13 or intermediate district shall not permit any of the following:

14 (a) ~~A noncertificated educator~~ **AN INDIVIDUAL WHO DOES NOT HOLD A VALID CERTIFICATE OR**
15 **WHO IS NOT WORKING UNDER A VALID SUBSTITUTE PERMIT, AUTHORIZATION, OR APPROVAL ISSUED UNDER**
16 **RULES PROMULGATED BY THE DEPARTMENT** to teach in an elementary or secondary school. ~~or in an~~
17 ~~adult basic education or high school completion program.~~

18 (b) ~~A noncertificated educator~~ **AN INDIVIDUAL WHO DOES NOT SATISFY THE REQUIREMENTS OF**
19 **SECTION 1233 OF THE REVISED SCHOOL CODE AND RULES PROMULGATED BY THE DEPARTMENT** to provide
20 ~~counseling~~ **SCHOOL COUNSELOR** services to pupils in an elementary or secondary school. ~~or in~~
21 ~~an adult basic education or high school completion program.~~

22 (c) ~~A noncertificated educator to administer instructional programs~~ **AN INDIVIDUAL WHO**
23 **DOES NOT SATISFY THE REQUIREMENTS OF SECTION 1246 OF THE REVISED SCHOOL CODE OR WHO IS NOT**
24 **WORKING UNDER A VALID SUBSTITUTE PERMIT ISSUED UNDER RULES PROMULGATED BY THE DEPARTMENT TO**
25 **BE EMPLOYED AS A SUPERINTENDENT, PRINCIPAL, OR ASSISTANT PRINCIPAL, OR AS A PERSON WHOSE**
26 **PRIMARY RESPONSIBILITY IS TO ADMINISTER INSTRUCTIONAL PROGRAMS** in an elementary or
27 secondary school, ~~or in an adult basic education or high school completion program, unless~~
28 ~~that educator is fulfilling applicable continuing education requirements.~~ **A DISTRICT OR**
29 **INTERMEDIATE DISTRICT.**

30 (2) Except as provided in the revised school code, a district or intermediate
31 district employing ~~educators not legally certificated or licensed~~ **INDIVIDUALS IN VIOLATION**
32 **OF THIS SECTION** shall have deducted the sum equal to the amount paid the ~~educators~~

1 **INDIVIDUALS** for the period of ~~noncertificated, unlicensed, or illegal~~ employment. Each
2 intermediate superintendent shall notify the department of the name of the ~~noncertificated~~
3 ~~or unlicensed educator,~~ **INDIVIDUAL EMPLOYED IN VIOLATION OF THIS SECTION**, and the district
4 employing that individual and the amount of salary the ~~noncertificated or unlicensed~~
5 ~~educator~~ **INDIVIDUAL** was paid within a constituent district.

6 (3) If a school official is notified by the department that he or she is employing a
7 ~~nonapproved, noncertificated, or unlicensed educator~~ **AN INDIVIDUAL** in violation of this
8 section and knowingly continues to employ that ~~educator,~~ **INDIVIDUAL**, the school official is
9 guilty of a misdemeanor, punishable by a fine of \$1,500.00 for each incidence. This penalty
10 is in addition to all other financial penalties otherwise specified in this article.

11 Sec. 166b. (1) This act does not prohibit a parent or legal guardian of a minor who
12 is enrolled in any of grades ~~kindergarten~~ **1** to 12 in a nonpublic school or who is being
13 home-schooled from also enrolling the minor in a district, public school academy, or
14 intermediate district in any curricular offering that is provided by the district, public
15 school academy, or intermediate district at a public school site and is available to pupils
16 in the minor's grade level or age group, subject to compliance with the same requirements
17 that apply to a full-time pupil's participation in the offering. However, state school aid
18 shall be provided under this act for a minor enrolled as described in this subsection only
19 for **A** curricular ~~offerings~~ **OFFERING THAT IS RESTRICTED TO NONESSENTIAL ELECTIVE COURSES,**
20 **AND IS** ~~that are~~ available to full-time pupils in the minor's grade level or age group. **FOR**
21 **THE PURPOSES OF THIS SUBSECTION, A CURRICULAR OFFERING INCLUDES OPTIONAL EXPERIENCES**
22 **ASSOCIATED WITH THE CURRICULAR OFFERING.**

23 (2) This act does not prohibit a parent or legal guardian of a minor who is enrolled
24 in any of grades ~~kindergarten~~ **1** to 12 in a nonpublic school or who resides within ~~the~~ **A**
25 district and is being home-schooled from also enrolling the minor in the district in a ~~a~~ **ANY**
26 **NONESSENTIAL ELECTIVE** curricular offering being provided by the district at ~~the~~ **A** nonpublic
27 school site ~~that is provided by the district, public school academy, or intermediate~~
28 **DISTRICT AT A PUBLIC SCHOOL SITE, AND THAT IS AVAILABLE TO PUPILS IN THE MINOR'S GRADE**
29 **LEVEL OR AGE GROUP, SUBJECT TO COMPLIANCE WITH THE SAME REQUIREMENTS THAT APPLY TO A FULL-**
30 **TIME PUPIL'S PARTICIPATION IN THE OFFERING. FOR PURPOSES OF THIS SUBSECTION, A CURRICULAR**
31 **OFFERING INCLUDES OPTIONAL EXPERIENCES ASSOCIATED WITH THE CURRICULAR OFFERING.** ~~However,~~
32 ~~state~~ **STATE** school aid shall be provided under this act for a minor enrolled as described

1 in this subsection only if all of the following apply:

2 (a) Either of the following:

3 (i) The nonpublic school site is located, or the nonpublic students are educated,
4 within the geographic boundaries of the district.

5 (ii) If the nonpublic school has submitted a written request to the district in which
6 the nonpublic school is located for the district to provide certain instruction under this
7 subsection for a school year and the district does not agree to provide some or all of that
8 instruction by May 1 immediately preceding that school year or, if the request is submitted
9 after March 1 immediately preceding that school year, within 60 days after the nonpublic
10 school submits the request, the instruction is instead provided by an eligible other
11 district. This subparagraph does not require a nonpublic school to submit more than 1
12 request to the district in which the nonpublic school is located for that district to
13 provide instruction under this subsection, and does not require a nonpublic school to
14 submit an additional request to the district in which the nonpublic school is located for
15 that district to provide additional instruction under this subsection beyond the
16 instruction requested in the original request, before having the instruction provided by an
17 eligible other district. A public school academy that is located in the district in which
18 the nonpublic school is located or in an eligible other district also may provide
19 instruction under this subparagraph under the same conditions as an eligible other
20 district. As used in this subparagraph, "eligible other district" means a district that is
21 located in the same intermediate district as the district in which the nonpublic school is
22 located or is located in an intermediate district that is contiguous to that intermediate
23 district.

24 (b) The nonpublic school is registered with the department as a nonpublic school and
25 meets all state reporting requirements for nonpublic schools.

26 (c) The instruction is provided directly by a certified teacher ~~at~~**OF** the district or
27 public school academy or ~~at~~**OF** an intermediate district.

28 (d) The curricular offering is also available to full-time pupils in the minor's
29 grade level or age group in the district or public school academy at a public school site.

30 (e) The curricular offering is restricted to nonessential elective courses for pupils
31 in grades ~~kindergarten-1~~ to 12.

32 **(F) IF A COURSE HAS AN ASSOCIATED OPTIONAL EXPERIENCE, THE OPTIONAL EXPERIENCE MUST**

1 **ALSO BE AVAILABLE TO FULL-TIME PUPILS IN THE MINOR'S GRADE LEVEL OR AGE GROUP.**

2 (3) A nonessential course in grades 1 to 8 is a course other than a mathematics,
3 science, social studies, and English language arts course required by the district for
4 grade progression. Nonessential courses in grades 9 to 12 are those other than algebra 1,
5 algebra 2, English 9-12, geometry, biology, chemistry, physics, economics, geography,
6 American history, world history, the Constitution, government, and civics, or courses that
7 **CAN** fulfill the same credit requirement as these courses. Nonessential elective courses
8 include courses offered by the local district for high school credit that are also capable
9 of generating postsecondary credit, including, at least, advanced placement and
10 international baccalaureate courses. College level courses taken by high school students
11 for college credit are nonessential courses. Remedial courses for any grade in the above-
12 listed essential courses are considered essential. ~~Kindergarten is considered nonessential.~~

13 (4) Subject to section 6(4)(ii) **AND SECTION 23F**, a minor enrolled as described in
14 this section is a part-time pupil for purposes of state school aid under this act.

15 (5) A district that receives a written request to provide instruction under
16 subsection (2) shall reply to the request in writing by May 1 immediately preceding the
17 applicable school year or, if the request is made after March 1 immediately preceding that
18 school year, within 60 days after the nonpublic school submits the request. The written
19 reply shall specify whether the district agrees to provide or does not agree to provide the
20 instruction for each portion of instruction included in the request.

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ARTICLE II

STATE AID TO COMMUNITY COLLEGES

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2018,~~ **2019**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$399,326,500.00.~~ **\$405,015,500.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$399,326,500.00.~~ **\$405,015,500.00**.

1 (b) The sources of the adjusted gross appropriation described in subdivision (a) are
2 as follows:

3 (i) Total federal revenues, \$0.00.

4 (ii) Total local revenues, \$0.00.

5 (iii) Total private revenues, \$0.00.

6 (iv) Total other state restricted revenues, ~~\$398,301,500.00.~~ **\$405,015,500.00.**

7 (v) State general fund/general purpose money, ~~\$1,025,000.00.~~ **\$0.00.**

8 (2) Subject to subsection (3), the amount appropriated for community college
9 operations is \$319,050,900.00, allocated as follows:

10 (a) The appropriation for Alpena Community College is \$5,627,500.00. ~~τ \$5,596,200.00~~
11 ~~for operations and \$31,300.00 for performance funding.~~

12 (b) The appropriation for Bay de Noc Community College is \$5,589,000.00. τ
13 ~~\$5,560,900.00 for operations and \$28,100.00 for performance funding.~~

14 (c) The appropriation for Delta College is \$14,990,700.00. ~~τ \$14,907,700.00 for~~
15 ~~operations and \$83,000.00 for performance funding.~~

16 (d) The appropriation for Glen Oaks Community College is \$2,601,400.00. τ
17 ~~\$2,586,900.00 for operations and \$14,500.00 for performance funding.~~

18 (e) The appropriation for Gogebic Community College is \$4,715,400.00. ~~τ \$4,692,200.00~~
19 ~~for operations and \$23,200.00 for performance funding.~~

20 (f) The appropriation for Grand Rapids Community College is \$18,556,800.00. τ
21 ~~\$18,450,500.00 for operations and \$106,300.00 for performance funding.~~

22 (g) The appropriation for Henry Ford College is \$22,299,200.00. ~~τ \$22,176,000.00 for~~
23 ~~operations and \$123,200.00 for performance funding.~~

24 (h) The appropriation for Jackson College is \$12,590,100.00. ~~τ \$12,527,400.00 for~~
25 ~~operations and \$62,700.00 for performance funding.~~

26 (i) The appropriation for Kalamazoo Valley Community College is \$12,948,700.00. τ
27 ~~\$12,873,900.00 for operations and \$74,800.00 for performance funding.~~

28 (j) The appropriation for Kellogg Community College is \$10,143,600.00. τ
29 ~~\$10,087,500.00 for operations and \$56,100.00 for performance funding.~~

30 (k) The appropriation for Kirtland Community College is \$3,289,400.00. τ
31 ~~\$3,270,000.00 for operations and \$19,400.00 for performance funding.~~

32 (l) The appropriation for Lake Michigan College is \$5,523,600.00. ~~τ \$5,492,800.00 for~~

1 ~~operations and \$30,800.00 for performance funding.~~

2 (m) The appropriation for Lansing Community College is \$32,324,200.00. 7
3 ~~\$32,165,600.00 for operations and \$158,600.00 for performance funding.~~

4 (n) The appropriation for Macomb Community College is \$33,863,600.00. 7
5 ~~\$33,681,800.00 for operations and \$181,800.00 for performance funding.~~

6 (o) The appropriation for Mid Michigan Community College is \$4,968,900.00. 7
7 ~~\$4,937,400.00 for operations and \$31,500.00 for performance funding.~~

8 (p) The appropriation for Monroe County Community College is \$4,665,500.00. 7
9 ~~\$4,636,700.00 for operations and \$28,800.00 for performance funding.~~

10 (q) The appropriation for Montcalm Community College is \$3,446,300.00. 7
11 ~~\$3,426,700.00 for operations and \$19,600.00 for performance funding.~~

12 (r) The appropriation for C.S. Mott Community College is \$16,258,100.00. 7
13 ~~\$16,167,200.00 for operations and \$90,900.00 for performance funding.~~

14 (s) The appropriation for Muskegon Community College is \$9,203,000.00. 7
15 ~~\$9,150,600.00 for operations and \$52,400.00 for performance funding.~~

16 (t) The appropriation for North Central Michigan College is \$3,353,200.00. 7
17 ~~\$3,330,200.00 for operations and \$23,000.00 for performance funding.~~

18 (u) The appropriation for Northwestern Michigan College is \$9,508,900.00. 7
19 ~~\$9,459,800.00 for operations and \$49,100.00 for performance funding.~~

20 (v) The appropriation for Oakland Community College is \$21,905,700.00. 7
21 ~~\$21,770,900.00 for operations and \$134,800.00 for performance funding.~~

22 (w) The appropriation for Schoolcraft College is \$12,991,300.00. 7 ~~\$12,909,300.00 for~~
23 ~~operations and \$82,000.00 for performance funding.~~

24 (x) The appropriation for Southwestern Michigan College is \$6,860,700.00. 7
25 ~~\$6,827,000.00 for operations and \$33,700.00 for performance funding.~~

26 (y) The appropriation for St. Clair County Community College is \$7,300,100.00. 7
27 ~~\$7,259,300.00 for operations and \$40,800.00 for performance funding.~~

28 (z) The appropriation for Washtenaw Community College is \$13,631,400.00 7
29 ~~\$13,534,000.00 for operations and \$97,400.00 for performance funding.~~

30 (aa) The appropriation for Wayne County Community College is \$17,338,300.00. 7
31 ~~\$17,234,200.00 for operations and \$104,100.00 for performance funding.~~

32 (bb) The appropriation for West Shore Community College is \$2,556,300.00. 7

1 ~~\$2,540,000.00 for operations and \$16,300.00 for performance funding.~~

2 (3) The amount appropriated in subsection (2) for community college operations is
3 \$319,050,900.00 and is appropriated from the state school aid fund.

4 (4) From the appropriations described in subsection (1), both of the following apply:

5 (a) Subject to section 207a, the amount appropriated for fiscal year ~~2017-2018-2018-~~
6 **2019** to offset certain fiscal year ~~2017-2018-2018-2019~~ retirement contributions is
7 \$1,733,600.00, appropriated from the state school aid fund.

8 (b) For fiscal year ~~2017-2018-2018-2019~~ only, there is allocated an amount not to
9 exceed ~~\$3,612,000.00~~ **\$6,431,000.00** for payments to participating community colleges,
10 appropriated from the state school aid fund. A community college that receives money under
11 this subdivision shall use that money solely for the purpose of offsetting the normal cost
12 contribution rate.

13 (5) From the appropriations described in subsection (1), subject to section 207b, the
14 amount appropriated for payments to community colleges that are participating entities of
15 the retirement system is ~~\$70,805,000.00~~ **\$75,300,000.00**, appropriated from the state school
16 aid fund.

17 (6) From the appropriations described in subsection (1), subject to section 207c, the
18 amount appropriated for renaissance zone tax reimbursements is ~~\$3,100,000.00~~,
19 **\$2,500,000.00**, appropriated from the state school aid fund.

20 ~~(7) From the appropriations described in subsection (1), there is appropriated~~
21 ~~\$1,025,000.00 from general fund/general purpose money, for fiscal year 2017-2018 only, to~~
22 ~~the Michigan Community College Association, for the purpose of enhancing the Michigan~~
23 ~~Transfer Network website to improve the transfer of college credit among Michigan's~~
24 ~~postsecondary institutions. The Michigan Community College Association shall provide~~
25 ~~information on request to the house and senate subcommittees on community colleges, the~~
26 ~~house and senate fiscal agencies, and the state budget director on the use of these funds~~
27 ~~until the project is completed.~~

28 Sec. 206. (1) The funds appropriated in section 201 are appropriated for community
29 colleges with fiscal years ending June 30, ~~2018-2019~~ and shall be paid out of the state
30 treasury and distributed by the state treasurer to the respective community colleges in 11
31 monthly installments on the sixteenth of each month, or the next succeeding business day,
32 beginning with October 16, ~~2017-2018~~. Each community college shall accrue its July and

1 August ~~2018-2019~~ payments to its institutional fiscal year ending June 30, ~~2018-2019~~.

2 (2) If the state budget director determines that a community college failed to submit
3 any of the information described in subdivisions (a) to (f) in the form and manner
4 specified by the center, the state treasurer shall, ~~subject to subdivision (g),~~ withhold
5 the monthly installments from that community college until those data are submitted:

6 (a) ~~All verified~~ **THE Michigan COMMUNITY COLLEGE VERIFIED DATA INVENTORY** ~~community~~
7 ~~colleges activities classification structure~~ data for the preceding academic year to the
8 center by November 1 of each year as specified in section 217.

9 (b) The college credit opportunity data set as specified in section 209.

10 (c) The longitudinal data set for the preceding academic year to the center as
11 specified in section 219.

12 (d) The annual independent audit as specified in section 222.

13 (e) Tuition and mandatory fees information for the current academic year as specified
14 in section 225.

15 (f) The number and type of associate degrees and other certificates awarded during
16 the previous academic year as specified in section 226.

17 ~~(g) The state budget director shall notify the chairs of the house and senate~~
18 ~~appropriations subcommittees on community colleges at least 10 days before withholding~~
19 ~~funds from any community college.~~

20 Sec. 207a. All of the following apply to the allocation of the fiscal year ~~2017-2018~~
21 **2018-2019** appropriations described in section 201(4):

22 (a) A community college that receives money under section 201(4) shall use that money
23 solely for the purpose of offsetting a portion of the retirement contributions owed by the
24 college for that fiscal year.

25 (b) The amount allocated to each participating community college under section 201(4)
26 shall be based on each college's percentage of the total covered payroll for all community
27 colleges that are participating colleges in the immediately preceding fiscal year.

28 Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2017-2018~~
29 **2018-2019** appropriations described in section 201(5) for payments to community colleges
30 that are participating entities of the retirement system:

31 (a) The amount of a payment under section 201(5) shall be the difference between the
32 unfunded actuarial accrued liability contribution rate as calculated under section 41 of

1 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated
2 without taking into account the maximum employer rate of 20.96% included in section 41 of
3 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
4 maximum employer rate of 20.96% under section 41 of the public school employees retirement
5 act of 1979, 1980 PA 300, MCL 38.1341.

6 (b) The amount allocated to each community college under section 201(5) shall be
7 based on each community college's percentage of the total covered payroll for all community
8 colleges that are participating colleges in the immediately preceding fiscal year. A
9 community college that receives funds under this subdivision shall use the funds solely for
10 the purpose of retirement contributions under section 201(5).

11 (c) Each participating college that receives funds under section 201(5) shall forward
12 an amount equal to the amount allocated under subdivision (b) to the retirement system in a
13 form and manner determined by the retirement system.

14 Sec. 207c. All of the following apply to the allocation of the appropriations
15 described in section 201(6) to community colleges described in section 12(3) of the
16 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

17 (a) The amount allocated to each community college under section 201(6) for fiscal
18 year ~~2017-2018-2018-2019~~ shall be based on that community college's proportion of total
19 revenue lost by community colleges as a result of the exemption of property taxes levied in
20 ~~2017-2018~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

21 (b) The appropriations described in section 201(6) shall be made to each eligible
22 community college within 60 days after the department of treasury certifies to the state
23 budget director that it has received all necessary information to properly determine the
24 amounts payable to each eligible community college under section 12 of the Michigan
25 renaissance zone act, 1996 PA 376, MCL 125.2692.

26 Sec. 209. (1) Within 30 days after the board of a community college adopts its annual
27 operating budget for the following fiscal year, or after the board adopts a subsequent
28 revision to that budget, the community college shall make all of the following available
29 through a link on its website homepage:

30 (a) The annual operating budget and subsequent budget revisions.

31 (b) A link to the most recent ~~"Activities Classification Structure Data Book and~~

32 ~~Companion"~~ **"MICHIGAN COMMUNITY COLLEGE DATA INVENTORY REPORT"**.

1 (c) General fund revenue and expenditure projections for the current fiscal year and
2 the next fiscal year.

3 (d) A listing of all debt service obligations, detailed by project, anticipated
4 ~~fiscal year~~ payment of each project, and total outstanding debt for the current fiscal
5 year.

6 (e) Links to all of the following for the community college:

7 (i) The current collective bargaining agreement for each bargaining unit.

8 (ii) Each health care benefits plan, including, but not limited to, medical, dental,
9 vision, disability, long-term care, or any other type of benefits that would constitute
10 health care services, offered to any bargaining unit or employee of the community college.

11 (iii) Audits and financial reports for the most recent fiscal year for which they are
12 available.

13 (iv) A copy of the board of trustees resolution regarding compliance with best
14 practices for the local strategic value component described in section 230(2).

15 (2) For statewide consistency and public visibility, community colleges must use the
16 icon badge provided by the department of technology, management, and budget consistent with
17 the icon badge developed by the department of education for K-12 school districts. It must
18 appear on the front of each community college's homepage. The size of the icon may be
19 reduced to 150 x 150 pixels.

20 ~~(3) The state budget director shall determine whether a community college has~~
21 ~~complied with this section. The state budget director may withhold a community college's~~
22 ~~monthly installments described in section 206 until the community college complies with~~
23 ~~this section. The state budget director shall notify the chairs of the house and senate~~
24 ~~appropriations subcommittee on community colleges at least 10 days before withholding funds~~
25 ~~from any community college.~~

26 (3) ~~(4)~~ Each community college shall report the following information to the senate
27 and house appropriations subcommittees on community colleges, the senate and house fiscal
28 agencies, and the state budget office by November 15 of each fiscal year and post that
29 information on its website as required under subsection (1):

30 (a) Budgeted current fiscal year general fund revenue from tuition and fees.

31 (b) Budgeted current fiscal year general fund revenue from state appropriations.

32 (c) Budgeted current fiscal year general fund revenue from property taxes.

1 (d) Budgeted current fiscal year total general fund revenue.

2 (e) Budgeted current fiscal year total general fund expenditures.

3 **(4)** ~~(5)~~ By November 15 of each year, a community college shall report the following
4 information to the center and post the information on its website under the budget
5 transparency icon badge:

6 (a) Opportunities for earning college credit through the following programs:

7 (i) State approved career and technical education or a tech prep articulated program
8 of study.

9 (ii) Direct college credit or concurrent enrollment.

10 (iii) Dual enrollment.

11 (iv) An early college/middle college program.

12 (b) For each program described in subdivision (a) that the community college offers,
13 all of the following information:

14 (i) The number of high school students participating in the program.

15 (ii) The number of school districts that participate in the program with the
16 community college.

17 (iii) Whether a college professor, qualified local school district employee, or other
18 individual teaches the course or courses in the program.

19 (iv) The total cost to the community college to operate the program.

20 (v) The cost per credit hour for the course or courses in the program.

21 (vi) The location where the course or courses in the program are held.

22 (vii) Instructional resources offered to the program instructors.

23 (viii) Resources offered to the student in the program.

24 (ix) Transportation services provided to students in the program.

25 Sec. 210b. By March 1, ~~2018~~**2019**, the Michigan Community College Association and the
26 Michigan Association of State Universities shall submit a report to the senate and house
27 appropriations subcommittees on community colleges, the senate and house fiscal agencies,
28 and the state budget director on the activities and programs of the transfer steering
29 committee since the March 1, ~~2017~~**2018** report required under this section, including all of
30 the following:

31 (a) The alignment of learning outcomes in gateway mathematics courses in the
32 quantitative reasoning, college algebra, and statistics pathways and the transferability of

1 mathematics gateway courses between and among community colleges and universities.

2 (b) The development of program-specific, statewide transfer pathways that meet
3 program requirements for both associate and bachelor's degree programs.

4 (c) The development of an enhanced online communication tool to share information
5 about postsecondary options in Michigan, course equivalencies, and transfer pathways that
6 are clearly articulated.

7 (d) The establishment of clear timelines for developing and implementing transfer
8 pathways.

9 (e) A progress report on the implementation of the Michigan transfer agreement.

10 **SEC. 210E. BY FEBRUARY 1, 2019, THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION, THE**
11 **MICHIGAN ASSOCIATION OF STATE UNIVERSITIES, AND THE MICHIGAN INDEPENDENT COLLEGES AND**
12 **UNIVERSITIES, ON BEHALF OF THEIR MEMBER COLLEGES AND UNIVERSITIES, SHALL SUBMIT TO THE**
13 **SENATE AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON HIGHER EDUCATION, THE SENATE AND HOUSE**
14 **APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES, THE SENATE AND HOUSE FISCAL AGENCIES,**
15 **AND THE STATE BUDGET DIRECTOR A COMPREHENSIVE REPORT DETAILING THE NUMBER OF ACADEMIC**
16 **PROGRAM PARTNERSHIPS BETWEEN PUBLIC COMMUNITY COLLEGES, PUBLIC UNIVERSITIES, AND PRIVATE**
17 **COLLEGES AND UNIVERSITIES, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING INFORMATION:**

18 (A) THE NAMES OF THE BACCALAUREATE DEGREE PROGRAMS OF STUDY OFFERED BY PUBLIC AND
19 PRIVATE UNIVERSITIES ON COMMUNITY COLLEGE CAMPUSES.

20 (B) THE NAMES OF THE ARTICULATION AGREEMENTS FOR BACCALAUREATE DEGREE PROGRAMS OF
21 STUDY BETWEEN PUBLIC COMMUNITY COLLEGES, PUBLIC UNIVERSITIES, AND PRIVATE COLLEGES AND
22 UNIVERSITIES.

23 (C) THE NUMBER OF STUDENTS ENROLLED AND NUMBER OF DEGREES AWARDED THROUGH
24 ARTICULATION AGREEMENTS, AND THE NUMBER OF COURSES OFFERED, NUMBER OF STUDENTS ENROLLED,
25 AND NUMBER OF DEGREES AWARDED THROUGH ON-CAMPUS PROGRAMS NAMED IN SUBDIVISION (A) FROM JULY
26 1, 2017 THROUGH JUNE 30, 2018.

27 Sec. 217. (1) The center shall do all of the following:

28 (a) Establish, maintain, and coordinate the state community college database commonly
29 known as the ~~"activities classification structure" or "ACS" database.~~ **"MICHIGAN COMMUNITY**
30 **COLLEGE DATA INVENTORY"**.

31 (b) Collect data concerning community colleges and community college programs in this
32 state, including data required by law.

1 (c) Establish procedures to ensure the validity and reliability of the data and the
2 collection process.

3 (d) Develop model data collection policies, including, but not limited to, policies
4 that ensure the privacy of any individual student data. Privacy policies shall ensure that
5 student social security numbers are not released to the public for any purpose.

6 (e) Provide data in a useful manner to allow state policymakers and community college
7 officials to make informed policy decisions.

8 (2) There is created within the center the ~~activities classification structure~~
9 **"MICHIGAN COMMUNITY COLLEGE DATA INVENTORY"** advisory committee. The committee shall provide
10 advice to the director of the center regarding the management of the state community
11 college database, including, but not limited to:

12 (a) Determining what data are necessary to collect and maintain to enable state and
13 community college officials to make informed policy decisions.

14 (b) Defining the roles of all stakeholders in the data collection system.

15 (c) Recommending timelines for the implementation and ongoing collection of data.

16 (d) Establishing and maintaining data definitions, data transmission protocols, and
17 system specifications and procedures for the efficient and accurate transmission and
18 collection of data.

19 (e) Establishing and maintaining a process for ensuring the accuracy of the data.

20 (f) Establishing and maintaining policies related to data collection, including, but
21 not limited to, privacy policies related to individual student data.

22 (g) Ensuring that the data are made available to state policymakers and citizens of
23 this state in the most useful format possible.

24 (h) Addressing other matters as determined by the director of the center or as
25 required by law.

26 (3) The ~~activities classification structure~~ **MICHIGAN COMMUNITY COLLEGE DATA INVENTORY**
27 advisory committee created in subsection (2) shall consist of the following members:

28 (a) One representative from the house fiscal agency, appointed by the director of the
29 house fiscal agency.

30 (b) One representative from the senate fiscal agency, appointed by the director of
31 the senate fiscal agency.

32 (c) One representative from the workforce development agency, appointed by the

1 director of the workforce development agency.

2 (d) One representative from the center appointed by the director of the center.

3 (e) One representative from the state budget office, appointed by the state budget
4 director.

5 (f) One representative from the governor's policy office, appointed by that office.

6 (g) Four representatives of the Michigan Community College Association, appointed by
7 the president of the association. ~~From the groupings of community colleges given in table~~
8 ~~17 of the activities classification structure database described in subsection (1), the~~
9 ~~association shall appoint 1 representative each from group 1, group 2, and group 3, and 1~~
10 ~~representative from either group 3 or 4.~~

11 Sec. 225. Each community college shall report to the center by August 31 of each year
12 the tuition and mandatory fees paid by a full-time in-district student and a full-time out-
13 of-district student as established by the college governing board for the current academic
14 year. ~~This report should also include the annual cost of attendance based on a full-time~~
15 ~~course load of 30 credits.~~ Each community college shall also report any revisions to the
16 reported current academic year tuition and mandatory fees adopted by the college governing
17 board to the center within 15 days of being adopted. The center shall provide this
18 information and any revisions to the house and senate fiscal agencies and the state budget
19 director.

20 Sec. 226. Each community college shall report to the center **BY OCTOBER 15 OF EACH**
21 **YEAR** the numbers and type of associate degrees and other certificates awarded by the
22 community college during the previous ~~fiscal~~ **ACADEMIC** year **USING THE P-20 LONGITUDINAL DATA**
23 **SYSTEM.** ~~The report shall be made not later than November 15 of each year. Community~~
24 ~~colleges shall work with the center to develop a systematic approach for meeting this~~
25 ~~requirement using the P-20 longitudinal data system.~~

26 Sec. 229a. Included in the fiscal year ~~2017-2018~~ **2018-2019** appropriations for the
27 department of technology, management, and budget are appropriations totaling ~~\$30,879,600.00~~
28 **\$36,378,100.00** to provide funding for the state share of costs for previously constructed
29 capital projects for community colleges. Those appropriations for state building authority
30 rent represent additional state general fund support for community colleges, and the
31 following is an estimate of the amount of that support to each community college:

32 (a) Alpena Community College, ~~\$630,000.00.~~ **\$876,300.00.**

- 1 (b) Bay de Noc Community College, ~~\$682,400.00.~~ **\$677,000.00.**
- 2 (c) Delta College, ~~\$3,347,300.00.~~ **\$3,798,700.00.**
- 3 (d) Glen Oaks Community College, ~~\$124,000.00.~~ **\$123,000.00.**
- 4 (e) Gogebic Community College, ~~\$56,400.00.~~ **\$56,000.00.**
- 5 (f) Grand Rapids Community College, ~~\$2,075,300.00.~~ **\$2,536,500.00.**
- 6 (g) Henry Ford College, ~~\$1,036,200.00.~~ **\$1,028,000.00.**
- 7 (h) Jackson College, ~~\$2,264,800.00.~~ **\$2,164,000.00.**
- 8 (i) Kalamazoo Valley Community College, ~~\$1,957,400.00.~~ **\$1,942,000.00.**
- 9 (j) Kellogg Community College, ~~\$524,100.00.~~ **\$681,300.00.**
- 10 (k) Kirtland Community College, ~~\$365,900.00.~~ **\$591,800.00.**
- 11 (l) Lake Michigan College, ~~\$342,700.00.~~ **\$975,800.00.**
- 12 (m) Lansing Community College, ~~\$1,150,000.00.~~ **\$1,141,000.00.**
- 13 (n) Macomb Community College, ~~\$1,662,100.00.~~ **\$1,649,000.00.**
- 14 (o) Mid Michigan Community College, ~~\$1,627,800.00.~~ **\$1,615,000.00.**
- 15 (p) Monroe County Community College, ~~\$1,273,000.00.~~ **\$1,544,300.00.**
- 16 (q) Montcalm Community College, ~~\$978,700.00.~~ **\$971,000.00.**
- 17 (r) C.S. Mott Community College, ~~\$1,817,300.00.~~ **\$2,107,200.00.**
- 18 (s) Muskegon Community College, ~~\$570,500.00.~~ **\$989,000.00.**
- 19 (t) North Central Michigan College, ~~\$416,300.00.~~ **\$668,000.00.**
- 20 (u) Northwestern Michigan College, ~~\$1,315,400.00.~~ **\$1,844,900.00.**
- 21 (v) Oakland Community College, ~~\$468,700.00.~~ **\$465,000.00.**
- 22 (w) Schoolcraft College, ~~\$1,558,300.00.~~ **\$2,296,000.00.**
- 23 (x) Southwestern Michigan College, ~~\$531,700.00.~~ **\$887,500.00.**
- 24 (y) St. Clair County Community College, ~~\$358,800.00.~~ **\$723,500.00.**
- 25 (z) Washtenaw Community College, ~~\$1,689,300.00.~~ **\$1,826,000.00.**
- 26 (aa) Wayne County Community College, ~~\$1,473,600.00.~~ **\$1,462,000.00.**
- 27 (bb) West Shore Community College, ~~\$581,600.00.~~ **\$738,300.00.**

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ARTICLE III

STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2018, 2019~~, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$1,629,224,400.00.~~ **\$1,658,932,600.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$1,629,224,400.00.~~ **\$1,658,932,600.00.**

1 (b) The sources of the adjusted gross appropriation described in subdivision (a) are
2 as follows:

3 (i) Total federal revenues, ~~\$111,526,400.00.~~ **\$113,026,400.00.**

4 (ii) Total local revenues, \$0.00.

5 (iii) Total private revenues, \$0.00.

6 (iv) Total other state restricted revenues, ~~\$238,443,500.00.~~ **\$385,688,300.00.**

7 (v) State general fund/general purpose money, ~~\$1,279,254,500.00.~~ **\$1,160,217,900.00.**

8 (2) Amounts appropriated for public universities are as follows:

9 (a) The appropriation for Central Michigan University is ~~\$85,654,400.00,~~
10 **\$87,413,100.00,** ~~\$83,925,500.00~~ **\$85,654,400.00** for operations and ~~\$1,728,900.00~~
11 **\$1,758,700.00** for performance funding.

12 (b) The appropriation for Eastern Michigan University is ~~\$75,169,900.00,~~
13 **\$76,977,200.00,** ~~\$73,593,800.00~~ **\$75,169,900.00** for operations and ~~\$1,576,100.00~~
14 **\$1,807,300.00** for performance funding.

15 (c) The appropriation for Ferris State University is ~~\$53,595,500.00,~~ **\$54,975,900.00,**
16 ~~\$52,259,900.00~~ **\$53,595,500.00** for operations and ~~\$1,335,600.00~~ **\$1,380,400.00** for
17 performance funding.

18 (d) The appropriation for Grand Valley State University is ~~\$70,100,100.00,~~
19 **\$72,053,500.00,** ~~\$68,227,900.00~~ **\$70,100,100.00** for operations and ~~\$1,872,200.00~~
20 **\$1,953,400.00** for performance funding.

21 (e) The appropriation for Lake Superior State University is ~~\$13,775,000.00,~~
22 **\$13,988,400.00,** ~~\$13,567,400.00~~ **\$13,775,000.00** for operations and ~~\$207,600.00~~ **\$213,400.00**
23 for performance funding.

24 (f) The appropriation for Michigan State University is ~~\$344,404,800.00,~~
25 **\$350,698,000.00,** ~~\$275,862,100.00~~ **\$281,239,100.00** for operations, ~~\$5,377,000.00~~
26 **\$5,029,800.00** for performance funding, ~~\$33,913,100.00~~ **\$34,591,400.00** for MSU AgBioResearch,
27 and ~~\$29,252,600.00~~ **\$29,837,700.00** for MSU Extension.

28 (g) The appropriation for Michigan Technological University is ~~\$49,052,200.00,~~
29 **\$49,947,900.00,** ~~\$48,097,500.00~~ **\$49,052,200.00** for operations and ~~\$954,700.00~~ **\$895,700.00**
30 for performance funding.

31 (h) The appropriation for Northern Michigan University is ~~\$47,137,400.00,~~
32 **\$48,004,600.00,** ~~\$46,279,200.00~~ **\$47,137,400.00** for operations and ~~\$858,200.00~~ **\$867,200.00**

1 for performance funding.

2 (i) The appropriation for Oakland University is ~~\$51,235,900.00~~, **\$52,816,100.00**,
3 ~~\$49,920,700.00~~ **\$51,235,900.00** for operations and ~~\$1,315,200.00~~ **\$1,580,200.00** for
4 performance funding.

5 (j) The appropriation for Saginaw Valley State University is ~~\$29,766,100.00~~,
6 **\$30,526,800.00**, ~~\$29,114,000.00~~ **\$29,766,100.00** for operations and ~~\$652,100.00~~ **\$760,700.00**
7 for performance funding.

8 (k) The appropriation for University of Michigan - Ann Arbor is ~~\$314,589,100.00~~,
9 **\$320,775,300.00**, ~~\$308,639,000.00~~ **\$314,589,100.00** for operations and ~~\$5,950,100.00~~
10 **\$6,186,200.00** for performance funding.

11 (l) The appropriation for University of Michigan - Dearborn is ~~\$25,421,900.00~~,
12 **\$26,070,700.00**, ~~\$24,803,300.00~~ **\$25,421,900.00** for operations and ~~\$618,600.00~~ **\$648,800.00**
13 for performance funding.

14 (m) The appropriation for University of Michigan - Flint is ~~\$23,061,800.00~~,
15 **\$23,584,100.00**, ~~\$22,549,300.00~~ **\$23,061,800.00** for operations and ~~\$512,500.00~~ **\$522,300.00**
16 for performance funding.

17 (n) The appropriation for Wayne State University is ~~\$199,169,800.00~~, **\$202,361,000.00**,
18 ~~\$196,064,500.00~~ **\$199,169,800.00** for operations and ~~\$3,105,300.00~~ **\$3,191,200.00** for
19 performance funding.

20 (o) The appropriation for Western Michigan University is ~~\$109,376,800.00~~,
21 **\$111,148,300.00**, ~~\$107,440,900.00~~ **\$109,376,800.00** for operations and ~~\$1,935,900.00~~
22 **\$1,771,500.00** for performance funding.

23 (3) The amount appropriated in subsection (2) for public universities is appropriated
24 from the following:

25 (a) State school aid fund, ~~\$231,219,500.00~~ **\$379,786,300.00**.

26 (b) State general fund/general purpose money, ~~\$1,260,291,200.00~~ **\$1,141,554,600.00**.

27 (4) The amount appropriated for Michigan public school employees' retirement system
28 reimbursement is ~~\$6,705,000.00~~ **\$5,133,000.00**, appropriated from the state school aid fund.

29 (5) The amount appropriated for state and regional programs is \$315,000.00,
30 appropriated from general fund/general purpose money and allocated as follows:

31 (a) Higher education database modernization and conversion, \$200,000.00.

32 (b) Midwestern Higher Education Compact, \$115,000.00.

1 (6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa
2 Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and
3 allocated as follows:

4 (a) Select student support services, \$1,956,100.00.

5 (b) Michigan college/university partnership program, \$586,800.00.

6 (c) Morris Hood, Jr. educator development program, \$148,600.00.

7 (7) Subject to subsection (8), the amount appropriated for grants and financial aid
8 is ~~\$127,583,200.00~~, **\$128,783,200.00**, allocated as follows:

9 (a) State competitive scholarships, ~~\$26,361,700.00~~, **\$32,361,700.00**.

10 (b) Tuition grants, ~~\$38,021,500.00~~, **\$32,021,500.00**.

11 (c) Tuition incentive program, ~~\$58,300,000.00~~, **\$59,800,000.00**.

12 (d) Children of veterans and officer's survivor tuition grant programs,
13 \$1,400,000.00.

14 (e) Project GEAR-UP, \$3,200,000.00.

15 ~~(f) North American Indian tuition waiver, \$300,000.00.~~

16 (8) The money appropriated in subsection (7) for grants and financial aid is
17 appropriated from the following:

18 (a) Federal revenues under the United States Department of Education, Office of
19 Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

20 (b) Federal revenues under the social security act, temporary assistance for needy
21 families, ~~\$108,326,400.00~~, **\$109,826,400.00**.

22 (c) Contributions to children of veterans tuition grant program, \$100,000.00.

23 (d) State general fund/general purpose money, ~~\$15,956,800.00~~, **\$15,656,800.00**.

24 (9) For fiscal year ~~2017-2018~~ **2018-2019** only, in addition to the allocation under
25 subsection (4), from the appropriations described in subsection (1), there is allocated an
26 amount not to exceed ~~\$419,000.00~~ **\$669,000.00** for payments to participating public
27 universities, appropriated from the state school aid fund. A university that receives money
28 under this subsection shall use that money solely for the purpose of offsetting the normal
29 cost contribution rate. As used in this subsection, "participating public universities"
30 means public universities that are a reporting unit of the Michigan public school
31 employees' retirement system under the public school employees retirement act of 1979, 1980
32 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school

1 employees' retirement system for the state fiscal year.

2 Sec. 236b. In addition to the funds appropriated in section 236, there is
3 appropriated for grants and financial aid in fiscal year ~~2017-2018-2018-2019~~ an amount not
4 to exceed \$6,000,000.00 for federal contingency funds. These funds are not available for
5 expenditure until they have been transferred under section 393(2) of the management and
6 budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

7 Sec. 236c. In addition to the funds appropriated for fiscal year ~~2017-2018-2018-2019~~
8 in section 236, appropriations to the department of technology, management, and budget in
9 the act providing general appropriations for fiscal year ~~2017-2018-2018-2019~~ for state
10 building authority rent, totaling an estimated ~~\$144,995,300.00~~, **\$155,478,500.00**, provide
11 funding for the state share of costs for previously constructed capital projects for state
12 universities. These appropriations for state building authority rent represent additional
13 state general fund support provided to public universities, and the following is an
14 estimate of the amount of that support to each university:

- 15 (a) Central Michigan University, ~~\$12,570,900.00~~ **\$12,936,500.00**.
- 16 (b) Eastern Michigan University, ~~\$5,177,500.00~~ **\$7,083,900.00**.
- 17 (c) Ferris State University, ~~\$6,658,300.00~~ **\$8,275,000.00**.
- 18 (d) Grand Valley State University, ~~\$7,057,800.00~~ **\$8,800,000.00**.
- 19 (e) Lake Superior State University, ~~\$1,832,400.00~~ **\$2,285,800.00**.
- 20 (f) Michigan State University, ~~\$15,500,500.00~~ **\$16,790,400.00**.
- 21 (g) Michigan Technological University, ~~\$7,225,100.00~~ **\$6,782,000.00**.
- 22 (h) Northern Michigan University, ~~\$7,786,500.00~~ **\$7,309,000.00**.
- 23 (i) Oakland University, ~~\$13,492,400.00~~ **\$12,665,000.00**.
- 24 (j) Saginaw Valley State University, ~~\$10,918,500.00~~ **\$10,984,000.00**.
- 25 (k) University of Michigan - Ann Arbor, ~~\$10,586,200.00~~ **\$11,861,000.00**.
- 26 (l) University of Michigan - Dearborn, ~~\$9,581,500.00~~ **\$10,918,000.00**.
- 27 (m) University of Michigan - Flint, ~~\$4,315,600.00~~ **\$6,244,800.00**.
- 28 (n) Wayne State University, ~~\$16,378,300.00~~ **\$16,480,200.00**.
- 29 (o) Western Michigan University, ~~\$15,913,800.00~~ **\$16,062,900.00**.

30 Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in section 236
31 to public universities shall be paid out of the state treasury and distributed by the state
32 treasurer to the respective institutions in 11 equal monthly installments on the sixteenth

1 of each month, or the next succeeding business day, beginning with October 16, ~~2017.~~**2018.**
2 Except for Wayne State University, each institution shall accrue its July and August ~~2018~~
3 **2019** payments to its institutional fiscal year ending June 30, ~~2018.~~**2019.**

4 (2) All public universities shall submit higher education institutional data
5 inventory (HEIDI) data and associated financial and program information requested by and in
6 a manner prescribed by the state budget director. For public universities with fiscal years
7 ending June 30, ~~2017.~~**2018,** these data shall be submitted to the state budget director by
8 October 15, ~~2017.~~**2018.** Public universities with a fiscal year ending September 30, ~~2017~~
9 **2018** shall submit preliminary HEIDI data by November 15, ~~2017.~~**2018** and final data by
10 December 15, ~~2017.~~**2018.** If a public university fails to submit HEIDI data and associated
11 financial aid program information in accordance with this reporting schedule, the state
12 treasurer may withhold the monthly installments under subsection (1) to the public
13 university until those data are submitted.

14 Sec. 242. Funds received by the state from the federal government or private sources
15 for the use of a college or university are appropriated for the purposes for which they are
16 provided. ~~The acceptance and use of federal or private funds do not place an obligation on~~
17 ~~the legislature to continue the purposes for which the funds are made available.~~

18 Sec. 245. (1) A public university shall maintain a public transparency website
19 available through a link on its website homepage. The public university shall update this
20 website within 30 days after the university's governing board adopts its annual operating
21 budget for the next academic year, or after the governing board adopts a subsequent
22 revision to that budget.

23 (2) The website required under subsection (1) shall include all of the following
24 concerning the public university:

25 (a) The annual operating budget and subsequent budget revisions.

26 (b) A summary of current expenditures for the most recent fiscal year for which they
27 are available, expressed as pie charts in the following 2 categories:

28 (i) A chart of personnel expenditures, broken into the following subcategories:

29 (A) Earnings and wages.

30 (B) Employee benefit costs, including, but not limited to, medical, dental, vision,
31 life, disability, and long-term care benefits.

32 (C) Retirement benefit costs.

1 (D) All other personnel costs.

2 (ii) A chart of all current expenditures the public university reported as part of
3 its higher education institutional data inventory data under section 241(2), broken into
4 the same subcategories in which it reported those data.

5 (c) Links to all of the following for the public university:

6 (i) The current collective bargaining agreement for each bargaining unit.

7 (ii) Each health care benefits plan, including, but not limited to, medical, dental,
8 vision, disability, long-term care, or any other type of benefits that would constitute
9 health care services, offered to any bargaining unit or employee of the public university.

10 (iii) Audits and financial reports for the most recent fiscal year for which they are
11 available.

12 (iv) Campus security policies and crime statistics pursuant to the student right-to-
13 know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include
14 all material prepared pursuant to the public information reporting requirements under the
15 crime awareness and campus security act of 1990, title II of the student right-to-know and
16 campus security act, Public Law 101-542, 104 Stat 2381.

17 (d) A list of all positions funded partially or wholly through institutional general
18 fund revenue that includes the position title and annual salary or wage amount for each
19 position.

20 (e) General fund revenue and expenditure projections for the current fiscal year and
21 the next fiscal year.

22 (f) A listing of all debt service obligations, detailed by project, anticipated
23 fiscal year payment for each project, and total outstanding debt for the current fiscal
24 year.

25 (g) The institution's policy regarding the transferability of core college courses
26 between community colleges and the university.

27 (h) A listing of all community colleges that have entered into reverse transfer
28 agreements with the university.

29 (3) On the website required under subsection (1), a public university shall provide a
30 dashboard or report card demonstrating the university's performance in several "best
31 practice" measures. The dashboard or report card shall include at least all of the
32 following for the 3 most recent academic years for which the data are available:

- 1 (a) Enrollment.
- 2 (b) Student retention rate.
- 3 (c) Six-year graduation rates.
- 4 (d) Number of Pell grant recipients and graduating Pell grant recipients.
- 5 (e) Geographic origination of students, categorized as in-state, out-of-state, and
6 international.
- 7 (f) Faculty to student ratios and total university employee to student ratios.
- 8 (g) Teaching load by faculty classification.
- 9 (h) Graduation outcome rates, including employment and continuing education.
- 10 (4) For statewide consistency and public visibility, public universities must use the
11 icon badge provided by the department of technology, management, and budget consistent with
12 the icon badge developed by the department of education for K-12 school districts. It must
13 appear on the front of each public university's homepage. The size of the icon may be
14 reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent
15 with other documents on each university's website.
- 16 ~~(5) The state budget director shall determine whether a public university has~~
17 ~~complied with this section. The state budget director may withhold a public university's~~
18 ~~monthly installments described in section 241 until the public university complies with~~
19 ~~this section.~~
- 20 (5) ~~(6)~~ By November 15 of each year, a public university shall report the following
21 information to the center and post the information on its website under the budget
22 transparency icon badge:
- 23 (a) Opportunities for earning college credit through the following programs:
- 24 (i) State approved career and technical education or a tech prep articulated program
25 of study.
- 26 (ii) Direct college credit or concurrent enrollment.
- 27 (iii) Dual enrollment.
- 28 (iv) An early college/middle college program.
- 29 (b) For each program described in subdivision (a) that the public university offers,
30 all of the following information:
- 31 (i) The number of high school students participating in the program.
- 32 (ii) The number of school districts that participate in the program with the public

1 university.

2 (iii) Whether a university professor, qualified local school district employee, or
3 other individual teaches the course or courses in the program.

4 (iv) The total cost to the public university to operate the program.

5 (v) The cost per credit hour for the course or courses in the program.

6 (vi) The location where the course or courses in the program are held.

7 (vii) Instructional resources offered to the program instructors.

8 (viii) Resources offered to the student in the program.

9 (ix) Transportation services provided to students in the program.

10 Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant
11 program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

12 (2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in
13 undergraduate degree programs who are qualified and who apply before ~~July 1, 2017 for the~~
14 ~~2017-2018 academic year. Beginning with the 2018-2019 academic year, tuition grant awards~~
15 ~~shall be made to all eligible Michigan residents enrolled in undergraduate degree programs~~
16 ~~who are qualified and who apply before March 1 of each year for the next academic year.~~

17 ~~(3) Beginning with the 2018-2019 academic year, a tuition grant may be renewed for~~
18 ~~not more than 10 semesters or its equivalent in trimesters or quarters of undergraduate~~
19 ~~education, or if an eligible applicant has not completed using the grant within 10 years~~
20 ~~after his or her eligibility is determined, whichever occurs first. The department shall~~
21 ~~determine an equivalent to 10 semesters or its equivalent in trimesters or quarters of~~
22 ~~undergraduate education for less than full-time but more than half-time students.~~

23 (3) ~~(4)~~ Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections
24 ~~(6)~~ (7) and ~~(9)~~, (8), the department of treasury shall determine an actual maximum tuition
25 grant award per student, which shall be no less than ~~\$2,000.00,~~ **\$2,100.00**, that ensures
26 that the aggregate payments for the tuition grant program do not exceed the appropriation
27 contained in section 236 for the state tuition grant program. If the department determines
28 that insufficient funds are available to establish a maximum award amount equal to at least
29 ~~\$2,000.00,~~ **\$2,100.00**, the department shall immediately report to the house and senate
30 appropriations subcommittees on higher education, the house and senate fiscal agencies, and
31 the state budget director regarding the estimated amount of additional funds necessary to
32 establish a ~~\$2,000.00~~ **\$2,100.00** maximum award amount. If the department determines that

1 sufficient funds are available to establish a maximum award amount equal to at least
2 ~~\$2,000.00, \$2,100.00~~, the department shall immediately report to the house and senate
3 appropriations subcommittees on higher education, the house and senate fiscal agencies, and
4 the state budget director regarding the maximum award amount established and the projected
5 amount of any projected year-end appropriation balance based on that maximum award amount.
6 By February 18 of each fiscal year, the department shall analyze the status of award
7 commitments, shall make any necessary adjustments, and shall confirm that those award
8 commitments will not exceed the appropriation contained in section 236 for the tuition
9 grant program. The determination and actions shall be reported to the state budget director
10 and the house and senate fiscal agencies no later than the final day of February of each
11 year. If award adjustments are necessary, the students shall be notified of the adjustment
12 by March 4 of each year.

13 (4) ~~(5)~~ Any unexpended and unencumbered funds remaining on September 30, ~~2018-2019~~
14 from the amounts appropriated in section 236 for the tuition grant program for fiscal year
15 ~~2017-2018-2018-2019~~ do not lapse on September 30, ~~2018-2019~~, but continue to be available
16 for expenditure for tuition grants provided in the ~~2018-2019-2019-2020~~ fiscal year under a
17 work project account. ~~The use of these unexpended fiscal year 2017-2018 funds terminates at~~
18 ~~the end of the 2018-2019 fiscal year.~~

19 (5) ~~(6)~~ The department of treasury shall continue a proportional tuition grant
20 maximum award level for recipients enrolled less than full-time in a given semester or
21 term.

22 (6) ~~(7)~~ If the department of treasury increases the maximum award per eligible
23 student from that provided in the previous fiscal year, it shall not have the effect of
24 reducing the number of eligible students receiving awards in relation to the total number
25 of eligible applicants. Any increase in the maximum grant shall be proportional for all
26 eligible students receiving awards for that fiscal year.

27 (7) ~~(8)~~ Except as provided in subsection ~~(5)~~, ~~(4)~~, the department of treasury shall
28 not award more than ~~\$3,500,000.00~~ ~~\$4,200,000.00~~ in tuition grants to eligible students
29 enrolled in the same independent nonprofit college or university in this state. Any
30 decrease in the maximum grant shall be proportional for all eligible students enrolled in
31 that college or university, as determined by the department.

32 (8) ~~(9)~~ The department of treasury shall not award tuition grants to otherwise

1 eligible students enrolled in an independent college or university that does not report, in
2 a form and manner directed by and satisfactory to the department of treasury, by October 31
3 of each year, all of the following:

4 (a) The number of students in the most recently completed academic year who in any
5 academic year received a state tuition grant at the reporting institution and successfully
6 completed a program or graduated.

7 (b) The number of students in the most recently completed academic year who in any
8 academic year received a state tuition grant at the reporting institution and took a
9 remedial education class.

10 (c) The number of students in the most recently completed academic year who in any
11 academic year received a Pell grant at the reporting institution and successfully completed
12 a program or graduated.

13 (9) ~~(10)~~ By February 1, ~~2018~~ 2019, each independent college and university
14 participating in the tuition grant program shall report to the senate and house
15 appropriations subcommittees on higher education, the senate and house fiscal agencies, and
16 the state budget director on its efforts to develop and implement sexual assault response
17 training for the institution's title IX coordinator, campus law enforcement personnel,
18 campus public safety personnel, and any other campus personnel charged with responding to
19 on-campus incidents, including information on sexual assault response training materials
20 and the status of implementing sexual assault response training for institutional
21 personnel.

22 Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program
23 shall be distributed as provided in this section and pursuant to the administrative
24 procedures for the tuition incentive program of the department of treasury.

25 (2) As used in this section:

26 (a) "Phase I" means the first part of the tuition incentive program defined as the
27 academic period of 80 semester or 120 term credits, or less, leading to an associate degree
28 or certificate. Students must be enrolled in a certificate or associate degree program and
29 taking classes within the program of study for a certificate or associate degree. Tuition
30 will not be covered for courses outside of a certificate or associate degree program.

31 (b) "Phase II" means the second part of the tuition incentive program which provides
32 assistance in the third and fourth year of 4-year degree programs.

1 (c) "Department" means the department of treasury.

2 (d) "High school equivalency certificate" means that term as defined in section 4.

3 (3) An individual shall meet the following basic criteria and financial thresholds to
4 be eligible for tuition incentive program benefits:

5 (a) To be eligible for phase I, an individual shall meet all of the following
6 criteria:

7 (i) Apply for certification to the department any time after he or she begins the
8 sixth grade but before August 31 of the school year in which he or she graduates from high
9 school or before achieving a high school equivalency certificate.

10 (ii) Be less than 20 years of age at the time he or she graduates from high school
11 with a diploma or certificate of completion or achieves a high school equivalency
12 certificate or, for students attending a 5-year middle college approved by the Michigan
13 department of education, be less than 21 years of age when he or she graduates from high
14 school.

15 (iii) Be a United States citizen and a resident of this state according to
16 institutional criteria.

17 (iv) Be at least a half-time student, earning less than 80 semester or 120 term
18 credits at a participating educational institution within 4 years of high school graduation
19 or achievement of a high school equivalency certificate. All program eligibility expires 6
20 years from high school graduation or achievement of a high school equivalency certificate.

21 (v) Meet the satisfactory academic progress policy of the educational institution he
22 or she attends.

23 (b) To be eligible for phase II, an individual shall meet either of the following
24 criteria in addition to the criteria in subdivision (a):

25 (i) Complete at least 56 transferable semester or 84 transferable term credits.

26 (ii) Obtain an associate degree or certificate at a participating institution.

27 (c) To be eligible for phase I or phase II, an individual must not be incarcerated
28 and must be financially eligible as determined by the department. An individual is
29 financially eligible for the tuition incentive program if he or she was eligible for
30 Medicaid from this state for 24 months within the 36 consecutive months before application.
31 The department shall accept certification of Medicaid eligibility only from the department
32 of health and human services for the purposes of verifying if a person is Medicaid eligible

1 for 24 months within the 36 consecutive months before application. Certification of
2 eligibility may begin in the sixth grade. As used in this subdivision, "incarcerated" does
3 not include detention of a juvenile in a state-operated or privately operated juvenile
4 detention facility.

5 (4) ~~Beginning in fiscal year 2017-2018, The~~ **THE** department shall not award more than
6 \$8,500,000.00 annually in tuition incentive program funds to eligible students enrolled in
7 the same college or university in this state.

8 (5) For phase I, the department shall provide payment on behalf of a person eligible
9 under subsection (3). The department shall only accept standard per-credit hour tuition
10 billings and shall reject billings that are excessive or outside the guidelines for the
11 type of educational institution.

12 (6) For phase I, all of the following apply:

13 (a) Payments for associate degree or certificate programs shall not be made for more
14 than 80 semester or 120 term credits for any individual student at any participating
15 institution.

16 (b) For persons enrolled at a Michigan community college, the department shall pay
17 the current in-district tuition and mandatory fees. For persons residing in an area that is
18 not included in any community college district, the out-of-district tuition rate may be
19 authorized.

20 (c) For fiscal year ~~2017-2018~~ **2018-2019**, for persons enrolled at a Michigan public
21 university, the department shall pay lower division resident tuition and mandatory fees for
22 the current year. Beginning in fiscal year 2018-2019, for persons enrolled at a Michigan
23 public university, the department shall pay mandatory fees for the current year and a per-
24 credit payment that does not exceed 3 times the average community college in-district per-
25 credit tuition rate as reported on August 1 for the immediately preceding academic year.

26 (d) For persons enrolled at a Michigan independent, nonprofit degree-granting college
27 or university, or a Michigan federal tribally controlled community college, or Focus: HOPE,
28 the department shall pay mandatory fees for the current year and a per-credit payment that
29 does not exceed the average community college in-district per-credit tuition rate as
30 reported on August 1, for the immediately preceding academic year.

31 (7) A person participating in phase II may be eligible for additional funds not to
32 exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the

1 following conditions:

2 (a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year
3 college or university.

4 (b) The tuition reimbursement is for coursework completed within 30 months of
5 completion of the phase I requirements.

6 (8) The department shall work closely with participating institutions to develop an
7 application and eligibility determination process that will provide the highest level of
8 participation and ensure that all requirements of the program are met.

9 (9) Applications for the tuition incentive program may be approved at any time after
10 the student begins the sixth grade. If a determination of financial eligibility is made,
11 that determination is valid as long as the student meets all other program requirements and
12 conditions.

13 (10) Each institution shall ensure that all known available restricted grants for
14 tuition and fees are used prior to billing the tuition incentive program for any portion of
15 a student's tuition and fees.

16 (11) The department shall ensure that the tuition incentive program is well
17 publicized and that eligible Medicaid clients are provided information on the program. The
18 department shall provide the necessary funding and staff to fully operate the program.

19 ~~(12) Any unexpended and unencumbered funds remaining on September 30, 2018 from the~~
20 ~~amounts appropriated in section 236 for the tuition incentive program for fiscal year 2017-~~
21 ~~2018 do not lapse on September 30, 2018, but continue to be available for expenditure for~~
22 ~~tuition incentive program funds provided in the 2018-2019 fiscal year under a work project~~
23 ~~account. The use of these unexpended fiscal year 2017-2018 funds terminates at the end of~~
24 ~~the 2018-2019 fiscal year.~~

25 (12) ~~(13)~~ The department of treasury shall collaborate with the center to use the P-
26 20 longitudinal data system to report the following information for each qualified
27 postsecondary institution:

28 (a) The number of phase I students in the most recently completed academic year who
29 in any academic year received a tuition incentive program award and who successfully
30 completed a degree or certificate program. Cohort graduation rates for phase I students
31 shall be calculated using the established success rate methodology developed by the center
32 in collaboration with the postsecondary institutions.

1 (b) The number of students in the most recently completed academic year who in any
2 academic year received a Pell grant at the reporting institution and who successfully
3 completed a degree or certificate program. Cohort graduation rates for students who
4 received Pell grants shall be calculated using the established success rate methodology
5 developed by the center in collaboration with the postsecondary institutions.

6 (13) ~~(14)~~ If a qualified postsecondary institution does not report the data necessary
7 to comply with subsection ~~(13)~~ (12) to the P-20 longitudinal data system, the institution
8 shall report, in a form and manner satisfactory to the department of treasury and the
9 center, all of the information needed to comply with subsection ~~(13)~~ (12) by December 1,
10 ~~2017~~ 2019.

11 (14) ~~(15)~~ Beginning in fiscal year ~~2018-2019~~ 2019-2020, if a qualified postsecondary
12 institution does not report the data necessary to complete the reporting in subsection ~~(13)~~
13 (12) to the P-20 longitudinal data system by October 15 for the prior academic year, the
14 department of treasury shall not award phase I tuition incentive program funding to
15 otherwise eligible students enrolled in that institution until the data are submitted.

16 Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2017-2018~~
17 2018-2019 for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in
18 section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is
19 intended to address critical regulatory, food safety, economic, and environmental problems
20 faced by this state's plant-based agriculture, forestry, and processing industries.
21 "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and
22 Economic Needs.

23 (2) The department of agriculture and rural development and Michigan State
24 University, in consultation with agricultural commodity groups and other interested
25 parties, shall develop Project GREEN and its program priorities.

26 Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2017-2018~~
27 2018-2019 for Michigan State University is \$80,000.00 for the Michigan Future Farmers of
28 America Association. This \$80,000.00 allocation shall not supplant any existing support
29 that Michigan State University provides to the Michigan Future Farmers of America
30 Association.

31 Sec. 265. (1) Payments under section 265a for performance funding shall only be made
32 to a public university that certifies to the state budget director by August 31, ~~2017-2018~~

1 that its board did not adopt an increase in tuition and fee rates for resident
2 undergraduate students after September 1, ~~2016-2017~~ for the ~~2016-2017-2017-2018~~ academic
3 year and that its board will not adopt an increase in tuition and fee rates for resident
4 undergraduate students for the ~~2017-2018-2018-2019~~ academic year that is greater than 3.8%
5 or ~~\$475.00~~ **\$490.00**, whichever is greater. As used in this subsection:

6 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all
7 resident undergraduate students at least once during their enrollment at a public
8 university, as described in the higher education institutional data inventory (HEIDI) user
9 manual. A university increasing a fee that applies to a specific subset of students or
10 courses shall provide sufficient information to prove that the increase applied to that
11 subset will not cause the increase in the average amount of board-authorized total tuition
12 and fees paid by resident undergraduate students in the ~~2017-2018-2018-2019~~ academic year
13 to exceed the limit established in this subsection.

14 (b) "Tuition and fee rate" means the average of full-time rates paid by a majority of
15 students in each undergraduate class, based on an unweighted average of the rates
16 authorized by the university board and actually charged to students, deducting any
17 uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-
18 time equated resident undergraduate enrollment during the academic year, as described in
19 the higher education institutional data inventory (HEIDI) user manual.

20 ~~(c) For purposes of subdivision (a), for a public university that compels resident~~
21 ~~undergraduate students to be covered by health insurance as a condition to enroll at the~~
22 ~~university, "fee" includes the annual amount a student is charged for coverage by the~~
23 ~~university-affiliated group health insurance policy if he or she does not provide proof~~
24 ~~that he or she is otherwise covered by health insurance. This subdivision does not apply to~~
25 ~~limited subsets of resident undergraduate students to be covered by health insurance for~~
26 ~~specific reasons other than general enrollment at the university.~~

27 (2) The state budget director shall implement uniform reporting requirements to
28 ensure that a public university receiving a payment under section 265a for performance
29 funding has satisfied the tuition restraint requirements of this section. The state budget
30 director shall have the sole authority to determine if a public university has met the
31 requirements of this section. Information reported by a public university to the state
32 budget director under this subsection shall also be reported to the house and senate

1 appropriations subcommittees on higher education and the house and senate fiscal agencies.

2 ~~(3) Universities that exceed the tuition and fee rate cap described in subsection (1)~~
3 ~~shall not receive a planning or construction authorization for a state funded capital~~
4 ~~outlay project in fiscal year 2018-2019 or fiscal year 2019-2020.~~

5 ~~(4) Notwithstanding any other provision of this act, the legislature may at any time~~
6 ~~adjust appropriations for a university that adopts an increase in tuition and fee rates for~~
7 ~~resident undergraduate students that exceeds the rate cap established in subsection (1).~~

8 Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal year
9 ~~2017-2018-2018-2019~~ for performance funding shall be paid only to a public university that
10 complies with section 265 and certifies to the state budget director, the house and senate
11 appropriations subcommittees on higher education, and the house and senate fiscal agencies
12 by August 31, ~~2017-2018~~ that it complies with all of the following requirements:

13 (a) The university participates in reverse transfer agreements described in section
14 286 with at least 3 Michigan community colleges.

15 (b) The university does not and will not consider whether dual enrollment credits
16 earned by an incoming student were utilized towards his or her high school graduation
17 requirements when making a determination as to whether those credits may be used by the
18 student toward completion of a university degree or certificate program.

19 (c) The university actively participates in and submits timely updates to the
20 Michigan Transfer Network created as part of the Michigan Association of Collegiate
21 Registrars and Admissions Officers transfer agreement.

22 (2) Any performance funding amounts under section 236 that are not paid to a public
23 university because it did not comply with 1 or more requirements under subsection (1) are
24 unappropriated and reappropriated for performance funding to those public universities that
25 meet the requirements under subsection (1), distributed in proportion to their performance
26 funding appropriation amounts under section 236.

27 (3) The state budget director shall report to the house and senate appropriations
28 subcommittees on higher education and the house and senate fiscal agencies by September 30,
29 ~~2017~~ **2018**, regarding any performance funding amounts that are not paid to a public
30 university because it did not comply with 1 or more requirements under subsection (1) and
31 any reappropriation of funds under subsection (2).

32 (4) Performance funding amounts described in section 236 are distributed based on the

1 following formula:

2 (a) Proportional to each university's share of total operations funding appropriated
3 in fiscal year 2010-2011, 50%.

4 (b) Based on weighted undergraduate completions in critical skills areas, 11.1%. **FOR**
5 **FISCAL YEAR 2018-2019, THE WEIGHTING FOR CERTIFICATES AND ASSOCIATE DEGREES IN CRITICAL**
6 **SKILLS AREAS IS INCREASED.**

7 (c) Based on research and development expenditures, for universities classified in
8 Carnegie classifications as doctoral universities: moderate research activity, doctoral
9 universities: higher research activity, or doctoral universities: highest research activity
10 only, 5.6%.

11 (d) Based on 6-year graduation rate, total degree completions, and institutional
12 support as a percentage of core expenditures, and the percentage of students receiving Pell
13 grants, scored against national Carnegie classification peers and weighted by total
14 undergraduate fiscal year equated students, 33.3%.

15 (5) For purposes of determining the score of a university under subsection (4) (d),
16 each university is assigned 1 of the following scores:

17 (a) A university classified as in the top 20%, a score of 3.

18 (b) A university classified as above national median, a score of 2.

19 (c) A university classified as improving, a score of 2. ~~It is the intent of the~~
20 ~~legislature that, beginning in the 2018-2019 state fiscal year, a university classified as~~
21 ~~improving is assigned a score of 1.~~

22 (d) A university that is not included in subdivision (a), (b), or (c), a score of 0.

23 (6) As used in this section, "Carnegie classification" means the basic classification
24 of the university according to the most recent version of the Carnegie classification of
25 institutions of higher education, published by the Carnegie Foundation for the Advancement
26 of Teaching.

27 ~~(7) It is the intent of the legislature to allocate more funding based on performance~~
28 ~~metrics in future years.~~

29 **SEC. 265B. BY FEBRUARY 1, 2019, THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION, THE**
30 **MICHIGAN ASSOCIATION OF STATE UNIVERSITIES, AND THE MICHIGAN INDEPENDENT COLLEGES AND**
31 **UNIVERSITIES, ON BEHALF OF THEIR MEMBER COLLEGES AND UNIVERSITIES, SHALL SUBMIT TO THE**
32 **SENATE AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON HIGHER EDUCATION, THE SENATE AND HOUSE**

1 APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES, THE SENATE AND HOUSE FISCAL AGENCIES,
2 AND THE STATE BUDGET DIRECTOR A COMPREHENSIVE REPORT DETAILING THE NUMBER OF ACADEMIC
3 PROGRAM PARTNERSHIPS BETWEEN PUBLIC COMMUNITY COLLEGES, PUBLIC UNIVERSITIES, AND PRIVATE
4 COLLEGES AND UNIVERSITIES, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING INFORMATION:

5 (A) THE NAMES OF THE BACCALAUREATE DEGREE PROGRAMS OF STUDY OFFERED BY PUBLIC AND
6 PRIVATE UNIVERSITIES ON COMMUNITY COLLEGE CAMPUSES.

7 (B) THE NAMES OF THE ARTICULATION AGREEMENTS FOR BACCALAUREATE DEGREE PROGRAMS OF
8 STUDY BETWEEN PUBLIC COMMUNITY COLLEGES, PUBLIC UNIVERSITIES, AND PRIVATE COLLEGES AND
9 UNIVERSITIES.

10 (C) THE NUMBER OF STUDENTS ENROLLED AND NUMBER OF DEGREES AWARDED THROUGH
11 ARTICULATION AGREEMENTS, AND THE NUMBER OF COURSES OFFERED, NUMBER OF STUDENTS ENROLLED,
12 AND NUMBER OF DEGREES AWARDED THROUGH ON-CAMPUS PROGRAMS NAMED IN SUBDIVISION (A) FROM JULY
13 1, 2017 THROUGH JUNE 30, 2018.

14 Sec. 267. All public universities shall submit the amount of tuition and fees
15 actually charged to a full-time resident undergraduate student for academic year ~~2017-2018~~
16 **2018-2019** as part of their higher education institutional data inventory (HEIDI) data by
17 August 31 of each year. A public university shall report any revisions for any semester of
18 the reported academic year ~~2017-2018~~ **2018-2019** tuition and fee charges to HEIDI within 15
19 days of being adopted.

20 Sec. 268. ~~(1) For the fiscal year ending September 30, 2018, it is the intent of the~~
21 ~~legislature that funds be allocated for unfunded North American Indian tuition waiver costs~~
22 ~~incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the~~
23 ~~general fund.~~

24 ~~(2) Appropriations in section 236(7)(f) for North American Indian tuition waivers~~
25 ~~shall be paid to universities under section 2a of 1976 PA 174, MCL 390.1252a. Allocations~~
26 ~~shall be adjusted for amounts included in university operations appropriations. If funds~~
27 ~~are insufficient to support the entire cost of waivers, amounts shall be prorated~~
28 ~~proportionate to each institution's shortfall as a percentage of its fiscal year 2017-2018~~
29 ~~state appropriation for operations.~~

30 (1) ~~(3)~~ By February 15 of each year, the department of civil rights shall annually
31 submit to the state budget director, the house and senate appropriations subcommittees on
32 higher education, and the house and senate fiscal agencies a report on North American

1 Indian tuition waivers for the preceding academic year that includes, but is not limited
2 to, all of the following information:

3 (a) The number of waiver applications received and the number of waiver applications
4 approved.

5 (b) For each university submitting information under subsection ~~(4)~~, **(2)**, all of the
6 following:

7 (i) The number of graduate and undergraduate North American Indian students enrolled
8 each term for the previous academic year.

9 (ii) The number of North American Indian waivers granted each term, including to
10 continuing education students, and the monetary value of the waivers for the previous
11 academic year.

12 (iii) The number of graduate and undergraduate students attending under a North
13 American Indian tuition waiver who withdrew from the university each term during the
14 previous academic year. For purposes of this subparagraph, a withdrawal occurs when a
15 student who has been awarded the waiver withdraws from the institution at any point during
16 the term, regardless of enrollment in subsequent terms.

17 (iv) The number of graduate and undergraduate students attending under a North
18 American Indian tuition waiver who successfully complete a degree or certificate program,
19 separated by degree or certificate level, and the graduation rate for graduate and
20 undergraduate students attending under a North American Indian tuition waiver who complete
21 a degree or certificate within 150% of the normal time to complete, separated by the level
22 of the degree or certificate.

23 **(2)** ~~(4)~~—A public university that receives funds under section 236 shall provide to
24 the department of civil rights any information necessary for preparing the report detailed
25 in subsection ~~(3)~~, **(1)**, using guidelines and procedures developed by the department of
26 civil rights.

27 **(3)** ~~(5)~~—The department of civil rights may consolidate the report required under this
28 section with the report required under section 223, but a consolidated report must
29 separately identify data for universities and data for community colleges.

30 Sec. 269. For fiscal year ~~2017-2018~~ **2018-2019**, from the amount appropriated in
31 section 236 to Central Michigan University for operations, \$29,700.00 shall be paid to
32 Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians

1 under 1976 PA 174, MCL 390.1251 to 390.1253.

2 Sec. 270. For fiscal year ~~2017-2018~~, ~~2018-2019~~, from the amount appropriated in
3 section 236 to Lake Superior State University for operations, \$100,000.00 shall be paid to
4 Bay Mills Community College for the costs of waiving tuition for North American Indians
5 under 1976 PA 174, MCL 390.1251 to 390.1253.

6 Sec. 274c. By February 1, ~~2018~~, ~~2019~~, each university receiving funds under section
7 236 shall report to the senate and house appropriations subcommittees on higher education,
8 the senate and house fiscal agencies, and the state budget director on its efforts to
9 develop and implement sexual assault response training for the university's title IX
10 coordinator, campus law enforcement personnel, campus public safety personnel, and any
11 other campus personnel charged with responding to on-campus incidents, including
12 information on sexual assault response training materials and the status of implementing
13 sexual assault response training for campus personnel.

14 Sec. 276. (1) Included in the appropriation for fiscal year ~~2017-2018~~, ~~2018-2019~~ for
15 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
16 Chavez - Rosa Parks future faculty program that is intended to increase the pool of
17 academically or economically disadvantaged candidates pursuing faculty teaching careers in
18 postsecondary education. Preference may not be given to applicants on the basis of race,
19 color, ethnicity, gender, or national origin. Institutions should encourage applications
20 from applicants who would otherwise not adequately be represented in the graduate student
21 and faculty populations. Each public university shall apply the percentage change
22 applicable to every public university in the calculation of appropriations in section 236
23 to the amount of funds allocated to the future faculty program.

24 (2) The program shall be administered by each public university in a manner
25 prescribed by the workforce development agency. The workforce development agency shall use
26 a good faith effort standard to evaluate whether a fellowship is in default.

27 Sec. 277. (1) Included in the appropriation for fiscal year ~~2017-2018~~, ~~2018-2019~~ for
28 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
29 Chavez - Rosa Parks college day program that is intended to introduce academically or
30 economically disadvantaged schoolchildren to the potential of a college education.
31 Preference may not be given to participants on the basis of race, color, ethnicity, gender,
32 or national origin. Public universities should encourage participation from those who would

1 otherwise not adequately be represented in the student population.

2 (2) Individual program plans of each public university shall include a budget of
3 equal contributions from this program, the participating public university, the
4 participating school district, and the participating independent degree-granting college.
5 College day funds shall not be expended to cover indirect costs. Not more than 20% of the
6 university match shall be attributable to indirect costs. Each public university shall
7 apply the percentage change applicable to every public university in the calculation of
8 appropriations in section 236 to the amount of funds allocated to the college day program.

9 (3) The program described in this section shall be administered by each public
10 university in a manner prescribed by the workforce development agency.

11 Sec. 278. (1) Included in section 236 for fiscal year ~~2017-2018~~**2018-2019** is funding
12 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services
13 program for developing academically or economically disadvantaged student retention
14 programs for 4-year public and independent educational institutions in this state.
15 Preference may not be given to participants on the basis of race, color, ethnicity, gender,
16 or national origin. Institutions should encourage participation from those who would
17 otherwise not adequately be represented in the student population.

18 (2) An award made under this program to any 1 institution shall not be greater than
19 \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or
20 university basis.

21 (3) The program described in this section shall be administered by the workforce
22 development agency.

23 Sec. 279. (1) Included in section 236 for fiscal year ~~2017-2018~~**2018-2019** is funding
24 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership
25 program between 4-year public and independent colleges and universities and public
26 community colleges, which is intended to increase the number of academically or
27 economically disadvantaged students who transfer from community colleges into baccalaureate
28 programs. Preference may not be given to participants on the basis of race, color,
29 ethnicity, gender, or national origin. Institutions should encourage participation from
30 those who would otherwise not adequately be represented in the transfer student population.

31 (2) The grants shall be made under the program described in this section to Michigan
32 public and independent colleges and universities. An award to any 1 institution shall not

1 be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30%
2 college or university basis.

3 (3) The program described in this section shall be administered by the workforce
4 development agency.

5 Sec. 280. (1) Included in the appropriation for fiscal year ~~2017-2018-2018-2019~~ for
6 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
7 Chavez - Rosa Parks visiting professors program which is intended to increase the number of
8 instructors in the classroom to provide role models for academically or economically
9 disadvantaged students. Preference may not be given to participants on the basis of race,
10 color, ethnicity, gender, or national origin. Public universities should encourage
11 participation from those who would otherwise not adequately be represented in the student
12 population.

13 (2) The program described in this section shall be administered by the workforce
14 development agency.

15 Sec. 281. (1) Included in the appropriation for fiscal year ~~2017-2018-2018-2019~~ in
16 section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
17 initiative for the Morris Hood, Jr. educator development program which is intended to
18 increase the number of academically or economically disadvantaged students who enroll in
19 and complete K-12 teacher education programs at the baccalaureate level. Preference may not
20 be given to participants on the basis of race, color, ethnicity, gender, or national
21 origin. Institutions should encourage participation from those who would otherwise not
22 adequately be represented in the teacher education student population.

23 (2) The program described in this section shall be administered by each state-
24 approved teacher education institution in a manner prescribed by the workforce development
25 agency.

26 (3) Approved teacher education institutions may and are encouraged to use student
27 support services funding in coordination with the Morris Hood, Jr. funding to achieve the
28 goals of the program described in this section.

29 Sec. 282. Each institution receiving funds for fiscal year ~~2017-2018-2018-2019~~ under
30 section 278, 279, or 281 shall provide to the workforce development agency by April 15,
31 ~~2018-2019~~ the unobligated and unexpended funds as of March 31, ~~2018-2019~~ and a plan to
32 expend the remaining funds by the end of the fiscal year. Notwithstanding the award

1 limitations in sections 278 and 279, the amount of funding reported as not being expended
2 will be reallocated to the institutions that intend to expend all funding received under
3 section 278, 279, or 281.

4 Sec. 289. (1) The auditor general shall ~~periodically~~ **NOT LESS THAN EVERY FOUR YEARS**
5 audit higher education institutional data inventory (HEIDI) data submitted by all public
6 universities under section 241 and may perform audits of selected public universities if
7 determined necessary. The audits shall be based upon the definitions, requirements, and
8 uniform reporting categories established by the state budget director in consultation with
9 the HEIDI advisory committee. The auditor general shall submit a report of findings to the
10 house and senate appropriations committees and the state budget director no later than July
11 1 of each year an audit takes place.

12 (2) Student credit hours reports shall not include the following:

13 (a) Student credit hours generated through instructional activity by faculty or staff
14 in classrooms located outside Michigan, with the exception of instructional activity
15 related to study-abroad programs or field programs.

16 (b) Student credit hours generated through distance learning instruction for students
17 not eligible for the public university's in-state main campus resident tuition rate.
18 However, in instances where a student is enrolled in distance education and non-distance
19 education credit hours in a given term and the student's non-distance education enrollment
20 is at a campus or site located within Michigan, student credit hours per the student's
21 eligibility for in-state or out-of-state tuition rates may be reported.

22 (c) Student credit hours generated through credit by examination.

23 (d) Student credit hours generated through inmate prison programs regardless of
24 teaching location.

25 (e) Student credit hours generated in new degree programs created on or after January
26 1, 1975 and before January 1, 2013, that were not specifically authorized for funding by
27 the legislature, except spin-off programs converted from existing core programs, and
28 student credit hours generated in any new degree programs created after January 1, 2013,
29 that are specifically excluded from reporting by the legislature under this section.

30 (3) "Distance learning instruction" as used in subsection (2) means instruction that
31 occurs solely in other than a traditional classroom setting where the student and
32 instructor are in the same physical location and for which a student receives course

1 credits and is charged tuition and fees. Examples of distance learning instruction are
2 instruction delivered solely through the internet, cable television, teleconference, or
3 mail.

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ARTICLE IV

GENERAL PROVISIONS

Sec. 296. (1) If the maximum amount appropriated under this act from the state school aid fund for a fiscal year exceeds the amount necessary to fully fund allocations under this act from the state school aid fund, that excess amount shall not be expended in that state fiscal year and shall not lapse to the general fund, but instead shall be deposited into the school aid stabilization fund created in section 11a.

(2) If the total maximum amount appropriated under all articles of this act from the state school aid fund and the school aid stabilization fund exceeds the amount available

1 for expenditure from the state school aid fund for that fiscal year, payments under
2 sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f, 51a(2), 51a(12), 51c, 53a, 56, **147C**, and
3 152a shall be made in full. In addition, for districts beginning operations after 1994-95
4 that qualify for payments under section 22b, payments under section 22b shall be made so
5 that the qualifying districts receive the lesser of an amount equal to the 1994-95
6 foundation allowance of the district in which the district beginning operations after 1994-
7 95 is located or \$5,500.00. The amount of the payment to be made under section 22b for
8 these qualifying districts shall be as calculated under section 22a, with the balance of
9 the payment under section 22b being subject to the proration otherwise provided under this
10 subsection and subsection (3). If proration is necessary, state payments under each of the
11 other sections of article I from all state funding sources, and state appropriations to
12 community colleges and public universities under articles II and III from the state school
13 aid fund, shall be prorated in the manner prescribed in subsection (3) as necessary to
14 reflect the amount available for expenditure from the state school aid fund for the
15 affected fiscal year. However, if the department of treasury determines that proration will
16 be required under this subsection, or if the department of treasury determines that further
17 proration is required under this subsection after an initial proration has already been
18 made for a fiscal year, the department of treasury shall notify the state budget director,
19 and the state budget director shall notify the legislature at least 30 calendar days or 6
20 legislative session days, whichever is more, before the department reduces any payments
21 under this act because of the proration. During the 30-calendar-day or 6-legislative-
22 session-day period after that notification by the state budget director, the department
23 shall not reduce any payments under this act because of proration under this subsection.
24 The legislature may prevent proration from occurring by, within the 30-calendar-day or 6-
25 legislative-session-day period after that notification by the state budget director,
26 enacting legislation appropriating additional funds from the general fund, countercyclical
27 budget and economic stabilization fund, state school aid fund balance, or another source to
28 fund the amount of the projected shortfall.

29 (3) If proration is necessary under subsection (2), the department shall calculate
30 the proration in district and intermediate district payments under article I that is
31 required under subsection (2), and the department of treasury shall calculate the proration
32 in community college and public university payments under articles II and III that is

1 required under subsection (2), as follows:

2 (a) The department and the department of treasury shall calculate the percentage of
3 total state school aid fund money that is appropriated and allocated under this act for the
4 affected fiscal year for each of the following:

5 (i) Districts.

6 (ii) Intermediate districts.

7 (iii) Entities receiving funding from the state school aid fund under article I other
8 than districts or intermediate districts.

9 (iv) Community colleges and public universities that receive funding from the state
10 school aid fund.

11 (b) The department shall recover a percentage of the proration amount required under
12 subsection (2) that is equal to the percentage calculated under subdivision (a) (i) for
13 districts by reducing payments to districts. This reduction shall be made by calculating an
14 equal dollar amount per pupil as necessary to recover this percentage of the proration
15 amount and reducing each district's total state school aid from state sources, other than
16 payments under sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f, 51a(2), 51a(12), 51c, 53a,
17 **147C**, and 152a, by that amount.

18 (c) The department shall recover a percentage of the proration amount required under
19 subsection (2) that is equal to the percentage calculated under subdivision (a) (ii) for
20 intermediate districts by reducing payments to intermediate districts. This reduction shall
21 be made by reducing the payments to each intermediate district, other than payments under
22 sections 11f, 11g, 26a, 26b, 51a(2), 51a(12), 53a, 56, **147C**, and 152a, on an equal
23 percentage basis.

24 (d) The department shall recover a percentage of the proration amount required under
25 subsection (2) that is equal to the percentage calculated under subdivision (a) (iii) for
26 entities receiving funding from the state school aid fund under article I other than
27 districts and intermediate districts by reducing payments to these entities. This reduction
28 shall be made by reducing the payments to each of these entities, other than payments under
29 sections 11j, 26a, and 26b, on an equal percentage basis.

30 (e) The department of treasury shall recover a percentage of the proration amount
31 required under subsection (2) that is equal to the percentage calculated under subdivision
32 (a) (iv) for community colleges and public universities that receive funding from the state

1 school aid fund by reducing that portion of the payments under articles II and III, **OTHER**
2 **THAN THOSE PAYMENTS UNDER SECTION 201(5) AND 236(4) OF THESE ARTICLES**, to these community
3 colleges and public universities that is from the state school aid fund on an equal
4 percentage basis.

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ARTICLE V
SUMMARY OF APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

SEC. 298. (1) SUBJECT TO THE CONDITIONS SET FORTH IN THIS ACT, THE AMOUNTS LISTED IN THIS SECTION FOR THE PUBLIC SCHOOLS, INTERMEDIATE SCHOOL DISTRICTS, COMMUNITY COLLEGES AND PUBLIC UNIVERSITIES OF THIS STATE, AND CERTAIN OTHER STATE PURPOSES RELATING TO EDUCATION ARE A SUMMARY OF APPROPRIATIONS CONTAINED IN THIS ACT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019 AND ANTICIPATED APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, FROM THE FUNDS INDICATED IN THIS ACT:

(2) SUMMARY OF EDUCATION OMNIBUS APPROPRIATIONS

1	GROSS APPROPRIATION	\$ 16,699,916,900	\$ 16,698,233,800
2	TOTAL INTERDEPARTMENTAL GRANTS AND		
3	INTRADEPARTMENTAL TRANSFERS.....	0	0
4	ADJUSTED GROSS APPROPRIATION	\$ 16,699,916,900	\$ 16,698,233,800
5	TOTAL FEDERAL REVENUES	1,837,769,900	1,832,769,900
6	TOTAL LOCAL REVENUES	0	0
7	TOTAL PRIVATE REVENUES	0	0
8	TOTAL OTHER STATE RESTRICTED REVENUES	13,656,929,100	13,660,246,600
9	STATE GENERAL FUND/GENERAL PURPOSE	\$ 1,205,217,900	\$ 1,205,217,900
10	SEC. 298A. (1) SUMMARY OF APPROPRIATIONS FOR SCHOOL AID (ARTICLE I)		
11	APPROPRIATION SUMMARY		
12	GROSS APPROPRIATION	\$ 14,635,968,800	\$ 14,630,585,700
13	TOTAL INTERDEPARTMENTAL GRANTS AND		
14	INTRADEPARTMENTAL TRANSFERS.....	0	0
15	ADJUSTED GROSS APPROPRIATION	\$ 14,635,968,800	\$ 14,630,585,700
16	TOTAL FEDERAL REVENUES	1,724,743,500	1,719,743,500
17	TOTAL LOCAL REVENUES	0	0
18	TOTAL PRIVATE REVENUES	0	0
19	TOTAL OTHER STATE RESTRICTED REVENUES	12,866,225,300	12,865,842,200
20	STATE GENERAL FUND/GENERAL PURPOSE	\$ 45,000,000	\$ 45,000,000
21	(2) BASIC OPERATIONS		
22	PROPOSAL A OBLIGATION PAYMENT	\$ 5,048,000,000	\$ 4,985,000,000
23	DISCRETIONARY PAYMENT	4,228,600,000	4,219,000,000
24	MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM		
25	REFORM COSTS	1,258,439,000	1,308,439,000
26	ISD GENERAL OPERATIONS	67,108,000	67,108,000
27	SHARED TIME PUPILS	64,100,000	64,100,000
28	HOLD HARMLESS PROVISION	18,000,000	18,000,000
29	ISOLATED DISTRICT FUNDING	<u>5,000,000</u>	<u>5,000,000</u>
30	GROSS APPROPRIATION.....	\$ 10,689,247,000	\$ 10,666,647,000
31	APPROPRIATED FROM:		
32	STATE RESTRICTED REVENUES	10,678,371,200	10,652,541,200

1	STATE GENERAL FUND/GENERAL PURPOSE	\$	10,875,800	\$	14,105,800
2	(3) SPECIAL EDUCATION				
3	SPECIAL EDUCATION HEADLEE OBLIGATION	\$	650,600,000	\$	665,000,000
4	SPECIAL EDUCATION FOUNDATIONS		272,100,000		278,000,000
5	SPECIAL EDUCATION MILLAGE EQUALIZATION		37,758,100		37,758,100
6	SPECIAL EDUCATION COURT PLACED FTES		10,500,000		10,500,000
7	EARLY ON		5,000,000		5,000,000
8	SPECIAL EDUCATION NON-SEC. 52 PAYMENT		3,400,000		3,200,000
9	SPECIAL EDUCATION RULE CHANGE		2,200,000		2,200,000
10	MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		1,688,000		1,688,000
11	INTEGRATED BEHAVIOR AND LEARNING SUPPORT (MIBLSI)		1,600,000		1,600,000
12	SPECIAL EDUCATION HOLD HARMLESS PAYMENT		1,100,000		1,100,000
13	SPECIAL EDUCATION MONITORING		500,000		500,000
14	SPECIAL EDUCATION TASKFORCE RECOMMENDATIONS		500,000		500,000
15	SPECIAL EDUCATION FEDERAL PROGRAMS.....		<u>431,000,000</u>		<u>431,000,000</u>
16	GROSS APPROPRIATION	\$	1,417,946,100	\$	1,438,046,100
17	APPROPRIATED FROM:				
18	FEDERAL REVENUES		431,000,000		431,000,000
19	STATE RESTRICTED REVENUES		984,346,100		1,004,446,100
20	STATE GENERAL FUND/GENERAL PURPOSE	\$	2,600,000	\$	2,600,000
21	(4) SUPPORT SERVICES				
22	AT-RISK PROGRAMS	\$	499,000,000	\$	499,000,000
23	ADULT EDUCATION		27,000,000		27,000,000
24	EARLY LITERACY GRANTS		20,900,000		20,900,000
25	HIGH SCHOOL PER PUPIL PAYMENTS		11,000,000		11,000,000
26	PARTNERSHIP MODEL DISTRICTS		8,000,000		6,000,000
27	COURT-PLACED CHILDREN		8,000,000		8,000,000
28	MICHIGAN VIRTUAL UNIVERSITY		7,387,500		7,387,500
29	ADOLESCENT TEEN HEALTH CENTERS		6,057,300		6,057,300
30	EARLY LITERACY INSTRUCTIONAL COACHES		6,000,000		6,000,000
31	BILINGUAL EDUCATION		6,000,000		6,000,000
32	VISION AND HEARING SCREENINGS		5,150,000		5,150,000

1	DRINKING WATER DECLARATION OF EMERGENCY	3,230,100	0
2	BUS DRIVER SAFETY PROGRAMS	2,025,000	2,025,000
3	SCHOOL BUS INSPECTION PROGRAMS	1,729,900	1,729,900
4	CHALLENGE PROGRAM	1,545,400	1,545,400
5	JUVENILE DETENTION FACILITY PROGRAMS	1,355,700	1,355,700
6	STRICT DISCIPLINE ACADEMIES PUPIL TRANSFERS	750,000	750,000
7	DROPOUT RECOVERY PROGRAMS	750,000	750,000
8	FEDERAL PROGRAMS	<u>760,600,000</u>	<u>755,600,000</u>
9	GROSS APPROPRIATION	\$ 1,376,480,900	\$ 1,366,250,800
10	APPROPRIATED FROM:		
11	FEDERAL REVENUES	760,600,000	755,600,000
12	STATE RESTRICTED REVENUES	605,263,400	603,263,300
13	STATE GENERAL FUND/GENERAL PURPOSE	\$ 10,617,500	\$ 7,387,500
14	(5) SCHOOL MEAL PROGRAMS		
15	SCHOOL LUNCH	\$ 546,344,000	\$ 546,691,000
16	SCHOOL BREAKFAST	<u>4,500,000</u>	<u>4,500,000</u>
17	GROSS APPROPRIATION	\$ 550,844,000	\$ 551,191,000
18	APPROPRIATED FROM:		
19	FEDERAL REVENUES	523,200,000	523,200,000
20	STATE RESTRICTED REVENUES	27,644,000	27,991,000
21	STATE GENERAL FUND/GENERAL PURPOSE	\$ 0	\$ 0
22	(6) EARLY CHILDHOOD EDUCATION		
23	GREAT START READINESS PROGRAM	\$ 243,900,000	\$ 243,900,000
24	GREAT START EARLY CHILDHOOD BLOCK GRANTS	<u>13,400,000</u>	<u>13,400,000</u>
25	GROSS APPROPRIATION	\$ 257,300,000	\$ 257,300,000
26	APPROPRIATED FROM:		
27	STATE RESTRICTED REVENUES	257,000,000	257,000,000
28	STATE GENERAL FUND/GENERAL PURPOSE	\$ 300,000	\$ 300,000
29	(7) STUDENT ASSESSMENT AND ACCOUNTABILITY		
30	DATA COLLECTION AND REPORTING COSTS	38,000,500	38,000,500
31	STUDENT ASSESSMENTS	37,259,400	37,259,400
32	CENTER FOR EDUCATIONAL PERFORMANCE AND INFORMATION	16,550,200	16,550,200

1	REGIONAL DATA HUBS		<u>2,200,000</u>		<u>2,200,000</u>
2	GROSS APPROPRIATION	\$	94,010,100	\$	94,010,100
3	APPROPRIATED FROM:				
4	FEDERAL REVENUES		6,443,500		6,443,500
5	STATE RESTRICTED REVENUES		71,209,900		71,209,900
6	STATE GENERAL FUND/GENERAL PURPOSE	\$	16,356,700	\$	16,356,700
7	(8) DEBT SERVICE AND OTHER REQUIREMENTS				
8	SCHOOL BOND LOAN REDEMPTION FUND	\$	125,500,000	\$	125,500,000
9	SCHOOL AID FUND BORROWING COSTS	\$	24,000,000	\$	31,000,000
10	RENAISSANCE ZONE REIMBURSEMENT	\$	15,000,000	\$	15,000,000
11	PAYMENT IN LIEU OF TAXES REIMBURSEMENT	\$	4,405,100	\$	4,405,100
12	PROMISE ZONE PAYMENTS	\$	<u>3,000,000</u>	\$	<u>3,000,000</u>
13	GROSS APPROPRIATION	\$	171,905,100	\$	178,905,100
14	APPROPRIATED FROM:				
15	STATE RESTRICTED REVENUES		171,905,100		178,905,100
16	STATE GENERAL FUND/GENERAL PURPOSE	\$	0	\$	0
17	(9) COLLEGE AND CAREER READINESS				
18	VOCATIONAL EDUCATION	\$	36,611,300	\$	36,611,300
19	VOCATIONAL EDUCATION MILLAGE REIMBURSEMENT		9,190,000		9,190,000
20	MISTEM NETWORK REGIONS		8,084,300		8,084,300
21	CTE AND EARLY MIDDLE COLLEGE PROGRAMS		8,000,000		8,000,000
22	CTE PER PUPIL FUNDING		5,000,000		5,000,000
23	MICHIGAN COLLEGE ACCESS NETWORK		3,000,000		3,000,000
24	MISTEM COUNCIL		2,950,000		2,950,000
25	FIRST ROBOTICS		2,500,000		2,500,000
26	DUAL ENROLLMENT INCENTIVE PAYMENTS		1,750,000		1,750,000
27	ADVANCED PLACEMENT (AP) INCENTIVE PROGRAM		750,000		750,000
28	STEM EXECUTIVE DIRECTOR		<u>400,000</u>		<u>400,000</u>
29	GROSS APPROPRIATION	\$	78,235,600	\$	78,235,600
30	APPROPRIATED FROM:				
31	FEDERAL REVENUES		3,500,000		3,500,000
32	STATE RESTRICTED REVENUES		70,485,600		70,485,600

1	STATE GENERAL FUND/GENERAL PURPOSE	\$	4,250,000	\$	4,250,000
2	SEC. 298B. (1) SUMMARY OF APPROPRIATIONS FOR COMMUNITY COLLEGES (ARTICLE II)				
3	APPROPRIATION SUMMARY				
4	GROSS APPROPRIATION	\$	405,015,500	\$	407,715,500
5	TOTAL INTERDEPARTMENTAL GRANTS AND				
6	INTRADPARTMENTAL TRANSFERS.....		0		0
7	ADJUSTED GROSS APPROPRIATION	\$	405,015,500	\$	407,715,500
8	TOTAL FEDERAL REVENUES		0		0
9	TOTAL LOCAL REVENUES		0		0
10	TOTAL PRIVATE REVENUES		0		0
11	TOTAL OTHER STATE RESTRICTED REVENUES		405,015,500		407,715,500
12	STATE GENERAL FUND/GENERAL PURPOSE	\$	0	\$	0
13	(2) OPERATIONS				
14	(A) ALPENA COMMUNITY COLLEGE				
15	OPERATIONS	\$	5,627,500	\$	5,627,500
16	PERFORMANCE FUNDING		0		0
17	GROSS APPROPRIATION	\$	5,627,500	\$	5,627,500
18	(B) BAY DE NOC COMMUNITY COLLEGE				
19	OPERATIONS	\$	5,589,000	\$	5,589,000
20	PERFORMANCE FUNDING		0		0
21	GROSS APPROPRIATION	\$	5,589,000	\$	5,589,000
22	(C) DELTA COLLEGE				
23	OPERATIONS	\$	14,990,700	\$	14,990,700
24	PERFORMANCE FUNDING		0		0
25	GROSS APPROPRIATION	\$	14,990,700	\$	14,990,700
26	(D) GLEN OAKS COMMUNITY COLLEGE				
27	OPERATIONS	\$	2,601,400	\$	2,601,400
28	PERFORMANCE FUNDING		0		0
29	GROSS APPROPRIATION	\$	2,601,400	\$	2,601,400
30	(E) GOGEBIC COMMUNITY COLLEGE				
31	OPERATIONS	\$	4,715,400	\$	4,715,400
32	PERFORMANCE FUNDING		0		0

1	GROSS APPROPRIATION	\$	4,715,400	\$	4,715,400
2	(F) GRAND RAPIDS COMMUNITY COLLEGE				
3	OPERATIONS	\$	18,556,800	\$	18,556,800
4	PERFORMANCE FUNDING		0		0
5	GROSS APPROPRIATION	\$	18,556,800	\$	18,556,800
6	(G) HENRY FORD COLLEGE				
7	OPERATIONS	\$	22,299,200	\$	22,299,200
8	PERFORMANCE FUNDING		0		0
9	GROSS APPROPRIATION	\$	22,299,200	\$	22,299,200
10	(H) JACKSON COLLEGE				
11	OPERATIONS	\$	12,590,100	\$	12,590,100
12	PERFORMANCE FUNDING		0		0
13	GROSS APPROPRIATION	\$	12,590,100	\$	12,590,100
14	(I) KALAMAZOO VALLEY COMMUNITY COLLEGE				
15	OPERATIONS	\$	12,948,700	\$	12,948,700
16	PERFORMANCE FUNDING		0		0
17	GROSS APPROPRIATION	\$	12,948,700	\$	12,948,700
18	(J) KELLOGG COMMUNITY COLLEGE				
19	OPERATIONS	\$	10,143,600	\$	10,143,600
20	PERFORMANCE FUNDING		0		0
21	GROSS APPROPRIATION	\$	10,143,600	\$	10,143,600
22	(K) KIRTLAND COMMUNITY COLLEGE				
23	OPERATIONS	\$	3,298,400	\$	3,298,400
24	PERFORMANCE FUNDING		0		0
25	GROSS APPROPRIATION	\$	3,298,400	\$	3,298,400
26	(L) LAKE MICHIGAN COLLEGE				
27	OPERATIONS	\$	5,523,600	\$	5,523,600
28	PERFORMANCE FUNDING		0		0
29	GROSS APPROPRIATION	\$	5,523,600	\$	5,523,600
30	(M) LANSING COMMUNITY COLLEGE				
31	OPERATIONS	\$	32,324,200	\$	32,324,200
32	PERFORMANCE FUNDING		0		0

1	GROSS APPROPRIATION	\$	32,324,200	\$	32,324,200
2	(N) MACOMB COMMUNITY COLLEGE				
3	OPERATIONS	\$	33,863,600	\$	33,863,600
4	PERFORMANCE FUNDING		0		0
5	GROSS APPROPRIATION	\$	33,863,600	\$	33,863,600
6	(O) MID MICHIGAN COMMUNITY COLLEGE				
7	OPERATIONS	\$	4,968,900	\$	4,968,900
8	PERFORMANCE FUNDING		0		0
9	GROSS APPROPRIATION	\$	4,968,900	\$	4,968,900
10	(P) MONROE COUNTY COMMUNITY COLLEGE				
11	OPERATIONS	\$	4,665,500	\$	4,665,500
12	PERFORMANCE FUNDING		0		0
13	GROSS APPROPRIATION	\$	4,665,500	\$	4,665,500
14	(Q) MONTCALM COMMUNITY COLLEGE				
15	OPERATIONS	\$	3,446,300	\$	3,446,300
16	PERFORMANCE FUNDING		0		0
17	GROSS APPROPRIATION	\$	3,446,300	\$	3,446,300
18	(R) C. S. MOTT COMMUNITY COLLEGE				
19	OPERATIONS	\$	16,258,100	\$	16,258,100
20	PERFORMANCE FUNDING		0		0
21	GROSS APPROPRIATION	\$	16,258,100	\$	16,258,100
22	(S) MUSKEGON COMMUNITY COLLEGE				
23	OPERATIONS	\$	9,203,000	\$	9,203,000
24	PERFORMANCE FUNDING		0		0
25	GROSS APPROPRIATION	\$	9,203,000	\$	9,203,000
26	(T) NORTH CENTRAL MICHIGAN COLLEGE				
27	OPERATIONS	\$	3,353,200	\$	3,353,200
28	PERFORMANCE FUNDING		0		0
29	GROSS APPROPRIATION	\$	3,353,200	\$	3,353,200
30	(U) NORTHWESTERN MICHIGAN COLLEGE				
31	OPERATIONS	\$	9,508,900	\$	9,508,900
32	PERFORMANCE FUNDING		0		0

1	GROSS APPROPRIATION	\$	9,508,900	\$	9,508,900
2	(V) OAKLAND COMMUNITY COLLEGE				
3	OPERATIONS	\$	21,905,700	\$	21,905,700
4	PERFORMANCE FUNDING		0		0
5	GROSS APPROPRIATION	\$	21,905,700	\$	21,905,700
6	(W) SCHOOLCRAFT COLLEGE				
7	OPERATIONS	\$	12,991,300	\$	12,991,300
8	PERFORMANCE FUNDING		0		0
9	GROSS APPROPRIATION	\$	12,991,300	\$	12,991,300
10	(X) SOUTHWESTERN MICHIGAN COLLEGE				
11	OPERATIONS	\$	6,860,700	\$	6,860,700
12	PERFORMANCE FUNDING		0		0
13	GROSS APPROPRIATION	\$	6,860,700	\$	6,860,700
14	(Y) ST. CLAIR COUNTY COMMUNITY COLLEGE				
15	OPERATIONS	\$	7,300,100	\$	7,300,100
16	PERFORMANCE FUNDING		0		0
17	GROSS APPROPRIATION	\$	7,300,100	\$	7,300,100
18	(Z) WASHTENAW COMMUNITY COLLEGE				
19	OPERATIONS	\$	13,631,400	\$	13,631,400
20	PERFORMANCE FUNDING		0		0
21	GROSS APPROPRIATION	\$	13,631,400	\$	13,631,400
22	(AA) WAYNE COUNTY COMMUNITY COLLEGE				
23	OPERATIONS	\$	17,338,300	\$	17,338,300
24	PERFORMANCE FUNDING		0		0
25	GROSS APPROPRIATION	\$	17,338,300	\$	17,338,300
26	(BB) WEST SHORE COMMUNITY COLLEGE				
27	OPERATIONS	\$	2,556,300	\$	2,556,300
28	PERFORMANCE FUNDING		0		0
29	GROSS APPROPRIATION	\$	2,556,300	\$	2,556,300
30	(CC) OPERATIONS FUNDING SOURCES				
31	GROSS APPROPRIATION	\$	319,050,900	\$	319,050,900
32	APPROPRIATED FROM:				

1	STATE SCHOOL AID FUND	319,050,900		319,050,900
2	STATE GENERAL FUND/GENERAL PURPOSE	\$ 0	\$	0
3	(3) MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT			
4	SYSTEM (MPSERS)			
5	MPSERS COST OFFSET	\$ 1,733,600	\$	1,733,600
6	MPSERS UAL CAP REIMBURSEMENT	75,300,000		78,000,000
7	GROSS APPROPRIATION	\$ 77,033,600	\$	79,733,600
8	APPROPRIATED FROM:			
9	STATE SCHOOL AID FUND	77,033,600		79,733,600
10	STATE GENERAL FUND/GENERAL PURPOSE	\$ 0	\$	0
11	(4) RENAISSANCE ZONE REIMBURSEMENTS			
12	RENAISSANCE ZONE REIMBURSEMENTS	\$ 2,500,000	\$	2,500,000
13	GROSS APPROPRIATION	\$ 2,500,000	\$	2,500,000
14	APPROPRIATED FROM:			
15	STATE SCHOOL AID FUND	\$ 2,500,000	\$	2,500,000
16	(6) ONE-TIME APPROPRIATIONS			
17	MPSERS NORMAL COST OFFSET	6,431,000		6,431,000
18	GROSS APPROPRIATION	\$ 4,637,000	\$	7,225,000
19	APPROPRIATED FROM:			
20	STATE SCHOOL AID FUND	3,612,000		7,225,000
21	STATE GENERAL FUND/GENERAL PURPOSE	\$	\$	0
22	SEC. 298C. (1) SUMMARY OF APPROPRIATIONS FOR UNIVERSITIES AND STUDENT FINANCIAL AID			
23	(ARTICLE III)			
24	APPROPRIATION SUMMARY			
25	GROSS APPROPRIATION	\$ 1,658,932,600	\$	1,659,932,600
26	TOTAL INTERDEPARTMENTAL GRANTS AND			
27	INTRADPARTMENTAL TRANSFERS	0		0
28	ADJUSTED GROSS APPROPRIATION	\$ 1,658,932,600	\$	1,659,932,600
29	TOTAL FEDERAL REVENUES	113,026,400		113,026,400
30	TOTAL LOCAL REVENUES	0		0
31	TOTAL PRIVATE REVENUES	0		0
32	TOTAL OTHER STATE RESTRICTED REVENUES	385,688,300		386,688,300

1	STATE GENERAL FUND/GENERAL PURPOSE	\$ 1,160,217,900	\$ 1,160,217,900
2	(2) UNIVERSITY OPERATIONS		
3	(A) CENTRAL MICHIGAN UNIVERSITY		
4	OPERATIONS	\$ 85,654,400	\$ 87,413,100
5	PERFORMANCE FUNDING	1,758,700	0
6	GROSS APPROPRIATION	\$ 87,413,100	\$ 87,413,100
7	(B) EASTERN MICHIGAN UNIVERSITY		
8	OPERATIONS	\$ 75,169,900	\$ 76,977,200
9	PERFORMANCE FUNDING	1,807,300	0
10	GROSS APPROPRIATION	\$ 76,977,200	\$ 76,977,200
11	(C) FERRIS STATE UNIVERSITY		
12	OPERATIONS	\$ 53,595,500	\$ 54,975,900
13	PERFORMANCE FUNDING	1,380,400	0
14	GROSS APPROPRIATION	\$ 54,975,900	\$ 54,975,900
15	(D) GRAND VALLEY STATE UNIVERSITY		
16	OPERATIONS	\$ 70,100,100	\$ 72,053,500
17	PERFORMANCE FUNDING	1,953,400	0
18	GROSS APPROPRIATION	\$ 72,053,500	\$ 72,053,500
19	(E) LAKE SUPERIOR STATE UNIVERSITY		
20	OPERATIONS	\$ 13,775,000	\$ 13,988,400
21	PERFORMANCE FUNDING	213,400	0
22	GROSS APPROPRIATION	\$ 13,988,400	\$ 13,988,400
23	(F) MICHIGAN STATE UNIVERSITY		
24	OPERATIONS	\$ 281,239,100	\$ 286,268,900
25	PERFORMANCE FUNDING	5,029,800	0
26	MSU AGBIORESEARCH	34,591,400	34,591,400
27	MSU EXTENSION	29,837,700	29,837,700
28	GROSS APPROPRIATION	\$ 350,698,000	\$ 350,698,000
29	(G) MICHIGAN TECHNOLOGICAL UNIVERSITY		
30	OPERATIONS	\$ 49,052,200	\$ 49,947,900
31	PERFORMANCE FUNDING	895,700	0
32	GROSS APPROPRIATION	\$ 49,947,900	\$ 49,947,900

1	(H) NORTHERN MICHIGAN UNIVERSITY			
2	OPERATIONS	\$	47,137,400	\$ 48,004,600
3	PERFORMANCE FUNDING		867,200	0
4	GROSS APPROPRIATION	\$	48,004,600	\$ 48,004,600
5	(I) OAKLAND UNIVERSITY			
6	OPERATIONS	\$	51,235,900	\$ 52,816,100
7	PERFORMANCE FUNDING		1,580,200	0
8	GROSS APPROPRIATION	\$	52,816,100	\$ 52,816,100
9	(J) SAGINAW VALLEY STATE UNIVERSITY			
10	OPERATIONS	\$	29,766,100	\$ 30,526,800
11	PERFORMANCE FUNDING		760,700	0
12	GROSS APPROPRIATION	\$	30,526,800	\$ 30,526,800
13	(K) UNIVERSITY OF MICHIGAN - ANN ARBOR			
14	OPERATIONS	\$	314,589,100	\$ 320,775,300
15	PERFORMANCE FUNDING		6,186,200	0
16	GROSS APPROPRIATION	\$	320,775,300	\$ 320,775,300
17	(L) UNIVERSITY OF MICHIGAN - DEARBORN			
18	OPERATIONS	\$	25,421,900	\$ 26,070,700
19	PERFORMANCE FUNDING		648,800	0
20	GROSS APPROPRIATION	\$	26,070,700	\$ 26,070,700
21	(M) UNIVERSITY OF MICHIGAN - FLINT			
22	OPERATIONS	\$	23,061,800	\$ 23,584,100
23	PERFORMANCE FUNDING		522,300	0
24	GROSS APPROPRIATION	\$	23,584,100	\$ 23,584,100
25	(N) WAYNE STATE UNIVERSITY			
26	OPERATIONS	\$	199,169,800	\$ 202,361,000
27	PERFORMANCE FUNDING		3,191,200	0
28	GROSS APPROPRIATION	\$	202,361,000	\$ 202,361,000
29	(O) WESTERN MICHIGAN UNIVERSITY			
30	OPERATIONS	\$	109,376,800	\$ 111,148,300
31	PERFORMANCE FUNDING		1,771,500	0
32	GROSS APPROPRIATION	\$	111,148,300	\$ 111,148,300

1	(P) OPERATIONS FUNDING SOURCES			
2	GROSS APPROPRIATION	\$ 1,521,340,900	\$ 1,521,340,900	
3	APPROPRIATED FROM:			
4	STATE SCHOOL AID FUND	379,786,300	379,786,300	
5	STATE GENERAL FUND/GENERAL PURPOSE	\$ 1,141,554,600	\$ 1,141,554,600	
6	(3) MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT			
7	SYSTEM (MPSERS)			
8	MPSERS UAL CAP REIMBURSEMENT	\$ 5,133,000	\$ 6,133,000	
9	GROSS APPROPRIATION	\$ 5,133,000	\$ 6,133,000	
10	APPROPRIATED FROM:			
11	STATE SCHOOL AID FUND	5,133,000	6,133,000	
12	STATE GENERAL FUND/GENERAL PURPOSE	\$ 0	\$ 0	
13	(4) STATE AND REGIONAL PROGRAMS			
14	HIGHER EDUCATION DATABASE MODERNIZATION AND			
15	CONVERSION	\$ 200,000	\$ 200,000	
16	MIDWESTERN HIGHER EDUCATION COMPACT	115,000	115,000	
17	GROSS APPROPRIATION	\$ 315,000	\$ 315,000	
18	APPROPRIATED FROM:			
19	STATE GENERAL FUND/GENERAL PURPOSE	\$ 315,000	\$ 315,000	
20	(5) MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA			
21	PARKS PROGRAM			
22	SELECT STUDENT SUPPORT SERVICES	\$ 1,956,100	\$ 1,956,100	
23	MICHIGAN COLLEGE/UNIVERSITY PARTNERSHIP PROGRAM	586,800	586,800	
24	MORRIS HOOD, JR. EDUCATOR DEVELOPMENT PROGRAM	148,600	148,600	
25	GROSS APPROPRIATION	\$ 2,691,500	\$ 2,691,500	
26	APPROPRIATED FROM:			
27	STATE GENERAL FUND/GENERAL PURPOSE	\$ 2,691,500	\$ 2,691,500	
28	(6) GRANTS AND FINANCIAL AID			
29	STATE COMPETITIVE SCHOLARSHIPS	\$ 32,361,700	\$ 32,361,700	
30	TUITION GRANTS	32,021,500	32,021,500	
31	TUITION INCENTIVE PROGRAM	59,800,000	59,800,000	
32	CHILDREN OF VETERANS AND OFFICER'S SURVIVOR			

1	TUITION GRANT PROGRAMS	1,400,000	1,400,000
2	PROJECT GEAR-UP	3,200,000	3,200,000
3	GROSS APPROPRIATION	\$ 128,783,200	\$ 128,783,200
4	APPROPRIATED FROM:		
5	UNITED STATES DEPARTMENT OF EDUCATION, OFFICE OF		
6	ELEMENTARY AND SECONDARY EDUCATION, GEAR-UP PROGRAM..	3,200,000	3,200,000
7	SOCIAL SECURITY ACT, TEMPORARY ASSISTANCE FOR NEEDY		
8	FAMILIES.....	109,826,400	109,826,400
9	CONTRIBUTIONS TO CHILDREN OF VETERANS TUITION GRANT		
10	PROGRAM.....	100,000	100,000
11	STATE GENERAL FUND/GENERAL PURPOSE	\$ 15,656,800	\$ 15,656,800

1 Enacting section 1. (1) In accordance with section 30 of article I of the state
2 constitution of 1963, total state spending on school aid under article I as amended by this
3 amendatory act from state sources for fiscal year 2018-2019 is estimated at
4 \$12,911,225,300.00 and state appropriations for school aid to be paid to local units of
5 government for fiscal year 2018-2019 are estimated at \$12,733,596,100.00.

6 (2) In accordance with section 30 of article IX of the state constitution of 1963,
7 total state spending from state sources for community colleges for fiscal year 2018-2019
8 under article II as amended by this amendatory act is estimated at \$405,015,500.00 and the
9 amount of that state spending from state sources to be paid to local units of government
10 for fiscal year 2018-2019 is estimated at \$405,015,500.00.

11 (3) In accordance with section 30 of article IX of the state constitution of 1963,
12 total state spending from state sources for higher education for fiscal year 2018-2019
13 under article III as amended by this amendatory act is estimated at \$1,545,906,200.00 and
14 the amount of that state spending from state sources to be paid to local units of
15 government for fiscal year 2018-2019 is estimated at \$0.

16 Enacting section 2. Sections 21j, 22g, 31b, 31j, 32q, 35, 55, 61c, 64d, 65, 67a, 95b,
17 99k, 99t, 99u, 102d, 104d, 104e, 152b, 164g, 164h, 201a, 208, 212, 227, 228, 236a, 261,
18 271a, 274, and 275 of the state school aid act of 1979, 1979 PA 94, MCL 388.1621j,
19 388.1622g, 388.1631b, 388.1631j, 388.1632q, 388.1635, 388.1655, 388.1661c, 388.1664d,
20 388.1665, 388.1667a, 388.1695b, 388.1699k, 388.1699t, 388.1699u, 388.1702d, 388.1704d,
21 388.1704e, 388.1752b, 388.1764g, 388.1764h, 388.1801a, 388.1808, 388.1812, 388.1827,
22 388.1828, 388.1836a, 388.1861, 388.1871a, 388.1874, and 388.1875 are repealed effective
23 October 1, 2018.