



**SCHOOL AID
S.B. 149**

03/29/2017

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FULL-TIME EQUATED (FTE) POSITIONS/ FUNDING SOURCE	FY 2016-17 YEAR-TO-DATE	FY 2017-18 GOV'S REC.	FY 2017-18	FY 2017-18	CHANGES FROM FY 2016-17 Y-T-D						
			SENATE SUB-COMM.	HOUSE SUB-COMM.	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	N/A
GROSS.....	14,161,842,100	14,302,088,800	14,286,055,500	14,309,450,700	140,246,700	1.0	124,213,400	0.9	147,608,600	1.0	
Less:											
Interdepartmental Grants Received.....	0	0	0	0	0	0.0	0	0.0	0	0.0	
ADJUSTED GROSS.....	14,161,842,100	14,302,088,800	14,286,055,500	14,309,450,700	140,246,700	1.0	124,213,400	0.9	147,608,600	1.0	
Less:											
Federal Funds.....	1,818,632,700	1,726,943,500	1,726,943,500	1,726,943,500	(91,689,200)	(5.0)	(91,689,200)	(5.0)	(91,689,200)	(5.0)	
Local and Private.....	0	0	0	0	0	0.0	0	0.0	0	0.0	
TOTAL STATE SPENDING.....	12,343,209,400	12,575,145,300	12,559,112,000	12,582,507,200	231,935,900	1.9	215,902,600	1.7	239,297,800	1.9	
Less:											
Other State Restricted Funds.....	12,124,309,400	12,360,145,300	12,364,112,000	12,367,507,200	235,835,900	1.9	239,802,600	2.0	243,197,800	2.0	
GENERAL FUND/GENERAL PURPOSE.....	218,900,000	215,000,000	195,000,000	215,000,000	(3,900,000)	(1.8)	(23,900,000)	(10.9)	(3,900,000)	(1.8)	
PAYMENTS TO LOCALS.....	12,181,929,700	12,411,741,800	12,413,242,500	12,417,153,600	229,812,100	1.9	231,312,800	1.9	235,223,900	1.9	

Includes ongoing and one-time appropriations.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Current Law (FY 2016-17), Gov's Rec. (FY 2017-18), Senate Subcommittee, and House Subcommittee

SFA Analyst:
 Kathryn Summers

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 3 Definitions	Provides definitions.	<p>Deletes references to the Education Achievement Authority, which will cease after school year 2016-17.</p> <p>Adds new Sec. 29 (declining enrollment) to the list where "district" does not include a charter school.</p>	<p>Concurs with Governor.</p> <p>Does not include because Section 29 is not funded.</p>	<p>Concurs with Governor.</p> <p>Does not include because Section 29 is not funded.</p>	
Sec. 4 and Sec. 6 Definitions	Provides definitions including those for pupils in membership.	<p>Deletes definition of the Education Achievement System, which will cease after the 2016-17 school year. Removes references to the Education Achievement System and Education Achievement School.</p> <p>(6)(4)(dd) - deletes language directing that any portion of a Dropout Recovery FTE that exceeds 1.0 be paid under Section 25g (retains the 1.0 FTE cap, but eliminates any FTE beyond that cap or funding under Sec. 25g)</p>	<p>Concurs with Governor.</p> <p>Does not delete the language; retains.</p> <p>(6)(4)(II) Includes cap of 0.75 FTE that can be counted in a shared-time program under Section 166b.</p>	<p>Concurs with Governor.</p> <p>Does not delete the language; retains.</p> <p>(6)(4)(II) Allows for a pupil enrolled in a middle college for more than the required minimum number of days and hours, and who is expected to graduate with a diploma and at least 60 college credits or an associate's degree may be counted as more than 1.0 FTE.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 8b Charter Schools	Provides for the assignment of district codes to charter schools and to cyber schools.	Specifies that the ISD of assignment (i.e., the ISD in the county where the authorizer is located) is the entity that would normally provide programs and services to the resident school district where the administrative office of the cyber school is located, and that the ISD required to provide programs and services remains the same for as long as the cyber school is in operation.	Concurs with Governor.	Concurs with Governor.	
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.	School Aid Fund revenue totals \$12,288,145,200 and GF/GP revenue totals \$215,000,000 for FY 2017-18. In addition, the Governor is continuing \$72,000,000 to be appropriated from the Detroit Public Schools Trust Fund and \$100 from the Water Emergency Reserve Fund. The Governor is recommending an FY 2016-17 supplemental, that reduces SAF by \$15.5 million and Federal funds by \$87.9 million.	School Aid Fund revenue totals \$12,292,111,900 (\$4.0 million more than the Governor) and GF/GP revenue totals \$195,000,000 for FY 2017-18 (\$20.0 million less than the Governor). In addition, concurs in continuing \$72,000,000 to be appropriated from the Detroit Public Schools Trust Fund and \$100 from the Water Emergency Reserve Fund. FY 2016-17 supplemental: SAF is reduced \$15.5 million to \$12,036,869,300, and Federal funds are reduced \$87.9 million to \$1,730,732,700.	School Aid Fund revenue totals \$12,295,507,100 (\$7.4 million more than the Governor) and GF/GP revenue totals \$215,000,000 for FY 2017-18 (the same as the Governor). In addition, concurs in continuing \$72,000,000 to be appropriated from the Detroit Public Schools Trust Fund and \$100 from the Water Emergency Reserve Fund. FY 2016-17 supplemental: SAF is reduced \$24.0 million to \$12,028,309,300, and Federal funds are reduced \$87.9 million to \$1,730,732,700.	
Sec. 11j Debt Service on School Bond Loan Fund	FY 2016-17 appropriation of \$126,500,000 for debt service payments on school bond loan revolving fund obligations.	FY 2017-18 appropriation is decreased \$1.0 million to \$125,500,000.	Concurs with Governor.	Concurs with Governor.	
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.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 11m School Aid Fund Cash Flow Borrowing Costs	FY 2016-17 appropriation of \$3,000,000 to pay for cash flow borrowing costs at the State level.	FY 2017-18 appropriation is increased to \$6,500,000.	Concurs with Governor. (FY 2016-17 appropriation is revised to \$5.5 million.)	Concurs with Governor. (FY 2016-17 appropriation is revised to \$5.5 million.)	
Sec. 11r Distressed Districts Fund	Allocated \$4,000,000 into this fund in FY 2014-15 to have funding available for financially distressed districts. A subsection added in the FY 2015-16 supplemental lapsed \$2,800,000 from the Distressed Districts Fund to the State School Aid Fund for FY 2015-16 only.	Proposes to repeal the section for FY 2017-18. Boilerplate in the supplemental lapses the remaining work project balance of \$1.0 million to the School Aid Fund.	Concurs with Governor.	Concurs with Governor.	
Sec. 11s Flint Water Emergency	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 \$1,195,000 is allocated to Genesee ISD for augmenting staff to provide additional early childhood and nutritional services to children in Flint. Another \$6,155,000 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	Appropriates \$8,730,000 for FY 2017-18 as follows: (2) \$2,625,000 for school nurses and school social workers (3) \$2,500,000 to augment staff at Genesee ISD to provide additional early childhood services (including early literacy services and State early intervention services similar to Early On (including ensuring that all children less than 4 years of age as of September, 1, 2016 are assessed and evaluated at least twice annually), and nutritional services. (4) \$3,000,000 to Genesee ISD to enroll children in school-day great start readiness programs, regardless of household income eligibility requirements under Sec. 39. (5) \$605,000 for nutritional	Concurs with Governor.	Concurs with Governor.	

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	<p>amount estimated to cover one-half of the year; other funding, if necessary, could be transferred from the Flint Emergency Reserve Fund.</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>services. In addition, \$100 is appropriated from the Water Emergency Reserve Fund which can be used to facilitate contingency fund transfers as necessary.</p>	<p>Concurs with Governor.</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>Provides that if a district's membership is adjusted due to an audit, payments are adjusted in the current fiscal year. However, MDE may spread deductions over an additional four years if the deduction would otherwise cause a financial hardship.</p>	<p>Updates reference for fiscal year.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p> <p>Proposes to allow MDE to spread deductions over nine years.</p> <p>Allows MDE to waive all or a portion of adjustments if: a) the district would otherwise experience a significant hardship satisfying its obligations; b) the district would experience a hardship</p>	

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				in providing instruction; c) the district has taken sufficient corrective action.	
Sec. 18 Spending and Audit Requirements	<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.</p> <p>Requires districts to post all required budget information not later than 15 days after adoption of the budget.</p> <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> <p>Allows the Department to withhold State aid if the Department determines that the financial data submitted is not consistent with audited financial data.</p>	Includes technical changes to dates of required reports.	<p>Concurs with Governor.</p> <p>Adds a requirement for MDE to provide quarterly reports on any allocations made to associations or consortia of associations.</p>	Concurs with Governor.	
Sec. 20 Foundation Allowance Calculation	<p>Basic foundation allowance for FY 2016-17 is \$8,229 and the minimum foundation is \$7,511.</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</p>	<p>Basic foundation allowance for FY 2017-18 is \$8,279, and the minimum is \$7,611.</p> <p>The Governor proposes a \$50 increase for districts at or above the basic, and up to \$100 for districts below the basic (with \$100 provided to those districts at the minimum). This costs roughly \$128,000,000, which is paid</p>	<p>Basic/Target foundation allowance for FY 2017-18 is \$8,317 and the minimum is \$7,687. In addition, changes "basic" to "target" throughout the bill.</p> <p>Uses \$100.0 million from Section 147a, in addition to the Governor's \$128.0 million, to provide an increase ranging from \$88 to</p>	<p>Increases the foundation allowance by \$100 per pupil across-the-board. The cost is \$143.0 million.</p> <p>The minimum would increase from \$7,511 to \$7,611 and the basic would increase from \$8,229 to \$8,329.</p>	

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	<p>at the minimum foundation and provides an increase somewhere in between for districts with foundations in between.</p>	<p>under Section 22b.</p> <p>Due to an inflationary cap in Section 1211 of the Revised School Code that was triggered in the previous year, the Governor proposes to roll the prior year's Section 20m calculation for applicable districts into their base foundation allowance funding, to the extent allowable by the current year's inflationary cap (Sec. 20(3)(e)).</p> <p>(6) Reduces cyber schools' foundation allowances by 20%, which would save the State an estimated \$16.0 million, reflected in Sec. 22b.</p>	<p>\$176 per pupil.</p> <p>Concurs with Governor.</p> <p>Does not include a reduction to cyber schools.</p>	<p>Does not include this language.</p> <p>Does not include a reduction to cyber schools.</p>	
<p>Sec. 20f Categorical Offset Payments</p>	<p>Appropriates \$18,000,000 for FY 2016-17 to ensure all districts received the same per-pupil funding under this section as in FY 2015-16.</p> <p>This section originally ensured that all districts received at least a \$5 increase in per-pupil funding in FY 2013-14 when comparing foundation allowance, equity, and MPERS 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 increases in the foundation allowance and At Risk, along with the elimination of Best Practices and District Pupil</p>	<p>Maintains the \$18,000,000 appropriation for FY 2017-18 and the per-pupil funding at the same levels as in FY 2016-17.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	

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	Performance grants that occurred between FY 2014-15 and FY 2015-16.				
Sec. 20g Dissolved District Transition Grants	<p>Appropriates \$1,200,000 for FY 2016-17 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 final year of funding.</p> <p>The section also included a \$660,000 appropriation in FY 2016-17 to pay for the outstanding debt of Buena Vista, paid for by lapsing work project funds.</p>	Proposes to repeal the section.	Concurs with Governor.	Concurs with Governor.	
Sec. 20m Additional Calculation for Hold Harmless Districts	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 FY 2016-17 foundation allowance increase.	Governor proposes to roll the majority of the \$9.0 million in estimated cost into the affected districts' foundation allowances, rather than having the calculations remain separate.	Concurs with Governor.	Maintains current law.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
<p>Sec. 21 Supplemental Payments to Districts with Schools under SRO Oversight</p>	<p>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 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, and may not be operating under a local government option.</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>The State School Reform/Redesign Officer is required to testify annually and provide quarterly reports on progress made in schools overseen by a CEO.</p>	<p>Continues the \$5,000,000 appropriation into FY 2017-18.</p> <p>Under (2)(a), broadens the list of sections for which a chief executive officer may enter schools, as provided under Sections 391(3), 507(6), 528(6), or 561(6) in addition to Sec. 1280c(7) of the Revised School Code.</p>	<p>Appropriates \$100 for FY 2017-18.</p> <p>Does not broaden the list of sections for which a CEO may enter schools.</p> <p>Adds work project language to carry forward unexpended FY 2016-17 dollars for supplemental funding that is to be paid to districts with a high school that have schools under the oversight of the SRO.</p>	<p>Eliminates funding and repeals the section.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 21g Competency Based Funding Pilot	Appropriates \$500,000 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.	Proposes to repeal the section.	Concurs with Governor.	Appropriates \$100 to expand competency-based education programs to create a talent transcript, facilitate the expansion of the Michigan Bright Future Marketplace, implement a Top 10 Early Literacy Challenge and Data Dashboard, and demonstrate the potential of a student progress assessment program.	
Sec. 21h - NEW Partnership Model Districts	N/A	<p>Proposes a new section appropriating \$3,000,000 in FY 2017-18 for the purpose of assisting eligible districts assigned by the State Superintendent to participate in a partnership to improve student achievement.</p> <p>The new section specifies that the purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and non-profit organizations to coordinate resources and improve student achievement, where the assignment to a partnership is made at the sole discretion of the Superintendent.</p> <p>A district assigned to a partnership is eligible for funding if the district contains at least one school receiving an F grade, and if it meets the following:</p> <p>(a) the district has completed a comprehensive needs evaluation in collaboration with</p>	Appropriates \$100 for this new section.	Not included.	

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		<p>an ISD, community members, and education and higher education organizations.</p> <p>(b) the district has an intervention plan that addresses needs and that has been approved by the Superintendent.</p> <p>After approval of the intervention plan, the Department would assign a team to partner with the district to review the district's use of existing resources.</p> <p>Funds allocated may be used to pay for district expenses including professional development, increased instructional time, teacher mentors, or other items, with funding to an individual district not to exceed three years.</p>			
Sec. 21j - NEW Academic Early Warning Funding	N/A	N/A	Appropriates \$8,000,000 for academic early warning programs. Includes transfer language allowing legislative transfers to move money from this section into either Section 21 (the School Reform Office and supplemental payments to districts) or Section 21h (Partnership District Model).	Not included.	
Sec. 22a Proposal A Obligation Payment (The Constitutionally-required portion of the foundation allowance.)	<p>FY 2016-17 appropriation of \$5,205,000,000.</p> <p>This section provides funding equal to the FY 1994-95 Proposal A foundation allowance levels multiplied by pupils.</p>	<p>FY 2017-18 appropriation of \$5,107,000,000.</p> <p>Includes technical language changes clarifying the payment of Detroit Schools' foundation allowance.</p>	<p>FY 2017-18 appropriation of \$5,176,000,000, an increase of \$69,000,000 to restore shared-time programming costs that the Governor removed.</p> <p>Concurs with Governor.</p>	<p>FY 2017-18 appropriation of \$5,176,000,000, an increase of \$69,000,000 to restore shared-time programming costs that the Governor removed.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		Removes payment for pupils enrolled pursuant to Section 166b (shared-time), and specifies that those payments would be made under Section 23f.	Does not concur with Governor. FY 2016-17 appropriation is reduced \$6.0 million for technical cost adjustments.	Does not concur with Governor. FY 2016-17 appropriation is reduced \$6.0 million for technical cost adjustments.	
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2016-17 appropriation of \$3,828,000,000. This funding provides roughly the difference between the current foundation allowance and the 1994-95 foundation allowance, multiplied by general education pupils. Special education funding is paid under Section 51a.	FY 2017-18 appropriation of \$3,878,000,000 from the School Aid Fund and \$72,000,000 from the Detroit Public Schools Trust Fund, for a total of \$3,950,000,000. This funding level pays for the proposed \$50-\$100 per-pupil increase in the foundation allowance (\$128,000,000), and continues the \$72,000,000 cost associated with splitting Detroit Public Schools into two entities - one that redirects the 18-mill property tax levy that was previously used 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. Removes payment for pupils enrolled pursuant to Section 166b (shared-time), and specifies that those payments would be made under Section 23f.	FY 2017-18 appropriation of \$4,038,000,000 from the SAF/GF and \$72,000,000 from the DPS Trust Fund, for a total of \$4,110,000,000, an increase of \$160,000,000 above the Governor. Of the \$160.0 million, \$100.0 million is transferred from Sec. 147a and used to fund the additional \$38 per pupil increase in the basic above the Governor's proposal, \$44.0 million is to restore shared-time program costs and \$16.0 million is to restore the Governor's proposed cut to cyber schools. The per-pupil increase would range from \$88-\$176. Does not concur with the Governor. The reduction to shared-time is \$2.0 million under this section to reflect the 0.75 FTE cap in Section 6. FY 2016-17 appropriation is increased \$16.0 million to reflect technical cost adjustments.	FY 2017-18 appropriation of \$3,953,000,000 from the SAF/GF and \$72,000,000 from the DPS Trust Fund, for a total of \$4,025,000,000, an increase of \$75,000,000 above the Governor. Uses \$143.0 million to provide a \$100 across-the-board increase in each district's foundation allowance. The per-pupil increase would be \$100. Does not concur with a shared-time reduction. FY 2016-17 appropriation is increased \$16.0 million to reflect technical cost adjustments.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
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 2017-18.	Concurs with Governor.	Concurs with Governor.	
Sec. 22g. Competitive Assistance Grants to Districts and ISDs – Consolidation Costs	Appropriates \$500,000 in FY 2016-17 for competitive assistance grants to districts and ISDs, for the reimbursement of transition costs associated consolidation, dissolution, or annexation. Districts or ISDs receiving grants may spend those funds over three fiscal years. In addition, another \$2,500,000 is allocated to a district that received a grant under this section in FY 2015-16 and whose voters approved a consolidation, dissolution, or annexation in May of 2016.	Proposes to repeal the section.	Retains the section for FY 2016-17 only, and adds language stating that payments may be made in a manner other than the 11-month payment schedule prescribed under Section 17b. Gives the section immediate effect. No funding is provided for FY 2017-18.	Funds this section at \$1,000,000 SAF for FY 2017-18. Includes language allowing payments to go out on a schedule other than that under Section 17b.	
Sec. 22m - NEW Data Hub Network	N/A	Appropriates \$2,200,000 new for FY 2017-18 for integrating local data systems based on common standards and applications that are in compliance with Section 19(7) into the Michigan Data Hub Network. Grants would be made to no more than five consortia of ISDs that previously received funding from TRIG grants. The goal of the grants is to provide for the actionable use of data by districts and ISDs through common reports	Concurs with Governor on including the new section, but funds the program at \$1,100,000 for FY 2017-18. Language changes include that the grants would be competitive in nature and would have to be awarded on a geographically diverse basis. Adds new language	Concurs with Governor on language, but funds the program at \$1,200,000 SAF for FY 2017-18.	

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		and dashboards and for efficiently providing information to meet State and Federal reporting.	specifying what the funds must be used for, along with a report due January 1, 2018 from the Department with measurable outcomes by grantee.		
Sec. 22n - NEW High School Per-Pupil Bonus	N/A	Appropriates \$22,000,000 SAF in FY 2017-18 for a \$50/ high school pupil payment.	Does not include.	Does not include.	
Sec. 23f - NEW Payments for Pupils in Shared-Time Programs	N/A	Appropriates \$60,000,000 in FY 2017-18 for foundation allowance payments to districts for nonpublic part-time pupils enrolled under Section 166b (shared time). Estimated total payments for pupils in shared-time programs in FY 2016-17 is \$115,000,000; this appropriation would reduce the amount available by an estimated \$55,000,000. Proration would be calculated as an equal per-pupil dollar reduction.	Does not concur. Of the \$60,000,000 appropriated for the categorical, \$58,000,000 is moved back to sections 22a and 22b. The other \$2,000,000 is reduced from Sec. 22b costs due to the 0.75 FTE cap on shared-time pupils specified in Sec. 6.	Does not include. Restores entire \$115,000,000 cost to Sections 22a and 22b.	
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 in FY 2016-17 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 2017-18.	Concurs with Governor.	Concurs with Governor.	
Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$1,328,100 in FY 2016-17 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Increases the appropriation to \$1,339,000 to reflect economic adjustments.	Concurs with Governor.	Concurs with Governor.	
Sec. 24c Youth Challenge Program	Appropriates \$1,632,400 in FY 2016-17 for the Youth Challenge Program. Payment goes through Marshall Public Schools, which contracts with Department of Military and Veterans' Affairs (DMVA) for the program.	Reduces the appropriation to \$1,528,400.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 25f Strict Discipline Academy Supplemental Payments	<p>Allocates \$750,000 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>	Proposes to repeal the section.	Does not concur with Governor, and instead restores the section at \$750,000 for FY 2017-18.	Does not concur with Governor, and instead restores the section at \$750,000 for FY 2017-18.	
Sec. 25g Dropout Recovery	<p>Appropriates \$750,000 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>	Proposes to repeal the section.	Does not concur with Governor, and instead restores the section at \$750,000 for FY 2017-18.	Does not concur with Governor, and instead restores the section at \$750,000 for FY 2017-18.	
Sec. 26a Renaissance Zone Reimbursement	In FY 2016-17, appropriates \$20,000,000 from the School Aid Fund to reimburse districts for lost local revenue due to taxes not collected in Renaissance Zones.	Reduces the FY 2017-18 appropriation to \$18,000,000 to reflect newer estimates of costs.	<p>Concurs with Governor.</p> <p>FY 2016-17 appropriation is reduced by \$2.0 million to \$18.0 million.</p>	<p>Concurs with Governor.</p> <p>FY 2016-17 appropriation is reduced by \$2.0 million to \$18.0 million.</p>	
Sec. 26b PILT Reimbursement	Appropriates \$4,405,100 in FY 2016-17 to reimburse districts for lost local revenue due to taxes not collected on State-owned land.	Maintains the \$4,405,100 appropriation into FY 2017-18.	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 2016-17 reimbursement is \$1,000,000.	Increases the appropriation by \$500,000 to \$1,500,000 in FY 2017-18.	<p>Concurs with Governor.</p> <p>Technical language changes are included to improve transparency of the section's funding and purpose.</p>	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 29 - NEW Declining Enrollment	N/A	<p>Appropriates \$7,000,000 for a new section to eligible districts for declining enrollment assistance. Districts would be eligible for funding if they meet all of the following:</p> <p>(a) the district's pupil membership is less than the prior year and has declined from FY 2015-16 by greater than 5%;</p> <p>(b) the district's average two-year pupil membership is greater than the district's pupil membership for the current year;</p> <p>(c) the district does not receive funding under Sec. 6(4)(w) or 22d(2).</p> <p>Payments would be equal to the difference between the district's two-year average membership and its actual pupil membership, multiplied by 1/3 of the district's foundation allowance. Payments would be for two years.</p>	Does not include.	Does not include.	
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</p>	<p>Proposes to increase standard At Risk funding by \$150,000,000 to \$528,988,200, and broadens the purpose of the funding to include proficiency in math by the end of 8th grade and ensuring regular school attendance, in addition to proficiency in English language arts by the of 3rd grade and readiness for college and careers.</p>	<p>Proposes to increase standard At Risk funding by \$100,000,000, of which \$5,000,000 would be earmarked for funding to districts for English language learners.</p> <p>The formula is substantially rewritten as follows:</p> <p>Subsection (4). A per-pupil 'hold harmless' would be paid to each district currently eligible for funding (i.e., those whose FY 2016-17</p>	<p>Increases appropriation to \$518,807,300 SAF for FY 2017-18, an increase of in standard At Risk funding.</p> <p>Concurs with the Governor's language changes and broader pupil base.</p> <p>Provides that the allocation to hold harmless and out-of-formula districts (i.e., those currently ineligible for funding) is equal to 50% of the amount</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>risk funding, and provides detail on an eligible MTSS model.</p> <p>Allows funds to be used for the purposes of ensuring 3rd graders are proficient in reading by the end of the 3rd grade and that high school graduates are career and college ready.</p> <p>Eligibility includes students not meeting 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 3rd 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>	<p>Requires districts to implement a multi-tiered system of supports (MTSS) for pupils in at least grades K-8 (current law is K-3).</p> <p>Removes the restriction that</p>	<p>State and local operating funding is less than \$8,229 per pupil), where each district currently receiving funding would receive the same per-pupil amount in FY 2017-18 that the district is receiving in FY 2016-17 for its at risk students, but paid to the district for all economically disadvantaged students. This is estimated to cost \$432,988,200, an increase of \$54,000,000 over the current year. Average per-pupil payments under this subsection for eligible districts would be \$691, but would vary based on each district's actual payment.</p> <p>Subsection (5). \$41,000,000 would be awarded to ALL districts, on an equal per-economically disadvantaged student basis. This subsection would provide an estimated \$60 per pupil to all districts.</p> <p>The above two pieces account for \$95.0 of the additional \$100.0 million. The remaining \$5.0 million would be awarded under subsection (6) to districts based on ELL scores on the Wida assessment.</p> <p>Requires districts to implement early literacy requirements under Public Act 306 of 2016 for grades K to 3, and to implement MTSS for grades 4 to 8.</p> <p>See above - currently-eligible</p>	<p>as otherwise calculated under the section.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>a district have state and local per-pupil funding at or less than the basic foundation allowance (i.e., allows districts with funding above the basic, which is \$8,229 in FY 2016-17, to qualify).</p> <p>Changes the definition for eligible pupils from those eligible for free meals to instead count those determined to be "economically disadvantaged", which includes reduced meal eligibility (in addition to free meals), pupils whose families are receiving supplemental nutrition assistance or TANF assistance, and pupils who are homeless or migrant, or who are in foster care.</p> <p>(3) Changes the payment from 11.5% of a district's foundation allowance to 11.5% of the statewide weighted average foundation allowance (prorated as necessary), where the calculation caps any given district's foundation allowance at the basic.</p> <p>(4) Districts are required to use the funds to ensure the following:</p> <p>(a) that the chronic absenteeism rate for economically disadvantaged pupils is not more than the rate for non-economically disadvantaged pupils;</p> <p>(b) that the proportion of</p>	<p>districts would remain eligible for \$433.0 million in funding under subsection (4), and all districts would be eligible for \$41.0 million in funding under subsection (5).</p> <p>Concurs with Governor, and adds "free milk" to the definition of "economically disadvantaged".</p> <p>See above - subsections (4) and (5).</p> <p>(7) Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</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 SUBC.	HOUSE SUBC.	CONFERENCE
		<p>economically disadvantaged pupils and English language learners in the bottom 30% does not exceed the proportion of non-economically disadvantaged pupils in the bottom 30% of a district's performance on the English language arts 3rd grade assessment;</p> <p>(c) that the proportion of economically disadvantaged pupils and English language learners in the bottom 30% does not exceed the proportion of non-economically disadvantaged pupils in the bottom 30% of a district's performance on the mathematics 8th grade assessment;</p> <p>(d) that at least 65% of pupils in grades 9 to 12 have enrolled in CTE programming, advanced placement or international baccalaureate courses, or equivalent dual-enrollment courses, and that at least 80% of those pupils have successfully completed the courses.</p> <p>(6) New language would allow a grantee to use up to 5% of funds to provide research-based professional development on implementing MTSS and/or improving the metrics in subsection (4).</p> <p>(10) Requires the Department to calculate and publish a report annually to</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>(9) Concurs with Governor, and adds early literacy.</p> <p>(13) Concurs with Governor.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Does not include.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>determine each district's performance in the metrics in subsection (4).</p> <p>(11) Requires the Department to publish a summary of programs conducted or services performed that demonstrate significant improvement on the ELA and math metrics.</p> <p>(15) Replaces the formula that governs when a district must change how it's using its allocation to conform with the following: Beginning in FY 2020-21, if a grantee has not achieved all of the metrics in subsection (4) or made satisfactory progress, the State Superintendent shall assign a team to partner with the district, ISD, community organizations, local employers, education organizations, and postsecondary institutions to conduct an evaluation of the following:</p> <p>(a) review the district's implementation and utilization of MTSS;</p> <p>(b) conduct an academic performance audit (with a review of leadership and educator capacity);</p> <p>(c) review the district's use of financial resources;</p> <p>(d) use the funds received to pay for the evaluation after coming to an agreement specifying the roles and</p>	<p>(14) Concurs with Governor. In addition, requires the reporting form created by the Department to allow for any expenditures permissible under the section.</p> <p>(18) Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>In addition, under subsection (11), funding for school</p>	<p>Concurs with Governor. In addition, requires the reporting form created by the Department to allow for any expenditures permissible under the section.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>No increase for school based health centers.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		responsibilities of the partners and establishing 18-month benchmarks.	based health centers is increased \$500,000 to \$6,057,300, and boilerplate is amended to comply with Federal changes. Funding for vision and hearing screening is maintained at \$5,150,000 under sub (12).	Includes legislative intent that beginning in 2018-19, a portion of the funds appropriated be allocated to reimburse districts that provide transportation or transportation vouchers or passes to pupils enrolled in a district other than their resident district or PSA.	
Sec. 31b Year-Round School Grants	Appropriates \$1,500,000 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.	Increases the appropriation to \$3,000,000 in FY 2017-18 and changes "year-round" to "balanced calendar".	Appropriates \$1,500,000 for balanced calendar grants.	Appropriates \$1,500,000 for balanced calendar grants.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 31c Reduce Gang-Related Activity	<p>FY 2016-17 appropriation of \$3,000,000 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.	Concurs with Governor.	
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2016-17 to fund the State share of the school lunch programs as required by the <i>Durant</i> settlement and includes \$513,200,000 Federal.	Maintains the State appropriation at \$22,495,100. Increases the Federal grants to \$523,200,000.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 31f School Breakfast	Appropriates \$2,500,000 in FY 2016-17 to provide reimbursement for the State school breakfast program.	Increases the appropriation to \$4,500,000 in FY 2017-18 to reflect anticipated costs.	Concurs with Governor. FY 2016-17 appropriation is increased \$2.0 million to \$4.5 million.	Concurs with Governor. FY 2016-17 appropriation is increased \$2.0 million to \$4.5 million.	
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. FY 2016-17 is the second of two years of funding.	Proposes to repeal the section.	Concurs with Governor.	Concurs with Governor.	
Sec. 31j Locally Grown Produce in Schools	Allocates \$250,000 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 was distributed to prosperity regions 2 and 4 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.	Proposes to repeal the section.	Does not repeal the section. Instead, continues funding of \$250,000 GF/GP in FY 2017-18.	Concurs with Governor.	
Sec. 32d Great Start Readiness Program (GSRP)	Appropriates \$243,600,000 from the School Aid Fund for FY 2016-17 to operate the district Great Start Readiness Program (GSRP) and \$300,000 GF/GP to continue a longitudinal study of the GSRP. An ISD or grant recipient that determines that all children at or below 250%	Maintains the \$243,600,000 SAF appropriation and \$300,000 GF/GP (for an evaluation) appropriation into FY 2017-18. Changes the current requirement that at least 90% of children served live with families at or below 250% of the Federal Poverty Level (FPL) to a new	Concurs with Governor. Retains the current law 90% requirement.	Concurs with Governor. However, adds language that prohibits an entity that has an approved curriculum under GSRP from receiving the contract for the evaluation. Concurs with Governor. Adds language allowing the Connect4Learning curriculum to be an eligible age-	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>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. For enrollment across ISD boundaries, the ISDs must enter into a written agreement for payment, in a manner prescribed by the Department.</p> <p>All age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in inclusive preschool are considered to be at 250% FPL regardless of family income.</p> <p>An ISD or consortium may retain 4% for administration and expenses incurred by subrecipients are considered program costs or a contracted program fee for service.</p> <p>\$10,000,000 of the total is earmarked for reimbursement for transportation costs, up to \$150 per slot.</p>	<p>requirement ensuring that 100% of children served are at or below that FPL.</p> <p>Removes language allowing an ISD to broaden the program to include kids served from families at or below 300% of the FPL if no children are on the waiting list at 250% of FPL.</p> <p>See Section 39 for changes proposed to the formula distribution and new statewide benchmark.</p>	<p>Retains the ability for ISDs to enroll kids up to 300% of the FPL if unable to use all funding for kids at 250% of the FPL.</p> <p>Concurs with Governor.</p>	<p>appropriate GSRP curriculum.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
<p>Sec. 32p Early Childhood Block Grant Program</p>	<p>Appropriates \$13,400,000 for an early childhood block grant program. FY 2016-17 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>Continues the \$13,400,000 appropriation into FY 2017-18.</p> <p>Subsections (3)(e) and (4) - changes "vocabulary" to "skills linked to success in foundational literacy", and to "a focus on developmentally appropriate outcomes for early literacy", respectively.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 32q Early Learning Collaborative Partnership</p>	<p>Appropriates \$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.</p>	<p>Proposes to repeal the section.</p>	<p>Does not concur with Governor. Instead, restores funding for this program at \$175,000 GF/GP in FY 2017-18 for the second of three years of funding.</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 35 Administration of 3 rd Grade Reading	Appropriates \$1,000,000 GF/GP for administrative funding of the Early Literacy grant section, which is 35a.	Continues the \$1,000,000 into FY 2017-18.	Concurs with Governor.	Eliminates funding for this section.	
Sec. 35a Early Literacy Programs	<p>(1) A total of \$22,900,000 from SAF and \$1,000,000 GF/GP is appropriated for FY 2016-17.</p> <p>(2) allocates the second 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 PD and to work with MVU to provide the training online to all K-3 educators.</p> <p>(3) allocates \$1,450,000 (the second 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>(4) 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</p>	<p>(1) A total of \$25,900,000 SAF is appropriated for FY 2017-18.</p> <p>(2) continued into FY 2017-18 - removes language restricting this to a two-year program. Work project language is removed.</p> <p>(3) continued into FY 2017-18 - removes language restricting this to a two-year program. Work project language is removed.</p> <p>(4) allocates \$6,000,000 to ISDs for early literacy coaches due to higher-than-anticipated costs, with reimbursement up to \$75,000 per coach (increased from \$37,500 per coach).</p>	<p>(1) A total of \$25,900,000 SAF and \$2,500,000 GF/GP is appropriated for FY 2017-18.</p> <p>(2) Concurs with Governor.</p> <p>(3) Concurs with Governor.</p> <p>(4) Concurs with Governor.</p>	<p>(1) Appropriates a total of \$25,400,000 SAF for FY 2017-18. Rolls all previously-earmarked funding into grants to districts (estimated at \$245) per first grade pupil.</p> <p>(2) Allows funding to be used for professional development.</p> <p>(3) Allows funding to be used for diagnostic tools.</p> <p>(4) Allows funding to be used for literacy coaches.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>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>(5) 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 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>(6) allocates \$1,000,000 GF/GP 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>(5) continues the \$17,500,000 into FY 2017-18</p> <p>(6) removes this funding</p>	<p>(5) Concurs with Governor.</p> <p>(6) Does not concur. Instead, \$2,500,000 GF/GP is allocated to the Michigan Education Corps for this program.</p>	<p>(5) Allows funding to be used for added instruction time in grades K to 3.</p> <p>(6) Eligible districts must have implemented MTSS in grades K to 3.</p> <p>(7) Distributes funds at \$245 per 1st grade pupil.</p> <p>(8) Provides for proration if funding is insufficient.</p> <p>Removes this funding.</p>	
Sec. 39 GSRP Formula	Provides the formula by which slot allocations for ISDs are calculated.	(2) Replaces the comprehensive needs assessment with data from the American Community Survey Population Data, and data indicating the number of	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>children served by Head Start programs in the community, along with the number of children (instead of slots) that the applicant can serve.</p> <p>(3) Replaces the formula to determine an ISD's allocation with the lesser of the following:</p> <p>(a) the number of children served in a school-day program in the preceding year multiplied by \$7,250 per child plus the number of children served in a GSRP/Head Start blended program or a part-day program multiplied by \$3,625 per child.</p> <p>(b) the number of children the applicant has the capacity to serve in a school day program multiplied by \$7,250 and the number of children in a GSRP/Head Start blended program or a part-day program multiplied by \$3,625 per child.</p> <p>(4) Requires the percentage of children served by each ISD or consortia to be determined. The resulting percentage would be compared to a statewide percentage benchmark. If an ISD's funding percentage is less than the statewide percentage benchmark (set at 60% for FY 2017-18), it would receive additional funding in years additional funding was available.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</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 SUBC.	HOUSE SUBC.	CONFERENCE
		(5) New language would award any funds remaining after the initial allocations to each ISD or consortia serving less than the State percentage benchmark, distributed based on each applicant's proportionate share of the remaining unserved children necessary to meet the benchmark. If/when all applicants are at or above the benchmark, the benchmark could be reset.	Concurs with Governor.	Concurs with Governor.	
Sec. 39a Federal Funds	(1) Appropriates \$821,939,900 for FY 2016-17 in Federal No Child Left Behind (NCLB) funds. (2) Appropriates \$30,800,000 in other Federal funds for education.	(1) Appropriates \$731,600,000 for FY 2017-18 in Federal NCLB funds. (2) Appropriates \$30,000,000 in other Federal funds in education.	Concurs with Governor. Concurs with Governor. FY 2016-17 is reduced \$87.9 million to reflect anticipated actual Federal funding.	Concurs with Governor. Adds legislative intent that in 2018-2019 a portion of Title I, Disadvantaged Children (\$535.0 million) be used to reimburse districts that provide transportation or transportation vouchers or passes to pupils that enroll in a district other than their resident district or PSA. FY 2016-17 is reduced \$87.9 million to reflect anticipated actual Federal funding.	
Sec. 41 Bilingual Education	Appropriates \$1,200,000 for bilingual education grants in FY 2016-17.	Continues the \$1,200,000 appropriation for bilingual education grants in FY 2017-18.	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),	Appropriation of \$973,046,100 from SAF and \$441,000,000 in Federal funding for special education programs for FY 2016-17. 10% State aid penalty beginning in FY 2016-17 for a district, ISD, or PSA if it did not comply with Sec.	Appropriation of \$963,146,100 from SAF and \$431,000,000 in Federal funding for special education programs for FY 2017-18.	Concurs with Governor. FY 2016-17 State appropriation is reduced \$28.0 million to reflect updated cost estimates. (14) Subsection is rewritten	Concurs with Governor. FY 2016-17 State appropriation is reduced \$28.0 million to reflect updated cost estimates. No change.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
which are paid out of the appropriation in Section 51a.	51a in regard to providing special education services for PSAs and their students.		<p>to state that a PSA that enrolls a student, who resides outside the ISD in which the PSA is located, without an agreement on costs, may not bill the resident or non-resident district or ISD for added costs.</p> <p>(15) strikes existing 10% penalty language and replaces with language directing MDE to directly pay cyber schools any Federal IDEA Part B funding for which they are eligible (instead of the current practice of the ISD in which the cyber is located receiving the funding).</p> <p>(16) New language directing that the ISD in which a cyber is located is required to ensure compliance with relevant special education sections specified in the School Code, and requires MDE to make appropriate administrative funding available to ISDs for this purpose.</p>	<p>No change.</p> <p>No change.</p>	
Sec. 51c Special Education - <i>Durant</i> Payment	Appropriates \$644,500,000 from the appropriation in Sec. 51a(1) for FY 2016-17 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 2017-18 appropriation of \$640,400,000 to reflect updated cost estimates.	<p>Concurs with Governor.</p> <p>FY 2016-17 is reduced \$16.9 million to reflect updated cost estimates.</p>	<p>Concurs with Governor.</p> <p>FY 2016-17 is reduced \$16.9 million to reflect updated cost estimates.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 51d Federal Special Education Funds	Appropriates \$71,000,000 in Federal grants to special education for FY 2016-17.	Reduces the Federal appropriation to \$61,000,000 for FY 2017-18.	Concurs with Governor. FY 2016-17 appropriation is reduced \$10.0 million to \$61.0 million based on actual Federal funding levels.	Concurs with Governor. FY 2016-17 appropriation is reduced \$10.0 million to \$61.0 million based on actual Federal funding levels.	
Sec. 53a Special Education Court Placed Pupils	Appropriates \$10,500,000 for FY 2016-17.	Continues the appropriation of \$10,500,000 for FY 2017-18.	Concurs with Governor.	Concurs with Governor.	
Sec. 54b Integrated Behavior and Learning Supports (MiBLSi)	Appropriates \$1,125,000 GF/GP 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. Of the total, \$500,000 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.	Increases the appropriation to \$1,600,000 in FY 2017-18 to continue the implementation of the recommendations of the Special Education Task Force Report published in January 2016. The individual earmarks for the purpose of piloting the program and for providing training are removed.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
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 that this is the second of two years of funding.	Proposes to repeal the section.	Does not concur with the Governor. Instead, this section is appropriated at \$150,000 for FY 2017-18 as the third of three years of funding.	Concurs with Governor.	
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 2017-18, and maintains the existing formula and language. Adds technical language adjusting for the amount of local community stabilization share revenue received by each ISD.	Concurs with Governor.	Concurs with Governor.	
Sec. 61a Career and Technical Education	Appropriates \$36,611,300 for FY 2016-17 to support career and technical education programs, plus \$79,000 for a non-profit organization to teach or train students in restaurant management and culinary arts. Allows a CTE program to provide Adult Education participants under Sec. 107 with an opportunity to enroll in the CTE program. Reimbursement is prioritized based on capital and program expenditures, the CTE	Continues the standard CTE appropriation of \$36,611,300 into FY 2017-18. Removes the \$79,000 grant for culinary arts.	Continues both the standard CTE appropriation of \$36,611,300 and the \$79,000 grant for culinary arts in FY 2017-18. Adds language allowing districts in Michigan to contract with bordering out-of-state districts for CTE programs, similar to special education provisions under MCL 380.1751.	Concurs with Governor on the standard CTE appropriation of \$36,611,300 and removes \$79,000 grant for culinary arts. In addition, appropriates another \$1,000,000 for competitive grants for up to three ISDs to hire CTE counselors. Priority is given to an ISD with the greatest pupil membership and the remaining grants would be equitably distributed around the state and among urban and rural areas. Eligible ISDs must catalog all available K-12 and other	

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	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 placement, job openings, and wages, and the length of training period provided.			workforce development programs and services, and develop an outreach program to educate students about CTE options and connect students to CTE programs and services.	
Sec. 61b CTE Early/Middle Colleges	<p>Appropriates \$9,000,000 in FY 2016-17 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. Of the total, \$500,000 is earmarked for planning grants, capped at \$50,000 each.</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</p>	<p>Continues the \$9,000,000 program into FY 2017-18.</p> <p>Changes the statewide average CTE cost calculation from prior-year average costs divided by pupils to instead be statewide average costs for the most recent three fiscal years, for each CIP code program.</p> <p>Removes legislative intent language to reimburse districts with early/middle college programs for the added costs of providing both a high school diploma and a postsecondary degree or certificate.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Does not remove this language.</p>	<p>Reduces FY 2016-17 appropriation to \$500,000, an \$8.5 million reduction.</p> <p>Eliminates funding for FY 2017-18.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>clusters in the prosperity region.</p> <p>A regional strategic plan must include an identification of regional employer need based on 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;</p>				

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>provides for highly integrated student support services; 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. A grantee receiving funds under Sec. 61a also may receive funds under this section to reimburse for added costs.</p>				
<p>Sec. 61c CTE Skilled Trades Equipment Upgrades</p>	<p>Appropriates \$3,000,000 in FY 2016-17 for a 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.</p> <p>Funding is equally awarded to career education planning districts (CEPDs) around the State.</p> <p>Each CEPD determines the allocation of funds at the local level, using data from the State, region, and local sources. In addition, language directs funds</p>	<p>Increases this appropriation to \$20,000,000 for FY 2017-18. Restructures the program to be a competitive grant program. Grants would be at least \$250,000 but no more than \$1,000,000, and would be used for the purchase of equipment and related capacity building activities, with up to 5% of grants allowed to be used for administration. Grant applications would be required to include:</p>	<p>Appropriates \$7,500,000 for FY 2017-18. Grants would continue to be automatically distributed to career education planning districts, and not on a competitive grant basis.</p> <p>Grants may be used for purchase of equipment in programs identified in the highest 5 career cluster rankings across the 10 prosperity regions (and instructor training on new equipment) or professional development for coding and computer science professional development and initiatives. Grants must be targeted to the highest 5 career clusters in any of the</p>	<p>Appropriates \$10,000,000 SAF for FY 2017-18.</p> <p>Concurs with Executive to restructure as a competitive grant, but requires the department to give priority to applications for the lease of equipment from private industry to encourage the use of the most advanced equipment.</p> <p>Concurs with Executive on allowable uses, and expands to include the lease of equipment from private industry partners.</p> <p>Earmarks \$1,000,000 of the total for a competitive grant program to districts that</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>allocated at the local level to support CTE programs that can deliver educational programs in high-wage, high-skill, and high-demand occupations.</p> <p>Another \$200,000 is earmarked for Hudson Schools' mechatronics program.</p>	<p>(a) how the proposed initiative would provide increased career opportunities for students in high-wage, high-skill, and high-demand occupations;</p> <p>(b) demonstrated evidence of employer demand;</p> <p>(c) a budget for the initiative;</p> <p>(d) a description of how the initiative would align with other CTE and community college programs and how the equipment would be utilized by initiative partners;</p> <p>(e) other information required by MDE and Talent and Economic Development (TED).</p> <p>MDE and TED would evaluate grant applications, and grant recipients would report by December 15 of each fiscal year.</p> <p>The \$200,000 earmark to Hudson Schools is removed.</p>	<p>prosperity regions.</p> <p>Not included (because the grants would not be awarded on a competitive basis).</p> <p>Not included.</p> <p>Not included.</p> <p>Not included.</p> <p>Not included.</p> <p>Not included.</p> <p>Not included.</p> <p>Concurs with Governor.</p>	<p>operate a mechatronics program.</p> <p>Concurs in the remainder of the Governor's new language.</p>	
Sec. 62 Vocational/CTE Education Millage Equalization	Appropriates \$9,190,000 for FY 2016-17 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal	Continues the \$9,190,000 appropriation into FY 2017-18 with the same caps and guarantees, but updated equalization values based on newer taxable value data.	Concurs with Governor.	Concurs with Governor.	

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	<p>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>	<p>Adds technical language adjusting for the amount of local community stabilization share revenue received by each ISD.</p>			
<p>Sec. 63 CTE Partnership between an ISD and Health Department</p>	<p>Appropriates \$250,000 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.</p>	<p>Proposes to repeal the section.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 64b Dual Enrollment Incentive Payments to Districts</p>	<p>Appropriates \$1,750,000 for FY 2016-17 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,</p>	<p>Continues the appropriation into FY 2017-18 at \$1,750,000.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	

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	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.				
Sec. 64d - NEW Information Technology Education	N/A	N/A	N/A (see Section 99u)	Appropriates \$1,000,000 GF/GP for a competitive grant to provide information technology education statewide. Priority would be given to a provider that has demonstrated previous success in providing IT education in Michigan.	
Sec. 65 Detroit Pre-College Engineering Program (DAPCEP)	Appropriates \$340,000 GF/GP for the Detroit Area Pre-College Engineering Program (DAPCEP).	Proposes to repeal the section.	Does not concur with Governor, and instead funds this section at \$340,000 GF/GP for FY 2017-18.	Concurs with Governor.	
Sec. 67 MCAN and Outreach	Appropriates a total of \$3,050,000 GF/GP in this section. 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	Appropriates \$3,000,000 GF/GP for MCAN. The \$50,000 earmark for outreach on dual enrollment is removed.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>postsecondary institutions for mentors and college advisors.</p> <p>The remaining \$50,000 is for a pilot outreach program to provide information dual enrollment and other opportunities available to earn postsecondary credits.</p>				
Sec. 74 Bus Driver Safety	<p>Appropriates \$3,320,600 for FY 2016-17.</p> <p>Of the total appropriation, \$1,625,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>The remaining \$1,695,600 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>	<p>Appropriates \$3,330,300 for FY 2016-17.</p> <p>Of the total appropriation, \$1,625,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>The remaining \$1,705,300 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>	<p>Increases the appropriation by \$400,000 to \$3,730,300 for FY 2017-18.</p> <p>Of the total appropriation, \$2,025,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>The remaining \$1,705,300 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>	Concurs with Governor.	
Sec. 78 - NEW Water Testing	N/A	Transfers in \$4,500,000 from the MDE budget to reimburse public schools and registered nonpublic schools up to \$950 per school building for costs of school water testing, fixture replacement, filter purchases, plumbing assessments, or technical assistance.	Does not include this section.	Does not include this section.	
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	Appropriates \$67,108,000 for basic operational funding in FY 2016-17.	Continues the \$67,108,000 appropriation into FY 2017-18.	Increases the appropriation by \$1,000,000 to \$68,108,000 for FY 2017-18. Each ISD would receive a 1.5% increase.	Concurs with Governor.	
Sec. 94 – AP and IB Scholarships	\$250,000 GF/GP is appropriated for FY 2016-17 for efforts to increase the number of pupils who participate and succeed in	Continues the \$250,000 appropriation into FY 2017-18.	Increases the appropriation to \$1,000,000 for FY 2017-18.	Concurs with Governor.	

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	<p>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, or \$150 per IB registration. Students have to pay at least \$5 toward each test or registration paid for under this section.</p>				
<p>Sec. 94a Center for Educational Performance and Information (CEPI)</p>	<p>Appropriates \$12,173,200 GF/GP and \$193,500 in Federal funds in FY 2016-17 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>	<p>Increases GF/GP appropriation by \$4,042,800 to \$16,216,000, to backfill Federal funds that have been used from work projects and that are now exhausted, as well as economic adjustments for CEPI operations in FY 2017-18 and continues appropriation of \$193,500 in Federal funds.</p>	<p>Increases the GF/GP appropriation by \$1,042,800 over current funding, to \$13,216,000, and continues Federal funds of \$193,500 in FY 2017-18.</p>	<p>Increases the GF/GP appropriation by \$2,042,800, to \$14,216,000, and continues Federal funds of \$193,500 in FY 2017-18.</p>	
<p>Sec. 95a Educator Evaluations</p>	<p>Creates the Educator Evaluation Reserve Fund. In FY 2014-15, \$12,100,000 SAF and \$2,700,000 GF/GP was deposited into the Fund.</p>	<p>Appropriates \$7,000,000 into the Educator Evaluation Reserve Fund for payments to districts and ISDs to support the implementation of local evaluation systems for teachers and administrators.</p>	<p>Does not include.</p>	<p>Repealed.</p>	

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		<p>Local district activities funded may include:</p> <p>(a) training for evaluators and observers to ensure effective implementation of locally-adopted educator evaluation tools</p> <p>(b) professional learning for teachers, principals, and other school leaders</p> <p>(c) the purchase of licenses, technology, and other materials necessary to fully implement a locally-adopted evaluation tool</p>			
<p>Sec. 98 Michigan Virtual University (MVU)</p>	<p>Appropriates \$7,387,500 GF/GP to MVU in FY 2016-17 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>The MVU is required to provide extensive professional development to at least 30,000 educational personnel.</p> <p>MVU is required to report</p>	<p>Continues the GF/GP appropriation of \$7,387,500 for FY 2017-18.</p> <p>Adds a new subsection (4) to earmark up to \$500,000 to support the expansion of new online and blended educator professional development programs working collaboratively with the Michigan Association of Intermediate School Administrators.</p>	<p>Reduces the GF/GP appropriation by \$887,500 to \$6,500,000 for FY 2017-18.</p> <p>Concurs with Governor, although strikes the clause "working collaboratively with the Michigan Association of Intermediate School Administrators".</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

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	on its mission, plans, and proposed benchmarks, including a 50% increase in documented improvement to receive full funding in FY 2017-18.				
Sec. 98b - NEW Value Added Growth and Analytics System	N/A	N/A	N/A	<p>Appropriates \$2,500,000 in FY 2017-18 for a new value-added growth and analytics system. The department would be required to incorporate the model chosen into its reporting requirements. The model chosen must report student growth measures at the district, school, teacher, and subgroup levels; recognize the growth of tested students; include all available prior standardized assessment data; allow for the disaggregation of student growth results; provide individual student projections to the probability of reaching performance levels on future assessments; and, demonstrate prior success with Michigan assessments.</p> <p>The department would be required to provide web-based electronic student growth and projection reporting based on the adopted State model.</p>	
Sec. 99c - NEW Civics Education	N/A	N/A	Appropriates \$60,000 GF/GP in both Fiscal Years 2016-17 and 2017-18 for a grant to a provider for the delivery of programs that exemplify best practices in civic education.	N/A	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 99h FIRST Robotics	Appropriates \$2,500,000 in FY 2016-17 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, and for LEGO competitions in the same academic fields. Districts are required to pay at least 25% of the cost of the program.	Continues the \$2,500,000 appropriation into FY 2017-18. Removes work project language.	Increases by \$500,000 GF/GP for total funding of \$3,000,000 in FY 2017-18. Adds nonpublic schools as eligible grantees. Concurs with Governor.	Concurs with Governor. Concurs with Governor.	
Sec. 99k - NEW Cybersecurity Competitions	N/A	Proposes a new program appropriating \$500,000 for competitive grants to districts that provide pupils in Grades 6 to 12 with expanded opportunities to improve computer science skills by participating in cybersecurity competitive events hosted by Merit Network or by the Air Force. Grants would be to pay for stipends not to exceed \$1,500 per coach or mentor, or for event registrations, materials, travel costs, and other expenses where the grantee would be required to provide at least a 50% match in funding for the program's costs.	Concurs with Governor.	Does not include.	
Sec. 99s STEM Council and Initiatives, and Math and Science Centers	Appropriates for FY 2016-17 \$3,000,000 SAF, \$1,300,000 GF/GP, and \$5,249,300 in Federal funds as follows: (2) \$50,000 GF/GP for	Appropriates \$5,500,000 SAF and \$300,000 GF/GP for FY 2017-18, along with \$4,700,000 in Federal funds to be used as follows: (2) \$50,000 GF/GP for costs	Concurs with Governor on total appropriations. (2) Concurs with Governor.	(1) Concurs to increase total funding to \$10,500,000, but revises fund sources to \$4,850,000 SAF, \$950,000 GF/GP, and \$4.7 m Federal. (2) Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>costs related to the MiSTEM Advisory Council.</p> <p>(3) \$1,000,000 GF/GP for programs recommended by the Council.</p> <p>(4) \$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>(5) \$250,000 SAF for grants to districts to participate in the Science Olympiad program.</p> <p>(6) \$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>related to the MiSTEM Advisory Council</p> <p>(3) \$3,000,000 SAF for programs recommended by the MiSTEM Council</p> <p>(4) \$2,500,000 SAF, \$250,000 GF/GP, and \$4,700,000 Federal to support the activities and programs of the MiSTEM Centers Network, to be spent as follows:</p> <p>(a) \$250,000 GF/GP to the Department to support the executive director of the MiSTEM Centers Network, hired by the State Superintendent with advice of the MiSTEM Council.</p> <p>(b) \$500,000 to the Department to pay for costs to transition from the existing 33 math and science centers to a network of 10 regional MiSTEM centers aligned with prosperity regions.</p> <p>(c) \$2,000,000 to the MiSTEM Centers Network for grants up to \$200,000 for each of the 10 regional centers.</p>	<p>(3) \$1,950,700 SAF for programs recommended by the MiSTEM Council</p> <p>(4) \$3,299,300 SAF and \$4,700,000 to support the existing 33 math and science centers. Governor's new language not included.</p> <p>(5) \$250,000 SAF for districts to participate in Science Olympiad.</p> <p>(6) \$250,000 GF/GP for Van Andel Education Institute.</p>	<p>(3) \$2,850,000 SAF for programs recommended by the MiSTEM Council.</p> <p>(4) \$2,000,000 SAF, \$750,000 GF/GP, and \$4,700,000 Federal - concurs with Governor on restructure.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor, but revises to GF/GP.</p> <p>Concurs with Governor.</p> <p>(6) Allocates \$150,000 GF/GP to the Van Andel Institute.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 99t Online Algebra Tool	Allocates \$1,500,000 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.	Proposes to repeal the section.	Does not concur with Governor to repeal. Instead, funds the program at \$1,200,000 GF/GP for FY 2017-18.	Does not concur with Governor to repeal. Instead, funds the program at \$1,000,000 GF/GP for FY 2017-18. Allocates \$100 to purchase statewide access to an additional online mathematics tool that is aligned to State standards, has teachers available at all times, and has a record of improving student math scores in at least five states.	
Sec. 99u - NEW Information Technology Opportunities	N/A	N/A	Appropriates \$2,300,000 GF/GP for the first of three years of funding for a competitive grant to provide information technology opportunities to students. The provider would be required to make instruction available on IT skills and competencies and provide certificates upon completion.	See House Sec. 64d.	
Sec. 102d Data Analytical Tools	Appropriates \$1,500,000 to provide reimbursement to districts and intermediate districts for the licensing of school data analytical tools. Reimbursement is made on a two-step process: 1) pay up to one-half of the cost for all districts and ISDs seeking reimbursement; 2) distribute any remaining funds on an equal per pupil basis.	Proposes to repeal the section.	Does not concur. Instead, funds the program at \$1,750,000 for FY 2017-18. Adds language allowing an ISD to be reimbursed for both an ISD-specific financial data tool as well as a tool purchased by the ISD for its constituent districts. Adds language clarifying that a district whose ISD provides a data analytics tool is not eligible for reimbursement of a separately-purchased tool.	Maintains current law appropriation of \$1,500,000 SAF for FY 2017-18; no language changes.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
<p>Sec. 104 Assessment Funding</p>	<p>Appropriates \$33,894,400 for FY 2016-17 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>Of the total funding, \$185,000 is earmarked for a kindergarten readiness assessment, and MDE is required to continue to make the KEA available to districts.</p>	<p>Reduces the appropriation by \$185,000 to \$33,709,400 for FY 2017-18. The reduction is for the elimination of the implementation of a kindergarten readiness assessment (subsection (4)).</p> <p>(7) Requires the Department to collaborate with CEPI to develop or select an online reporting tool for student-level assessment data, and ensure the data is made accessible alongside other education outcome data for use in professional development.</p>	<p>Does not concur. Instead, retains the kindergarten assessment and increases its total funding from \$185,000 to \$1,000,000. The total funding in the section for FY 2017-18 is appropriated at \$34,709,400.</p> <p>(4) \$1,000,000 is allocated for the implementation of a Michigan kindergarten entry observation tool that would be conducted in all kindergarten classrooms in Prosperity Regions 4, 5, and 9 in the Fall of 2017.</p> <p>(7) Retains current law, which earmarks \$3.2 million for the development or selection of an online reporting tool.</p>	<p>Concurs with Governor on appropriation of \$33,709,400 SAF and \$6,250,000 Federal in FY 2017-18.</p> <p>Concurs with Governor to eliminate the kindergarten readiness assessment.</p> <p>Concurs with Governor.</p> <p>(8) New language allocating \$1,000,000 for a pilot assessment of digital literacy preparation to ensure students have the skills required to take State online assessments.</p>	
<p>Sec. 104c – M-STEP</p>	<p>Requires 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</p>	<p>Adds new language as follows:</p> <p>(3)(n) Requires the department to begin the development and piloting or field-testing of English language arts and mathematics test content for the statewide use of</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>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 so that the tests can be implemented in the 2016-17 school year.</p>	<p>benchmark assessments up to three times per year (fall, winter, spring) for grades 3 to 8 beginning in 2018-19.</p>		<p>(4) New language requiring MDE to implement a request for information for a common formative assessment. MDE may use information compiled from a 2016-17 RFP to satisfy the requirement.</p>	
<p>Sec. 104d Computer-Adaptive Test</p>	<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</p>	<p>Proposes to repeal the section.</p>	<p>Does not concur.</p> <p>Instead, retains the section and increases funding by \$1,000,000 over the current year, for total funding of \$5,000,000 in FY 2017-18.</p>	<p>Does not concur.</p> <p>Instead, retains the section and funding of \$4,000,000 for FY 2017-18.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>provide immediate feedback to pupils and teachers.</p> <p>Reimbursement will be made on an equal per pupil basis, not to exceed the amount paid for the application, to districts that demonstrate to the satisfaction of the Department their eligible purchase by December 1, 2016.</p>				
<p>Sec. 107 Adult Education</p>	<p>Appropriates \$25,000,000 in FY 2016-17 for Adult Education programs.</p> <p>In 2015-16 and 2016-17, 67% of the total funding is awarded to ISDs based on the proportion of total funding 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 2017-18, 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 2018-19, 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</p>	<p>Continues the \$25,000,000 appropriation into FY 2017-18.</p>	<p>Increases funding by \$2,500,000, for total funding of \$27,500,000 for FY 2017-18.</p> <p>(19) The increase is earmarked for additional pilot projects in five prosperity regions that can quickly replicate the pilot project funded under subsection (15), with grants of \$500,000 for each additional project.</p> <p>Delays by one year the phase-in of the funding formula.</p>	<p>Concurs with Governor.</p>	

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	<p>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 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</p>				

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	<p>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>Payments are based on 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>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>				

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	(15) 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 in FY 2016-17 is the second of three years of funding, and requires an adult education navigator to serve as a caseworker for the pilot students.				
Sec. 147 Retirement Contribution Rate	<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. Years left in the amortization schedule decline to 22.</p>	<p>For FY 2017-18, the employer rates vary between 20.96% and 25.56% 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 32.28% and 36.88%.</p> <p>The amount under Section 147c represents State support of 11.32% of the unfunded accrued liability costs.</p> <p>Years left in the amortization schedule decline to 21.</p>	Concurs with Governor.	Concurs with Governor.	
Sec. 147a MPSERS Payment to Districts	<p>Appropriates \$100,000,000 from the FY 2016-17 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</p>	<p>(1) Continues the \$100,000,000 appropriation into FY 2017-18.</p> <p>(2) Adds a new subsection appropriating a further \$48,940,000 SAF and \$29,000 GF/GP to hold</p>	<p>(1) Deletes this funding and subsection. This money is used to provide a larger increase in the foundation allowance.</p> <p>(2) Concurs with Governor.</p>	<p>(1) Concurs with Governor.</p> <p>(2) Concurs with Governor.</p>	

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	averages to \$66 per pupil for eligible districts, but varies based on share of MPSERS payroll.	districts, intermediate districts, and libraries harmless from the increased normal cost due to the proposal to reduce the assumed rate of return from 8% to 7.5% over two years.			
Sec. 147c MPSERS Rate Cap	<p>Appropriates \$982,200,000 SAF and \$600,000 from GF/GP for FY 2016-17 to districts, intermediate districts, and libraries to pay for the costs of unfunded accrued liabilities above the statutory rate cap of 20.96%, pursuant to 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>	Appropriates \$960,130,000 SAF and \$654,000 GF/GP for FY 2017-18 to districts, intermediate districts, and libraries to pay for the costs of unfunded accrued liabilities above the statutory rate cap of 20.96%, pursuant to Section 41 of the MPSERS Act.	Concurs with Governor.	Concurs with Governor.	
Sec. 152a Adair Lawsuit: Data Collection Costs	FY 2016-7 appropriation of \$38,000,500 for the purpose of paying necessary costs related to the State-mandated collection, maintenance, and reporting of data.	FY 2017-18 appropriation remains at \$38,000,500.	Concurs with Governor.	Concurs with Governor.	
Sec. 152b Reimbursement for Nonpublic School Mandates	Includes \$2,500,000 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.	Proposes to repeal the section.	Does not concur with Governor. Instead, this section is funded at \$2,500,000 GF/GP for FY 2017-18.	<p>Does not concur with Governor. Instead, this section is funded at \$2,500,000 GF/GP for FY 2017-18.</p> <p>Revises to comply with State requirements for health, safety, and welfare of students.</p> <p>(2) Requires MDE to publish the form with each health, safety, or welfare requirement with a reference</p>	

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				<p>to the relevant statute or administrative rule, or both, by January 1, 2018.</p> <p>(10) Provides that the cost of taking attendance shall be considered a mandated requirement.</p> <p>(11) Adds \$250,000 for competitive grants to nonpublic schools to participate in FIRST Robotics and Science Olympiad.</p> <p>(12) Requires an eligible nonpublic school seeking funding under subsection (11) to establish a partnership with a sponsor, business entity, higher education provider, or technical school; submit a spending plan; and provide at least 25% of the program cost.</p>	
Sec. 160 - NEW Pre-Labor Day Waiver Public Hearing	N/A	N/A	Requires a district seeking a waiver to start school before Labor Day to hold a public hearing with the State Superintendent in the district.	N/A	
Sec. 164g - NEW Legal Action Against the State	N/A	N/A	N/A	Establishes a penalty in an amount equal to the amount spent if a district or ISD uses State funding to pay for an expense related to a legal action initiated by the district or ISD against the State.	
Sec. 164h - NEW Collective Bargaining Agreement Penalty	N/A	N/A	N/A	Establishes a penalty in an amount equal to 5% of a district or ISD's total State aid if it enters into a collective bargaining agreement that does any of the following: a) establishes racial or religious preferences	

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				<p>b) automatically deducts union dues from paychecks</p> <p>c) is in conflict with any State or Federal transparency laws</p> <p>d) uses a method of compensation that does not comply with MCL 380.1250.</p>	
Sec. 166b Nonpublic Part-Time Pupils	<p>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.</p> <p>(5) A workgroup (MDE, nonpublics, home schools, K-12s) was established for FY 2016-17 to examine the definition of part-time pupil and to clarify which courses are electives and which courses are 'core' classes.</p>	Removes subsection (5) that required the Department to establish a workgroup to examine the issue of providing a uniform definition of nonessential elective courses and provide a uniform definition of a part-time pupil for the purpose of this section.	Concurs with Governor.	Concurs with Governor.	
Repealers	N/A	Sections 11o, 11r, 20g, 21g, 22g, 25f, 25g, 31c, 31h, 31j, 32q, 55, 63, 65, 99t, 102d, 104d, and 152b are repealed.	Sections 11o, 11r, 20g, 21g, 31c, 31h, and 63 are repealed.	Sections 11o, 20g, 21, 31c, 31h, 31j, 32q, 35, 55, 63, 65, and 95a are repealed.	