



**SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS**  
**Fiscal Year 2016-17**  
**House Bill 5266 (H-1) Draft 1 Chair's Recommendation**

**Analysts:**  
**Bethany Wicksall**  
**Samuel Christensen**

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 6 Pupil Membership Definitions	<p>(4) Defines pupil membership and calculates a district's pupil membership blend equal to 90% of pupils counted on October count day plus 10% of pupils counted on the prior February count day.</p> <p>(4)(l)(ii) Provides an exception for when a pupil may exceed the age of 20 and still be counted in membership if the pupil meets all the following:            (A) Is enrolled in a PSA or alt. education high school focused primarily on educating homeless pupils.            (B) Has dropped out for more than 1 year.            (C) Is less than 22 years old.            (D) The pupil is considered homeless under the federal McKinney Homeless Assistance Act or was counted in membership under this subparagraph in 2014-2015.</p>	<p>(4) Revises pupil membership blend to 50% of pupils counted on October count day plus 50% of pupils counted on the prior February count day.</p> <p>Strikes district ability to revise membership based on pupil transfers between October and February counts under Sec. 25e (which would be repealed).</p> <p>(4)(l)(ii) Revises as follows:</p> <p>(D) The pupil is considered homeless under the federal McKinney Homeless Assistance Act <del>or was counted in membership under this subparagraph in 2014-2015.</del></p>	<p>(4) Revises to 85% of the current October count plus 15% of the previous October count.</p> <p>Concurs with Executive</p> <p>(4)(l)(ii) Revises as follows:</p> <p>(D) Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 6 Pupil Membership Definitions (cont.)	(4)(dd) Provides for membership calculation for pupils in a dropout recovery program under Section 23a.	<p>(4)(dd) Revises district reporting requirements to “not later than <del>the tenth day of the next</del> 30 DAYS AFTER THE END OF THE month.”</p> <p>(4)(gg) Caps the number for which a district may claim a nonpublic school pupil membership, for the purposes of receiving state aid, at no more than 1/3 of an FTE for grades 1 to 12 to align it with Sec. 166b, which requires that a nonpublic student be part-time and limited to nonessential elective courses.</p>	<p>(4)(dd) Concurs with Executive.</p> <p>(4) (gg) Not Included.</p> <p>(4) (gg) Adds that if a special education student is expelled at the time of the pupil count date but is reinstated in the district after the count date, the district may count the pupil in membership.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 11 Total Appropriations	<p><b><u>FY 2015-16</u></b></p> <p><b>Gross Appropriation:</b> \$13,900,654,300 <b>School Aid Fund (SAF):</b> \$12,078,985,100 <b>General Fund (GF/GP):</b> \$45,900,000 <b>Federal Funds:</b> \$1,775,769,200</p>	<p><b><u>FY 2015-16</u></b> <i>Supplemental Requests 2016-6 and 2016-7.</i></p> <p><b>Gross Appropriation:</b> \$13,846,208,500 <b>School Aid Fund (SAF):</b> \$12,015,339,300 <b>General Fund (GF/GP):</b> \$55,100,000 <b>Federal Funds:</b> \$1,775,769,200</p> <p><b><u>FY 2016-17</u></b> <b>Gross Appropriation:</b> \$14,183,112,100 <b>School Aid Fund (SAF):</b> \$12,062,479,300 <b>Other State Restricted Funds:</b> \$72,000,100 <b>General Fund (GF/GP):</b> \$230,000,000 <b>Federal Funds:</b> \$1,818,632,700</p>	<p><b><u>FY 2015-16</u></b></p> <p><b>Gross Appropriation:</b> \$13,836,208,500 <b>School Aid Fund (SAF):</b> \$12,005,339,300 <b>General Fund (GF/GP):</b> \$55,100,000 <b>Federal Funds:</b> \$1,775,769,200</p> <p><b><u>FY 2016-17</u></b> <b>Gross Appropriation:</b> \$14,184,182,700 <b>School Aid Fund (SAF):</b> \$12,072,549,900 <b>Other State Restricted Funds:</b> \$72,000,100 <b>General Fund (GF/GP):</b> \$221,000,000 <b>Federal Funds:</b> \$1,818,632,700</p>		
Sec. 11j School Bond Redemption Fund	Appropriates \$126,500,000 SAF for debt service in FY 2015-16 for the school bond loan program.	<p><i>Supplemental Request 2016-5 reduces to \$99,500,000 SAF for FY 2015-16 to reflect current costs estimates.</i></p> <p>Appropriates \$126,500,000 SAF for FY 2016-17 to reflect the estimated increased cost of required debt service payments due to rising interest rates.</p>	<p>Reduces appropriation to \$99,500,000 SAF for FY 2015-16.</p> <p>Appropriates \$126,500,000 SAF for FY 2016-17.</p>		
Sec. 11m Cash-Flow Borrowing	Appropriates \$2,000,000 SAF in FY 2015-16 to pay for costs associated with cash-flow borrowing related to the SAF.	Increases appropriation to \$3,000,000 SAF for FY 2016-17 to recognize anticipated interest rate increases.	Increases appropriation to \$3,000,000 SAF for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<b>NEW</b> Sec. 11o FY 2016 Flint Supplemental		<i>Supplemental Request 2016-7</i> would appropriate \$9,200,000 GF/GP for FY 2015-16 to provide universal Early On testing to identify and provide services to children 0-4 with potential developmental delays due to lead exposure.	Appropriates \$9,200,000 GF/GP for FY 2015-16.		
<b>NEW</b> Sec. 11s Flint Emergency Declaration		<p>(1) Increases total appropriation to \$10,142,500 GF/GP and \$100 Flint Emergency Reserve Funds for FY 2016-17.</p> <p>(2) Allocates \$1,292,500 to Flint School District for additional school district nurses and social workers.</p> <p>(3) Allocates \$950,000 to Genesee ISD to augment staff to provide additional early childhood services and nutrition services</p> <p>(4) Allocates \$6,400,000 for Genesee ISD to provide Early On Services to all Flint resident children 0-3.</p> <p>(5) Allocates \$1,500,000 to Genesee ISD to provide universal preschool for Flint resident children regardless of income.</p> <p>(6) In addition to (1), appropriates \$15,000,000 in state restricted contingency funds, which are not available for expenditures until they have been transferred by the Legislature.</p>	<p>Appropriates \$10,142,500 GF/GP and \$100 Water Emergency Reserve funds for FY 2016-17.</p> <p>(2) Allocates \$1,292,500</p> <p>(3) Allocates \$950,000</p> <p>(4) Allocates \$6,400,000</p> <p>(5) Allocates \$1,500,000</p> <p>(6) In addition to (1), appropriates \$15,000,000 in state restricted contingency funds.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 15 State Aid Allocation Adjustments	Forgives the 2014-2015 repayment of a strict discipline academy that claimed a hardship because it was overpaid because it incorrectly calculated its pupil membership in 2013-2014.	Strikes the 2014-2015 strict disciplinary academy repayment forgiveness.	Concurs with Executive.		
Sec. 18 Spending, Financial Reporting, and Audit Requirements	<p>Specifies allowable uses of funds and requires yearly financial and pupil audits. Also requires budget transparency information on district and intermediate district websites.</p> <p>(4) and (5) Requires that districts and ISDs provide all of their audited financial information by November 1.</p> <p>(10) Requires MDE to withhold next state aid payment if district does not comply with subsections (4)(5)(6) or (7).</p>	<p>Revises as follows:</p> <p>(5) Requires that financial data be consistent with a district's or ISD's audited financial statements.</p> <p>(10) Adds that MDE may withhold state aid if it determines the financial data is not consistent with audited financial statements.</p>	<p>Revises as follows:</p> <p>(5) Concurs with Executive.</p> <p>(10) Concurs with Executive.</p>		
Sec. 19 Reporting Requirements	<p>Requires districts to comply with all state and federal reporting requirements</p> <p>(7) Provides legislative intent that by 2016-2017 MDE and CEPI implement statewide standard reporting requirements for education data.</p>	<p>Revises as follows:</p> <p>Deletes (7).</p>	<p>Revises as follows:</p> <p>Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 20 Foundation Allowance Calculation	Basic foundation allowance for FY 2015-16 is \$8,169 and the Minimum foundation is \$7,391.	<p>Increases Basic foundation by \$60 to \$8,229 for FY 2016-17. However, an inflationary cap on Hold Harmless millages under MCL 380.1211 would restrict the growth in foundation allowances for Hold Harmless districts to 0.1%, or between \$8 and \$15 per pupil. (See Section 20j for a supplemental calculation that would allow Hold Harmless districts to get full \$60 increase.)</p> <p>Increases the Minimum foundation by \$120 to bring it to \$7,511 for FY 2016-17</p> <p>Total cost of the increase in Sections 22a and 22b is \$150,000,000 offset by \$126,700,000 in savings from decreasing pupils and increasing taxable values.</p> <p>Revises such that Sec. 20j per pupil calculations would be considered for pupils that participate in school choice and for the calculation of foundations in the case of district consolidation or annexation.</p>	<p>Concurs with Executive to increase Basic Foundation to \$8,229.</p> <p>Concurs with Executive to increase Minimum Foundation to \$7,511.</p> <p>Total cost of the increase in Sections 22a and 22b is \$150,000,000 offset by \$126,700,000 in savings from decreasing pupils and increasing taxable values.</p> <p>Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 20f Categorical Offset Payments	<p>Appropriates \$18,000,000 SAF for FY 2015-16 for the following two guarantees:</p> <ul style="list-style-type: none"> <li>- No district receives less than \$5 increase in FY 2013-14 compared to FY 2012-13, when adding together the increases in the foundation allowances, equity payments and MPSERS offset reductions.</li> <li>- No district receives less than a \$25 increase in FY 2015-16 compared to FY 2014-15, when adding together the increases in the foundation allowances and at-risk funding and reductions in Best Practices and District Performance Grants.</li> </ul>	<p>Maintains appropriation of \$18,000,000 SAF for FY 2016-17.</p> <p>Maintains payment allocation formula.</p> <p>Maintains payment allocation formula</p>	<p>Maintains appropriation of \$18,000,000 SAF for FY 2016-17.</p> <p>Concurs with Executive.</p> <p>Concurs with Executive.</p>		
Sec. 20g Dissolved District Transition Grant	<p>Appropriates \$2,200,000 SAF for FY 2015-16 for grants to districts that received portions of the dissolved districts of Buena Vista and Inkster.</p>	<p>Maintains appropriation of \$2,200,000 SAF for FY 2016-17.</p>	<p>Maintains appropriation of \$2,200,000 SAF for FY 2016-17.</p>		
<b>NEW</b> Sec. 20j Additional Calculation for Hold Harmless Districts		<p>Calculates per pupil allocations for Hold Harmless districts reflecting the difference between inflationary increases in foundation allowances (at which HH districts are capped under MCL 380.1211) and the \$60 increase in the Basic foundation allowance provided under Section 20.</p>	<p>Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p><b>NEW</b> Sec. 21 State School Reform/Redesign</p>		<p><i>Supplemental Request 2016-5 appropriates \$1,000,000 SAF for FY 2015-16 to pay for CEO compensation.</i></p> <p>(1) Appropriates \$5,000,000 SAF for FY 2016-17 for eligible districts with schools taken control of by the School Reform/Redesign Office (SRRO).</p> <p>(2) Requires that eligible districts have a high school and an intervention agreement with the SRRO.</p> <p>(3) Provides supplemental payments to districts equal to 20% of district's foundation allowance for each pupil in high school.</p> <p>(4) Allocates from funds in (1) an amount sufficient to pay for the CEOs appointed by the SRRO to take control of low performing schools.</p>	Not Included.		
<p>Sec. 21f <del>Online</del> VIRTUAL Courses</p>	<p>(1) Allows pupils in grades 6 to 12 to enroll in online courses as provided below.</p> <p>(2) Requires district to enroll a pupil in up to 2 online courses per term, with consent of parent or legal guardian. Allows pupils to take more than 2 online courses per term if demonstrated previous success and with school leadership and parental consent.</p>	<p>Reorganizes the section significantly with the following actual policy changes:</p>	<p>Concurs with Executive reorganization and revises policy as follows:</p>		



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 21f Online Courses (cont.)</p>	<p>(3) Provides that the course must be in either the district's catalog of online courses or the statewide catalog of online courses maintained by Michigan Virtual University (MVU).</p> <p>(4) Allows online provider district or college to decide its capacity. If it has open capacity, a district must accept all nonresident, eligible students, and if the number of applicants exceeds capacity, requires use of a random draw to abide by nondiscrimination laws.</p> <p>(5) Allows educating district to prohibit enrollment in an online course under certain conditions.</p> <p>(6) Allows a pupil who is denied enrollment an appeal process.</p> <p>(7) Requires district, if offering an online course, to provide MVU with the course syllabus for inclusion in the statewide catalog and report to MVU number of enrollments and the number that earned 60% or more of total course points. District also must assign to each pupil a teacher of record and provide the primary district with the personal identification code for the teacher of record.</p>	<ul style="list-style-type: none"> <li>• (3)(c) If a pupil is enrolled in more than 2 virtual courses per term, requires primary district, in collaboration with the pupil, to develop an education development plan, in a form/manner specified by MDE, which is kept on file by the district.</li> <li>• (5)(g) A district that disallows a course for insufficient quality or rigor, would have to "ENROLL" the pupil in an alternative course rather than "make a reasonable effort to assist" in finding an alternative course.</li> <li>• (6) Adds that if a district denies a pupil's enrollment, the primary district shall provide written notification to the pupil including reason for denial and a description of the appeal process.</li> </ul>	<p>(3)(c) Concurs with Executive.</p> <p>(5)(g) Concurs with Executive.</p> <p>(6) Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 21f Online Courses (cont.)</p>	<p>(9) Adds that a primary district must assign to each pupil a mentor to monitor the pupil's progress during the online course and supply the providing district with the mentor's contact information.</p> <p>(8) Requires districts to use foundation allowance to pay for student's enrollment in online course if in the district or statewide catalog. Caps the amount a district must pay to no more than 6.67% of the Minimum foundation allowance.</p> <p>(13) Definitions</p>	<ul style="list-style-type: none"> <li>• (7)(d) Exempts a course provider from having to put a course syllabus into the statewide catalog maintained by MVU unless the course is being offered to pupils in more than one district.</li> <li>• <del>(8)(c)</del> Deletes requirement that a community college offering a virtual course must ensure that it generates postsecondary credit.</li> <li>• <del>(11)</del> (10) Requires MDE to establish standards for hardware, software, and internet access for pupils enrolled in more than 2 virtual courses per term taken at a location other than a school facility.</li> </ul> <p>Requires the primary district to provide a pupil with the appropriate hardware, software, and internet access without charge to the pupil and in addition to paying the provider for the cost of the course.</p>	<p>(7)(d) Concurs with Executive.</p> <p>(8)(c) Maintains current law.</p> <p>Not Included.</p> <p>Not Included.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
		<ul style="list-style-type: none"> <li>• <del>(13)</del> (12) Requires that MDE shall establish the minimum requirements to count a pupil in a virtual course in a district's pupil membership.</li> <li>• <del>(15)</del> (13)(b) Revises such that a mentor may also act as teacher of record only if "THE PRIMARY DISTRICT IS THE PROVIDER FOR THE VIRTUAL COURSE".</li> <li>• <del>(15)</del> (13)(e) Allows a teacher of record to have either a valid Michigan teaching certificate "OR A TEACHING PERMIT RECOGNIZED BY" MDE.</li> </ul>	<p>(13) Maintains current law.</p> <p><del>(15)</del> (14)(b) Concurs with Executive.</p> <p><del>(15)</del> (14)(e) Concurs with Executive.</p>		
Sec. 21g Competency Based Funding Pilot			<p>Appropriates \$1,000,000 GF/GP for FY 2016-17 to pilot a competency-based transcript and market place to establish an articulation framework for Michigan academic, technical, and global competencies and to establish assessment criteria for measuring these competencies and awarding universally recognized credentials.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 22a Proposal A Obligation Payment (The Constitutionally required part of the foundation)	FY 2015-16 appropriation of \$5,281,700,000 SAF.	<p><i>Supplemental Request 2016-5</i> reduces appropriation to \$5,255,000,000 SAF for FY 2015-16 to reflect consensus cost adjustments.</p> <p>Reduces appropriation to \$5,206,000,000 SAF for FY 2016-17 to reflect consensus cost estimates for taxable value increases and pupil decreases. Includes \$1.0 million for pupil membership blend changes under Sec. 6.</p>	<p>Reduces appropriation to \$5,255,000,000 SAF for FY 2015-16.</p> <p>Reduces appropriation to \$5,218,500,000 SAF for FY 2016-17.</p> <p>Includes \$13,500,000 for pupil membership blend changes under Sec. 6.</p>		
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2015-16 appropriation of \$3,728,000,000 including \$3,711,679,500 SAF and \$16,320,500 GF/GP	<p><i>Supplemental Request 2016-5</i> reduces appropriation to \$3,690,000,000 (\$3,673,679,500 SAF and \$16,320,500 GF/GP) for FY 2015-16 to reflect consensus cost adjustments.</p> <p>Increases appropriation to \$3,900,000,000 for FY 2016-17 to reflect cost estimates and the foundation allowance increases proposed under Sec. 20. Includes \$3,709,138,200 SAF; \$72,000,000 in DPS Trust Funds; and \$190,861,800 in GF/GP.</p>	<p>Reduces appropriation to \$3,690,000,000 (\$3,673,679,500 SAF and \$16,320,500 GF/GP) for FY 2015-16.</p> <p>Increases appropriation to \$3,900,000,000 for FY 2016-17.</p> <p>Includes \$3,717,503,200 SAF; \$72,000,000 in Community District Trust Funds; and \$182,496,800 in GF/GP.</p>		
Sec. 22d Supplemental funding to Small, Isolated Districts	<p>Appropriates \$5,000,000 SAF for FY 2015-16.</p> <p>(2) \$957,300 to small, isolated districts.</p> <p>(4) \$4,042,700 to districts with 7.3 or fewer pupils per square mile.</p>	<p>Maintains appropriation at \$5,000,000 SAF for FY 2016-17.</p> <p>(2) Maintains \$957,300.</p> <p>(4) Maintains \$4,042,700.</p>	<p>Maintains appropriation at \$5,000,000 SAF for FY 2016-17.</p> <p>(2) Maintains \$957,300.</p> <p>(4) Maintains \$4,042,700.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 22g Consolidation Innovation Grants	Appropriates \$5,000,000 SAF for FY 2015-16 for competitive grants to districts and ISDs for transition costs associated with the annexation or consolidation of two or more districts or ISDs.	Maintains appropriation at \$5,000,000 SAF for FY 2016-17.  Expands to cover district dissolutions as well.	Maintains appropriation at \$5,000,000 SAF for FY 2016-17.  Concurs with Executive and expands to cover the consolidation of operations or services between districts and/or ISDs.		
Sec. 22i Technology Readiness Infrastructure Grants (TRIG)	(1) Appropriates \$23,500,000 SAF for grants to districts or ISDs on behalf of their constituent districts for the development or improvement of a districts' technology infrastructure, shared technology/data service consolidation, and hardware in preparation for the planned implementation of online assessments in FY 2014-15.	Eliminates funding and repeals this section.	Concurs with Executive.		
Sec. 23a Dropout Recovery Programs	Allows a district with a dropout recovery program special pupil membership counting provisions under Section 6 if it meets criteria under this section.	Adds definition for "teacher of record" as a teacher with a valid Michigan teaching certificate, who if applicable, is endorsed in the subject area and grade of the course, and is responsible for providing instruction, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies, reporting outcomes, and evaluating effects of instruction and support strategies.	Concurs with Executive.		
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 SAF in FY 2015-16 to reimburse districts for added costs of educating court-placed pupils in a local juvenile detention facility institution.	Maintains appropriation of \$8,000,000 SAF for FY 2016-17.	Maintains appropriation of \$8,000,000 SAF for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 24a Educating Pupils in DHS Facilities	Appropriates \$2,189,800 SAF for FY 2015-16 for payments to ISDs for pupils who are placed in Department of Health & Human Services (DHHS) juvenile justice facilities.	Reduces the appropriation to \$1,301,000 SAF for FY 2015-16 to reflect lower caseloads due to the closure of a DHHS facility.  Increases to \$1,328,100 SAF for FY 2016-17 to reflect statewide negotiated salary and wage increases (1.0% ongoing, 1.5% lump sum), insurance rate increases, actuarially required retirement contributions, and other economic adjustments.	Reduces the appropriation to \$1,301,000 SAF for FY 2015-16.  Increases to \$1,328,100 SAF for FY 2016-17.		
Sec. 24c Youth Challenge Program	Appropriates \$1,497,400 SAF in FY 2015-16 for the Youth Challenge Program. Payment goes through Marshall Public Schools to the Department of Military and Veterans' Affairs for the program.	Increases the appropriation to \$1,522,400 SAF for FY 2016-17 to reflect statewide negotiated salary and wage amounts (1.0% ongoing, 1.5% lump sum), insurance rate increases, actuarially required retirement contributions, and other economic adjustments.	Increases the appropriation to \$1,522,400 SAF for FY 2016-17.		
Sec. 25e Revised Pupil Transfer Process	If pupil transfers from another district after fall count day, allows the newly enrolling district to report the transfer until February count day so that the state aid would follow the student.	Eliminates the transfer process and repeals this section.	Concurs with Executive.		
Sec. 25f Strict Discipline Academy (SDA) Membership	Appropriates \$1,000,000 SAF for FY 2015-16 for payments to strict discipline academies based on total added costs of educating SDA pupils. Caps added payment to amount equal to SDA's foundation allowance.	Reduces appropriation to \$250,000 SAF for FY 2016-17.	Reduces appropriation to \$250,000 SAF for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 25g Dropout Recovery Programs	Appropriates \$1,000,000 SAF for FY 2015-16 to districts for the cost of dropout recovery programs.	Reduces appropriation to \$250,000 SAF for FY 2016-17.	Reduces appropriation to \$250,000 SAF for FY 2016-17.		
Sec. 26a Renaissance Zone Reimbursement	Appropriates \$26,300,000 SAF for FY 2015-16 to reimburse districts and ISDs for lost local revenue due to renaissance zones.	<i>Supplemental Request 2016-5</i> reduces appropriation to \$20,000,000 SAF for FY 2015-16 based on actual prior year reimbursement costs.  Appropriates \$20,000,000 SAF for FY 2016-17.	Reduces appropriation to \$20,000,000 SAF for FY 2015-16.  Appropriates \$20,000,000 SAF for FY 2016-17.		
Sec. 26b PILT Reimbursement	Appropriates \$4,276,800 SAF for FY 2015-16 to reimburse districts, intermediate districts, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Increases appropriation to \$4,405,100 SAF for FY 2016-17 to fully fund reimbursements.	Increases appropriation to \$4,405,100 SAF for FY 2016-17.		
Sec. 26c Promise Zones	Appropriates \$310,000 SAF for FY 2015-16 to districts and ISDs with an approved promise zone development plan for the purposes of Promise Zone Authorities.	<i>Supplemental Request 2016-5</i> reduces appropriation to \$278,000 SAF for FY 2015-16 based on current cost estimates.  Increases appropriation to \$1,000,000 SAF for FY 2016-17 to reflect an additional zone reaching State Education Tax payment phase.	Reduces appropriation to \$278,000 SAF for FY 2015-16.  Increases appropriation to \$1,000,000 SAF for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings</p>	<p>(1) Appropriates \$389,695,500 SAF in FY 2015-16 to districts for the purposes of ensuring pupils are proficient in reading by end of 3<sup>rd</sup> grade and that high school graduates are career and college ready.</p> <p>At-Risk program funding equals \$378,988,200. (Total appropriation minus funds earmarked under (6) and (7) for other purposes.)</p> <p>(2) Prohibits districts whose combined state and local revenues per pupil, as calculated under Section 20, exceeds the Basic foundation allowance, \$8,169.</p> <p>(3) Requires that to be eligible for funding districts must implement a multi-tiered system of supports model of instruction and intervention in at least grades K to 3.</p> <p>(4) Allocates funding based on 11.5% of a district's foundation times the number of pupils qualifying for free breakfast, lunch, or milk in the preceding fiscal year.</p> <p>(5) Requires funding be used for instructional programs and direct non-instructional services.</p> <p>(6) Allows funds to be used for school breakfast.</p>	<p>(1) Maintains appropriation of \$389,695,500 SAF for FY 2016-17.</p> <p>At-Risk program funding maintained at \$378,988,200. (Total appropriation minus funds earmarked under (6) and (7) for other purposes.)</p> <p>(2) Revises to include a district's Section 20j per pupil allocation when calculating combined state and local revenues.</p> <p>(3) No change.</p> <p>(4) Revises to include a district's Section 20j per pupil allocation when calculating a district's foundation allowance.</p> <p>(5) No Change.</p> <p>(6) No Change.</p>	<p>Increases appropriation to \$407,695,500 SAF for FY 2016-17.</p> <p>Increases allocation to \$396,988,200.</p> <p>Allows both Hold Harmless and Out-of-Formula districts to be eligible if more than 50% of their prior year membership pupils were eligible for Free lunch.</p> <p>3) No change.</p> <p>(4) Concurs with Executive.</p> <p>(5) No Change.</p> <p>(6) No Change.</p>		



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)	<p>(7) Allocates \$5,557,300 for school-based health centers.</p> <p>(8) Allocates \$5,150,000 for hearing/vision screenings.</p> <p>(11) Allows district with 40% or more at-risk pupils to use funds for schoolwide reform.</p> <p>(14) Defines "at-risk pupil" (for provision of services, not for funding eligibility):</p> <ul style="list-style-type: none"> <li>(a) Victim of abuse or neglect.</li> <li>(b) Pregnant or teen parent.</li> <li>(c) Pupil with family history of school failure, incarceration, or substance abuse.</li> <li>(d) Pupil failed to achieve proficiency on state summative assessment.</li> <li>(e) Pupil not meeting objectives in ELA and Math on local assessments.</li> <li>(f) Pupil enrolled in a priority or priority-successor school.</li> <li>(h) In absence of local assessment data, pupil meets at least 2 of following:               <ul style="list-style-type: none"> <li>(i) Eligible for free or reduced breakfast, lunch, or milk.</li> <li>(ii) Absent more than 10% of enrolled days or more than 10 days during school year.</li> <li>(iii) Homeless.</li> <li>(iv) Migrant.</li> <li>(v) English language learner.</li> <li>(vi) Immigrant</li> <li>(vii) Did not complete high school in four years.</li> </ul> </li> </ul>	<p>(7) Maintains total funding of \$5,557,300. Rolls in \$2,000,000 appropriated as one-time for 2015-16 into ongoing funds.</p> <p>(8) Maintains \$5,150,000 for hearing/vision screenings.</p> <p>(11) No Change.</p> <p>(14) No Change.</p>	<p>(7) Maintains total funding of \$5,557,300 and concurs with Executive.</p> <p>(8) Maintains \$5,150,000.</p> <p>(11) No Change.</p> <p>(14) No Change.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)	(15) If at least 50% of at-risk pupils after 3 years are not reading at grade level by end of 3 <sup>rd</sup> grade or are not demonstrating improvement on state summative assessment, requires district to use a portion of funds for improving reading and improving scores on state summative assessment.  (17) Allows funds to be used for anti-bullying or crisis intervention.  (18) Requires MDE work with DHHS to assign Pathways to Potential Success coaches to schools with high percentage of pupils in K to 3 not reading on grade level.	(15) Revises references to “reading at grade level” to “proficient in English language arts”.  (17) No Change.  (18) No Change.	(15) Concurs with Executive.  (17) No Change.  (18) No Change.		
Sec. 31c Gang Prevention/ Intervention	Appropriates \$1,000,000 SAF for FY 2015-16 for grants to reduce youth gang-related activity.	Eliminates funding and repeals this section.	Increases appropriation to \$4,000,000 SAF for FY 2016-17.		
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2015-16 for the State share of school lunch programs as required by <i>Durant</i> settlement.  Includes \$513,200,000 in Federal funding.	Maintains appropriation of \$22,495,100 SAF for FY 2016-17.  Maintains the Federal grant of \$513,200,000.	Maintains appropriation of \$22,495,100 SAF for FY 2016-17.  Maintains the Federal grant of \$513,200,000.		
Sec. 31f School Breakfast	Appropriates \$5,625,000 SAF for FY 2015-16 to reimburse districts for the cost of providing breakfast.	<i>Supplemental Request 2016-5</i> reduces the appropriation to \$2,500,000 SAF for FY 2015-16 based on prior year actual costs.  Appropriates \$2,500,000 SAF for FY 2016-17.	Reduces appropriation to \$2,500,000 SAF for FY 2015-16.  Appropriates \$2,500,000 SAF for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 31h Cooperative Education Grant	Appropriates \$350,000 SAF for FY 2015-16 for a district that educates high school students for a district that voluntarily closed its high school in 2013 (Marshall/Albion)	Eliminates funding and repeals this section.	Concurs with Executive.		
Sec. 32d Great Start Readiness Program (GSRP)	<p>Appropriates \$243,600,000 SAF for FY 2015-16 for GSRP preschool programs and \$300,000 GF/GP to continue a longitudinal study of the GSRP.</p> <p>(5)(b) Requires that at least 90% of participating children live in families with income less than 250% of federal poverty level. Allows an ISD to serve children in families with income up to 300% of the federal poverty level, if they have served all eligible children and have no children with a family income less than 250% of the federal poverty level on a waiting list. Counts any child who is in foster care, homeless, or has an IEP requiring preschool as eligible regardless of income.</p> <p>(6) Allows programs providing school-day programs to count each child as 2 children for purposes of counting the number of children to be served and determining grant award.</p> <p>(9) Caps ISD administration expenses at 7% if providing direct services. If contracting, the ISD is capped at 4% and subrecipients at 4%.</p>	<p>Maintains appropriation of \$243,600,000 SAF for programs and \$300,000 GF/GP for the longitudinal study for FY 2016-17.</p> <p>Revises as follows:</p> <p>Prioritizes such children as if they were within the lowest income quintile.</p> <p>(6) Revises to move to Sec. 39, where the other formula determinations are made.</p> <p>(9) No Change.</p>	<p>Maintains appropriation of \$243,600,000 SAF for programs and \$300,000 GF/GP for the longitudinal study for FY 2016-17.</p> <p>Revises as follows:</p> <p>Concurs with Executive.</p> <p>(6) Concurs with Executive.</p> <p>(9) Caps ISD admin expenses at 5%. Eliminates the cap for subrecipient admin costs and counts them as direct services.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP) (cont.)</p>	<p>(11) Requires each provider to rank children based on income and enroll children in the lowest quintile first before moving to the next quintile until all children are served. Counts any child who is in foster care, homeless, or has an IEP requiring preschool as eligible regardless of income.</p> <p>(12) Requires that an ISD must allow a parent to pick a GSRP program offered by another ISD and pay for it.</p> <p>(13) Requires an ISD to contract with interested and eligible public and private for-profit and nonprofit community-based providers for at least 30% of its total allocated slots.</p> <p>Requires ISDs to notify each licensed child care center located in its service area at least twice regarding the center's eligibility to participate.</p> <p>Requires at least 1 notification be paid through US Postal mail and at least 1 be made with 7 days after ISDs receive their slot allocations from MDE&gt;</p> <p>(14) Requires MDE to reduce ISD slot allocation if the ISD fails to submit evidence demonstrating its effort to contract for 30% of its slots.</p>	<p>(11) Revises as follows:  Prioritizes such children as if they were within the lowest income quintile.</p> <p>(12) Revises to eliminate ISD payments to one another and replace it with written agreements in a manner described by MDE.</p> <p>(13) Revises as follows:  Requires ISDs to notify each "nonparticipating" licensed child care center and strikes requirement that it happen twice.</p> <p>Eliminates both notification conditions and replaces with "as determined by MDE".</p> <p>(14) No Change.</p>	<p>(11) Revises as follows:  Concurs with Executive.</p> <p>(12) Concurs with Executive.</p> <p>(13) Revises as follows:  Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>(14) No Change.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 32d Great Start Readiness Program (GSRP) (cont.)	<p>(15) Requires MDE to report to Legislature by November 1 on ISD use of community-based providers.</p> <p>(18) Requires ISDs to establish a tuition sliding scale for families with income greater than 250% of federal poverty level.</p> <p>(19) Allocates \$10,000,000 for transportation costs no more than either a program's transportation budget or \$150 per half-day slot.</p>	<p>(15) Changes to December 1.</p> <p>(18) No Change.</p> <p>(19) No Change.</p>	<p>(15) Concurs with Executive.</p> <p>(18) No Change.</p> <p>(19) No Change.</p>		
Sec. 32p Early Childhood Block Grants	<p>(1) Appropriates \$15,900,000 SAF for FY 2015-16 for early childhood funding block grants to ISDs.</p> <p>(2) Requires ISDs to convene great start collaboratives and parent coalitions with goal of ensuring coordination and expansion of local early childhood infrastructure to achieve the following outcomes for children:  (a) Born healthy.  (b) Healthy, thriving, and developmentally on track from birth to 3<sup>rd</sup> grade.  (c) Developmentally ready to succeed upon school entry.  (d) Reading proficiently by end of 3<sup>rd</sup> grade.</p>	<p>(1) Maintains appropriation of \$15,900,000 SAF of FY 2016-17.</p> <p>(2) No Change.</p>	<p>(1) Maintains appropriation of \$15,900,000 SAF of FY 2016-17.</p> <p>(2) No Change.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 32p Early Childhood Block Grants (cont.)	<p>(3) Collaborative shall make recommendations to ensure local systems support physical, and social-emotional health, family supports and basic needs, parent education, and early education and care.</p> <p>(4) Allocates \$2,500,000 to provide home visits to at-risk children and their families. The goals of the home visits are to improve school readiness, reduce the number of pupils retained in grade level, and reduce the number of pupils requiring special education services.</p> <p>(5) Requires report of activities provided and number of families and children served and an evaluation of home visiting services provided by Dec. 1, with results compiled by MDE to the Legislature by Feb. 15.</p>	<p>(3) No Change.</p> <p>(4) Maintains \$2,500,000 allocation for home visits.</p> <p>(5) No Change.</p>	<p>(3) No Change.</p> <p>(4) Maintains \$2,500,000 allocation for home visits.</p> <p>(5) No Change.</p>		
Sec. 35 Early Literacy-Implementation	<p>Appropriates \$1,000,000 GF/GP for FY 2015-16 for implementing Sec. 35a to ensure children are reading on grade level by end of 3<sup>rd</sup> Grade.</p> <p>Allocates up to \$100,000 to evaluate the parent university pilot program under Sec. 35a(2).</p>	<p>Maintains \$1,000,000 GF/GP for FY 2016-17 for implementing Sec. 35a.</p> <p>Eliminates allocation for pilot evaluation.</p>	<p>Maintains \$1,000,000 GF/GP for FY 2016-17 for implementing Sec. 35a.</p> <p>Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 35a Early Literacy–	<p>Appropriates a total of \$23,900,000 SAF and \$1,500,000 GF/GP for FY 2015-16 for the following early literacy initiatives:</p> <p>(2) \$1,000,000 SAF for a Parents University Pilot.</p> <p>(3) \$950,000 SAF for professional development. 1<sup>st</sup> of 2 years of funding.</p> <p>(4) \$1,450,000 SAF for diagnostic tools to monitor development of early literacy skills. 1<sup>st</sup> of 2 years of funding.</p> <p>(5) \$3,000,000 SAF in matching grants for literacy coaches to assist teachers.</p> <p>(6) \$17,500,000 SAF for added instructional time for pupils in grades K to 3.</p> <p>(7) \$1,000,000 GF/GP for the Michigan Education Corps.</p> <p>(8) \$500,000 GF/GP for a teacher certification test on literacy instruction.</p>	<p>Appropriates a total of \$22,900,000 SAF for FY 2016-17.</p> <p>(2) Deleted</p> <p><del>(3)</del> (2) Maintains \$950,000 SAF as 2<sup>nd</sup> of 2 years of funding.</p> <p><del>(4)</del> (3) Maintains \$1,450,000 SAF as 2<sup>nd</sup> of 2 years of funding.</p> <p><del>(5)</del> (4) Maintains \$3,000,000 SAF.</p> <p><del>(6)</del> (5) Maintains \$17,500,000 SAF.</p> <p>(7) Deleted</p> <p>(8) Deleted</p>	<p>Appropriates a total of \$22,900,000 SAF for FY 2016-17.</p> <p>(2) Concurs with Executive.</p> <p><del>(3)</del> (2) Maintains \$950,000 SAF as 2<sup>nd</sup> of 2 years of funding.</p> <p><del>(4)</del> (3) Maintains \$1,450,000 SAF as 2<sup>nd</sup> of 2 years of funding.</p> <p><del>(5)</del> (4) Maintains \$3,000,000 SAF.</p> <p><del>(6)</del> (5) Maintains \$17,500,000 SAF.</p> <p>(7) Concurs with Executive.</p> <p>(8) Concurs with Executive.</p>		
Sec. 39 GSRP Per Pupil Allocation Formula	<p>Provides for the GSRP application process and slot allocation formulas.</p> <p>Per pupil allocation for GSRP half-day slot is \$3,625.</p>	<p>Revises application and formula to base it on number of slots filled rather than children served so that the hold harmless provision also includes slots used to provide full-day programs.</p> <p>Deletes priority given to programs offering supplemental childcare over and above a school day.</p>	<p>Concurs with Executive with technical revisions.</p> <p>Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 39a Federal Funds	<p>(1) Appropriates \$779,076,400 for FY 2015-16 in Federal No Child Left Behind (NCLB) funds including the following:</p> <p>(a) \$5,000,000 in Drug-Free schools and Communities funds.</p> <p>(b) \$111,111,900 in Improving Teacher Quality funds.</p> <p>(c) \$12,200,000 in Language Acquisition funds.</p> <p>(d) \$10,286,500 in Charter School funds.</p> <p>(e) \$3,000,000 in Rural and Low Income School funds.</p> <p>(f) \$565,000,000 in Title I, Disadvantaged Children funds.</p> <p>(g) \$8,878,000 in Migrant Education funds.</p> <p>(h) \$39,000,000 in 21<sup>st</sup> Century Community Learning Center funds.</p> <p>(i) \$24,600,000 in Title I, School Improvement Grants.</p> <p>(j) Adds \$55,900,000 in Student Support and Academic Enrichment Grants.</p> <p>(2) Appropriates \$30,800,000 in other Federal funds for education including the following:</p> <p>(a) \$200,000 in CDC-AIDS education grants.</p> <p>(b) \$2,600,000 in Homeless Children and Youth funds.</p> <p>(c) \$4,000,000 for mental health, substance abuse, or violence prevention services.</p> <p>(d) \$24,000,000 in Career &amp; Technical Education funds.</p>	<p>(1) Increases Federal grants to \$821,939,900 for NCLB funds or the Every Student Succeeds Act (ESSA) for FY 2016-17</p> <p>(a) Decreases to \$2,000,000.</p> <p>(b) No Change.</p> <p>(c) No Change.</p> <p>(d) Reduces to \$250,000.</p> <p>(e) No Change.</p> <p>(f) No Change.</p> <p>(g) No Change.</p> <p>(h) No Change.</p> <p>(i) No Change.</p> <p>(j) Adds \$55,900,000 in Student Support and Academic Enrichment Grants.</p> <p>(2) Maintains \$30,800,000 for other Federal funds for education for FY 2016-17.</p> <p>(a) No Change.</p> <p>(b) No Change.</p> <p>(c) No Change.</p> <p>(d) No Change.</p>	<p>(1) Increases Federal grants to \$821,939,900 for NCLB funds or the Every Student Succeeds Act (ESSA) for FY 2016-17</p> <p>(a) Decreases to \$2,000,000.</p> <p>(b) No Change.</p> <p>(c) No Change.</p> <p>(d) Reduces to \$250,000.</p> <p>(e) No Change.</p> <p>(f) No Change.</p> <p>(g) No Change.</p> <p>(h) No Change.</p> <p>(i) No Change.</p> <p>(j) Adds \$55,900,000 in Student Support and Academic Enrichment Grants.</p> <p>(2) Maintains \$30,800,000 for other Federal funds for education for FY 2016-17.</p> <p>(a) No Change.</p> <p>(b) No Change.</p> <p>(c) No Change.</p> <p>(d) No Change.</p>		



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 41 Bilingual Education	Appropriates \$1,200,000 for FY 2015-16 for instruction to pupils with limited English-speaking ability.	Maintains appropriation of \$1,200,000 for FY 2016-17.	Maintains appropriation of \$1,200,000 for FY 2016-17.		
Sec. 43 Teacher Certification Tests Update	Appropriates \$1,800,000 GF/GP for FY 2015-16 to update teacher certification tests by September 30, 2016.	Eliminates funding and repeals this section.	Concurs with Executive.		
Sec. 51a (1) Total Special Education Funding	(1) Appropriates a total of \$918,546,100 SAF and \$370,000,000 Federal funding for FY 2015-16.  Allocations of the total are below in Sec. 51a (2)(3)(6)(11), Sec. 51c, Sec. 53a, Sec. 54, and Sec. 56	(1) <i>Supplemental Request 2016-5</i> revises appropriation for FY 2015-16 to \$947,246,100 SAF and \$370,000,000 Federal funding based on consensus cost revisions.  Appropriates \$973,046,100 SAF and \$370,000,000 federal for FY 2016-17.	1) <i>Supplemental Request 2016-5</i> revises appropriation for FY 2015-16 to \$947,246,100 SAF and \$370,000,000 Federal funding based on consensus cost revisions.  Appropriates \$973,046,100 SAF and \$370,000,000 federal for FY 2016-17.		
(2) Special Ed -ISD Foundations and Costs	(2) Allocates \$251,800,000 for FY 2015-16.	(2) Increases allocation to \$264,100,000 for FY 2015-16 and to \$271,600,000 for FY 2016-17.	(2) Increases allocation to \$264,100,000 for FY 2015-16 and to \$271,600,000 for FY 2016-17.		
(3) Special Ed -ISD Hold Harmless Payments	(3) Allocates \$1,300,000 for FY 2015-16.	(3) Decreases allocation to \$1,000,000 for FY 2015-16 and increases to \$1,100,000 for FY 2016-17.	(3) Decreases allocation to \$1,000,000 for FY 2015-16 and increases to \$1,100,000 for FY 2016-17.		
(6) Special Ed Administrative Rule Changes	(6) Allocates \$2,200,000 for FY 2015-16.	(6) Maintains allocation at \$2,200,000 for FY 2016-17.	(6) Maintains allocation at \$2,200,000 for FY 2016-17.		
(7)(c) Itinerant Staffing	(7)(c) Allows unspent Sec. 51a funds at end of fiscal year to be allocated as additional reimbursements to ISDs based on the transfer of special education staff under certain situations since 2003-2004. Caps an individual ISD's allocation at no more than \$2,000,000.	(7)(c) No Change.	(7)(c) No Change.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
(11) Special Ed - ISD Foundations for Non Sec. 52	(11) Allocates \$3,300,000 for FY 2015-16.  (15) Provides intent that a penalty of 10% of state aid for a district or ISD that does not comply with this section or federal regulations regarding provision of special education would begin in 2016-2017.	(11) Increases allocation to \$4,000,000 for FY 2015-16 and reduces to \$3,700,000 for FY 2016-17.  (15) Deletes.	(11) Increases allocation to \$4,000,000 for FY 2015-16 and reduces to \$3,700,000 for FY 2016-17.  (15) Provides for a 10% penalty beginning in FY 2016-17.		
Sec. 51c Special Ed - <i>Durant</i> Payment	Allocates \$610,000,000 from the appropriation in Sec. 51a(1) for FY 2015-16 to provide funding for costs associated with <i>Durant</i> settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	Increases the FY 2015-16 allocation to \$626,000,000 and increases to \$644,500,000 for FY 2016-17.	Increases the FY 2015-16 allocation to \$626,000,000 and increases to \$644,500,000 for FY 2016-17.		
Sec. 51d Other Federal Special Education	Appropriates \$71,000,000 in other Federal special education grants for FY 2015-16.	Maintains the appropriation of \$71,000,000 for FY 2016-17.	Maintains the appropriation of \$71,000,000 for FY 2016-17.		
Sec. 53a Special Ed - Court Placed Pupils	Allocates \$10,500,000 from the appropriation in Sec. 51a(1) for FY 2015-16.	Maintains the \$10,500,000 allocation for FY 2016-17.	Maintains the \$10,500,000 allocation for FY 2016-17.		
Sec. 54 Special Ed - Schools for the Deaf and Blind	Allocates \$1,688,000 from the appropriation in Sec. 51a(1) for FY 2015-16.	Maintains the \$1,688,000 allocation for FY 2016-17.	Maintains the \$1,688,000 allocation for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p><b>NEW</b> Sec. 54b Special Ed – Task Force Reforms</p>		<p>(1) Appropriates a total of \$1,370,000 GF/GP for FY 2016-17 to implement Special Ed Task Force Recommendations.</p> <p>(2) Allocates \$750,000 for pilot of Michigan Integrated Behavior and Learning Support Initiative (MiBLSI) including at least 3 ISDs.</p> <p>(3) Allocates \$620,000 for providing training in districts and ISDs related to the safe implementation of emergency restraints and seclusion. Training program to be developed by MDE.</p>	<p>(1) Appropriates a total of \$1,370,000 GF/GP for FY 2016-17.</p> <p>(2) Allocates \$750,000.</p> <p>(3) Allocates \$620,000.</p>		
<p>Sec. 55 Conductive Learning</p>	<p>Appropriates \$150,000 SAF for FY 2015-16 to MSU Department of Epidemiology in conjunction with Aquinas College to evaluate conductive learning for children with cerebral palsy. 1st of 2 years of funding.</p>	<p>Maintains appropriation of \$150,000 SAF for FY 2016-17 for the 2<sup>nd</sup> of 2 years of funding.</p>	<p>Maintains appropriation of \$150,000 SAF for FY 2016-17 for the 2<sup>nd</sup> of 2 years of funding.</p>		
<p>Sec. 56 Special Education - Millage Equalization</p>	<p>(2) Allocates \$37,758,100 from Sec. 51a(1) for FY 2015-16. Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education mill levied.</p> <p>(3) Per-pupil equalization amount equal to \$174,400.</p> <p>(4) Caps maximum ISD allocation at 62.9% of the total appropriation.</p> <p>(5) Provides that no ISD shall receive less than 75% of its prior year allocation.</p>	<p>(2) Maintains the \$37,758,100 allocation for FY 2016-17.</p> <p>(3) Per-pupil equalization amount equal to \$179,100.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>	<p>(2) Maintains the \$37,758,100 allocation for FY 2016-17.</p> <p>(3) Per-pupil equalization amount equal to \$179,100.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 61a Career and Technical Education (CTE)	<p>(1) Appropriates \$36,611,300 SAF for FY 2015-16 for reimbursements to districts and intermediate districts for vocational education programs.</p> <p>Reimburses districts for up to 75% of added costs prioritized on:</p> <ul style="list-style-type: none"> <li>- Capital and program expenditures needed to operate the program</li> <li>- Number of pupils enrolled.</li> <li>- The advancement of pupils through the instructional program.</li> <li>- The existence of an articulation agreement with at least 1 postsecondary institution for transfer of credit.</li> <li>- Program rank in student placement.</li> <li>- Program rank in job openings and wages.</li> <li>- Length of training provided.</li> </ul>	<p>(1) Maintains appropriation of \$36,611,300 SAF for FY 2016-17.</p> <p>Revises as follows:</p> <p>Deletes.</p>	<p>(1) Maintains appropriation of \$36,611,300 SAF for FY 2016-17.</p> <p>Revises as follows:</p> <p>Concurs with Executive.</p> <p>(4) In addition to (1), appropriates \$115,000 GF/GP to a non-profit organization that provides curriculum and training to CTE programs in restaurant management and culinary arts.</p>		
Sec. 61b CTE Education Early/Middle Colleges	<p>(1) Appropriates \$10,000,000 SAF for CTE early middle colleges.</p> <p>(2) Funding for ISDs in 10 prosperity regions and subregions. Caps administrative costs at 5%.</p>	<p>(1) Increases appropriation to \$15,000,000 SAF for CTE early middle colleges.</p> <p>(2) No Change.</p>	<p>(1) Increases appropriation to \$15,000,000 SAF for CTE early middle colleges.</p> <p>(2) No Change.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 61b CTE Education Early/Middle Colleges (cont.)</p>	<p>(4) Provides requirements for regional plan and ranking of career clusters.</p> <p>(6) Funding equal to 50% of statewide average CTE cost by career cluster per FTE.</p> <p>(8) Allows funds to pay for expenditures that would be paid from foundation allowance funding. Caps administrative funds at 5%.</p>	<p>(4) Revises to require a talent district career council to document and deem accurate a review of the rankings.</p> <p>(6) No Change.</p> <p>(8) Revises to allow a program that receives funding under Section 61a to receive funding under this section for allowable costs that exceed the reimbursement under Section 61a, as long as combined payments from 61a and 61b do not exceed the total allowable costs of the program.</p>	<p>4) Concurs with Executive.</p> <p>(6) No Change.</p> <p>(8) Allows up to \$500,000 from funds appropriated in (1) to be used for planning new or expanded programs. Caps grants to \$50,000 per program.</p> <p><del>(8)</del> (9) Concurs with Executive.</p>		
<p><b>NEW</b> Sec. 61c CTE Equipment Upgrades</p>		<p>(1) Appropriates \$10,000,000 SAF for FY 2016-17 for a competitive grant program for CTE infrastructure investments.</p> <p>(3) Grant awards capped at \$500,000.</p> <p>(4) Eligible costs include equipment, renovations related to installation, installation, and training for instructors that will be provide instruction using the equipment.</p>	<p>(1) Appropriates \$10,000,000 SAF for FY 2016-17.</p> <p>(3) Concurs with Executive.</p> <p>(4) Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 62 CTE/ Vocational Education Millage Equalization	<p>(2) Appropriates \$9,190,000 SAF for FY 2015-16. Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education mill levied.</p> <p>(3) Per-pupil equalization amount equal to \$189,400.</p> <p>(4) Caps maximum ISD allocation at 38.4% of the total appropriation.</p> <p>(5) Provides that no ISD shall receive less than 75% of its prior year allocation.</p>	<p>(2) Maintains appropriation of \$9,190,000 SAF for FY 2016-17.</p> <p>(3) Per-pupil equalization amount equal to \$196,100.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>	<p>(2) Maintains appropriation of \$9,190,000 SAF for FY 2016-17.</p> <p>(3) Per-pupil equalization amount equal to \$196,100.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>		
Sec. 64b Dual Enrollment Incentive Payments	<p>(1) Appropriates \$1,750,000 SAF for FY 2015-16 in payments to districts that provide dual and concurrent enrollment options to students in grades 9-12.</p> <p>(3) Provides requirements for eligibility.</p> <p>(4) Payments equal to \$10 per credit hour for up to 3 credits for each student enrolled plus \$30 per pupil per course, if the pupil successfully completes and is awarded both high school and post-secondary credit for the course.</p>	<p>(1) Maintains appropriation of \$1,750,000 SAF for FY 2016-17.</p> <p>(3) No Change.</p> <p>(4) No Change.</p>	<p>(1) Maintains appropriation of \$1,750,000 SAF for FY 2016-17.</p> <p>(3) No Change.</p> <p>(4) No Change.</p>		
Sec. 65 Detroit Area PreCollege Engineering Program	Appropriates \$340,000 GF/GP for FY 2015-2016 for the Detroit Area PreCollege Engineering Program (DAPCEP).	Maintains appropriation of \$340,000 GF/GP for FY 2016-17.	Maintains appropriation of \$340,000 GF/GP for FY 2016-17.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 67 College and Career Preparation	<p>(1) Appropriates \$3,600,000 GF/GP for FY 2015-16 for programs to inform students of college and career options and provide resources to prepare students to make informed college and career decisions.</p> <p>(2) Allocates \$3,000,000 to the College Access Program administered by the Talent and Economic Development Department (TED) in collaboration with the Michigan College Access Network (MCAN).</p> <p>(3) Allocates up to \$600,000 administered by TED in collaboration with MCAN and MVU to provide students, parents, and educators information on dual enrollment and opportunities to earn postsecondary credits, technical certifications, and registered apprenticeships and an online career planning tool.</p>	<p>(1) Decreases appropriation to \$3,050,000 GF/GP for FY 2016-17.</p> <p>(2) Allocates \$3,000,000.</p> <p>(3) Decreases allocation to \$50,000 and deletes the online career planning tool.</p>	<p>(1) Decreases appropriation to \$3,050,000 GF/GP for FY 2016-17.</p> <p>(2) Allocates \$3,000,000.</p> <p>(3) Decreases allocation to \$50,000 and deletes the online career planning tool.</p>		
Sec. 74 Bus Driver Safety and School Bus Inspections	<p>Appropriates \$3,315,700 SAF for FY 2015-16.</p> <p>(2) Allocates \$1,625,000 for bus driver safety instruction.</p> <p>(4) Allocates \$1,690,700 to reimburse Michigan State Police for school bus inspections.</p>	<p>Increases FY 2016-17 total appropriation to \$3,320,600 SAF.</p> <p>(2) Maintains funding at \$1,625,000.</p> <p>(4) Increases to \$1,695,600 to reflect statewide negotiated salary and wage amounts (2.5%), insurance increases, actuarially required retirement contributions, and other economic adjustments.</p>	<p>Increases FY 2016-17 total appropriation to \$3,320,600 SAF.</p> <p>(2) Maintains funding at \$1,625,000.</p> <p>(4) Increases to \$1,695,600.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p><b>NEW</b> Sec. 78 Statewide School Water Testing</p>		<p><i>Supplemental Request</i> 2016-5 appropriates \$9,000,000 SAF for FY 2015-16 for 1<sup>st</sup> of 3 years of funding.</p> <p>(1) Appropriates \$9,000,000 SAF for FY 2016-17 for 2<sup>nd</sup> of 3 years of funding.</p> <p>(2) Requires MDE in collaboration with DEQ and LARA to develop strategic statewide plan to prioritize facilities, to identify proper sampling and analysis protocols for measuring lead in water, and to develop measures for reducing lead exposure.</p> <p>(4) Requires MDE to report to Governor and Legislature on number of fixtures tested, including the numbers with elevated lead levels, as well as measures implemented to reduce lead, and financial data for district reimbursement.</p>	Not Included.		
<p>Sec. 81 Intermediate School Districts (ISD) General Operations Funding</p>	<p>Appropriates \$67,108,000 SAF for FY 2015-16 for basic operational funding of intermediate districts.</p>	<p>Increases appropriation to \$68,182,000 SAF for FY 2016-17.</p> <p>Provides each ISD with a 1.6% increase compared to its FY 2015-16 allocation.</p>	<p>Increases appropriation to \$68,182,000 SAF for FY 2016-17.</p> <p>Provides each ISD with a 1.6% increase compared to its FY 2015-16 allocation.</p>		



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 94 Advanced Placement Incentive Program	Appropriates \$250,000 for FY 2015-16 to districts to pay for some or all of Advanced Placement (AP) and International Baccalaureate (IB) test fees for low-income students. Payments estimated at \$20 per test. Requires that a student pay at least \$5.00 toward each test.	Maintains \$250,000 GF/GP appropriation for FY 2016-17.  Revises to also allow reimbursement for IB registration fees of up to \$150.	Maintains \$250,000 GF/GP appropriation for FY 2016-17.  Concurs with Executive.		
Sec. 94a Center for Educational Performance and Information (CEPI)	Appropriates \$11,967,000 GF/GP in FY 2015-16 to support the operations of the CEPI, which is in the Department of Technology, Management, and Budget (DTMB), and for the comprehensive data management and student tracking system.  Appropriates \$193,500 in FY 2015-16 from Federal funds.	Increases appropriation to \$12,173,200 GF/GP for FY 2016-17 to reflect statewide negotiated salary and wage amounts (2.5%), insurance rate increases, actuarially required retirement contributions, and other economic adjustments.  Appropriates \$193,500 in Federal funds for FY 2016-17.	Increases appropriation to \$12,173,200 GF/GP for FY 2016-17.  Appropriates \$193,500 in Federal funds for FY 2016-17.		
Sec. 95a Educator and Administrator Evaluations	Appropriates \$0 into the Educator Evaluation Reserve Fund  (6) Requires MDE to submit a spending plan to the State Budget Office before spending funds.	Appropriates \$10,000,000 SAF into the fund for FY 2016-17 for implementing educator evaluation systems.  Deletes.	Not Included.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 98 Michigan Virtual University (MVU)</p>	<p>Appropriates \$7,387,500 GF/GP to MVU in FY 2015 - 16.</p> <p>(2) Requires Michigan Virtual Learning Research Institute with following objectives:</p> <p>(a) Support and accelerate innovation in education through specified activities.</p> <p>(b) Provide leadership for the state's system of digital learning education through specified activities.</p> <p>(3) Requires that to further enhance its expertise and leadership in digital learning, the MVU shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing online and blended learning as follows:</p> <p>(a) Michigan Virtual School must maintain its accreditation status.</p> <p>(b) MVU shall use no more than \$1,000,000 of its total appropriation to subsidize the cost paid by districts for online courses.</p> <p>(c) Michigan Virtual School shall work with Michigan State Police to provide criminal history and records checks for all online educators as if it were a public school.</p>	<p>Maintains the appropriation of \$7,387,500 GF/GP for FY 2016-17.</p> <p>Revises "online" to "virtual" throughout the section.</p>	<p>Maintains the appropriation of \$7,387,500 GF/GP for FY 2016-17.</p> <p>Concurs with Executive.</p>		
<p>Sec. 99c Civics Education</p>	<p>Appropriates \$60,000 GF/GP for a grant to a provider of civic education.</p>	<p>Eliminates funding and repeals section.</p>	<p>Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 99h FIRST Robotics	Appropriates \$2,000,000 SAF for FY 2015-16 to districts for grants for FIRST Robotics programs grades 7-12. Funds may be used for stipends for coaches and expenses.	Increases appropriation to \$2,500,000 SAF for FY 2016-17.	Maintains appropriation of \$2,000,000 SAF for FY 2016-17.		
Sec. 99s Michigan Science, Technology, Engineering, and Mathematics (MiSTEM) Grants	<p>(1) Appropriates a total of \$9,274,300 including \$3,250,000 SAF, \$775,000 GF/GP, and \$5,249,300 Federal for MiSTEM programs:</p> <p>(2) \$50,000 GF/GP allocated to the MiSTEM Council to administer MiSTEM grants.</p> <p>(3) \$2,750,000 SAF and \$5,249,300 Federal to Math/Science Centers.</p> <p>(4) \$375,000 SAF and \$100,000 GF/GP to the Michigan STEM Partnership.</p>	<p>(1) Increases total appropriation to \$10,524,300 including \$2,750,000 SAF, \$2,525,000 GF/GP, and \$5,249,300 Federal.</p> <p>(2) Maintains \$50,000 GF/GP for administration and includes \$2,475,000 GF/GP for grants based on council recommendations. If council doesn't make recommendations by March 1, 2016, allows MDE to award grants up to \$250,000 on a competitive basis</p> <p>(3) Maintains \$2,750,000 SAF and \$5,249,300 Federal to Math/Science Centers.</p> <p>(4) Deletes.</p>	<p>(1) Maintains appropriation of \$9,274,300 including \$2,750,000 SAF, \$2,525,000 GF/GP, and \$5,249,300 Federal.</p> <p>(2) \$50,000 GF/GP allocated to the MiSTEM Council to administer MiSTEM grants.</p> <p>(3) Appropriates 2,750,000 SAF and \$5,249,300 Federal to 10 MiSTEM Centers in each prosperity region (with an ISD fiscal agent for each). MiSTEM Centers would coordinate with the MiSTEM Council and Change the Equation STEMworks. Half of the funding would have to be distributed to districts for participation in eligible STEM programs.</p> <p>(4) \$375,000 SAF and \$100,000 GF/GP to the Michigan STEM Partnership.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 99s Michigan Science, Technology, Engineering, and Mathematics (MiSTEM) Grants (cont.)	(5) \$250,000 SAF to districts to support STEM teacher professional development.  (6) \$250,000 SAF to districts for Science Olympiad teams.  (7) \$250,000 GF/GP to the Van Andel Institute for professional development for science teachers.	(5) Deletes.  (6) Deletes.  (7) Deletes.	(5) \$250,000 SAF to districts to support STEM teacher professional development.  (6) \$250,000 SAF to districts for Science Olympiad teams.  (7) \$250,000 GF/GP to the Van Andel Institute for professional development for science teachers.		
<b>NEW</b> Sec. 99t Online Algebra Tool			Appropriates \$2,000,000 GF/GP for a statewide online algebra tool.		
Sec. 101 Instructional Days and Hours	(3) Maintains minimum required 1,098 instructional hours and minimum required 175 days. Beginning in FY 2016-17 the minimum number of instructional days will be 180.  (4) Allows for up to 6 days or the equivalent number of hours to be counted as instruction if school is cancelled for reasons outside control of the district (snow days, for example). Also allows the State Supt to waive up to another 3 such days.	(3) Eliminates report required of districts on days and hours of instruction and replaces it with district certification to MDE that the district is in full compliance or a report to MDE for each instance of noncompliance.  (4) No Change.	(3) Concurs with Executive.  (4) No Change.		
Sec. 102d Financial Data Analysis Tools	Appropriates \$1,500,000 SAF for FY 2015-16 to reimburse districts for the cost of licensing school data analytical tools.	Maintains appropriation of \$1,500,000 SAF for FY 2016-17.	Maintains appropriation of \$1,500,000 SAF for FY 2016-17.  Adds \$100,000 for ISD reimbursements.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 104 Assessment Funding	<p>Appropriates \$43,394,400 SAF for FY 2015-16 for reimbursement of costs associated with state student assessment requirements.</p> <p>Appropriates \$6,250,000 in Federal assessment funding.</p> <p>(5) Allocates \$8,500,000 for converting to online assessments, expanding writing assessments to additional grade levels, and providing more constructed response questions.</p> <p>(6) Allocates \$3,200,000 to the development or selection of an online reporting tool to provide student-level assessment data to educators, parents, and pupils immediately after assessments are scored.</p> <p>(7) Allocates \$5,600,000 for the purpose of implementing a summative assessment system pursuant to Section 104c.</p>	<p>Reduces appropriation to \$33,894,400 SAF in FY 2016-17.</p> <p>Maintains appropriation of \$6,250,000 federal funding.</p> <p>(5) Deletes.</p> <p><del>(6)</del> (5) No Change.</p> <p><del>(7)</del> (6) No Change.</p>	<p>Appropriates \$22,000,000 SAF for a statewide contract for a computer adaptive test which would replace M-STEP.</p> <p>Maintains appropriation of \$6,250,000 federal funding.</p> <p>(5) Deletes.</p> <p>(6) Deletes</p> <p>(7) Deletes.</p>		
Sec. 104b Michigan Merit Exam	Requires that districts administer the Michigan Merit Exam including a college entrance test, a work skills test, and a state summative assessment.	No Change.	Repeals this section.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 104c State Assessments	<p>(1) Requires districts to administer state assessments to receive state aid.</p> <p>(3) Requires MDE to implement summative assessments for grades 3-11 and provides requirements.</p> <p>(4) Requires that in 2015-2016, MDE field test additional components of the assessment to determine a pupil's proficiency level prior to grade 3 including:  (a) Assessments administered in fall and spring to measure English language arts and mathematics in 1<sup>st</sup> and 2<sup>nd</sup> grades.  (b) A kindergarten entry assessment administered in the fall in kindergarten including English language arts and math, which may also include observational components measuring cognitive, social-emotional, and physical skills.</p>	<p>(1) No Change.</p> <p>(3) No Change.</p> <p>(4) Revises to require assessments in fall and spring of grades K to 2, and would eliminate the kindergarten entry assessment in favor of a summative assessment.</p>	Repeals this Section.		
Sec. 104d Computer Adaptive Tests	Appropriates \$4,000,000 for FY 2015-16 to reimburse districts for the purchase of computer adaptive tests or purchase of diagnostic and screening tools or benchmark assessments for K-3 pupils.	Eliminates funding and repeals this section.	Concurs with Executive.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
<p>Sec. 107 Adult Education</p>	<p>Appropriates \$25,000,000 in SAF for FY 2015-16.</p> <p>(3) Defines eligible participants enrolled in eligible programs including adult basic education, adult English as a second language (ESL), GED test prep, job- or employment-related programs, or high school completion:</p> <p>(a) An individual with a high school diploma or GED and meets 1 of the following:</p> <p>(i) Is less than 20, not enrolled in higher education and enrolled in employment-related program.</p> <p>(ii) Enrolled in an ESL program.</p> <p>(iii) Enrolled in a high school completion program.</p> <p>(iv) Is at least 20 and enrolled in an adult basic education program and determined by a department-approved assessment to be below 9<sup>th</sup> grade level in reading or mathematics or both.</p> <p>(b) An individual without a high school diploma or GED who meets 1 of the following:</p> <p>(i) Is at least 20.</p> <p>(ii) Is at least 16 and has been permanently expelled.</p>	<p>Maintains appropriation of \$25,000,000 for FY 2016-17.</p> <p>(3) Revises as follows:</p> <p>Adds adult secondary education programs. Revises GED to “high school equivalency”. Deletes job-or employment-related programs.</p> <p>Deletes all current participant eligibility requirements and replaces with the following:</p> <p>(a) Is at least 20 years of age.</p> <p>(b) Is an out-of-school youth as defined by the federal Workforce Innovation and Opportunity Act.</p>	<p>Maintains appropriation of \$25,000,000 for FY 2016-17.</p> <p>(3) Revises as follows:</p> <p>Adds adult secondary education programs. Revises GED to “high school equivalency”. Deletes job-or employment-related programs.</p> <p>Maintains current law.</p>		





SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 107 Adult Education (cont.)	<p>(6) Allocates up to \$2,850 per FTE for a 450-hour program.</p> <p>(7) Establishes requirements for adult basic education and adult ESL programs. Must enroll students that are below 9<sup>th</sup> grade levels in reading or math or lack basic English proficiency.</p> <p>(8) Establishes requirements for eligible GED programs.</p> <p>(10) Establishes requirements for eligible job- or employment-related programs.</p> <p>(11) A funding recipient receives funding based 80% on enrollment and 20% on participant completion of specified adult education objectives.</p>	<p>(6) Deletes payment based on FTEs and hours of instruction.</p> <p><del>(7)</del> (6) Revises to add adult secondary education programs and to include students that are below 12<sup>th</sup> grade levels in English or math.</p> <p><del>(8)</del> (7) Revises GED to “high school equivalency”</p> <p>(10) Deletes.</p> <p><del>(11)</del> (9) Deletes formula based on enrollment and completion. Replaces with payments based on all of the following:  (a) Statewide allocation criteria including a 3-year average of actual enrollments, census data, and local needs.  (b) Participant completion of adult basic education objectives, English proficiency, high school equivalency, high school diploma, enrollment in postsecondary institution, or employment.  (c) Participant completion of core indicators as identified by the federal Workforce Innovation and Opportunity Act.  (d) Allowable expenditures.</p>	<p>(6) Concurs with Executive.</p> <p><del>(7)</del> (6) Concurs with Executive.</p> <p><del>(8)</del> (7) Concurs with Executive.</p> <p>(10) Concurs with Executive.</p> <p><del>(11)</del> (9) Concurs with Executive.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 107 Adult Education (cont.)	<p>(16) Requires program to provide information and allow department to review records. Requires program to pay a CTE program under Sec. 61a for costs of adult basic education provided by the CTE program.</p> <p>(17) Requires that ISD audits of adult education programs be performed pursuant to adult education auditing and accounting manuals published by MDE.</p> <p>(18) Appropriates \$500,000 for a pilot program as the 1<sup>st</sup> of 3 years of funding for a program linking Adult Ed, a CTE center, Michigan Works!, and local employers to dually enroll participants in adult education and at least 1 technical course at the CTE center.</p>	<p><del>(16)</del> (14) No Change.</p> <p>(17) Deletes.</p> <p><del>(18)</del> (15) Updates to 2<sup>nd</sup> of 3 years of funding.</p>	<p><del>(16)</del> (14) No Change.</p> <p>(17) Concurs with Executive.</p> <p><del>(18)</del> (15) Concurs with Executive.</p>		
Sec. 147 Retirement Contribution Rate	<p>Provides retirement rates separated into seven subgroups based on hire date and benefit and contribution choices.</p> <p>Total contribution rates for FY 2015-16 to a range from 31.49% - 36.31%.</p> <p>Maximum employer contribution rates for FY 2015-16 range from 20.96% - 25.78%, with slight normal rate fluctuations for subgroups in between.</p> <p>Reflects a 23-year amortization period.</p>	<p>Revises the total rates for FY 2016-17 to a range from 32.66% - 36.64%.</p> <p>Maximum employer contribution rates for FY 2016-17 range from 20.96% - 24.94%, with slight normal rate fluctuations for subgroups in between.</p> <p>Revises to a 22-year amortization period.</p>	<p>Revises the total rates for FY 2016-17 to a range from 32.66% - 36.64%.</p> <p>Maximum employer contribution rates for FY 2016-17 range from 20.96% - 24.94%, with slight normal rate fluctuations for subgroups in between.</p> <p>Revises to a 22-year amortization period.</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 147a MPERS Cost Offset	Appropriates \$100,000,000 for FY 2015-16 to offset a portion of MPERS costs, based on each district's share of MPERS payroll in the preceding fiscal year.	Maintains appropriation of \$100,000,000 for FY 2016-17.	Maintains appropriation of \$100,000,000 for FY 2016-17.		
Sec. 147c. MPERS Prefunding - Unfunded Accrued Liability Payment	<p>Appropriates \$892,900,000 SAF and \$600,000 GF/GP to pay for the MPERS unfunded accrued liability (UAL) that exceeds the maximum rate charged to MPERS employers allowed under the Public School Employees' Retirement Act.</p> <p>(2) Calculates average of \$601 per pupil and a range for districts between \$4 and \$2,300 per pupil.</p> <p>(7) Requires MDE to publish an estimated rate cap per pupil for each district by December 20, 2015.</p>	<p>Increases appropriation to \$982,200,000 SAF and \$600,000 GF/GP for FY 2016-17 based on actuarial estimates for the state share of UAL costs.</p> <p>(2) Revises average to \$660 and the range to between \$5 and \$3,100 per pupil.</p> <p>(7) Updates to 2016.</p>	<p>Increases appropriation to \$982,200,000 SAF and \$600,000 GF/GP for FY 2016-17 based on actuarial estimates for the state share of UAL costs.</p> <p>(2) Revises average to \$660 and the range to between \$5 and \$3,100 per pupil.</p> <p>(7) Updates to 2016.</p>		
Sec. 152a Adair Data collection and reporting costs	Appropriates \$38,000,500 for FY 2015-16 to reimburse districts for data collection and reporting costs as required in <i>Adair v. Michigan</i> .	Maintains appropriation of \$38,000,500 for FY 2016-17.	Maintains appropriation of \$38,000,500 for FY 2016-17.		
Sec. 166 Penalty for Family Planning	Penalizes a district in which a board member or staff distributes family planning drugs or devices or makes referrals for abortions by 5% of its total state aid allocation.		Revises to require a district to adopt a disciplinary policy for school officials or staff for violations of 380.1507 or for making abortion referrals. A district that fails to adopt a policy would forfeit \$100,000 of its state aid. The policy would create financial penalties for staff or contractors, and require that penalties be negotiated in bargaining agreements.		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Sec. 166b Nonpublic Pupils	Provides that a nonpublic student may be counted as a part-time pupil by a district for receipt of state aid only for nonessential elective courses that are offered to full-time pupils in that grade level or age group during regularly scheduled school hours.	Clarifies that courses must be offered "AND BEING PROVIDED" to full-time pupils in that grade level or age group during regularly scheduled school hours. Adds that a nonpublic student may be counted as a part-time pupil "SUBJECT TO SECTION 6(4)(GG)" which caps it at 1/3 of an FTE.	Not Included.		
Enacting Section 1 State Spending and Payments to Locals	N/A	<p><i>Supplemental Requests 2016-5 and 2016-7</i> revise FY 2015-16 total state spending from state sources to \$12,070,039 and payments to locals are \$11,939,809,800.</p> <p>FY 2016-17 total state spending from state sources is \$12,364,479,400 and payments to locals are \$12,212,368,600.</p>	<p><i>Supplemental Requests 2016-5 and 2016-7</i> revise FY 2015-16 total state spending from state sources to \$12,070,039 and payments to locals are \$11,939,809,800.</p> <p>FY 2016-17 total state spending from state sources is \$12,364,479,400 and payments to locals are \$12,212,368,600.</p>		
Enacting Section 2 Repeals Sections as of October 1, 2016.	N/A	<p>Repeals following sections:</p> <p><b>22i</b> – Technology Readiness Infrastructure Grants  <b>25e</b>– Pupil Transfer Process  <b>31c</b>– Gang Prevention Grant  <b>31h</b> – Cooperative Education Grant  <b>43</b>– Teacher Certification Test Rewrite  <b>99c</b> – Civics Education</p> <p><b>104d</b> – Computer Adaptive Tests  <b>166</b> – Penalty for Dispensing Family Planning Drugs or Devices/Abortion Referrals</p>	<p>Repeals following sections:</p> <p><b>22i</b> – Technology Readiness Infrastructure Grants  <b>25e</b>– Pupil Transfer Process</p> <p><b>31h</b> – Cooperative Education Grant  <b>43</b>– Teacher Certification Test Rewrite  <b>99c</b> – Civics Education  <b>104b</b> – Michigan Merit Exam  <b>104c</b> – State Summative Assessments  <b>104d</b> – Computer Adaptive Tests</p>		

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE HB 5266 (H-1) Draft 1	SENATE SB	CONFERENCE
Enacting Section 3 Effective Date		Effective date is October 1, 2016;	Effective date is October 1, 2016, except provides immediate effect for the following sections: 11, 11j, 22a, 22b, 24a, 26a, 26c, 31f, 51a, 51c, and 61a.		