



**SCHOOL AID  
S.B. 796**

04/21/2016

Analyst: Kathryn Summers and Cory Savino

Phone: 3-2768

FULL-TIME EQUATED (FTE) POSITIONS/ FUNDING SOURCE	FY 2015-16 YEAR-TO-DATE	FY2016-17 GOV'S REC.	FY2016-17 SENATE FULL-COMM.	FY2016-17 HOUSE FULL-COMM.	CHANGES FROM FY 2015-16 Y-T-D					
					GOVERNOR		SENATE		HOUSE	
					AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>GROSS.....</b>	<b>13,900,654,300</b>	<b>14,183,112,100</b>	<b>14,107,112,100</b>	<b>14,187,682,900</b>	<b>282,457,800</b>	<b>2.0</b>	<b>206,457,800</b>	<b>1.5</b>	<b>287,028,600</b>	<b>2.1</b>
Less:										
Interdepartmental Grants Received.....	0	0	0	0	0	0.0	0	0.0	0	0.0
<b>ADJUSTED GROSS.....</b>	<b>13,900,654,300</b>	<b>14,183,112,100</b>	<b>14,107,112,100</b>	<b>14,187,682,900</b>	<b>282,457,800</b>	<b>2.0</b>	<b>206,457,800</b>	<b>1.5</b>	<b>287,028,600</b>	<b>2.1</b>
Less:										
Federal Funds.....	1,775,769,200	1,818,632,700	1,818,632,700	1,818,632,700	42,863,500	2.4	42,863,500	2.4	42,863,500	2.4
Local and Private.....	0	0	0	0	0	0.0	0	0.0	0	0.0
<b>TOTAL STATE SPENDING.....</b>	<b>12,124,885,100</b>	<b>12,364,479,400</b>	<b>12,288,479,400</b>	<b>12,369,050,200</b>	<b>239,594,300</b>	<b>2.0</b>	<b>163,594,300</b>	<b>1.3</b>	<b>244,165,100</b>	<b>2.0</b>
Less:										
Other State Restricted Funds.....	12,078,985,100	12,134,479,400	12,062,479,400	12,148,050,100	55,494,300	0.5	(16,505,700)	(0.1)	69,065,000	0.6
<b>GENERAL FUND/GENERAL PURPOSE.....</b>	<b>45,900,000</b>	<b>230,000,000</b>	<b>226,000,000</b>	<b>221,000,100</b>	<b>184,100,000</b>	<b>401.1</b>	<b>180,100,000</b>	<b>392.4</b>	<b>175,100,100</b>	<b>381.5</b>
<b>PAYMENTS TO LOCALS.....</b>	<b>11,967,255,600</b>	<b>12,212,368,600</b>	<b>12,127,646,000</b>	<b>12,210,009,400</b>	<b>245,113,000</b>	<b>2.0</b>	<b>160,390,400</b>	<b>1.3</b>	<b>242,753,800</b>	<b>2.0</b>

Includes ongoing and one-time appropriations.

**SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS**  
**Current Law (FY 2015-16), Governor's Rec., Senate Approps., and House Approps. (FY 2016-17)**

**SFA Analyst:**  
 Kathryn Summers

<b>SECTION</b>	<b>CURRENT LAW</b>	<b>GOVERNOR</b>	<b>SENATE</b>	<b>HOUSE</b>	<b>CONFERENCE</b>
Sec. 3 Definitions	Provides definitions.	No change recommended.	Includes a definition for a "community district" to mean a school district organized under Part 5b of the Revised School Code.	No changes included.	
Sec. 4 Definitions	Provides definitions including those for pupils in membership.	Sec. 4(5) Proposes to delete reference to "general education development (GED) testing preparation program" and instead replace with "high school equivalency test" which means "the GED test developed by the GED testing service, the test assessing secondary completion (TASC) developed by CTB/McGraw Hill, the HISET test developed by the Education Testing Service (ETS), or another comparable test approved by the Department.  Also, throughout the bill, GED is changed to "high school equivalency".	Concurs with Governor.	Concurs with Governor.	
Sec. 6 Definitions	Provides definitions for counting pupils in membership.	Sec. 6(4) Proposes to change the pupil membership blend from 90% weight on current-year September plus 10% weight on prior-year February to 50%/50%. This is estimated to cost \$1,000,000.	Sec. 6(4) Proposes to change the pupil membership blend to 75/25, and builds a further \$1.3 million into the foundation allowance to pay for the change (under Sec. 22a).  Further, adds a calculation for the pupil membership of a community district to be weighted 75% on the October 2016 count of students in the community district plus 25% on the February 2016 count in a qualifying district.	Sec. 6(4) Proposes to change the pupil membership blend to 85/15 based on current-year fall and prior-year fall, and builds a further \$12.5 million into the foundation allowance to pay for the change (under Sec. 22a).  Does not include Senate language for a community district.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
		<p>Throughout this section and numerous sections of the bill, "online" is replaced with "virtual".</p> <p>Sec. 6(4)(L)(ii) Removes the 'grandfather' clause that currently allows a pupil more than 20 years of age but not defined as homeless by the United States Code to be counted under this subparagraph if they were counted in FY 2014-15.</p> <p>Section. 6(4)(dd) Changes reporting of pupils in dropout recovery programs from not later than 10 days after the month ends to not later than 30 days after the month ends.</p> <p>Sec. 6(4)(gg) Proposes that a nonpublic part-time pupil enrolled in grades 1 to 12 under Sec. 166b be counted as no more than one-third of a full-time equated pupil.</p> <p>Strikes ability of a district to revise membership based on pupil transfers under Section 25e.</p>	<p>Concurs with Governor.</p> <p>Sec. 6(4)(L)(ii) Removes the grandfather clause, but also changes the criteria to allow for education of students with extreme barriers to education, and removes the requirement that the student's length of dropout exceed one year.</p> <p>Sec. 6(4)(m) Changes the word "obtained" to "achieved" in the subsection indicating when a student may no longer be counted in membership (when the student has "achieved" a high school equivalency).</p> <p>Sec. 6(4)(dd) Concurs with Governor.</p> <p>Sec. 6(4)(gg) Amends the Governor's proposal to cap "shared time" students at 0.5 FTE. Estimated savings of \$5.0 million under Section 22a are recognized from this change.</p> <p>Does not concur with this change because Section 25e is retained.</p> <p>Sec. 6(4)(hh) Adds language stating that a pupil enrolled in a community district shall be counted in membership in the community district.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Does not include a cap on "shared-time" students.</p> <p>Concurs with Governor and strikes Section 25e.</p> <p>Does not include community district language included by the Senate.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
			<p>Adds an exception such that the educating district for pupils in the Youth ChalleNGe program need not get the approval of the resident district for counting the students, and allows for pupils enrolled in the Academy to be counted the fourth Wednesday in August, instead of the first Wednesday in October.</p> <p>Does not include House language on the counting of expelled special education students.</p>	<p>Does not include exception for Youth ChalleNGe program.</p> <p>Adds language that if a special education student is expelled at the time of the pupil count but is later reinstated, the district may count the pupil in membership.</p>	
Sec. 11 Total Appropriations	Provides a summation of the total School Aid Fund, General Fund, and Federal funding in the Act. Includes a method for proration if revenue is not sufficient to support spending.	<p>School Aid Fund revenue totals \$12,062,479,300 and GF/GP revenue totals \$230,000,000 for FY 2016-17. In addition, the Governor is proposing \$72,000,000 to be appropriated from the Detroit Public Schools Trust Fund.</p> <p>(The Governor is recommending two FY 2015-16 supplementals, but they are addressed separately.)</p>	<p>Appropriates the Governor's Recommendation for School Aid Fund revenue of \$12,062,479,300, reduces GF/GP to \$226,000,000, and does not include the \$72,000,000 from the DPS trust Fund. Also moves the \$100 "Flint Emergency Reserve Fund" fund source appropriation from Section 11s to this section and renames to the Drinking Water Emergency Reserve Fund.</p> <p>FY 2015-16 adjustments are not included in this bill.</p>	<p>Appropriates \$1,000,000 more than the Governor's recommendation for School Aid Fund revenue to \$12,072,549,900, reduces GF/GP to \$221,000,000, and concurs with the Governor on \$72,000,000 from the Community District Trust Fund plus \$100 from the Drinking Water Emergency Reserve Fund.</p> <p>Includes FY 2015-16 adjustments in the bill.</p>	
Sec. 11j Debt Service on School Bond Loan Fund	FY 2015-16 appropriation of \$126,500,000 for debt service payments on school bond loan revolving fund obligations.	FY 2016-17 appropriation is maintained at \$126,500,000.	Concurs with Governor.	Reduces FY 2015-16 appropriation to \$99,500,000 and concurs with Governor on FY 2016-17 appropriation of \$126,500,000.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 11k School Loan Revolving Fund	Appropriates from the General Fund to the School Loan Revolving Fund an amount equal to the repayments.	Updates reference for fiscal year.	Concurs with Governor.	Concurs with Governor.	
Sec. 11m School Aid Fund Cash Flow Borrowing Costs	FY 2015-16 appropriation of \$2,000,000 to pay for cash flow borrowing costs at the State level.	FY 2016-17 appropriation increases to \$3,000,000.	Concurs with Governor.	Concurs with Governor.	
Sec. 11o - NEW Flint Supplemental for FY 2015-16	N/A	Supplemental Request 2016-7 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 development delays due to lead exposure.	Not included.	Concurs with Governor to include the supplemental appropriation of \$9,200,000 for FY 2015-16.	
Sec. 11s Flint Water Emergency - NEW	N/A	Appropriates \$10,142,500 GF/GP for FY 2016-17 for the purpose of providing services and programs to children in Flint, and appropriates \$100 from the Flint Emergency Reserve Fund. Of the total, \$1,292,500 is for the purpose of employing school nurses and social workers. Another \$950,000 is allocated to Genesee ISD for augmenting staff to provide additional early childhood and nutritional services to children in Flint. Another \$6,400,000 is allocated for Early On services for children in Flint less than four years old on September 1, 2016. The remaining \$1,500,000 is for enrolling children in Flint in school-day Great Start Readiness Programs regardless of household income. The funding under this section represents the amount estimated to cover one-half of the year; other pending GF/GP supplementals would deposit	Concurs with Governor, with the minor technical change of allocating the \$100 Flint Emergency Reserve Fund from Section 11 appropriations, instead of allocating it in addition to the Section 11 appropriations. Renames to the Water Emergency Reserve Fund.	Concurs with Governor, with the minor technical change of allocating the \$100 Flint Emergency Reserve Fund from Section 11 appropriations, instead of allocating it in addition to the Section 11 appropriations. Renames to the Water Emergency Reserve Fund.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
		<p>money in FY 2015-16 into the Flint Emergency Reserve Fund to cover the other one-half of the year as necessary.</p> <p>The section also appropriates \$15,000,000 in State Restricted Contingency Funds, which are not available for expenditure until transferred. This is the mechanism that would be used to provide the funding for the other one-half of a year using dollars deposited in the reserve in FY 2015-16.</p>			
<p>Sec. 15 Audits and Apportionments</p>	<p>Allows the Department to make adjustments to State aid based on audits of current or prior-year programs and funding.</p> <p>The Department may conduct audits, or may direct audits by designee of the Department, of all records for the current fiscal year and the preceding three fiscal years related to a program for which a district or ISD received funds.</p>	<p>Updates reference for fiscal year and removes an expired forgiveness clause pertaining to a strict discipline academy's hardship claim.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 18 Spending and Audit Requirements</p>	<p>Specifies allowable uses of funds and requires yearly financial and pupil audits.</p> <p>Requires districts to post any deficit elimination plan publicly via a link on the district's web site. Requires districts to post all required budget information not later than 15 days after adoption of the budget.</p>	<p>Adds clarifying language that annual comprehensive data submitted by November 1 each year must be consistent with a district's or ISD's audited financial statements.</p> <p>Further, language is added allowing the Department to withhold State aid if the Department determines that the financial data submitted is not consistent with audited financial data.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>Requires districts to submit audits and comprehensive financial data by November 1.</p> <p>Requires districts to report on district credit cards and out-of-state travel for administrators fully or partially paid for by the district.</p>				
Sec. 19 Compliance with Reporting Requirements	Requires districts and ISDs to comply with all applicable reporting requirements specified by State and Federal.	Removes legislative intent to implement statewide standard reporting requirements for education data approved by the Department with CEPI.	Does not concur, and instead requires statewide standard reporting requirements to be implemented by State departments during FY 2016-17, with districts implementing those standards beginning in FY 2017-18.	Concurs with Governor.	
Sec. 20 Foundation Allowance Calculation	<p>Basic foundation allowance for FY 2015-16 is \$8,169 and the minimum foundation is \$7,391.</p> <p>Unless otherwise stipulated, in years of increases in the foundation allowance, uses the "2x" equity formula, which doubles the increase in the basic foundation for those at the minimum foundation and provides an increase somewhere in between for districts with foundations in between.</p>	<p>Basic foundation allowance for FY 2016-17 is \$8,229, and the minimum is \$7,511.</p> <p>The Governor proposes a \$60 increase for districts at or above the basic, and up to \$120 for districts below the basic (with \$120 provided to those districts at the minimum). This costs roughly \$150,000,000, which is paid under Section 22b.</p> <p>Due to an inflationary cap in Section 1211 of the Revised School Code that is triggered because inflation for calendar year 2015 was only 0.1%, the statutory foundation allowances for districts above the basic will only increase by the rate of inflation applied to their own foundation allowance, with the remainder of the increase (i.e., the</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor; however, this additional calculation (and funding) is moved to a new subsection under Section 20f.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
		<p>difference between \$60 and the inflationary cap) calculated separately under Section 20j, and paid under Sec. 22b.</p>	<p>Provides the foundation allowance for a community district to be equal to DPS' foundation allowance.</p> <p>In addition, language is added to subsection (9) providing a \$300 per-pupil increase in the foundation allowance for two years for districts that consolidate or are part of annexation, and that received a grant under Section 22g. This is estimated to cost \$900,000 for Marshall/Albion, paid out under Section 22b.</p> <p>Further, language is added providing a foundation allowance equal to \$100 more than the highest of the consolidated districts for districts wholly located in the same city, village, or township.</p>		
<p>Sec. 20f Categorical Offset Payments</p>	<p>Appropriates \$18,000,000 for FY 2015-16 to ensure all districts received at least a \$5 increase in per-pupil funding when comparing foundation allowance, equity, and MPSERS offset payments from FY 2012-13 to FY 2013-14, and to ensure that no district received less than a \$25 per pupil increase when adding together</p>	<p>Maintains the \$18,000,000 appropriation for FY 2016-17 and the per-pupil funding at the same levels as in FY 2015-16.</p>	<p>Increases the appropriation to \$27,000,000 to both maintain prior-year allocations (\$18,000,000) and to provide funding for districts above the hold-harmless cap reflecting the difference between inflationary increases (where such districts are capped) and actual dollar increases given in the basic foundation allowance (estimated to cost \$9,000,000 of the \$27,000,000).</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	increases in the foundation allowance and At Risk, along with the elimination of Best Practices and District Pupil Performance grants that occurred between FY 2014-15 and FY 2015-16.				
Sec. 20g Dissolved District Transition Grants	Appropriates \$2,200,000 for FY 2015-16 2+ for grants to districts that received portions of the dissolved districts of Buena Vista and Inkster. Grants are equal to 10% of the receiving district's foundation allowance for each pupil enrolled in one of the dissolved districts in the prior year. This was the third of four years of funding.	Continues the \$2,200,000 appropriation into FY 2016-17. This is intended to be the fourth of four years of funding.	Concurs with Governor.  Adds new language stating the intent of the Legislature that the outstanding debt of Buena Vista schools be paid from and counted against the work project appropriation set up for Saginaw ISD at the time of the district's dissolution.	Concurs with Governor.	
Sec. 20j Additional Calculation for Hold Harmless Districts	N/A	Provides a funding calculation for districts above the hold-harmless cap reflecting the difference between inflationary increases (where such districts are capped) and actual dollar increases given in the basic foundation allowance. Funding actually is provided under Section 22b, and is estimated at \$9,000,000 of the \$150,000,000 total cost of the foundation allowance increase.	Does not include. Instead, calculations and payments are moved to Section 20f.	Concurs with Governor.	
Sec. 21 Supplemental Payments to Districts with Schools under SRO Oversight	N/A	Appropriates \$5,000,000 in FY 2016-17, of which \$2,750,000 would provide three years of supplemental funding to districts with a high school and that have schools under the oversight of the School Reform Office (SRO), in an amount equal to 20% of the district's foundation allowance multiplied	Concurs with Governor.  Adds a reporting requirement that the School Reform Officer report twice a year to the appropriations subcommittees, providing an update of the Office's activities.	Includes a \$100 placeholder for this section.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
		<p>by the number of high school students. To qualify for funding, a district must be a party to an intervention agreement executed by the SRO and the district.</p> <p>The other \$2,250,000 would support chief executive officers placed in charge of schools under the oversight of the SRO.</p> <p>The Budget Offices estimates that this program's costs would grow as more schools are overseen by CEOs, to \$10,200,000 in FY 2017-18, to \$14,400,000 in FY 2018-19, and then level off at an estimated \$15,800,000 beginning in FY 2019-20.</p>			
<p>Sec. 21f Online Learning</p>	<p>Allows pupils in grades 6 to 12 to enroll in online courses. Allows ISDs and community colleges to offer online courses.</p> <p>Does not allow for enrollment in more than two online courses per term. However, if a pupil has demonstrated previous success with online courses and the school leadership and pupil's parent determine it is the best interest of the pupil, the pupil may be enrolled in more than two online courses in a specific academic term, semester, or trimester. A district may not establish additional requirements which would prohibit a pupil</p>	<p>Allows students in grades younger than grade 6 to enroll, but also allows a district to deny that enrollment if it so chooses based on age.</p> <p>Changes the cap on enrollment in online courses as follows: a pupil may be enrolled in more than two virtual courses in a specific term if all of the following are met: the primary district has determined it is in the best interests of the pupil; the pupil agrees with the recommendation of the primary district; and, the primary district, with the pupil, has developed an education development plan.</p> <p>Includes new language clarifying that a primary district that is also a provider must determine if it has capacity to accept</p>	<p>Concurs with Governor with the following exceptions:</p> <p>Does not concur in the change from having the primary district make a "reasonable effort" to assist the pupil in finding another course (when denied enrollment due to insufficient quality) to requiring the district to enroll the pupil in a virtual course in the same or a similar subject.</p> <p>Does not concur in the striking of language requiring an online course enrollment request to occur within the same timelines established by the primary district for enrollment and schedule changes for regular courses.</p>	<p>Concurs with Governor with the following exceptions:</p> <p>Does not delete requirement that a community college offering a virtual course ensure that it generates postsecondary credit.</p> <p>Does not concur in the requirement for MDE to establish standards for hardware, software, and internet access for pupils enrolled in more than two virtual courses per term taken at a location other than a school facility.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>from taking an online course.</p> <p>MVU is required to maintain a statewide catalog of online courses. Requires the course syllabus published by a district or vendor to include the results of the online quality review using the guidelines and model review process published by MVU.</p> <p>Caps the amount a district pays for an online course to not more than 6.67% of the minimum foundation allowance for a semester course, but allows a parent to pay the difference for a course with a cost that exceeds the cap.</p> <p>A district may deny enrollment in an online course offered by an outside vendor/district under these additional conditions:</p> <ul style="list-style-type: none"> <li>-- that the pupil demonstrated failure with previous online coursework in the same subject area.</li> <li>-- the online course is of insufficient quality or rigor. However, if this is the reason for denial, the district shall make a reasonable effort to</li> </ul>	<p>applications from nonresident students and may use that limit as the reason for refusal to enroll a nonresident applicant.</p> <p>Adds and clarifies reasons why a primary district may deny enrollment, including that the pupil has not <i>completed</i> prerequisite coursework (instead of possessing that knowledge) or that the pupil has failed a previous virtual course in the same subject in the two most recent years. In addition, enrollment may be denied if the request for enrollment was not made in the term preceding the enrollment, unless the student is newly enrolled in the primary district.</p> <p>Instead of requiring course providers to provide to MVU the course syllabus for inclusion in a statewide online catalog, new language requires that the virtual course has been published in the pupil's primary district's catalog of board-approved courses or published in the statewide catalog maintained by MVU.</p> <p>Adds language where, if the virtual course is offered to eligible pupils in more than one district, the provider must provide MVU with the course syllabus for inclusion in the statewide catalog.</p> <p>Adds language requiring the Department to establish standards for hardware, software, and Internet access for pupils enrolled in more than</p>	<p>Does not concur in the language change that would require the primary district to provide the pupil with the appropriate hardware, software, and internet access without charge to the pupil.</p>	<p>Does not concur in the language change that would require the primary district to provide the pupil with the appropriate hardware, software, and internet access without charge to the pupil.</p> <p>Does not concur with the change to require MDE to establish the minimum requirements to count a pupil in a virtual course in a district's membership.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>help the pupil find an appropriately rigorous or quality alternative course.</p> <p>Requires districts and ISDs desiring to offer online courses to also provide MVU with the number of enrollments in each online course offered to pupils in the prior school year, and the number of enrollments that earned 60% or more of the total course points for each online course.</p> <p>Students must register for an online course in the summer prior to enrolling, unless the student has newly moved to the district.</p>	<p>two virtual courses in an academic term, and requiring the primary district to be responsible for providing the pupil with the appropriate hardware, software, and internet access without charge to the pupil.</p> <p>Adds language requiring the Department to establish the minimum requirements to count a pupil in membership for virtual courses.</p> <p>Definitions for 'virtual course', 'virtual course syllabus', and 'virtual learning pupil' are included.</p>			
Sec. 21g - NEW Competency Based Funding Pilot	N/A	N/A	N/A	Appropriates \$1,000,000 GF/GP for a new program in FY 2016-17 to pilot a competency-based transcript and marketplace 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.	
Sec. 22a Proposal A Obligation Payment (The Constitutionally-required portion of the foundation allowance.)	<p>FY 2015-16 appropriation of \$5,377,000,000.</p> <p>This section provides funding equal to the FY 1994-95 Proposal A foundation allowance</p>	<p>FY 2016-17 appropriation of \$5,206,000,000. This includes \$1.0 million for pupil membership blend changes under Section 6.</p>	<p>FY 2016-17 appropriation of \$5,202,300,000, a decrease of \$3,700,000 from the Governor's budget. This reflects a \$1,300,000 increase to pay for the estimated blend change to 75/25 using data from FY 2015-16 actual pupil</p>	<p>Reduces FY 2015-16 appropriation to \$5,255,000,000.</p> <p>Increases FY 2016-17 appropriation by \$12,500,000 above the Governor's recommendation for the pupil</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	levels multiplied by pupils.		counts to estimate the cost, and a \$5,000,000 decrease for the estimated savings associated with the shared-time FTE cap.	membership blend changes under Section 6, to total funding of \$5,218,500,000.	
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	<p>FY 2015-16 appropriation of \$3,728,000,000.</p> <p>This funding provides roughly the difference between the current foundation allowance and the 1994-95 foundation allowance, multiplied by general education pupils.</p> <p>Special education funding is paid under Section 51a.</p>	<p>FY 2016-17 appropriation of \$3,828,000,000 from the School Aid Fund and \$72,000,000 from the Detroit Public Schools Trust Fund, for total of \$3,900,000,000.</p> <p>This funding level pays for the proposed \$60-\$120 per-pupil increase in the foundation allowance (\$150,000,000), along with a \$72,000,000 cost increase associated with the proposal to split Detroit Public Schools into two entities - one that redirects the 18-mill property tax levy currently helping to pay for the cost of the foundation allowance to instead pay down debt, and the other entity that is 100% funded by the State. Note that this proposal itself is not in the School Aid Act, and would require separate legislation in the Revised School Code and additional amendments to the School Aid Act that are not reflected here.</p> <p>Section 20j calculations also are funded under this section.</p>	<p>FY 2016-17 appropriation in total of \$3,819,900,000, a decline of \$80,100,000 from the Governor's recommendation.</p> <p>This reflects a transfer of \$9,000,000 for Section 20j costs, which were moved to Section 20f, and an increase of \$900,000 to pay for the \$300 foundation allowance incentive for consolidated or annexed districts under Section 20(9). This also reflects the elimination of the DPS Trust Fund and funding mechanism.</p> <p>Fund sources as follows: SAF: \$3,639,485,800 GF: \$180,414,200 DPS Trust Fund: \$0</p>	<p>Reduces FY 2015-16 appropriation to \$3,690,000,000.</p> <p>Concurs in Governor's recommendation for FY 2016-17 of \$3,900,000,000, funded by \$3,717,503,200 SAF, \$72,000,000 Community District Trust Fund, and \$182,496,800 GF/GP.</p>	
Sec. 22d Isolated Districts/ Transportation Funding	Appropriates \$957,300 for supplemental payments to isolated districts and \$4,042,700 for payments to eligible districts with 7.3 or fewer pupils per square mile, for a total appropriation of \$5,000,000.	Continues the \$5,000,000 total appropriation into FY 2016-17.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 22g. Competitive Assistance Grants to Districts and ISDs – Consolidation Costs	Appropriates \$5,000,000 in FY 2015-16 for competitive assistance grants to districts and ISDs, for the reimbursement of transition costs associated consolidation or annexation. Districts or ISDs receiving grants may spend those funds over three fiscal years.	Continues the appropriation into FY 2016-17, and expands eligibility to dissolutions, along with consolidations or annexations, that occur on or after June 1, 2016.	<p>Concurs with Governor to add dissolutions, however the section is restructured as follows, with a total appropriation of \$6,500,000 for FY 2016-17:</p> <p>1) Allocation of \$1,000,000 for feasibility study grants for districts or ISDs looking to consolidate, annex, or dissolve.</p> <p>2) Allocation of \$3,000,000 for transition grants for districts or ISDs that meet at least one of the following: 1) contracted for a feasibility study and the study recommended consolidation, annexation, or dissolution; 2) State Treasurer has declared that the potential for fiscal stress exists; or, 3) State Treasurer has determined that the district or ISD is subject to rapidly deteriorating financial circumstances.</p> <p>3) Allocation of \$2,500,000 for any transition grants remaining for districts or ISDs that did consolidate, annex, or dissolve and received funding under this section in 2015-16.</p>	<p>Concurs with Governor.</p> <p>In addition, expands the allowable uses of the grants to include the consolidation of services between districts and/or ISDs.</p>	
Sec. 22i Technology Readiness Infrastructure Grants	FY 2015-16 appropriation of \$23.5 million for grants to districts or intermediate districts on behalf of their constituent districts for technology readiness initiatives to prepare districts to	Proposes to repeal the section as FY 2015-16 is the last year of funding.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	implement online assessments.				
Sec. 23a Dropout Recovery	Provides guidelines for a dropout recovery program to qualify for special membership counting provisions.	Adds a definition for "teacher of record" to mean a teacher who holds a valid teaching certificate who, if applicable, is endorsed in the subject area and grade of the course; and is responsible for providing instruction and assessing pupil learning.	Concurs with Governor.	Concurs with Governor.	
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 in FY 2015-16 to reimburse districts for the additional costs of educating students placed in the district by the court system.	Continues the \$8,000,000 appropriation into FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$2,189,800 in FY 2015-16 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Reduces the appropriation to \$1,328,100 to reflect the closure of Maxey.	Concurs with Governor.	Reduces FY 2015-16 appropriation to \$1,301,000.  Concurs with Governor for FY 2016-17 appropriation of \$1,328,100.	
Sec. 24c Youth Challenge Program	Appropriates \$1,497,000 in FY 2015-16 for the Youth Challenge Program. Payment goes through Marshall Public Schools, which contracts with Department of Military and Veterans' Affairs (DMVA) for the program.	Increases the appropriation to \$1,522,400; the increase reflects changes in economics in FY 2016-17.	Increases the appropriation another \$210,000 above the Governor's recommendation for total funding in FY 2016-17 of \$1,732,400.	Concurs with Governor.	
Sec. 25e Adjusting Memberships for Pupils Moving after the Count Day	Requires CEPI to administer a pupil transfer and application process to process pupil transfers.  If a pupil enrolls after the fall count day and was not enrolled previously, allows a district to report their	Proposes to repeal the section.	Does not repeal the section, and updates fiscal year references.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>enrollment through the pupil transfer application up until the supplemental count day in February.</p> <p>If a pupil transfers from another district after the count day, allows the newly enrolling district to report the enrollment within 30 days through the pupil transfer application up until the supplemental count day in February.</p> <p>Upon receipt of that report, the pupil transfer application would do the following:</p> <p>a) notify the district in which the pupil was previously enrolled. That district would provide exit dates and other necessary information.</p> <p>b) notify the pupil auditing staff from both the ISD in which the educating district is located and the ISD in which the district that previously enrolled the pupil is located. The pupil auditing staff shall edit if necessary and approve the transfer.</p> <p>c) aggregate the district-wide changes and notify MDE for use in making adjustments to the State aid</p>				

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>payment system MDE shall do the following:</p> <ul style="list-style-type: none"> <li>-- adjust the pupil membership calculation for the previously enrolling district to prorate based on 1/105 for each day the student was enrolled and in attendance.</li> <li>-- adjust the pupil membership calculation to include 1/105 for the number of school days between the day the pupil enrolled in that district and the supplemental count day.</li> </ul> <p>Changes under this section take effect as of the date the pupil becomes enrolled and in attendance in the educating districts.</p> <p>An ISD is not required to approve each transfer and instead is required to investigate a representative sample based on required audit sample sizes in the pupil auditing manual. ISD audit staff may deny a transfer.</p> <p>Requires a report from MDE and CEPI to the Legislature on the number of transfers and the net change in pupil</p>				

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>membership by district and ISD, due December 1.</p> <p>A pupil enrolled in one or more online courses under Section 21f is not counted or transferred under the process under this section.</p>				
Sec. 25f Strict Discipline Academy Supplemental Payments	<p>Allocates \$1,000,000 for strict discipline academies to provide added cost reimbursements for court placed pupils.</p> <p>Caps added cost reimbursement to not more the foundation allowance, and directs the Department to include all costs in the calculation for reimbursement.</p> <p>Proration language is in place if funding is insufficient.</p>	<p>Reduces the appropriation to \$250,000 for FY 2016-17, and updates other fiscal year references. Removes requirement to comply with the pupil transfer process under Sec. 25e as that section is proposed to be repealed.</p>	<p>Does not reduce the appropriation or remove the requirement to comply with the pupil transfer process under Section 25e.</p> <p>FY 2016-17 appropriation remains at \$1,000,000.</p>	<p>Concurs with Governor.</p>	
Sec. 25g Dropout Recovery	<p>Appropriates \$1,000,000 to pay for any additional FTE beyond 1.0 in eligible dropout recovery programs.</p> <p>Proration language is included if funding is not sufficient.</p>	<p>Reduces the appropriation to \$250,000 for FY 2016-17.</p>	<p>Does not reduce the appropriation.</p> <p>FY 2016-17 appropriation remains at \$1,000,000.</p>	<p>Concurs with Governor.</p>	
Sec. 26a Renaissance Zone Reimbursement	<p>In FY 2015-16, appropriates \$26,300,000 from the School Aid Fund to reimburse districts for lost local revenue due to taxes not collected in Renaissance Zones.</p>	<p>Reduces the appropriation to \$20,000,000 in FY 2016-17 to reflect updated cost estimates.</p>	<p>Concurs with Governor.</p>	<p>Reduces FY 2015-16 appropriation to \$20,000,000.</p> <p>Concurs with Governor for FY 2016-17 appropriation of \$20,000,000.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 26b PILT Reimbursement	Appropriates \$4,276,800 in FY 2015-16 to reimburse districts for lost local revenue due to taxes not collected on State-owned land.	Appropriates \$4,405,100 in FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 26c Promise Zone Reimbursement	This categorical is necessary to reimburse local districts and ISDs for Promise Zone reimbursements. FY 2015-16 reimbursement is \$610,000.	Appropriates \$1,000,000 for FY 2016-17.	Concurs with Governor.	Reduces FY 2015-16 appropriation to \$278,000.  Concurs with Governor for FY 2016-17 appropriation of \$1,000,000.	
Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings	<p>Appropriates standard at-risk funding of \$378,988,200. In addition, vision and hearing is funded at \$5,150,000, and child and adolescent health services is funded at \$5,557,300. Total funding under this section is \$389,695,500.</p> <p>Requires districts to implement, for at least grades K to 3, a multi-tiered system of supports model to qualify for any at risk funding, and provides detail on an eligible MTSS model.</p> <p>Allows funds to be used for the purposes of ensuring 3<sup>rd</sup> graders are proficient in reading by the end of the 3<sup>rd</sup> grade and that high school graduates are career and college ready.</p> <p>Eligibility includes students not meeting</p>	<p>Maintains total funding of \$389,695,500 for FY 2016-17 as found in FY 2015-16.</p> <p>Changes the wording in subsection (15) from "at-risk pupils are reading at grade level" to "at risk pupils are proficient in English language arts".</p>	Concurs with Governor.	<p>Increases total appropriation to \$407,695,500 for FY 2016-17, of which \$396,988,200 would be for the 'standard' at risk program, an increase of \$18,000,000, and the remainder to continue funding at current-year levels for vision and hearing screening and child and adolescent health centers.</p> <p>Allows both hold-harmless and out-of-formula districts to be eligible for funding if more than 50% of their prior-year membership pupils were eligible for free lunch.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>proficiency requirements in any grade, and not meeting requirements on local assessments, and those eligible for free or reduced lunch.</p> <p>Districts must allocate 50% of their at risk funds on a proportionate basis for 3<sup>rd</sup> grade reading or career- and college-ready activities, if, after three years, improvement has not been demonstrated.</p> <p>Includes definitions of 'at-risk pupil'.</p>				
Sec. 31b - NEW Year-Round School Grants	N/A	N/A	N/A	<p>Appropriates \$3,500,000 in FY 2016-17 for grants to at-risk districts for implementing a year-round instructional program for at least one of its schools. A district may apply for grants if it is eligible for the community eligibility option for free and reduced price lunch or at least 50% of pupils in membership met the income criteria for free breakfast, lunch, or milk, and if the board of the district has adopted a resolution stating that the district will implement year-round schooling beginning in 2017-18, for a period of at least three years. Priority for grants would be given to districts with lower fund balance percentages and for districts that operate at least one priority or focus school.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 31c Reduce Gang-Related Activity	<p>FY 2015-16 appropriation of \$1,000,000 for programs intended to improve public safety, reduce the number of youth involved in gang-related activity, and increase high school graduation rates.</p> <p>Grants are awarded to districts that form partnerships with nonprofits, law enforcement, and other community resources to provide programs that divert young adults from gang-related criminal activity.</p> <p>Grants are for employment training and placement programs; counseling services; assistance in accessing community resources for continuing education, court advocacy and health care; and, outreach programs to educate participants and their families.</p> <p>Grant recipients partner with a university to collect data on the effectiveness of the program in reducing violent crime.</p>	Proposes to repeal the section.	Concurs with Governor.	Increases appropriation to \$4,000,000 for FY 2016-17.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2015-16 to fund the State share of the school lunch programs as required by the <i>Durant</i> settlement and includes \$513,200,000 Federal.	Continues the appropriations into FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 31f School Breakfast	Appropriates \$5,625,000 in FY 2015-16 to provide reimbursement for the State school breakfast program.	Reduces the appropriation for FY 2016-17 to \$2,500,000 to reflect updated cost estimates.	Concurs with Governor.	Reduces FY 2015-16 appropriation to \$2,500,000.  Concurs with Governor on FY 2016-17 appropriation of \$2,500,000.	
Sec. 31h Cooperative Agreement Funding	Appropriates \$300,000 for the support of pupils attending a nonresident district from a district that voluntarily closed its high school in 2013.	Proposes to repeal the section.	Does not repeal the section.  FY 2016-17 appropriation remains at \$300,000, and language states that this is the second of two years of funding.	Concurs with Governor.	
Sec. 31j - NEW Locally Grown Produce in Schools	N/A	N/A	Proposes a new section allocating \$500,000 GF/GP for FY 2016-17 for a pilot project to support districts in the purchase of locally-grown fruits and vegetables for use in school lunches.  Funding would be distributed to prosperity regions 2, 4, and 6 under the pilot project, with meal reimbursements up to 10 cents a meal. Grants to districts would be related to meals served and priority would be given to districts with high percentages of students eligible for free lunch, with reimbursement up to 10 cents a meal.	N/A	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP)</p>	<p>Appropriates \$243,600,000 from the School Aid Fund for FY 2015-16 to operate the district Great Start Readiness Program (GSRP) and \$300,000 GF/GP to continue a longitudinal study of the GSRP.</p> <p>An ISD or grant recipient that determines that all children at or below 250% of the Federal poverty level (FPL) are being served and none are on the waiting list may then enroll children in families at or below 300% of the FPL. The enrollment process shall consider income and risk factors, such that higher-need children are enrolled prior to those with lesser need. Adds language that all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in inclusive preschool shall be considered to be at 250% FPL regardless of family income.</p> <p>If the ISD contracts out the service, the ISD can retain 4% for administration; the sub-recipients are capped at 4% for administration. If</p>	<p>Continues the \$243,600,000 appropriation into FY 2016-17.</p> <p>Adds language prioritizing enrollment for homeless children or children in foster care.</p> <p>Requires providers contracted by the ISD to comply with all of the requirements of subsections (4) and (5), instead of just subsection (4) as found in current law.</p> <p>Adds language that for enrollment across ISD boundaries, the ISDs must enter into a written agreement for payment, in a manner prescribed by the Department.</p> <p>Changes the requirements for ISDs' notifications to community-based providers from at least twice (at least one hard copy, and at least one within seven days of receiving slot allocation information) to "in a manner prescribed by the Department", and clarifies that the notifications only go to nonparticipating licensed child care centers.</p> <p>Changes the reporting date from November 1 to December 1 for compiling results of slots filled by community-based providers.</p>	<p>Concurs with Governor.</p> <p>Changes the administrative funding structure such that an ISD or consortium may retain 4% for administration, and expenses incurred by subrecipients would be considered program costs or</p>	<p>Concurs with Governor.</p> <p>Changes the administrative funding structure such that an ISD or consortium may retain 5% for administration, and expenses incurred by subrecipients would be considered program costs or</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>the ISD operates the program, the ISD can retain 7% for administration.</p> <p>\$10,000,000 of the total is earmarked for reimbursement for transportation costs, up to \$150 per slot.</p> <p>Allows enrollment across ISD boundaries.</p>		<p>a contracted program fee for service.</p> <p>Adds language prohibiting the Department from counting Head Start grantees as community based providers for the purpose of meeting the requirement that 30% of slots are provided by public, private for-profit, or nonprofit community based providers.</p>	<p>a contracted program fee for service.</p>	
<p>Sec. 32p Early Childhood Block Grant Program</p>	<p>Appropriates \$13,400,000 for an early childhood block grant program. FY 2015-16 funding for each intermediate district is determined by a distribution formula established by the Department's Office of Great Start in order to provide equitable funding statewide.</p> <p>Of the total, \$2,500,000 is earmarked for home visits to at-risk children and their families, to improve school readiness, reduce pupils retained in grade level, and reduce the need for special education services.</p> <p>ISDs are required to submit reports after the end of the fiscal year indicating actual programs offered and children served.</p>	<p>Maintains the \$13,400,000 appropriation into FY 2016-17.</p>	<p>Concurs with Governor.</p> <p>In addition, modifies one of the goals of the home visits to be improving school readiness using evidence-based models, including vocabulary development.</p> <p>Adds language stating that the coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 32q - NEW Early Learning Collaborative Partnership	N/A	N/A	Includes a new section allocating \$175,000 GF in FY 2016-17 for a partnership between a district or intermediate district and an early learning collaborative, which would be a pilot project for three years evaluating the relative impact on vulnerable children of one vs. two years of preschool education. This would fund a pilot project for early childhood education of at-risk three-year-olds.	N/A	
Sec. 35 Administration of 3 <sup>rd</sup> Grade Reading	Appropriates \$1,000,000 GF/GP for administrative funding of the new Early Literacy grant section, which is 35a. Earmarks \$100,000 of the funding for an evaluation of the parent university pilot programs funded under Sec. 35a(2).	Continues the \$1,000,000 appropriation into FY 2016-17, but removes the \$100,000 earmark for evaluating the pilot project (since the pilot project will have been completed).	Concurs with Governor.	Concurs with Governor.	
Sec. 35a Early Literacy Programs	(1) A total of \$23,900,000 from the SAF is appropriated for FY 2015-16, plus \$1,500,000 from the GF/GP, for total funding of \$25,400,000.  (2) allocates \$1,000,000 for conducting parent education pilot programs.  (3) allocates the first of two years of funding at \$950,000 for the purpose of professional development for educators related to current State literacy standards for K-3 pupils. The Department is required to approve the	Reduces the appropriation to \$22,900,000 from the SAF and \$0 from GF/GP for FY 2016-17 because of the elimination of \$1,000,000 for the Parent University pilot (2), the elimination of \$1,000,000 for Michigan Education Corps (7), and the elimination of \$500,000 for the certification test of teacher literacy (8).	Concurs with Governor to eliminate \$500,000 for the certification test of teacher literacy and \$1,000,000 for the Parent University pilot, but retains \$1,000,000 for Michigan Education Corps.  Total SAF appropriation of \$22,900,000, and GF/GP appropriation of \$1,000,000 for FY 2016-17.  (3) Adds language detailing the type of diagnostic tool that can be used by districts.  (8) Adds language allowing the \$500,000 allocated in FY 2015-16 for the teacher literacy certification test to be	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>PD and to work with MVU to provide the training online to all K-3 educators.</p> <p>(4) allocates \$1,450,000 (the first of two years) for grants to districts to administer diagnostic tools to monitor the development of early literacy and early reading skills of pupils in grades K-3 and to support professional development for educators in data interpretation (again provided online through MVU).</p> <p>(5) allocates \$3,000,000 to ISDs for early literacy coaches Each ISD would be provided at least one coach, with funding for remaining coaches distributed based on each ISD's K-3 free lunch percentage compared to the total. Each ISD must provide at least 50% matching funds for the cost of the coach.</p> <p>(6) allocates \$17,500,000 to districts that provide additional instruction time to pupils in grades K to 3, with funding equal to \$165 per pupil in grade 1. Districts must employ MTSS that is an evidence-based model that uses data-driven problem solving to integrate academic and</p>		<p>carried forward and expended in FY 2016-17.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. Districts also must use a reading instruction method that focuses on the five fundamental building blocks of reading including phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge to qualify.</p> <p>(7) allocates \$1,000,000 to the Michigan Education Corps, to provide literacy services and tutors for students in grades K-3 who are at risk of reading failure.</p> <p>(8) allocates \$500,000 for the adoption of a certification test to ensure all newly certificated elementary teachers have the skills to deliver evidence-based literacy instruction.</p>				
Sec. 39 GSRP Formula	Provides the formula by which slot allocations for ISDs are calculated.	Throughout the section, "children" is replaced with "slots", intended to ensure that ISDs receive in FY 2016-17 at least the number of slots received in FY 2015-16, unless the ISD indicates it will serve fewer than prior year.	Concurs with Governor.	Concurs with Governor.	
Sec. 39a Federal Funds	(1) Appropriates \$779,076,400 for FY 2015-16 in Federal No Child Left Behind (NCLB) funds.	(1) Appropriates \$821,939,900 for Federal NCLB funds, primarily reflecting anticipation of receiving a new grant (Student Support and	Concurs with Governor.  In addition, adds language under a new (5) that directs MDE to calculate and pay	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	(2) Appropriates \$30,800,000 in other Federal funds for education.	Academic Enrichment Grants) totaling \$55,900,000.  (2) Appropriates \$30,800,000 in other Federal funds.	Title I, Part A funds to strict discipline academies the greater of the amount the SDAs would have been eligible for under Title I, Part D, or the standard Title I, Part A formula calculations.		
Sec. 41 Bilingual Education	Appropriates \$1,200,000 for bilingual education grants in FY 2015-16.	Continues the \$1,200,000 appropriation in FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 43 Teacher Certification Test Review	Appropriates \$1,800,000 for a review and update of teacher certification tests.	Repeals the section as FY 2015-16 was the second of two years of funding.	Concurs with Governor.	Concurs with Governor.	
Sec. 51a(1) Total Special Education Funding  Includes funding for sections 54 (Schools for the Deaf and Blind) and 56 (special education millage equalization), which are paid out of the appropriation in Section 51a.	Appropriation of \$918,546,100 from SAF and \$441,000,000 in Federal funding for special education programs for FY 2015-16.	FY 2016-17 SAF appropriation of \$973,046,100 and Federal appropriation of \$441,000,000.  Proposes to eliminate language that stated legislative intent to provide a 10% State aid penalty beginning in FY 2016-17 for a district or ISD if it did not comply with Sec. 51a in regard to providing special education services for public school academies and their students.	Concurs with Governor on funding.  Does not eliminate legislative intent language, and instead makes the penalty effective beginning in FY 2016-17.	Increases FY 2015-16 appropriation to \$947,246,100. Concurs with Governor for FY 2016-17 at \$973,046,100.  Does not eliminate legislative intent language, and instead makes the penalty effective beginning in FY 2016-17.	
Sec. 51c Special Education - <i>Durant</i> Payment	Appropriates \$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.	FY 2016-17 appropriation of \$644,500,000, an increase of \$34,500,000 to reflect updated cost estimates.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 51d Federal Special Education Funds	Appropriates \$71,000,000 in Federal grants to special education for FY 2015-16.	Continues the Federal appropriation of \$71,000,000 for FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 53a Special Education Court Placed Pupils	Appropriates \$10,500,000 for FY 2015-16.	Continues the appropriation of \$10,500,000 for FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 54b - NEW Integrated Behavior and Learning Supports (MiBLSi)	N/A	<p>Appropriates \$1,370,000 GF/GP new for FY 2016-17 for the purpose of piloting a statewide implementation of MiBLSi, a program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. The Department is required to identify at least three ISDs to participate in the pilot.</p> <p>Of the total, \$620,000 is earmarked for the purpose of providing training to ISDs and districts related to the safe implementation of emergency restraints and seclusion, and the Department is required to develop and implement a training program based on the State Board of Education's adopted standards and any other legislation enacted regarding emergency use of seclusion and restraint.</p>	Concurs with Governor.	Concurs with Governor.	
Sec. 55 Conductive Learning	Appropriates \$150,000 to Michigan State University Department of Epidemiology in conjunction with Aquinas College to evaluate the effects of conductive learning on children with cerebral palsy. Provides intent	Continues the \$150,000 appropriation into FY 2016-17, and reinforces language that this is the second of two years of funding.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	that this is the first of two years of funding.				
Sec. 56 ISD Special Education Millage Equalization	Appropriates \$37,758,100 to ensure that the millage levied by ISDs for special education brings in a minimum amount per mill. Freezes Wayne RESA at no more than 62.9% of the total appropriation and adjusts taxable value equalization amounts accordingly. Additional language ensures no ISD loses more than 25% funding compared to the prior year.	Continues the \$37,758,100 appropriation into FY 2016-17, and maintains the existing formula and language.	Concurs with Governor.	Concurs with Governor.	
Sec. 61a Career and Technical Education	<p>Appropriates \$36,611,300 for FY 2015-16 to support career and technical education programs.</p> <p>Allows a CTE program to provide Adult Education participants under Sec. 107 with an opportunity to enroll in the CTE program.</p> <p>Reimbursement is prioritized based on capital and program expenditures, the CTE programs provided, pupils enrolled, advancement in the program, existence of an articulation agreement with at least one postsecondary institution that provides credit, and program rank in student</p>	Continues the \$36,611,300 added cost reimbursement appropriation into FY 2016-17, with updated equalization values based on newer taxable value data.	Concurs with Governor.	Increases the appropriation by \$115,000 GF/GP and earmarks that funding to a non-profit organization for the purposes of teaching or training restaurant management and culinary arts for career and professional development.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	placement, job openings, and wages, and the length of training period provided.				
Sec. 61b CTE Early/Middle Colleges	<p>Appropriates \$10,000,000 in FY 2015-16 for Career and Technical Education (CTE) early/middle college programs, to increase the number of residents with high quality degrees or credentials, and increase the number of students who are college and career ready upon high school graduation.</p> <p>ISDs may use up to 5% for administration.</p> <p>To be an eligible fiscal agent, an ISD must distribute funds to eligible CTE early/middle colleges in prosperity regions; collaborate with the Talent District Career Council located in each prosperity region to develop a strategic plan (aligning CTE programs and services into an efficient and effective delivery system for high school students); and, implement a regional process to rank career clusters in the prosperity region.</p> <p>A regional strategic plan must include an identification of regional employer need based on</p>	<p>Proposes to increase the appropriation by \$5,000,000 to \$15,000,000 for FY 2016-17.</p> <p>Adds language that the review of rankings of career clusters be documented and deemed accurate by the talent district career councils.</p> <p>Adds language stating that programs receiving funding under Section 61a may receive funding under this section for allowable costs that exceed the reimbursement received by the program under Section 61a, but the combined payments under Sections 61a and 61b may not exceed the total allowable costs of the program.</p>	<p>Does not concur with the proposed increase; funding remains at \$10,000,000 for FY 2016-17.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Restructures the section such that planning grants may be applied for and funded under this section. The per-pupil amount of the planning grant would be equal to the difference between the \$10,000,000 total allocation and what was expended for existing programs, divided by the number of high school pupils in the ISDs seeking planning grants.</p>	<p>Concurs with Governor with the following exception:</p> <p>(8) Allows up to \$500,000 to be used for planning new or expanded programs, and caps the planning grants at \$50,000 per program.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>a ranking of all career clusters; an identification of educational entities in the region that will provide eligible CTE early/middle college programs; a strategy to inform parents and students of programs in the region; other requirements determined by the Department; and, the plan must be approved by the Talent District Career Council prior to submission to the Department.</p> <p>An eligible CTE early/middle college program is a five-year high school program that: has been identified in the highest five career cluster rankings; has a coherent sequence of courses that will allow for earning a high school diploma and an additional value (associate's degree, certificate, up to 60 transferable college credits, participation in an apprenticeship); is aligned with the Michigan Merit Curriculum; has an agreement with at least one postsecondary institution; provides instruction that is supervised by an appropriately certificated CTE teacher or professor; provides for highly integrated student support services;</p>				

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>includes courses taught on college campuses or by adjunct professors at the high school, or in combination with online instruction.</p> <p>The Department would calculate statewide average CTE costs per FTE for each career cluster, and distribute to each prosperity region 50% of CTE costs per FTE times enrollment in each cluster in each program. Funds would offset foundation costs.</p>				
Sec. 61c - NEW CTE Skilled Trades Equipment Upgrades	N/A	<p>Appropriates \$10,000,000 in FY 2016-17 for a new categorical to improve the capital infrastructure needed to ensure that CTE programs can deliver educational programs in high-wage, high-skill, and high-demand occupations based on standards and criteria developed by the MiSTEM Advisory Council under Section 99s. Grants would be awarded on a competitive basis. No single grant could exceed \$500,000, and the Department in collaboration with the Council would make the awards. Eligible costs include equipment, renovations related to installation of the equipment, installation costs of the equipment, and training for instructors on the equipment.</p>	<p>Concurs in the appropriation of \$10,000,000, but restructures the section to provide the funding to cooperating educational policy districts (CEPDs), where the funding would be equally distributed to each CEPD around the State.</p> <p>Each CEPD would determine the allocation of funds at the local level, using data from the State, region, and local sources. In addition, language directs funds allocated at the local level to support CTE programs that can deliver educational programs in high-wage, high-skill, and high-demand occupations.</p>	Concurs with Governor.	
Sec. 61d - NEW Educational Pipeline Grant	N/A	N/A	<p>Allocates \$500,000 GF for a competitive grant to support a program designed to create a seamless educational and career</p>	N/A	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
			pathway support structure from kindergarten to a college credential. A grant application from a community designated with a water emergency would be granted additional consideration for the grant funding under this section.		
Sec. 61e - NEW CTE in Culinary Arts	N/A	N/A	Allocates \$100,000 GF in a new section to an eligible Michigan-approved 501(c)(3) for curriculum and training of State-approved CTE programs in restaurant management and culinary arts, and that administers a national certification in those programs.	N/A	
Sec. 62 Vocational/CTE Education Millage Equalization	<p>Appropriates \$9,190,000 for FY 2015-16 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal amount received per mill levied, on a per-pupil basis.</p> <p>Freezes Genesee ISD allocation at no more than 38.4% of the total appropriation and adjusts taxable value equalization amounts accordingly.</p> <p>Further includes a guarantee that no ISD shall lose more than 25% of funding from one year to the next.</p>	Continues the \$9,190,000 appropriation into FY 2016-17 with the same caps and guarantees, but updated equalization values based on newer taxable value data.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 63 - NEW CTE Partnership between an ISD and Health Department	N/A	N/A	Appropriates \$500,000 in FY 2016-17 for Van Buren ISD to partner with the Van Buren/Cass Health Department in the support of CTE and health programs.	N/A	
Sec. 64b – Dual Enrollment Incentive Payments to Districts	<p>Appropriates \$1,750,000 for FY 2015-16 for a program to provide supplemental payments to districts that support dual enrollment and concurrent enrollment. Eligible districts are required to provide information on dual and concurrent enrollment to their students, enter into a written agreement with a postsecondary institution prior to the enrollment of pupils; agree to pay all eligible charges; and award high school credit if the pupil successfully completes the course.</p> <p>Payment is \$10 for each credit, up to three credits, for each pupil that enrolls in a credit-bearing course, plus \$30 per pupil per course if the pupil successfully completes and is awarded both high school and postsecondary credit for the course. Therefore, total payments could equal \$60 per successfully completed three-credit course.</p>	<p>Continues the appropriation into FY 2016-17 at \$1,750,000.</p> <p>In subsection (3)(f), amends as follows:</p> <p>(f) Ensure that the pupil is awarded both high school and college credit at <del>any</del> <b>A</b> community college or state public university in this state upon successful completion of the course as outlined in the agreement with the postsecondary institution.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 65 Detroit Pre-College Engineering Program (DAPCEP)	Appropriates \$340,000 GF/GP for the Detroit Area Pre-College Engineering Program (DAPCEP).	Continues the GF/GP appropriation into FY 2016-17 at \$340,000.	Concurs with Governor.	Concurs with Governor.	
Sec. 67 MCAN and Outreach	<p>Appropriates a total of \$3,600,000 GF/GP in this section.</p> <p>Of the total, \$3,000,000 goes to the Michigan College Access Network (MCAN). Funding is for MCAN operations, local college access networks, the Michigan college advising program, subgrants to districts with comprehensive high schools that establish a college access team, the Michigan college access portal, public awareness and outreach campaigns, and subgrants to postsecondary institutions for mentors and college advisors.</p> <p>The remaining \$600,000 is for a pilot outreach program to provide information dual enrollment and other opportunities available to earn postsecondary credits, and to purchase an online career planning tool.</p>	Proposes to reduce the GF/GP appropriation to \$3,050,000 by eliminating funding for an online career planning tool.	Concurs with Governor.	Concurs with Governor.	
Sec. 74 Bus Driver Safety	<p>Appropriates \$3,315,700 for FY 2015-16.</p> <p>Of the total appropriation, \$1,625,000 is to reimburse intermediate districts and universities</p>	<p>Increases the appropriation to \$3,320,600 for economics.</p> <p>Bus driver safety instruction remains funded at \$1,625,000 and MSP reimbursement increases to \$1,695,600.</p>	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>for providing bus driver safety instruction.</p> <p>The remaining \$1,690,700 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>				
Sec. 78 - NEW Testing for Lead in Water at Schools	N/A	Appropriates \$9,000,000 SAF in FY 2016-17 to provide payment to districts that voluntarily test for lead in water. The Department, along with DEQ and LARA, would be required to develop a strategic statewide plan, and establish guidelines for reasonable reimbursement requests. Total costs would be spread over three years.	Does not include the program.	Does not include the program.	
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	Appropriates \$67,108,000 for basic operational funding in FY 2015-16.	Increases the appropriation by 1.6% to \$68,182,000 for basic operational funding in FY 2016-17.	Concurs with Governor.	Concurs with Governor.	
Sec. 94 – AP and IB Scholarships	\$250,000 GF/GP is appropriated for FY 2015-16 for efforts to increase the number of pupils who participate and succeed in Advanced Placement (AP) and International Baccalaureate (IB) programs. Funds would be used to cover part or all of the costs of tests for low income pupils, with payments estimated at \$20 per test completed. Students have to pay at least \$5 toward each test paid for under this section.	Continues the \$250,000 GF/GP appropriation into FY 2016-17. Adds language that IB registration fees may be covered for low-income students, at \$150 per registration.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 94a Center for Educational Performance and Information (CEPI)	<p>Appropriates \$11,967,000 GF/GP and \$193,500 in Federal funds in FY 2015-16 to support the operations of the CEPI and the development and implementation of a comprehensive P-20 data management and student tracking system.</p> <p>A portion of the funding is to support collaborative efforts on the P-20 longitudinal data system. Grants will be awarded to eligible ISDs or a consortium of ISDs, and activities funded under the grant may include portal hosting, hardware and software acquisition, maintenance, enhancements, and other items.</p>	Increases GF/GP appropriation to \$12,173,200 to reflect economic adjustments for CEPI operations in FY 2016-17 and continues appropriation of \$193,500 in Federal funds.	Concurs with Governor.	Concurs with Governor.	
Sec. 95a – Teacher and Administrator Evaluations	There was no new appropriation for FY 2015-16, but previously appropriated funds were remain available for expenditure upon approval by the State Budget Office of the Department's spending plan.	Appropriates \$10,000,000 to the educator evaluation reserve fund, and allows the Department to expend the money in the fund for implementing evaluation systems for teachers and administrators. Language is added stating that programs funded under this section are intended to improve teacher quality, resulting in an increase in the number of pupils who are collage- and career-ready.	Does not concur; no additional funding is added to the reserve fund.	Does not concur; no additional funding is added to the reserve fund.	
Sec. 95b - NEW State Student Growth Tool	N/A	N/A	N/A	Appropriates \$100 GF/GP for a placeholder for the licensing of a State student growth tool based on the State assessments. Requires the Department to award a contract to a vendor by	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
				December 1, 2016. The vendor must be reputable; provide a tool based on a value-added model measuring gains in student achievement; uses a mixed model statistical analysis; provide a tool that districts may use for the student growth portion of an educator's annual performance evaluation; and meet other requirements.	
Sec. 98 Michigan Virtual University (MVU)	<p>Appropriates \$7,387,500 GF/GP to MVU in FY 2015-16 for operations of the Virtual High School and the Michigan Virtual Learning Research Institute.</p> <p>The Institute is charged with collaborating to examine the need and process for incorporating registration, payment services, and transcript functionality to the statewide catalog, and collaborating to examine district level accountability and teacher effectiveness issues related to online learning under Section 21f.</p>	<p>Continues the GF/GP appropriation of \$7,387,500 for FY 2016-17.</p> <p>Removes the definition for "digital learning".</p> <p>Clarifies the definition for "virtual course" (previously "online course") to be one where the majority of the curriculum is delivered using the Internet and in which pupils are separated from their instructor or teacher of record by time or location or both.</p>	<p>Reduces the GF/GP appropriation by \$387,500 to \$7,000,000 for FY 2016-17.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Adds a report from MVU that includes its mission, its plans, and proposed benchmarks it must meet, which shall include a plan to achieve a 50% increase in documented improvement in each requirement of the MVU in this section, in order to receive full funding in FY 2017-18.</p> <p>Also increases from 500 educational personnel to 30,000 the requirement for whom MVU is to provide extensive professional development.</p>	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 99c Civics Education	Appropriates \$60,000 GF/GP for a competitive grant to a provider of civics education that teaches important civic content, provides opportunities for students to interact with members of the community, and provides opportunities for students to participate in showcase events at the school, district, or State level.	Proposes to repeal the section.	Does not repeal the section, and instead retains the \$60,000 GF appropriation for FY 2016-17.  In addition, requires the department to award the grant not later than December 1, 2016.	Concurs with Governor.	
Sec. 99h FIRST Robotics	Appropriates \$2,000,000 in FY 2015-16 for competitive grants to districts that provide pupils in grades 7 to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in events hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) robotics.  Districts are required to pay at least 25% of the cost of the program.	Increases the appropriation to \$2,500,000 for FY 2016-17.  Language is added stating that programs funded under the section are intended to increase the number of pupils demonstrating proficiency in science and mathematics and increase the number of pupils who are career- and college-ready.  Revises the completion date of the project from September 30, 2018, to September 30, 2019.	Concurs with Governor.  Concurs with Governor.  Concurs with Governor.	Does not increase funding as recommended by the Governor - maintains appropriation at \$2,000,000.	
Sec. 99s STEM Council and Initiatives, and Math and Science Centers	Appropriates for FY 2015-16 \$3,250,000 SAF, \$775,000 GF/GP, and \$5,249,300 in Federal funds as follows:  (2) \$50,000 GF/GP for costs related to the MiSTEM Advisory Council.	Appropriates for FY 2016-17 \$2,750,000 SAF, \$2,525,000 GF/GP, and \$5,249,300 in Federal funds as follows:  (2) \$50,000 GF/GP for costs related to the MiSTEM Advisory Council and \$2,475,000 GF/GP for	Increases funding to \$4,250,000 SAF and \$2,025,000 GF/GP, and changes the distribution:  (2) \$50,000 GF/GP for costs related to the Council, and \$1,475,000 GF/GP for programs recommended by	Maintains funding at \$3,250,000 SAF, \$775,000 General Fund, and \$5,249,300 Federal.  (2) Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>(3) \$2,750,000 SAF and \$5,249,300 Federal for the funding of 33 math and science centers throughout the State, of which \$750,000 is identified for centers able to provide professional development in implementing the Merit Curriculum.</p> <p>(4) \$100,000 GF/GP for the Michigan STEM partnership administration, and \$375,000 GF/GP for STEM competitive grants to organizations conducting student-focused, project-based programs and competitions.</p> <p>(5) \$250,000 appropriated for grants to districts for professional</p>	<p>programs recommended by the MiSTEM Advisory Council not later than March 1, 2016. If the Council does not make specific funding recommendations, language directs the Department to distribute the funds on a competitive grant basis following the quality guidelines and the priority areas recommended by the Council, with grants not to exceed \$250,000.</p> <p>(3) \$2,750,000 SAF and \$5,249,300 Federal for the funding of 33 math and science centers throughout the State, of which \$750,000 is identified for centers able to provide professional development in implementing the Merit Curriculum. Language directs the Department to work with the Council to ensure the comprehensive master plan is in compliance with the statewide strategy developed by the Council.</p> <p>Language appropriating specific amounts for subsections (4), (5), (6), and (7) is stricken.</p>	<p>the Council not later than June 1, 2016.</p> <p>(3) Increases the SAF appropriation to \$3,750,000. The additional \$1,000,000 is earmarked for math and science centers to expand implementation of STEM professional learning and student programming, and expand support of the existing infrastructure.</p> <p>(4) Concurr with Governor to strike \$100,000 for the partnership administration and \$375,000 for competitive grants.</p> <p>(5) Concurr with Governor to strike this subsection.</p>	<p>(3) \$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. One-half of the funding would be distributed to districts for participation in eligible STEM programs.</p> <p>(4) \$375,000 GF/GP and \$100,000 GF/GP to maintain current law for the Michigan STEM partnership.</p> <p>(5) \$250,000 SAF maintained for districts to support STEM teacher professional development.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>development in STEM using Department-approved training programs.</p> <p>(6) \$250,000 for grants to districts for Science Olympiad.</p> <p>(7) \$250,000 GF/GP for a grant to Van Andel Education Institute to provide professional development for science teachers in student-driven, inquiry-based science instruction.</p>		<p>(6) Retains this subsection (becomes (5)) and increases to \$500,000 for Science Olympiad.</p> <p>(7) Retains this subsection (becomes (6)) and increases to \$500,000 for Van Andel Institute.</p>	<p>(6) Retains this subsection with a \$250,000 appropriation for Science Olympiad.</p> <p>(7) Retains this subsection with a \$250,000 GF/GP appropriation for Van Andel Institute for professional development of science teachers.</p>	
Sec. 99t - NEW Online Algebra Tool	N/A	N/A	Allocates \$100 GF/GP for FY 2016-17 as a placeholder for an online tool that would provide students with videos, diagnostics, practice assessments, and assistance in algebra, along with a professional development network for teachers.	Allocates \$2,000,000 GF/GP for FY 2016-17 for an online tool that would provide students with videos, diagnostics, practice assessments, and assistance in algebra, along with a professional development network for teachers.	
Sec. 101 Days and Hours	<p>Provides 1,098 hours of instruction and at least 175 days, which is slated to increase to 180 days beginning in FY 2016-17.</p> <p>Allows for up to six automatic 'snow days', along with allowing the State Superintendent to forgive another three days.</p> <p>Requires the State Superintendent to provide waivers from days and hours for an approved alternative education programs.</p>	Current law requires boards to certify the number of hours and days of pupil instruction in the previous year. Language is added stating that boards either certify full compliance with days and hours requirements or report to the Department each instance of noncompliance.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 102d Data Analytical Tools	<p>Appropriates \$1,500,000 to provide reimbursement to districts for the licensing of school data analytical tools. The Department is required to review and select between two and four approved vendors by October 15, 2015. Districts then must enter into a licensing agreement by December 1, 2015.</p> <p>Reimbursement will be made on an equal per pupil basis for all districts that enter into a licensing agreement with an approved vendor.</p>	<p>Continues the \$1,500,000 appropriation into FY 2016-17. Adds language stating that the funds are intended to provide districts with financial forecasting and transparency reporting tools to help improve districts' financial health and improve communication with the public.</p> <p>Includes technical date changes.</p>	<p>Concurs with Governor to fund this section at \$1,500,000 for FY 2016-17.</p> <p>Adds intermediate districts as eligible grantees.</p> <p>Provides a formula for reimbursement such that step 1 would pay up to one-half of the cost for all districts and ISDs seeking reimbursement. Step 2 would distribute any funds remaining after step 1 on an equal per-pupil basis.</p> <p>Adds clarification that reimbursement is prorated if the contract doesn't cover a full year.</p>	<p>Increases appropriation to \$1,600,000 for FY 2016-17.</p> <p>Adds intermediate districts as eligible grantees, and earmarks \$100,000 for reimbursement to ISDs.</p>	
Sec. 104 Assessment Funding	<p>Appropriates \$43,394,400 for FY 2015-16 from the SAF for reimbursement of costs associated with State student assessment requirements. Also appropriates \$6,250,000 in Federal assessment funding for the purposes of complying with Federal NCLB Act.</p>	<p>Decreases SAF appropriation to \$33,894,400 for FY 2016-17. Maintains \$6,250,000 in Federal assessment funding. The reduction totals \$10,100,000 and reflects the striking of the subsection (5) earmarks related to costs of the transition from paper and pencil tests to online exams and elimination of piloting the kindergarten entry assessment.</p>	<p>Appropriates \$35,236,800 SAF for FY 2016-17, along with \$6,250,000 in Federal funding. The increase in funding is to provide digital learning preparation and access to a kindergarten assessment as follows:</p> <p>Of the total, \$1,100,000 is earmarked for the support of districts under a digital literacy preparation initiative.</p> <p>Also, of the total, \$250,000 is earmarked for the support of districts that choose to use the Kindergarten Entry Assessment.</p> <p>Language is added requiring MDE to work with CEPI to identify the number of students enrolled at the time assessments are given and</p>	<p>Appropriates \$22,000,000 SAF and \$6,250,000 Federal in FY 2016-17 for a computer adaptive test, which would replace the M-STEP.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>Requires that in order to receive State aid a district must administer assessments in compliance with the following sections of the School Code: 1249, 1278a, 1278b, 1279, 1279g, and 1280b.</p> <p>Of the total State spending, \$26,094,400 is for M-STEP costs.</p> <p>(5) Another \$8,500,000 is for the following items: 1) converting existing student assessments to online assessments; 2) providing paper and pencil test versions to districts not prepared to implement online assessments; 3) expanding writing assessments to additional grade levels; and, 4) providing an increased number of constructed response test questions.</p> <p>(6) \$3,200,000 is for the development of an online reporting tool.</p> <p>(7) \$5,600,000 is for implementing a summative assessment pursuant to Sec. 104c.</p>	<p>No change.</p> <p>(5) Stricken.</p> <p>(6) No change (becomes (5)).</p> <p>(7) No change (becomes (6)).</p>	<p>use only the number of students enrolled at the time a district assesses its pupils to calculate the percentage of students assessed for the district's scorecard.</p> <p>No change.</p> <p>(5) Concurs with Governor.</p> <p>New (5) stating that the Department may recommend but not require districts to require students to use an external keyboard with tablet devices for online M-STEP testing, including open-ended test items.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 104b - Michigan Merit Examination	Provides for the Michigan Merit Examination.	Throughout the section, and in fact throughout the bill, anywhere that the No Child Left Behind Act (Public Law 107-100) is mentioned, "or the Every Student Succeeds Act of 2015, Public Law 114-95" is added.	Concurs with Governor.	Repealed.	
Sec. 104c – M-STEP	<p>Requiring the Department to develop assessments in English Language Arts and Mathematics for use in FY 2014-15 and FY 2015-16, with a summative assessment developed for use in FY 2016-17.</p> <p>The summative assessment would have to measure student proficiency on current State standards and measure student growth. ELA and math tests would be for grades 3-11. Science would be for grades 4 and 7; social studies would be for grades 5 and 8.</p> <p>Reports on student growth and proficiency would be provided to students, parents, and teachers. The exam's total time could not exceed the time spent on the previous statewide assessment system.</p> <p>Requires the Department to field test ELA and math tests in grades 1 and 2, and the</p>	Removes the requirement for the Department to field test a Kindergarten Entry Assessment. This would result in estimated savings (under Sec. 104) of \$1.6 million.	Requires the department to field test a Kindergarten Readiness Assessment and work with at least three intermediate districts and their constituent districts to participate in the KRA.	Repealed.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	kindergarten entry assessment, so that the tests can be implemented in the 2016-17 school year.				
Sec. 104d Computer-Adaptive Test	<p>Appropriates \$4,000,000 for reimbursement to districts that purchase a computer-adaptive test for each student enrolled in the district, or for diagnostic and screening tools, or benchmark assessments for pupils in grades K to 3. The CAT must be internet-delivered, offer unlimited testing opportunities, provide valid and reliable diagnostic assessment data, adjust testing difficulty based on previous answers, and provide immediate feedback to pupils and teachers.</p> <p>Reimbursement will be made on an equal per pupil basis to districts that demonstrate to the satisfaction of the Department their eligible purchase by December 1, 2015.</p>	Proposes to repeal the section.	<p>Allocates \$9,500,000 for computer adaptive tests in FY 2016-17.</p> <p>Language is added clarifying that a district's reimbursement is based on the tests purchased for students taking the test, and that the test need not be provided to all students in a district.</p>	Concurs with Governor.	
Sec. 107 Adult Education	<p>Appropriates \$25,000,000 in FY 2015-16 for Adult Education programs.</p> <p>In 2015-16, 67% of the total funding is awarded to ISDs based on the proportion of total funding</p>	<p>Continues the \$25,000,000 appropriation for Adult Education into FY 2016-17.</p> <p>(3) Current eligible enrollment programs are: adult basic education, adult English as a second language, GED test</p>	<p>Concurs with Governor on the appropriation of \$25,000,000 for FY 2016-17.</p> <p>None of the changes recommended by the Governor, with the exception of replacing "GED" with "high</p>	<p>Concurs with Governor for the appropriation of \$25,000,000 for FY 2016-17.</p> <p>Concurs with the Governor's changes proposed for eligible enrollment programs.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>formerly received by the adult education providers in that prosperity region in 2013-14, and 33% of the total funding is based on new criteria (described below). In 2016-17, 33% of the total funding would go to ISDs based on the proportion of total funding formerly received by the adult education providers in that prosperity region in 2013-14, and 67% would be based on new criteria. And, in 2017-18, 100% of the total funding would be based on the new criteria, as follows:</p> <p>a) 60% is distributed based upon the proportion of the State population of persons between the ages of 18 and 24 that are not high school graduates, contained in each of the prosperity regions, as reported by the most recent five-year estimates from the American Community Survey of the US Census Bureau.</p> <p>b) 35% is distributed based upon the proportion of the State population of persons aged 25 or older that are not high school graduates, in each prosperity region</p> <p>c) 5% is distributed based upon the proportion of the State population of</p>	<p>preparation program, job- or employment-related, or a high school completion program.</p> <p>Proposed programs are: adult basic education, adult secondary education program, adult English as a second language, high school equivalency test preparation, or a high school completion program.</p> <p>Also, an individual's eligibility is changed under the Governor's recommendation to either be at least 20 years of age or defined by the Workforce Innovation and Opportunity Act an out-of-school youth, regardless of the individual's attainment, or lack of attainment, of a high school diploma or GED.</p> <p>(6) The current cap on the payment amount, equal to \$2,850 per full-time equated participant (defined as a 450-hour program), is removed.</p> <p>The current definition of an adult education program focusing on students with lower than ninth-grade level in reading or math is changed to lower than 12<sup>th</sup> grade.</p> <p>A participant may remain in an adult secondary education program until reading and math proficiency are assessed above the 12<sup>th</sup> grade or the individual fails to show progress on two successive assessments after having completed 450 hours of instruction.</p>	<p>school equivalency" are included.</p> <p>The phase-in of the funding allocations (described under the Current Law column) is frozen at the current-year levels (67% based on amount received in FY 2013-14 and 33% based on criteria described under "Current Law" column to the left).</p>	<p>Does not concur with the Governor's changes proposed for an individual's eligibility.</p> <p>(6) Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>persons aged 18 and older that lack basic English proficiency, in each prosperity region. To be eligible as a fiscal agent, an ISD must agree to the following:</p> <p>a) distribute funds to adult education programs in a prosperity region as described in this section;</p> <p>b) collaborate with education advisory groups of the workforce development boards located in the prosperity region to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system;</p> <p>c) collaborate with education advisory groups of the workforce development boards located in the prosperity region to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, and cost to provide instructional services;</p> <p>d) report adult education program and participant data and information as prescribed by the Department.</p>	<p>(10) Job- or employment-related programs operated on a year-round basis are removed as eligible programs funded under this section.</p> <p>(11) (which becomes (9)) strikes the 80/20 funding formula and replaces with a formula that is in accordance with a) statewide allocation criteria, inclusive of a three-year average of actual enrollments, census data, and local needs; b) participation completion of adult basic education objectives; c) participation completion of core indicators as identified in the Workforce Innovation and Opportunity Act; and d) allowable expenditures.</p> <p>(17) Language is stricken stating that all ISD participant audits of adult education programs be performed pursuant to the adult education participant auditing and accounting manuals published by the Department.</p>		<p>(10) Concurs with Governor.</p> <p>(11) Concurs with Governor.</p> <p>(17) Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>Payments are based 80% on enrollment and 20% on completion.</p> <p>ISDs are not allowed to spend more than 5% on administration and the Department is required to ensure that the same number of participants are served under the new provider system as under the previous year.</p> <p>Adult Education program providers are required to pay to CTE programs any billing that occurs for basic education programming provided by the CTE program under Sec. 61a.</p> <p>A pilot program connecting adult education students directly with employers is earmarked out of the total funding, with \$500,000 allocated to the pilot. Funding would be for the first of three years of funding, and would require an adult education navigator to serve as a caseworker for the pilot students.</p> <p>The pilot program must be located in a prosperity region that has two or more subregions. The pilot program must provide a report no later than December 1, 2016, detailing the number of students served, the</p>				

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	number graduated, and a measure of success including job attainment.				
Sec. 147 Retirement Contribution Rate	<p>For FY 2015-16, the employer rates vary between 20.96% and 25.78% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.</p> <p>The total uncapped rate varies between 31.49% and 36.31%.</p> <p>The amount under Section 147c represents State support of 10.53% of the unfunded accrued liability costs.</p>	<p>For FY 2016-17, the employer rates vary between 20.96% and 24.94% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.</p> <p>The total uncapped rate varies between 32.66% and 36.64%.</p> <p>The amount under Section 147c represents State support of 11.70% of the unfunded accrued liability costs.</p> <p>Years left in the amortization schedule decline to 22.</p>	Concurs with Governor.	Concurs with Governor.	
Sec. 147a MPSERS Payment to Districts	<p>Appropriates \$100,000,000 from the FY 2015-16 SAF for payments to districts (not ISDs) to assist with their current-year MPSERS liabilities.</p> <p>Distributions are calculated based on share of MPSERS payroll. On a statewide basis, this averages to \$66 per pupil for eligible districts, but varies based on share of MPSERS payroll.</p>	Continues the \$100,000,000 appropriation into FY 2016-17 with no change.	Concurs with Governor.	Concurs with Governor.	
Sec. 147c MPSERS Rate Cap	Appropriates \$892,900,000 SAF and \$600,000 from GF/GP for FY 2015-16 to the Michigan Public School Employees' Retirement System pursuant to	Increases the SAF appropriation to \$982,200,000 for FY 2016-17 to pay for the rate cap for K-12s, ISDs, and charters, and continues \$600,000 GF/GP for participating libraries.	Concurs with Governor to appropriate \$982,200,000 for FY 2016-17 for the rate cap for schools, and \$600,000 GF/GP for the rate cap for libraries.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
	<p>Section 41 of the MPSERS Act.</p> <p>The Department is required to calculate estimated MPSERS rate cap per pupil amounts by district and publish those amounts.</p>	<p>This level of funding pays for the cost of the existing MPSERS rate cap.</p> <p>Average rate cap per pupil is \$660.</p>			
Sec. 152a Adair Lawsuit: Data Collection Costs	FY 2015-16 appropriation of \$38,000,500 for the purpose of paying necessary costs related to the State-mandated collection, maintenance, and reporting of data.	FY 2016-17 appropriation remains at \$38,000,500.	Concurs with Governor.	Concurs with Governor.	
Sec. 152b – NEW Reimbursement for Nonpublic School Mandates	N/A	N/A	Includes \$5,000,000 GF/GP for FY 2016-17 to reimburse nonpublic schools for the costs identified in the nonpublic mandate report published by the Department on November 25, 2014. Directs the Department to distribute funds to nonpublic school applicants in an amount equal to \$50 per enrolled student.	Includes \$1,000,000 SAF for FY 2016-17 to reimburse nonpublic schools for the costs identified in the nonpublic mandate report published by the Department on November 25, 2014. Directs the Department to distribute funds to nonpublic school applicants in an amount equal to \$10 per enrolled student.	
Sec. 166 State Aid Penalty for Family Planning	Imposes a 5% penalty on districts in which a board member or staff distributes family planning drugs or devices or makes referrals for abortions.	Proposes to repeal the section.	Retains the section.	Revises to require a district to adopt a disciplinary policy for school officials or staff for violations of Section 1507 in the Revised School Code or for making referrals for abortions. A district that fails to adopt a policy would be penalized \$100,000 in State Aid. The policy adopted would need to include financial penalties for staff or contracts, and require that penalties be negotiated in collective bargaining agreements.	

SECTION	CURRENT LAW	GOVERNOR	SENATE	HOUSE	CONFERENCE
Sec. 166b Nonpublic Part-Time Pupils	Allows nonpublic or home-schooled students also to be enrolled in a district, charter, or ISD in any curricular offering provided at a public school site available to pupils in the student's grade level or age group, or provided by the public school at the nonpublic site. State school aid is provided to the district only for curricular offerings that are offered to full-time pupils in the grade level or age group during regularly scheduled school hours.	Clarifies that school aid is provided only for curricular offerings offered <i>and being provided</i> to full-time pupils.  Adds clarification that <i>subject to Section 6(4)(gg)</i> (which would cap the part-time status at one-third of an FTE), a minor enrolled is a part-time pupil for purposes of State school aid.	Does not concur with this change ("and being provided").  Concurs with Governor, but increases the cap to 0.5 FTE.  In addition, language is added requiring the department to clarify which courses are electives and which courses are 'core' classes.	No changes included.	
Sec. 167a - NEW Forfeiture of Funds for Suspension	N/A	N/A	N/A	Includes a new section requiring a district to forfeit from its school aid payment an amount equal to 1/180 times the district's foundation allowance for each school day a pupil is suspended or expelled, if the pupil was counted in membership and subsequently suspended or expelled after the count day for more than 10 days.	
Repealers	N/A	Sections 22i (TRIG), 25e (pupil transfer process), 31c (gang prevention), 31h (cooperative education), 43 (teacher certificate tests), 99c (civics education), 104d (computer adaptive tests), and 166 (state aid penalty for family planning or abortion referrals) are repealed.	Sections 22i, 31c, and 43 are repealed.	Sections 22i, 25e, 31h, 43, 99c, 104b (Michigan Merit Exam), 104c (State summative assessments), and 104d (computer adaptive tests) are repealed.	