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Fiscal Years 2023 and 2024
Executive Budget Recommendation
Education Omnibus

A bill to amend 1979 PA 94, entitled

"The state school aid act of 1979," by amending sections 3, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 20m, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31f, 31j, 31n, 31o, 31p, 32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 51f, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 98, 99h, 99s, 104, 104h, 107, 147, 147a, 147c, 147e, 152a, 201, 201e, 206, 207a, 207b, 207c, 209, 209a, 229a, 230, 236, 236b, 236c, 236i, 241, 245, 245a, 251, 252, 256, 259, 260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 275h, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1603, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620f, 388.1620m, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d,

1 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p,
2 388.1632d, 388.1632p, 388.1635a, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c,
3 388.1651d, 388.1651f, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656,
4 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674,
5 388.1681, 388.1694, 388.1694a, 388.1697, 388.1698, 388.1699h, 388.1699s, 388.1704,
6 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1801,
7 388.1801e, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1829a,
8 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836i, 388.1841, 388.1845, 388.1845a,
9 388.1851, 388.1852, 388.1856, 388.1859, 388.1860, 388.1863, 388.1864, 388.1865, 388.1865a,
10 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870c, 388.1875h, 388.1876, 388.1877,
11 388.1878, 388.1879, 388.1880, 388.1881, 388.1882), sections 3 as amended by 2020 PA 165,
12 sections 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d,
13 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 39,
14 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81,
15 94, 94a, 98, 99h, 99s, 104, 107, 147, 147a, 147c, 147e, and 152a as amended and sections
16 20m, 22c, 26d, 31o, 31p, 51g, 97, and 104h as added by 2021 PA 48, sections 201, 206, 207a,
17 207b, 207c, 209, 209a, 229a, 230, 236, 236b, 236c, 241, 245, 245a, 256, 259, 260, 263, 264,
18 265, 265b, 267, 268, 269, 270c, 275h, 276, 277, 278, 279, 280, 281, and 282 as amended and
19 201e and 236i as added by 2021 PA 86, sections 251 and 252 as amended by 2019 PA 162, and
20 section 265a as amended by 2019 PA 62, and by adding sections 11y, 27a, 27d, 32n, 32s, 97b,
21 226e, and 236k; and to repeal acts and parts of acts.

22
23 Article I

24
25 STATE AID TO PUBLIC SCHOOLS, EARLY CHILDHOOD, AND ADULT EDUCATION

26
27 Sec. 3. (1) "Average daily attendance", for the purposes of complying with federal
28 law, means 92% of the pupils counted in membership on the pupil membership count day, as
29 defined in section 6(7).

30 (2) "Board" means the governing body of a district or public school academy.

31 (3) "Center" means the center for educational performance and information created in
32 section 94a.

1 (4) "Community district" means a school district organized under part 5b of the
2 revised school code.

3 (5) "Cooperative education program" means a written voluntary agreement between and
4 among districts to provide certain educational programs for pupils in certain groups of
5 districts. The written agreement must be approved by all affected districts at least
6 annually and must specify the educational programs to be provided and the estimated number
7 of pupils from each district who will participate in the educational programs.

8 (6) "Department", except as otherwise provided in this article, means the department
9 of education.

10 (7) "District" means a local school district established under the revised school
11 code or, except in sections 6(4), 6(6), **11x, 11y**, 13, 20, 22a, 22p, 31a, 51a(14), 105,
12 105c, and 166b, a public school academy. Except in section 20, district also includes a
13 community district.

14 (8) "District of residence", except as otherwise provided in this subsection, means
15 the district in which a pupil's custodial parent or parents or legal guardian resides. For
16 a pupil described in section 24b, the pupil's district of residence is the district in
17 which the pupil enrolls under that section. For a pupil described in section 6(4)(d), the
18 pupil's district of residence is considered to be the district or intermediate district in
19 which the pupil is counted in membership under that section. For a pupil under court
20 jurisdiction who is placed outside the district in which the pupil's custodial parent or
21 parents or legal guardian resides, the pupil's district of residence is considered to be
22 the educating district or educating intermediate district.

23 (9) "District superintendent" means the superintendent of a district or the chief
24 administrator of a public school academy.

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

1 district or serves several districts with less than 50% of the pupils residing in the
2 operating district. In addition, special education center program pupils placed part-time
3 in noncenter programs to comply with the least restrictive environment provisions of
4 section 1412 of the individuals with disabilities education act, 20 USC 1412, may be
5 considered center program pupils for pupil accounting purposes for the time scheduled in
6 either a center program or a noncenter program.

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

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

14 (4) "Membership", except as otherwise provided in this subsection or this article,
15 means for a district, a public school academy, or an intermediate district the sum of the
16 product of .90 times the number of full-time equated pupils in grades K to 12 actually
17 enrolled and in regular daily attendance in the district, public school academy, or
18 intermediate district on the pupil membership count day for the current school year, plus
19 the product of .10 times the final audited count from the supplemental count day of full-
20 time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in
21 the district, public school academy, or intermediate district for the immediately preceding
22 school year. A district's, public school academy's, or intermediate district's membership
23 is adjusted as provided under section 25e for pupils who enroll after the pupil membership
24 count day in a strict discipline academy operating under sections 1311b to 1311m of the
25 revised school code, MCL 380.1311b to 380.1311m. ~~For 2021-2022 only, membership means for a~~
26 ~~district, a public school academy, or an intermediate district, the sum of the product of~~
27 ~~.90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in~~
28 ~~regular daily attendance in the district, public school academy, or intermediate district~~
29 ~~on the pupil membership count day for the current school year and the product of .10 times~~
30 ~~the final audited count of the number of full-time equated pupils engaged in pandemic~~
31 ~~learning for spring 2021, or, for a public school academy that operates as a cyber school,~~
32 ~~as that term is defined in section 551 of the revised school code, MCL 380.551, the final~~

1 ~~audited count from the supplemental count day of full-time equated pupils in grades K to 12~~
2 ~~actually enrolled and in regular daily attendance in the public school academy for the~~
3 ~~immediately preceding school year.~~ All pupil counts used in this subsection are as
4 determined by the department and calculated by adding the number of pupils registered for
5 attendance plus pupils received by transfer and minus pupils lost as defined by rules
6 promulgated by the superintendent, and as corrected by a subsequent department audit. The
7 amount of the foundation allowance for a pupil in membership is determined under section
8 20. In making the calculation of membership, all of the following, as applicable, apply to
9 determining the membership of a district, a public school academy, or an intermediate
10 district:

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

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

22 (c) A special education pupil educated by the intermediate district is counted in
23 membership in the intermediate district.

24 (d) A pupil placed by a court or state agency in an on-grounds program of a juvenile
25 detention facility, a child caring institution, or a mental health institution, or a pupil
26 funded under section 53a, is counted in membership in the district or intermediate district
27 approved by the department to operate the program.

28 (e) A pupil enrolled in the Michigan Schools for the Deaf and Blind is counted in
29 membership in the pupil's intermediate district of residence.

30 (f) A pupil enrolled in a career and technical education program supported by a
31 millage levied over an area larger than a single district or in an area vocational-
32 technical education program established under section 690 of the revised school code, MCL

1 380.690, is counted in membership only in the pupil's district of residence.

2 (g) A pupil enrolled in a public school academy is counted in membership in the
3 public school academy.

4 (h) For the purposes of this section and section 6a, for a cyber school, as that term
5 is defined in section 551 of the revised school code, MCL 380.551, that is in compliance
6 with section 553a of the revised school code, MCL 380.553a, a pupil's participation in the
7 cyber school's educational program is considered regular daily attendance, and for a
8 district or public school academy, a pupil's participation in a virtual course as that term
9 is defined in section 21f is considered regular daily attendance. For the purposes of this
10 subdivision, for a pupil enrolled in a cyber school and utilizing sequential learning,
11 participation means that term as defined in the pupil accounting manual, section 5-O-D:
12 requirements for counting pupils in membership-subsection 10.

13 (i) For a new district or public school academy beginning its operation after
14 December 31, 1994, membership for the first 2 full or partial fiscal years of operation is
15 determined as follows:

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

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

29 (j) If a district is the authorizing body for a public school academy, then, in the
30 first school year in which pupils are counted in membership on the pupil membership count
31 day in the public school academy, the determination of the district's membership excludes

1 from the district's pupil count for the immediately preceding supplemental count day any
2 pupils who are counted in the public school academy on that first pupil membership count
3 day who were also counted in the district on the immediately preceding supplemental count
4 day.

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

8 (l) To be counted in membership, a pupil must meet the minimum age requirement to be
9 eligible to attend school under section 1147 of the revised school code, MCL 380.1147, or
10 must be enrolled under subsection (3) of that section, and must be less than 20 years of
11 age on September 1 of the school year except as follows:

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

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

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

21 (B) Had dropped out of school.

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

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

29 (m) An individual who has achieved a high school diploma is not counted in
30 membership. An individual who has achieved a high school equivalency certificate is not
31 counted in membership unless the individual is a student with a disability as that term is

1 defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a
2 job training program funded under former section 107a or a jobs program funded under former
3 section 107b, administered by the department of labor and economic opportunity, or
4 participating in any successor of either of those 2 programs, is not counted in membership.

5 (n) If a pupil counted in membership in a public school academy is also educated by a
6 district or intermediate district as part of a cooperative education program, the pupil is
7 counted in membership only in the public school academy unless a written agreement signed
8 by all parties designates the party or parties in which the pupil is counted in membership,
9 and the instructional time scheduled for the pupil in the district or intermediate district
10 is included in the full-time equated membership determination under subdivision (q) and
11 section 101. However, for pupils receiving instruction in both a public school academy and
12 in a district or intermediate district but not as a part of a cooperative education
13 program, the following apply:

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

21 (ii) If the public school academy provides instruction for less than 1/2 of the class
22 hours required under section 101, the district or intermediate district providing the
23 remainder of the hours of instruction receives as its prorated share of the full-time
24 equated membership for each of those pupils an amount equal to 1 times the product of the
25 hours of instruction the district or intermediate district provides divided by the number
26 of hours required under section 101 for full-time equivalency, and the remainder of the
27 full-time membership for each of those pupils is allocated to the public school academy.

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

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

3 (q) The number of class hours used to calculate full-time equated memberships must be
4 consistent with section 101. In determining full-time equated memberships for pupils who
5 are enrolled in a postsecondary institution or for pupils engaged in an internship or work
6 experience under section 1279h of the revised school code, MCL 380.1279h, a pupil is not
7 considered to be less than a full-time equated pupil solely because of the effect of his or
8 her postsecondary enrollment or engagement in the internship or work experience, including
9 necessary travel time, on the number of class hours provided by the district to the pupil.

10 (r) Full-time equated memberships for pupils in kindergarten are determined by
11 dividing the number of instructional hours scheduled and provided per year per kindergarten
12 pupil by the same number used for determining full-time equated memberships for pupils in
13 grades 1 to 12. However, to the extent allowable under federal law, for a district or
14 public school academy that provides evidence satisfactory to the department that it used
15 federal title I money in the 2 immediately preceding school fiscal years to fund full-time
16 kindergarten, full-time equated memberships for pupils in kindergarten are determined by
17 dividing the number of class hours scheduled and provided per year per kindergarten pupil
18 by a number equal to 1/2 the number used for determining full-time equated memberships for
19 pupils in grades 1 to 12. The change in the counting of full-time equated memberships for
20 pupils in kindergarten that took effect for 2012-2013 is not a mandate.

21 (s) For a district or a public school academy that has pupils enrolled in a grade
22 level that was not offered by the district or public school academy in the immediately
23 preceding school year, the number of pupils enrolled in that grade level to be counted in
24 membership is the average of the number of those pupils enrolled and in regular daily
25 attendance on the pupil membership count day and the supplemental count day of the current
26 school year. Membership is calculated by adding the number of pupils registered for
27 attendance in that grade level on the pupil membership count day plus pupils received by
28 transfer and minus pupils lost as defined by rules promulgated by the superintendent, and
29 as corrected by subsequent department audit, plus the final audited count from the
30 supplemental count day for the current school year, and dividing that sum by 2.

31 (t) A pupil enrolled in a cooperative education program may be counted in membership
32 in the pupil's district of residence with the written approval of all parties to the

1 cooperative agreement.

2 (u) If, as a result of a disciplinary action, a district determines through the
3 district's alternative or disciplinary education program that the best instructional
4 placement for a pupil is in the pupil's home or otherwise apart from the general school
5 population, if that placement is authorized in writing by the district superintendent and
6 district alternative or disciplinary education supervisor, and if the district provides
7 appropriate instruction as described in this subdivision to the pupil at the pupil's home
8 or otherwise apart from the general school population, the district may count the pupil in
9 membership on a pro rata basis, with the proration based on the number of hours of
10 instruction the district actually provides to the pupil divided by the number of hours
11 required under section 101 for full-time equivalency. For the purposes of this subdivision,
12 a district is considered to be providing appropriate instruction if all of the following
13 are met:

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

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

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

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

22 (v) If a pupil was enrolled in a public school academy on the pupil membership count
23 day, if the public school academy's contract with its authorizing body is revoked or the
24 public school academy otherwise ceases to operate, and if the pupil enrolls in a district
25 within 45 days after the pupil membership count day, the department shall adjust the
26 district's pupil count for the pupil membership count day to include the pupil in the
27 count.

28 (w) For a public school academy that has been in operation for at least 2 years and
29 that suspended operations for at least 1 semester and is resuming operations, membership is
30 the sum of the product of .90 times the number of full-time equated pupils in grades K to
31 12 actually enrolled and in regular daily attendance on the first pupil membership count

1 day or supplemental count day, whichever is first, occurring after operations resume, plus
2 the product of .10 times the final audited count from the most recent pupil membership
3 count day or supplemental count day that occurred before suspending operations, as
4 determined by the superintendent.

5 (x) If a district's membership for a particular fiscal year, as otherwise calculated
6 under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer
7 pupils per square mile, as determined by the department, and the district does not receive
8 funding under section 22d(2), the district's membership is considered to be the membership
9 figure calculated under this subdivision. If a district educates and counts in its
10 membership pupils in grades 9 to 12 who reside in a contiguous district that does not
11 operate grades 9 to 12 and if 1 or both of the affected districts request the department to
12 use the determination allowed under this sentence, the department shall include the square
13 mileage of both districts in determining the number of pupils per square mile for each of
14 the districts for the purposes of this subdivision. If a district has established a
15 community engagement advisory committee in partnership with the department of treasury, is
16 required to submit a deficit elimination plan or an enhanced deficit elimination plan under
17 section 1220 of the revised school code, MCL 380.1220, and is located in a city with a
18 population between 9,000 and 11,000, as determined by the department, that is in a county
19 with a population between 150,000 and 160,000, as determined by the department, the
20 district's membership is considered to be the membership figure calculated under this
21 subdivision. The membership figure calculated under this subdivision is the greater of the
22 following:

23 (i) The average of the district's membership for the 3-fiscal-year period ending with
24 that fiscal year, calculated by adding the district's actual membership for each of those 3
25 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those
26 3 membership figures by 3.

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

29 (y) Full-time equated memberships for special education pupils who are not enrolled
30 in kindergarten but are enrolled in a classroom program under R 340.1754 of the Michigan
31 Administrative Code are determined by dividing the number of class hours scheduled and

1 provided per year by 450. Full-time equated memberships for special education pupils who
2 are not enrolled in kindergarten but are receiving early childhood special education
3 services under R 340.1755 or R 340.1862 of the Michigan Administrative Code are determined
4 by dividing the number of hours of service scheduled and provided per year per pupil by
5 180.

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

10 (aa) For the first year in which a pupil is counted in membership on the pupil
11 membership count day in a middle college program, the membership is the average of the
12 full-time equated membership on the pupil membership count day and on the supplemental
13 count day for the current school year, as determined by the department. If a pupil
14 described in this subdivision was counted in membership by the operating district on the
15 immediately preceding supplemental count day, the pupil is excluded from the district's
16 immediately preceding supplemental count for the purposes of determining the district's
17 membership.

18 (bb) A district or public school academy that educates a pupil who attends a United
19 States Olympic Education Center may count the pupil in membership regardless of whether or
20 not the pupil is a resident of this state.

21 (cc) A pupil enrolled in a district other than the pupil's district of residence
22 under section 1148(2) of the revised school code, MCL 380.1148, is counted in the educating
23 district.

24 (dd) For a pupil enrolled in a dropout recovery program that meets the requirements
25 of section 23a, the pupil is counted as 1/12 of a full-time equated membership for each
26 month that the district operating the program reports that the pupil was enrolled in the
27 program and was in full attendance. However, if the special membership counting provisions
28 under this subdivision and the operation of the other membership counting provisions under
29 this subsection result in a pupil being counted as more than 1.0 FTE in a fiscal year, the
30 payment made for the pupil under sections 22a and 22b must not be based on more than 1.0
31 FTE for that pupil, and any portion of an FTE for that pupil that exceeds 1.0 is instead
32 paid under section 25g. The district operating the program shall report to the center the

1 number of pupils who were enrolled in the program and were in full attendance for a month
2 not later than 30 days after the end of the month. A district shall not report a pupil as
3 being in full attendance for a month unless both of the following are met:

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

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

12 (ee) A pupil participating in a virtual course under section 21f is counted in
13 membership in the district enrolling the pupil.

14 (ff) If a public school academy that is not in its first or second year of operation
15 closes at the end of a school year and does not reopen for the next school year, the
16 department shall adjust the membership count of the district or other public school academy
17 in which a former pupil of the closed public school academy enrolls and is in regular daily
18 attendance for the next school year to ensure that the district or other public school
19 academy receives the same amount of membership aid for the pupil as if the pupil were
20 counted in the district or other public school academy on the supplemental count day of the
21 preceding school year.

22 (gg) If a special education pupil is expelled under section 1311 or 1311a of the
23 revised school code, MCL 380.1311 and 380.1311a, and is not in attendance on the pupil
24 membership count day because of the expulsion, and if the pupil remains enrolled in the
25 district and resumes regular daily attendance during that school year, the district's
26 membership is adjusted to count the pupil in membership as if he or she had been in
27 attendance on the pupil membership count day.

28 (hh) A pupil enrolled in a community district is counted in membership in the
29 community district.

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

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

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

9 (ii) The course in which the pupil is enrolled would meet the definition of an
10 eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
11 388.524, if the course were provided by an eligible postsecondary institution under that
12 act.

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

18 (iv) The district or public school academy pays for a portion of the pupil's tuition
19 at the college or university in an amount equal to the eligible charges that the district
20 or public school academy would pay to an eligible postsecondary institution under the
21 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, as if the course
22 were an eligible course under that act.

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

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

30 (ll) If a district's or public school academy's membership for a particular fiscal
31 year, as otherwise calculated under this subsection, includes pupils counted in membership

1 who are enrolled under section 166b, all of the following apply for the purposes of this
2 subdivision:

3 (i) If the district's or public school academy's membership for pupils counted under
4 section 166b equals or exceeds 5% of the district's or public school academy's membership
5 for pupils not counted in membership under section 166b in the immediately preceding fiscal
6 year, then the growth in the district's or public school academy's membership for pupils
7 counted under section 166b must not exceed 10%.

8 (ii) If the district's or public school academy's membership for pupils counted under
9 section 166b is less than 5% of the district's or public school academy's membership for
10 pupils not counted in membership under section 166b in the immediately preceding fiscal
11 year, then the district's or public school academy's membership for pupils counted under
12 section 166b must not exceed the greater of the following:

13 (A) 5% of the district's or public school academy's membership for pupils not counted
14 in membership under section 166b.

15 (B) 10% more than the district's or public school academy's membership for pupils
16 counted under section 166b in the immediately preceding fiscal year.

17 (iii) If 1 or more districts consolidate or are parties to an annexation, then the
18 calculations under subparagraphs (i) and (ii) must be applied to the combined total
19 membership for pupils counted in those districts for the fiscal year immediately preceding
20 the consolidation or annexation.

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

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

27 (a) A nonpublic part-time pupil enrolled in grades K to 12 in accordance with section
28 166b.

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

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

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

3 (e) A pupil who has made an official written complaint or whose parent or legal
4 guardian has made an official written complaint to law enforcement officials and to school
5 officials of the pupil's district of residence that the pupil has been the victim of a
6 criminal sexual assault or other serious assault, if the official complaint either
7 indicates that the assault occurred at school or that the assault was committed by 1 or
8 more other pupils enrolled in the school the pupil would otherwise attend in the district
9 of residence or by an employee of the district of residence. A person who intentionally
10 makes a false report of a crime to law enforcement officials for the purposes of this
11 subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL
12 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

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

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

20 (f) A pupil whose district of residence changed after the pupil membership count day
21 and before the supplemental count day and who continues to be enrolled on the supplemental
22 count day as a nonresident in the district in which he or she was enrolled as a resident on
23 the pupil membership count day of the same school year.

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

26 (i) The pupil has been suspended or expelled from his or her district of residence
27 for any reason, including, but not limited to, a suspension or expulsion under section
28 1310, 1311, or 1311a of the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

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

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

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

1 (h) A pupil enrolled in the Michigan Virtual School, for the pupil's enrollment in
2 the Michigan Virtual School.

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

7 (j) An expelled pupil who has been denied reinstatement by the expelling district and
8 is reinstated by another school board under section 1311 or 1311a of the revised school
9 code, MCL 380.1311 and 380.1311a.

10 (k) A pupil enrolled in a district other than the pupil's district of residence in a
11 middle college program if the pupil's district of residence and the enrolling district are
12 both constituent districts of the same intermediate district.

13 (l) A pupil enrolled in a district other than the pupil's district of residence who
14 attends a United States Olympic Education Center.

15 (m) A pupil enrolled in a district other than the pupil's district of residence under
16 section 1148(2) of the revised school code, MCL 380.1148.

17 (n) A pupil who enrolls in a district other than the pupil's district of residence as
18 a result of the pupil's school not making adequate yearly progress under the no child left
19 behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-
20 95.

21 However, if a district educates pupils who reside in another district and if the
22 primary instructional site for those pupils is established by the educating district after
23 2009-2010 and is located within the boundaries of that other district, the educating
24 district must have the approval of that other district to count those pupils in membership.

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

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

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

1 (i) Fourth Wednesday in July.

2 (ii) First Wednesday in October.

3 (iii) Second Wednesday in February.

4 (iv) Fourth Wednesday in April.

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

6 means pupils in grades K to 12 in attendance and receiving instruction in all classes for
7 which they are enrolled on the pupil membership count day or the supplemental count day, as
8 applicable. Except as otherwise provided in this subsection, a pupil who is absent from any
9 of the classes in which the pupil is enrolled on the pupil membership count day or
10 supplemental count day and who does not attend each of those classes during the 10
11 consecutive school days immediately following the pupil membership count day or
12 supplemental count day, except for a pupil who has been excused by the district, is not
13 counted as 1.0 full-time equated membership. A pupil who is excused from attendance on the
14 pupil membership count day or supplemental count day and who fails to attend each of the
15 classes in which the pupil is enrolled within 30 calendar days after the pupil membership
16 count day or supplemental count day is not counted as 1.0 full-time equated membership. In
17 addition, a pupil who was enrolled and in attendance in a district, intermediate district,
18 or public school academy before the pupil membership count day or supplemental count day of
19 a particular year but was expelled or suspended on the pupil membership count day or
20 supplemental count day is only counted as 1.0 full-time equated membership if the pupil
21 resumed attendance in the district, intermediate district, or public school academy within
22 45 days after the pupil membership count day or supplemental count day of that particular
23 year. A pupil not counted as 1.0 full-time equated membership due to an absence from a
24 class is counted as a prorated membership for the classes the pupil attended. For purposes
25 of this subsection, "class" means ~~either of the following, as applicable:~~

26 ~~(a) A a period of time in 1 day when pupils and an individual who is appropriately~~
27 ~~placed under a valid certificate, substitute permit, authorization, or approval issued by~~
28 ~~the department, are together and instruction is taking place. This subdivision does not~~
29 ~~apply for the 2020-2021 and 2021-2022 school years.~~

30 ~~(b) For the 2020-2021 and 2021-2022 school years only, a period of time in 1 day when~~
31 ~~pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the~~

1 ~~revised school code, MCL 380.1233b, or an individual working under a valid substitute~~
2 ~~permit, authorization, or approval issued by the department are together and instruction is~~
3 ~~taking place.~~

4 ~~(9) "Pupils engaged in pandemic learning for spring 2021" means that term as defined~~
5 ~~in section 6a.~~

6 (9) ~~(10)~~ "Rule" means a rule promulgated pursuant to the administrative procedures
7 act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

8 (10) ~~(11)~~ "The revised school code" means the revised school code, 1976 PA 451, MCL
9 380.1 to 380.1852.

10 (11) ~~(12)~~ "School district of the first class", "first class school district", and
11 "district of the first class" mean, for the purposes of this article only, a district that
12 had at least 40,000 pupils in membership for the immediately preceding fiscal year.

13 (12) ~~(13)~~ "School fiscal year" means a fiscal year that commences July 1 and
14 continues through June 30.

15 (13) ~~(14)~~ "State board" means the state board of education.

16 (14) ~~(15)~~ "Superintendent", unless the context clearly refers to a district or
17 intermediate district superintendent, means the superintendent of public instruction
18 described in section 3 of article VIII of the state constitution of 1963.

19 (15) ~~(16)~~ "Supplemental count day" means the day on which the supplemental pupil
20 count is conducted under section 6a. ~~or the day specified as supplemental count day under~~
21 ~~section 6a.~~

22 (16) ~~(17)~~ "Tuition pupil" means a pupil of school age attending school in a district
23 other than the pupil's district of residence for whom tuition may be charged to the
24 district of residence. Tuition pupil does not include a pupil who is a special education
25 pupil, a pupil described in subsection (6) (d) to (n), or a pupil whose parent or guardian
26 voluntarily enrolls the pupil in a district that is not the pupil's district of residence.
27 A pupil's district of residence shall not require a high school tuition pupil, as provided
28 under section 111, to attend another school district after the pupil has been assigned to a
29 school district.

30 (17) ~~(18)~~ "State school aid fund" means the state school aid fund established in
31 section 11 of article IX of the state constitution of 1963.

32 (18) ~~(19)~~ "Taxable value" means, except as otherwise provided in this article, the

1 taxable value of property as determined under section 27a of the general property tax act,
2 1893 PA 206, MCL 211.27a.

3 (19) ~~(20)~~-"Textbook" means a book, electronic book, or other instructional print or
4 electronic resource that is selected and approved by the governing board of a district and
5 that contains a presentation of principles of a subject, or that is a literary work
6 relevant to the study of a subject required for the use of classroom pupils, or another
7 type of course material that forms the basis of classroom instruction.

8 (20) ~~(21)~~-"Total state aid" or "total state school aid", except as otherwise provided
9 in this article, means the total combined amount of all funds due to a district,
10 intermediate district, or other entity under this article.

11 Sec. 6a. ~~(1)~~-Except as otherwise provided in this ~~subsection and this act~~, in
12 addition to the pupil membership count day, there is a supplemental pupil count of the
13 number of full-time equated pupils in grades K-12 actually enrolled and in regular daily
14 attendance in a district or intermediate district on the second Wednesday in February or,
15 for a district that is not in session on that day due to conditions not within the control
16 of school authorities, with the approval of the superintendent, the immediately following
17 day on which the district is in session. ~~, but, for 2020-2021 only, in addition to the~~
18 ~~pupil membership count day, there is a supplemental pupil count of the number of full-time~~
19 ~~equated pupils engaged in pandemic learning for spring 2021 or, for a district that~~
20 ~~operates as a cyber school, as that term is defined in section 551 of the revised school~~
21 ~~code, MCL 380.551, the number of full-time equated pupils in grades K to 12 actually~~
22 ~~enrolled and in regular attendance in the district on 2020-2021 supplemental count day. For~~
23 ~~the purposes of this act, and except as otherwise provided in this subsection, the day on~~
24 ~~which the supplemental pupil count is conducted is the supplemental count day. For 2020-~~
25 ~~2021, for purposes of this act, and except as otherwise specifically provided in this~~
26 ~~article, supplemental count day is the second Wednesday in February or, for a district that~~
27 ~~is not in session on that day due to conditions not within the control of school~~
28 ~~authorities, with the approval of the superintendent, the immediately following day on~~
29 ~~which the district is in session. A district is considered to be in session for purposes of~~
30 ~~this subsection when the district is providing pupil instruction pursuant to an extended~~
31 ~~COVID-19 learning plan approved under section 98a.~~

32 ~~(2) As used in this section, "pupils engaged in pandemic learning for spring 2021"~~

1 means pupils in grades K to 12 who are enrolled in a district, excluding a district that
2 operates as a cyber school, as that term is defined in section 551 of the revised school
3 code, MCL 380.551, or intermediate district and to which any of the following apply:

4 ~~(a) For a pupil who is not learning sequentially, any of the following occurs for~~
5 ~~each of the pupil's scheduled courses:~~

6 ~~(i) The pupil attends a live lesson from the pupil's teacher or at least 1 of the~~
7 ~~pupil's teachers on 2020-2021 supplemental count day.~~

8 ~~(ii) The pupil logs into an online or virtual lesson or lesson activity on 2020-2021~~
9 ~~supplemental count day and the login can be documented by the district or intermediate~~
10 ~~district.~~

11 ~~(iii) The pupil and the pupil's teacher or at least 1 of the pupil's teachers engage~~
12 ~~in a subject-oriented telephone conversation on 2020-2021 supplemental count day.~~

13 ~~(iv) The district or intermediate district documents that an email dialogue occurred~~
14 ~~between the pupil and the pupil's teacher or at least 1 of the pupil's teachers on 2020-~~
15 ~~2021 supplemental count day.~~

16 ~~(b) For a pupil who is using sequential learning, any of the following occurs for~~
17 ~~each of the pupil's scheduled courses:~~

18 ~~(i) The pupil attends a virtual course where synchronous, live instruction occurs~~
19 ~~with the pupil's teacher or at least 1 of the pupil's teachers on 2020-2021 supplemental~~
20 ~~count day and the attendance is documented by the district or intermediate district.~~

21 ~~(ii) The pupil completes a course assignment on 2020-2021 supplemental count day and~~
22 ~~the completion is documented by the district or intermediate district.~~

23 ~~(iii) The pupil completes a course lesson or lesson activity on 2020-2021 supplemental~~
24 ~~count day and the completion is documented by the district or intermediate district.~~

25 ~~(iv) The pupil accesses an ongoing lesson that is not a login on 2020-2021~~
26 ~~supplemental count day and the access is documented by the district or intermediate~~
27 ~~district.~~

28 ~~(c) At a minimum, 1 2-way interaction has occurred between the pupil and the pupil's~~
29 ~~teacher or at least 1 of the pupil's teachers or another district employee who has~~
30 ~~responsibility for the pupil's learning, grade progression, or academic progress during the~~
31 ~~week on which 2020-2021 supplemental count day falls and during each week for the 3~~

1 ~~consecutive weeks after the week on which 2020-2021 supplemental count day falls. A~~
2 ~~district may utilize 2-way interactions that occur under this subdivision toward meeting~~
3 ~~the requirement under section 101(3)(h). As used in this subdivision:~~

4 ~~(i) "2-way interaction" means a communication that occurs between a pupil and the~~
5 ~~pupil's teacher or at least 1 of the pupil's teachers or another district employee who has~~
6 ~~responsibility for the pupil's learning, grade progression, or academic progress, where 1~~
7 ~~party initiates communication and a response from the other party follows that~~
8 ~~communication, and that is relevant to course progress or course content for at least 1 of~~
9 ~~the courses in which the pupil is enrolled or relevant to the pupil's overall academic~~
10 ~~progress or grade progression. Responses, as described in this subparagraph, must be to~~
11 ~~communication initiated by the teacher, by another district employee who has responsibility~~
12 ~~for the pupil's learning, grade progression, or academic progress, or by the pupil, and not~~
13 ~~some other action taken. The communication described in this subparagraph may occur~~
14 ~~through, but is not limited to, any of the following means:~~

15 ~~(A) Email.~~

16 ~~(B) Telephone.~~

17 ~~(C) Instant messaging.~~

18 ~~(D) Face-to-face conversation.~~

19 ~~(ii) "Week" means a period beginning on Wednesday and ending on the following Tuesday.~~

20 ~~(d) The pupil has not participated or completed an activity described in subdivision~~
21 ~~(a), (b), or (c) and the pupil was not excused from participation or completion, but the~~
22 ~~pupil participates in or completes an activity described in subdivision (a) or (b) during~~
23 ~~the 10 consecutive school days immediately following the 2020-2021 supplemental count day.~~

24 ~~(e) The pupil has not participated or completed an activity described in subdivision~~
25 ~~(a), (b), or (c) and the pupil was excused from participation or completion, but the pupil~~
26 ~~participates in or completes an activity described in subdivision (a) or (b) during the 30~~
27 ~~calendar days immediately following the 2020-2021 supplemental count day.~~

28 ~~(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in~~
29 ~~regular daily attendance.~~

30 ~~Sec. 11. (1) For the fiscal year ending September 30, 2021, there is appropriated for~~
31 ~~the public schools of this state and certain other state purposes relating to education the~~

1 ~~sum of \$13,715,807,900.00 from the state school aid fund, the sum of \$54,464,600.00 from~~
2 ~~the general fund, an amount not to exceed \$79,800,000.00 from the community district~~
3 ~~education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489,~~
4 ~~MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund. For~~
5 the fiscal year ending September 30, ~~2022~~, **2023**, there is appropriated for the public
6 schools of this state and certain other state purposes relating to education the sum of
7 ~~\$14,797,232,100.00~~ **\$15,814,595,600.00** from the state school aid fund, the sum of
8 ~~\$85,400,000.00~~ **\$108,200,000.00** from the general fund, **an amount not to exceed**
9 **\$170,000,000.00 from the school infrastructure fund**, an amount not to exceed \$72,000,000.00
10 from the community district education trust fund created under section 12 of the Michigan
11 trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water
12 emergency reserve fund. In addition, all available federal funds are only appropriated as
13 allocated in this article for the fiscal years ending September 30, ~~2021~~**2022** and September
14 30, ~~2022~~**2023**.

15 (2) The appropriations under this section are allocated as provided in this article.
16 Money appropriated under this section from the general fund must be expended to fund the
17 purposes of this article before the expenditure of money appropriated under this section
18 from the state school aid fund.

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

22 Sec. 11a. (1) The school aid stabilization fund is created as a separate account
23 within the state school aid fund.

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

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

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

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

31 (3) Money available in the school aid stabilization fund may not be expended without
32 a specific appropriation from the school aid stabilization fund. Money in the school aid

1 stabilization fund must be expended only for purposes for which state school aid fund money
2 may be expended.

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

6 (5) Money in the school aid stabilization fund at the close of a fiscal year remains
7 in the school aid stabilization fund and does not lapse to the unreserved school aid fund
8 balance or the general fund.

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

19 (7) For ~~2021-2022~~, **2022-2023**, in addition to the appropriations in section 11, there
20 is appropriated from the school aid stabilization fund to the state school aid fund the
21 amount necessary to fully fund the allocations under this article.

22 Sec. 11j. From the state school aid fund money appropriated in section 11, there is
23 allocated an amount not to exceed \$111,000,000.00 for ~~2021-2022~~ **2022-2023** for payments to
24 the school loan bond redemption fund in the department of treasury on behalf of districts
25 and intermediate districts. Notwithstanding section 296 or any other provision of this act,
26 funds allocated under this section are not subject to proration and must be paid in full.

27 Sec. 11k. For ~~2021-2022~~, **2022-2023**, there is appropriated from the general fund to
28 the school loan revolving fund an amount equal to the amount of school bond loans assigned
29 to the Michigan finance authority, not to exceed the total amount of school bond loans held
30 in reserve as long-term assets. As used in this section, "school loan revolving fund" means
31 that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL

32 141.1066c.

1 Sec. 11m. From the state school aid fund money appropriated in section 11, there is
2 allocated for ~~2020-2021 an amount not to exceed \$8,700,000.00 and there is allocated for~~
3 ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$9,500,000.00~~ **\$10,400,000.00** for fiscal year
4 cash-flow borrowing costs solely related to the state school aid fund established under
5 section 11 of article IX of the state constitution of 1963.

6 Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there
7 is allocated \$5,000,000.00 for ~~2021-2022-2022-2023~~ and from the general fund money
8 appropriated in section 11, there is allocated \$3,075,000.00 for ~~2021-2022-2022-2023~~ for
9 the purpose of providing services and programs to children who reside within the boundaries
10 of a district with the majority of its territory located within the boundaries of a city
11 for which an executive proclamation of emergency concerning drinking water is issued in the
12 current or immediately preceding ~~6-7~~ fiscal years under the emergency management act, 1976
13 PA 390, MCL 30.401 to 30.421. From the funding appropriated in section 11, there is
14 allocated for ~~2021-2022-2022-2023~~ \$100.00 from the water emergency reserve fund for the
15 purposes of this section.

16 (2) From the general fund money allocated in subsection (1), there is allocated to a
17 district with the majority of its territory located within the boundaries of a city for
18 which an executive proclamation of emergency concerning drinking water is issued in the
19 current or immediately preceding ~~6-7~~ fiscal years and that has at least 4,500 pupils in
20 membership for the 2016-2017 fiscal year or has at least ~~3,000-2,900~~ **2,900** pupils in membership
21 for a fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2021-2022~~
22 **2022-2023** for the purpose of employing school nurses, classroom aides, and school social
23 workers. The district shall provide a report to the department in a form, manner, and
24 frequency prescribed by the department. The department shall provide a copy of that report
25 to the governor, the house and senate school aid subcommittees, the house and senate fiscal
26 agencies, and the state budget director within 5 days after receipt. The report must
27 provide at least the following information:

- 28 (a) How many personnel were hired using the funds allocated under this subsection.
- 29 (b) A description of the services provided to pupils by those personnel.
- 30 (c) How many pupils received each type of service identified in subdivision (b).
- 31 (d) Any other information the department considers necessary to ensure that the
32 children described in subsection (1) received appropriate levels and types of services.

1 (3) For ~~2020-2021, from the state school aid fund money appropriated in section 11,~~
2 ~~there is allocated \$2,400,000.00, and, for 2021-2022-2022-2023,~~ from the state school aid
3 fund money allocated in subsection (1), there is allocated an amount not to exceed
4 \$2,000,000.00 to an intermediate district that has a constituent district described in
5 subsection (2) to provide state early intervention services for children described in
6 subsection (1) who are between age 3 and age 5. The intermediate district shall use these
7 funds to provide state early intervention services that are similar to the services
8 described in the early on Michigan state plan.

9 (4) From the state school aid fund money allocated in subsection (1), there is
10 allocated an amount not to exceed \$1,000,000.00 for ~~2021-2022-2022-2023~~ to the intermediate
11 district described in subsection (3) to enroll children described in subsection (1) in
12 school-day great start readiness programs, regardless of household income eligibility
13 requirements contained in section 32d. The department shall administer this funding
14 consistent with all other provisions that apply to great start readiness programs under
15 sections 32d and 39.

16 (5) For ~~2021-2022, 2022-2023~~, from the general fund money allocated in subsection
17 (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to
18 children described in subsection (1).

19 (6) For ~~2021-2022, 2022-2023~~, from the state school aid fund money allocated in
20 subsection (1), there is allocated an amount not to exceed \$2,000,000.00 to the
21 intermediate district described in subsection (3) for interventions and supports for
22 students in K to 12 who were impacted by an executive proclamation of emergency described
23 in subsection (1) concerning drinking water. Funds under this subsection must be used for
24 behavioral supports, social workers, counselors, psychologists, nursing services,
25 including, but not limited to, vision and hearing services, transportation services,
26 parental engagement, community coordination, and other support services.

27 (7) In addition to the allocation under subsection (1), from the general fund money
28 appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for
29 ~~2021-2022-2022-2023~~ only for an early childhood collaborative that serves students located
30 in a county with a population of not less than 400,000 or more than 500,000. The funds
31 allocated under this subsection must be used to continue the expansion of early childhood
32 services in response to an executive proclamation of emergency described in this section

1 concerning drinking water.

2 ~~(8) In addition to the allocation under subsection (1), from the general fund money~~
3 ~~appropriated under section 11, there is allocated an amount not to exceed \$1,384,900.00 for~~
4 ~~2021-2022 only for the early childhood collaborative described in subsection (7) to be used~~
5 ~~in support of enrollment software and staff. The collaborative described in this subsection~~
6 ~~may use back office supports from Genesee Intermediate School District and the Genesee~~
7 ~~County Community Action Resource Department to reduce project costs for purposes of this~~
8 ~~subsection. The collaborative described in this subsection must ensure that all of the~~
9 ~~following are met:~~

10 ~~(a) It chooses an enrollment program for purposes of this subsection that provides~~
11 ~~families with all of the following:~~

12 ~~(i) A coordinated information campaign.~~

13 ~~(ii) Coordinated eligibility determination and preferences.~~

14 ~~(iii) A coordinated application.~~

15 ~~(iv) Highly qualified full time and seasonal enrollment and analytics staff.~~

16 ~~(v) Content built with language services, program overhead, equipment, and supplies.~~

17 ~~(b) The enrollment program selected by the collaborative for purposes of this~~
18 ~~subsection has a record of improving enrollment in New Orleans.~~

19 ~~(c) The enrollment program selected by the collaborative for purposes of this~~
20 ~~subsection received funds from the C.S. Mott Foundation for the project.~~

21 ~~(d) It complies with application and reporting requirements as determined by the~~
22 ~~department.~~

23 ~~(e) It allocates the funds received under this subsection over 3 phases, to provide~~
24 ~~explicit, targeted enrollment within an individualized enrollment system that continually~~
25 ~~adjusts to a family's needs.~~

26 **(8)** ~~(9)~~ In addition to other funding allocated and appropriated in this section,
27 there is appropriated an amount not to exceed \$5,000,000.00 for ~~2021-2022~~**2022-2023** for
28 state restricted contingency funds. These contingency funds are not available for
29 expenditure until they have been transferred to a section within this article under section
30 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

31 **(9)** ~~(10)~~ Notwithstanding section 17b, the department shall make payments under this

1 section on a schedule determined by the department.

2 Sec. 11y. (1) For 2022-2023, from the school infrastructure fund money appropriated
3 under section 11, there is allocated an amount not to exceed \$170,000,000.00 and from the
4 general fund money appropriated under section 11, there is allocated for 2022-2023 only an
5 amount not to exceed \$1,000,000.00 for education infrastructure projects. The department
6 shall administer the program described in this subsection in coordination with the
7 department of treasury and the department of technology, management and budget.

8 (2) From the school infrastructure fund allocated in subsection (1), there is an
9 amount not to exceed \$170,000,000.00 to be distributed for infrastructure projects approved
10 by the department.

11 (3) All of the following apply to the application process for funding under
12 subsection (1):

13 (a) To receive funding under subsection (1), a district shall submit an application
14 for funding under subsection (1) in a form and manner determined by the department. This
15 application shall include a minimum of a 5 year long-term infrastructure plan for the
16 district including a building utilization study, audited financial statements for the two
17 most recently completed school fiscal years, the current approved budget and any budget
18 amendments, budgeted cost for the infrastructure project including any bids and supporting
19 documentation already obtained, whether the proposal includes replacing an existing school
20 building with a new school building or retrofitting an existing building, a cost analysis
21 comparing replacement and retrofitting, planned use of the former school building, and
22 proposed funding sources for the projects including millage rates passed.

23 (b) An application from a district under this subsection must be for 1 or more
24 instructional buildings that have some or all of pre-K to grade 12 classrooms and pupils.

25 (c) An applicant may submit only 1 application per fiscal year.

26 (d) An applicant must demonstrate that projects have local matching funds. The
27 department in coordination with the department of treasury shall determine the amount of
28 local match required given the means available to the district through their local revenue
29 generating capacity.

30 (e) An applicant must demonstrate that the long-term infrastructure project plan
31 supports the current and projected building utilization for student enrollment.

32 (f) An applicant shall comply with Michigan Laws, including the Revised School Code,

1 the State School Aid Act and the Uniform Budgeting and Accounting Act.

2 (4) From the general fund money allocated in subsection (1), there is allocated
3 \$1,000,000.00 to administer the program.

4 (5) The following types of projects are not eligible for funding under this section:

5 (a) Any part of construction that includes sports facilities or other non-academic
6 spaces. This does not include cafeterias used for student meals or blight removal.

7 (b) Buildings used exclusively for administrative purposes that do not include
8 classrooms for some or all of per-K to grade 12 pupils.

9 (c) Buildings leased and not owned by the district.

10 (d) Projects whose primary purpose is school security or school hardening.

11 (6) The department, in coordination with the department of treasury and department of
12 technology, management and budget, shall evaluate applications for funding from school
13 districts and make awards based on the following criteria which include but are not limited
14 to:

15 (a) The infrastructure plan submitted by the district.

16 (b) The proportion of students qualifying as economically disadvantaged as determined
17 in section 31a, giving priority to districts with a higher proportion of economically
18 disadvantaged students.

19 (c) As determined in Section 1220 of the Revised School Code, giving priority to
20 districts with an Enhanced Deficit Elimination Plan.

21 (c) The taxable value in a district and the potential local funding that could be
22 collected with an increase in millage rates. Higher priority shall be given to districts
23 with lower taxable values and a diminished potential local funding stream.

24 (d) Higher priority shall be given to projects addressing health and safety concerns
25 including, but not limited to, access to clean water and air.

26 (e) The millage level being levied in a school district and the district's ability to
27 increase millage rates given legally allowable maximum rates. Consideration shall be given
28 to school districts that are closer to the maximum millage rate.

29 (f) The analysis of a constructing a new school building compared to retrofitting the
30 existing building referenced in subsection (3).

31 (g) The geographic distribution of award, which the department should maximize where
32 funding and quality applications permit.

1 (h) Whether a district has previously received funding from the school infrastructure
2 fund. Priority shall be given to districts that have not previously received funding under
3 this section.

4 (i) The complete application submitted and whether it meets all the requirements
5 described in subsection 3.

6 (7) If the department approves an application for funding, it may approve the project
7 submitted by the district either partially or in full.

8 (8) The department shall report on award activities under this section, including
9 number of approved and denied applications, projected cost included in each application,
10 and progress made on approved projects, to the senate and house appropriations
11 subcommittees on school aid and the department of education, the senate and house fiscal
12 agencies, and the state budget office by September 30, 2023.

13 (9) No one district shall receive more than 15% of the funds allocated under
14 subsection (1) from the school infrastructure fund.

15 (10) Notwithstanding section 17b, the department shall make payments under this
16 section on a schedule determined by the department.

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

1 the revised school code, MCL 380.1211.

2 (2) If the result of an audit conducted by or for the department affects the current
3 fiscal year membership, the department shall adjust affected payments in the current fiscal
4 year. A deduction due to an adjustment made as a result of an audit conducted by or for the
5 department, or as a result of information obtained by the department from the district, an
6 intermediate district, the department of treasury, or the office of auditor general, must
7 be deducted from the district's apportionments when the adjustment is finalized. At the
8 request of the district and upon the district presenting evidence satisfactory to the
9 department of the hardship, the department may grant up to an additional 4 years for the
10 adjustment and may advance payments to the district otherwise authorized under this article
11 if the district would otherwise experience a significant hardship in satisfying its
12 financial obligations. However, a district that presented satisfactory evidence of hardship
13 and was undergoing an extended adjustment during 2018-2019 may continue to use the period
14 of extended adjustment as originally granted by the department.

15 (3) If, based on an audit by the department or the department's designee or because
16 of new or updated information received by the department, the department determines that
17 the amount paid to a district or intermediate district under this article for the current
18 fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate
19 deduction or payment in the district's or intermediate district's allocation in the next
20 apportionment after the adjustment is finalized. The department shall calculate the
21 deduction or payment according to the law in effect in the fiscal year in which the
22 incorrect amount was paid. If the district does not receive an allocation for the fiscal
23 year or if the allocation is not sufficient to pay the amount of any deduction, the amount
24 of any deduction otherwise applicable must be satisfied from the proceeds of a loan to the
25 district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or
26 from the proceeds of millage levied or pledged under section 1211 of the revised school
27 code, MCL 380.1211, as determined by the department.

28 (4) If the department makes an adjustment under this section based in whole or in
29 part on a membership audit finding that a district or intermediate district employed an
30 educator in violation of certification requirements under the revised school code and rules
31 promulgated by the department, the department shall prorate the adjustment according to the
32 period of noncompliance with the certification requirements.

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

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

8 (7) In addition to funds appropriated in section 11 for all programs and services,
9 there is appropriated for ~~2021-2022~~**2022-2023** for obligations in excess of applicable
10 appropriations an amount equal to the collection of overpayments, but not to exceed amounts
11 available from overpayments.

12 Sec. 18. (1) Except as provided in another section of this article, each district or
13 other entity shall apply the money received by the district or entity under this article to
14 salaries and other compensation of teachers and other employees, tuition, transportation,
15 lighting, heating, ventilation, water service, the purchase of textbooks, other supplies,
16 and any other school operating expenditures defined in section 7. However, not more than
17 20% of the total amount received by a district under sections 22a and 22b or received by an
18 intermediate district under section 81 may be transferred by the board to either the
19 capital projects fund or to the debt retirement fund for debt service. A district or other
20 entity shall not apply or take the money for a purpose other than as provided in this
21 section. The department shall determine the reasonableness of expenditures and may withhold
22 from a recipient of funds under this article the apportionment otherwise due upon a
23 violation by the recipient. A district must not be prohibited or limited from using funds
24 appropriated or allocated under this article that are permitted for use for
25 noninstructional services to contract or subcontract with an intermediate district, third
26 party, or vendor for the noninstructional services.

27 (2) A district or intermediate district shall adopt an annual budget in a manner that
28 complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.
29 Within 15 days after a district board adopts its annual operating budget for the following
30 school fiscal year, or after a district board adopts a subsequent revision to that budget,
31 the district shall make all of the following available through a link on its website
32 homepage, or may make the information available through a link on its intermediate

1 district's website homepage, in a form and manner prescribed by the department:

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

3 (b) Using data that have already been collected and submitted to the department, a
4 summary of district expenditures for the most recent fiscal year for which they are
5 available, expressed in the following 2 visual displays:

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

7 (A) Salaries and wages.

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

10 (C) Retirement benefit costs.

11 (D) All other personnel costs.

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

13 (A) Instruction.

14 (B) Support services.

15 (C) Business and administration.

16 (D) Operations and maintenance.

17 (c) Links to all of the following:

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

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

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

24 (iv) The bids required under section 5 of the public employees health benefit act,
25 2007 PA 106, MCL 124.75.

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

28 (vi) The district's written policy establishing specific categories of reimbursable
29 expenses, as described in section 1254(2) of the revised school code, MCL 380.1254.

30 (vii) Either the district's accounts payable check register for the most recent school

1 fiscal year or a statement of the total amount of expenses incurred by board members or
2 employees of the district that were reimbursed by the district for the most recent school
3 fiscal year.

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

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

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

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

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

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

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

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

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

1 city. A district or intermediate district shall retain these records for the current fiscal
2 year and from at least the 3 immediately preceding fiscal years.

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

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

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

17 (e) All of the following must be done not later than November 1 each year for
18 reporting the prior fiscal year data:

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

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

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

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

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

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

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

20 (6) By the last business day in September of each year, each district and
21 intermediate district shall file with the center the special education actual cost report,
22 known as "SE-4096", on a form and in the manner prescribed by the center. An intermediate
23 district shall certify the audit of a district's report.

24 (7) By not later than 1 week after the last business day in September of each year,
25 each district and intermediate district shall file with the center the audited
26 transportation expenditure report, known as "SE-4094", on a form and in the manner
27 prescribed by the center. An intermediate district shall certify the audit of a district's
28 report.

29 (8) The department shall review its pupil accounting and pupil auditing manuals at
30 least annually and shall periodically update those manuals to reflect changes in this
31 article. Any changes to the pupil accounting manual that are applicable for the school year
32 that begins after March 31 of a fiscal year must be published by not later than March 31 of

1 that fiscal year. However, if legislation is enacted that necessitates adjustments to the
2 pupil accounting manual after March 31 of a fiscal year, and a district incurs a violation
3 of the amended pupil accounting manual in the subsequent fiscal year, the department must
4 notify the district of that violation and allow the district 30 days to correct the
5 violation before the department is allowed to impose financial penalties under this act
6 related to the violation.

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

10 (10) If a district or intermediate district does not comply with subsections (4),
11 (5), (6), (7), and (12), or if the department determines that the financial data required
12 under subsection (5) are not consistent with audited financial statements, the department
13 shall withhold all state school aid due to the district or intermediate district under this
14 article, beginning with the next payment due to the district or intermediate district,
15 until the district or intermediate district complies with subsections (4), (5), (6), (7),
16 and (12). If the district or intermediate district does not comply with subsections (4),
17 (5), (6), (7), and (12) by the end of the fiscal year, the district or intermediate
18 district forfeits the amount withheld.

19 (11) If a district or intermediate district does not comply with subsection (2), the
20 department may withhold up to 10% of the total state school aid due to the district or
21 intermediate district under this article, beginning with the next payment due to the
22 district or intermediate district, until the district or intermediate district complies
23 with subsection (2). If the district or intermediate district does not comply with
24 subsection (2) by the end of the fiscal year, the district or intermediate district
25 forfeits the amount withheld.

26 (12) By November 1 of each year, if a district or intermediate district offers
27 virtual learning under section 21f, or for a school of excellence that is a cyber school,
28 as defined in section 551 of the revised school code, MCL 380.551, the district or
29 intermediate district shall submit to the department a report that details the per-pupil
30 costs of operating the virtual learning by vendor type and virtual learning model. The
31 report must include information concerning the operation of virtual learning for the
32 immediately preceding school fiscal year, including information concerning summer

1 programming. Information must be collected in a form and manner determined by the
2 department and must be collected in the most efficient manner possible to reduce the
3 administrative burden on reporting entities.

4 (13) By March 31 of each year, the department shall submit to the house and senate
5 appropriations subcommittees on state school aid, the state budget director, and the house
6 and senate fiscal agencies a report summarizing the per-pupil costs by vendor type of
7 virtual courses available under section 21f and virtual courses provided by a school of
8 excellence that is a cyber school, as defined in section 551 of the revised school code,
9 MCL 380.551.

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

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

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

14 (c) Virtual courses provided by third party vendors not affiliated with a public
15 school in this state.

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

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

19 (16) The department shall annually submit to the senate and house subcommittees on
20 school aid and to the senate and house standing committees on education an itemized list of
21 allocations under this article to any association or consortium consisting of associations
22 in the immediately preceding fiscal year. The report must detail the recipient or
23 recipients, the amount allocated, and the purpose for which the funds were distributed.

24 Sec. 20. (1) For ~~2021-2022, both of the following apply:~~ **2022-2023, the target**
25 **foundation allowance is \$9,135.00.**

26 ~~(a) The target foundation allowance is \$8,700.00.~~

27 ~~(b) The minimum foundation allowance is \$8,700.00.~~

28 (2) The department shall calculate the amount of each district's foundation allowance
29 as provided in this section, using a target foundation allowance in the amount specified in
30 subsection (1).

31 (3) Except as otherwise provided in this section, the department shall calculate the
32 amount of a district's foundation allowance as follows, using in all calculations the total

1 amount of the district's foundation allowance as calculated before any proration:

2 (a) Except as otherwise provided in this subdivision, ~~except for 2021-2022,~~ for a
3 district that had a foundation allowance for the immediately preceding fiscal year that was
4 ~~at least equal to the minimum foundation allowance for the immediately preceding fiscal~~
5 ~~year, but less than~~ **equal to** the target foundation allowance for the immediately preceding
6 fiscal year, the district receives a foundation allowance in an amount equal to ~~the sum of~~
7 ~~the district's foundation allowance for the immediately preceding fiscal year plus the~~
8 ~~difference between twice the dollar amount of the adjustment from the immediately preceding~~
9 ~~fiscal year to the current fiscal year made in the target foundation allowance and [(the~~
10 ~~difference between the target foundation allowance for the current fiscal year and target~~
11 ~~foundation allowance for the immediately preceding fiscal year minus \$40.00) times (the~~
12 ~~difference between the district's foundation allowance for the immediately preceding fiscal~~
13 ~~year and the minimum foundation allowance for the immediately preceding fiscal year)~~
14 ~~divided by the difference between the target foundation allowance for the current fiscal~~
15 ~~year and the minimum foundation allowance for the immediately preceding fiscal year.] The~~
16 ~~foundation allowance for a district that had less than the target foundation allowance for~~
17 ~~the immediately preceding fiscal year must not exceed the target foundation allowance for~~
18 ~~the current fiscal year. For 2021-2022, for a district that had a foundation allowance for~~
19 ~~the immediately preceding fiscal year that was at least equal to the minimum foundation~~
20 ~~allowance for the immediately preceding fiscal year, but less than the target foundation~~
21 ~~allowance for the immediately preceding fiscal year, the district's foundation allowance is~~
22 ~~\$8,700.00.~~ **the target foundation allowance described in subsection (1). The foundation**
23 **allowance for a public school academy that was issued a contract under section 552 of the**
24 **revised school code, MCL 380.552, to operate as a school of excellence that is a cyber**
25 **school is \$8,700.00.**

26 ~~(b) Except as otherwise provided in this subsection, for a district that in the~~
27 ~~immediately preceding fiscal year had a foundation allowance in an amount equal to the~~
28 ~~amount of the target foundation allowance for the immediately preceding fiscal year, the~~
29 ~~district receives a foundation allowance for 2021-2022 in an amount equal to the target~~
30 ~~foundation allowance for 2021-2022.~~

31 ~~(b) (e)~~ For a district that had a foundation allowance for the immediately preceding
32 fiscal year that was greater than the target foundation allowance for the immediately

1 preceding fiscal year, the district's foundation allowance is an amount equal to **the lesser**
2 **of** (the sum of the district's foundation allowance for the immediately preceding fiscal
3 year plus **any per pupil amount calculated under section 20m(2) in the immediately preceding**
4 **fiscal year plus** ~~the lesser of~~ the increase in the target foundation allowance for the
5 current fiscal year, as compared to the immediately preceding fiscal year),⁷ or (the product
6 of the district's foundation allowance for the immediately preceding fiscal year times the
7 percentage increase in the United States Consumer Price Index in the calendar year ending
8 in the immediately preceding fiscal year as reported by the May revenue estimating
9 conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL
10 18.1367b).

11 (c) For a district that has a foundation allowance less than the target foundation in
12 the current year but had a foundation allowance in fiscal year 2020-2021 that was greater
13 than the target foundation in effect for that year, the district's foundation allowance is
14 an amount equal to the lesser of (the sum of the district's foundation allowance for fiscal
15 year 2020-2021 plus the increase in the target foundation allowance for the current fiscal
16 year, as compared to fiscal year 2020-2021) or (the product of the district's foundation
17 allowance for the immediately preceding fiscal year times the percentage increase in the
18 United States Consumer Price Index in the calendar year ending in the immediately preceding
19 fiscal year as reported by the May revenue estimating conference conducted under section
20 367b of the management and budget act, 1984 PA 431, MCL 18.1367b).

21 (d) For a district that has a foundation allowance that is not a whole dollar amount,
22 the department shall round the district's foundation allowance up to the nearest whole
23 dollar.

24 (4) Except as otherwise provided in this subsection, ~~beginning in 2021-2022,~~ the
25 state portion of a district's foundation allowance is an amount equal to the district's
26 foundation allowance or the target foundation allowance for the current fiscal year,
27 whichever is less, minus the local portion of the district's foundation allowance. **Except**
28 **as otherwise provided in this subsection, for a district described in subsections (3) (b)**
29 **and (3) (c), beginning in 2021-2022, the state portion of the district's foundation**
30 **allowance is an amount equal to the target foundation allowance minus the district's**
31 **foundation allowance supplemental payment per pupil calculated under section 20m and minus**
32 **the local portion of the district's foundation allowance.** For a district that has a millage

1 reduction required under section 31 of article IX of the state constitution of 1963, the
2 department shall calculate the state portion of the district's foundation allowance as if
3 that reduction did not occur. For a receiving district, if school operating taxes continue
4 to be levied on behalf of a dissolved district that has been attached in whole or in part
5 to the receiving district to satisfy debt obligations of the dissolved district under
6 section 12 of the revised school code, MCL 380.12, the taxable value per membership pupil
7 of property in the receiving district used for the purposes of this subsection does not
8 include the taxable value of property within the geographic area of the dissolved district.
9 For a community district, if school operating taxes continue to be levied by a qualifying
10 school district under section 12b of the revised school code, MCL 380.12b, with the same
11 geographic area as the community district, the taxable value per membership pupil of
12 property in the community district to be used for the purposes of this subsection does not
13 include the taxable value of property within the geographic area of the community district.

14 (5) The allocation calculated under this section for a pupil is based on the
15 foundation allowance of the pupil's district of residence. For a pupil enrolled under
16 section 105 or 105c in a district other than the pupil's district of residence, the
17 allocation calculated under this section is based on the lesser of the foundation allowance
18 of the pupil's district of residence or the foundation allowance of the educating district.
19 For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another
20 district in a grade not offered by the pupil's district of residence, the allocation
21 calculated under this section is based on the foundation allowance of the educating
22 district if the educating district's foundation allowance is greater than the foundation
23 allowance of the pupil's district of residence. The calculation under this subsection must
24 take into account a district's per-pupil allocation under section 20m.

25 (6) Except as otherwise provided in this subsection, for pupils in membership, other
26 than special education pupils, in a public school academy, the allocation calculated under
27 this section is an amount per membership pupil other than special education pupils in the
28 public school academy equal to the ~~minimum foundation~~ **target foundation** allowance specified
29 in subsection (1). Notwithstanding section 101, for a public school academy that begins
30 operations after the pupil membership count day, the amount per membership pupil calculated
31 under this subsection must be adjusted by multiplying that amount per membership pupil by
32 the number of hours of pupil instruction provided by the public school academy after it

1 begins operations, as determined by the department, divided by the minimum number of hours
2 of pupil instruction required under section 101(3). The result of this calculation must not
3 exceed the amount per membership pupil otherwise calculated under this subsection.

4 (7) For pupils in membership, other than special education pupils, in a community
5 district, the allocation calculated under this section is an amount per membership pupil
6 other than special education pupils in the community district equal to the foundation
7 allowance of the qualifying school district, as described in section 12b of the revised
8 school code, MCL 380.12b, that is located within the same geographic area as the community
9 district.

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

21 (9) The department shall round each fraction used in making calculations under this
22 section to the fourth decimal place and shall round the dollar amount of an increase in the
23 target foundation allowance to the nearest whole dollar.

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

27 (11) To assist the legislature in determining the target foundation allowance for the
28 subsequent fiscal year, each revenue estimating conference conducted under section 367b of
29 the management and budget act, 1984 PA 431, MCL 18.1367b, must calculate a pupil membership
30 factor, a revenue adjustment factor, and an index as follows:

31 (a) The pupil membership factor is computed by dividing the estimated membership in
32 the school year ending in the current fiscal year, excluding intermediate district

1 membership, by the estimated membership for the school year ending in the subsequent fiscal
2 year, excluding intermediate district membership. If a consensus membership factor is not
3 determined at the revenue estimating conference, the principals of the revenue estimating
4 conference shall report their estimates to the house and senate subcommittees responsible
5 for school aid appropriations not later than 7 days after the conclusion of the revenue
6 conference.

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

20 (c) The index is calculated by multiplying the pupil membership factor by the revenue
21 adjustment factor. If a consensus index is not determined at the revenue estimating
22 conference, the principals of the revenue estimating conference shall report their
23 estimates to the house and senate subcommittees responsible for state school aid
24 appropriations not later than 7 days after the conclusion of the revenue conference.

25 (12) Payments to districts and public school academies are not made under this
26 section. Rather, the calculations under this section are used to determine the amount of
27 state payments under section 22b.

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

32 (14) As used in this section:

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

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

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

9 (d) "Current fiscal year" means the fiscal year for which a particular calculation is
10 made.

11 (e) "Dissolved district" means a district that loses its organization, has its
12 territory attached to 1 or more other districts, and is dissolved as provided under section
13 12 of the revised school code, MCL 380.12.

14 (f) "Immediately preceding fiscal year" means the fiscal year immediately preceding
15 the current fiscal year.

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

24 (h) "Local school operating revenue" means school operating taxes levied under
25 section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school
26 operating taxes are to be levied on behalf of a dissolved district that has been attached
27 in whole or in part to the receiving district to satisfy debt obligations of the dissolved
28 district under section 12 of the revised school code, MCL 380.12, local school operating
29 revenue does not include school operating taxes levied within the geographic area of the
30 dissolved district.

31 (i) "Local school operating revenue per membership pupil" means a district's local
32 school operating revenue divided by the district's membership excluding special education

1 pupils.

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

4 (k) "Nonexempt property" means property that is not a principal residence, qualified
5 agricultural property, qualified forest property, supportive housing property, industrial
6 personal property, commercial personal property, or property occupied by a public school
7 academy.

8 (l) "Principal residence", "qualified agricultural property", "qualified forest
9 property", "supportive housing property", "industrial personal property", and "commercial
10 personal property" mean those terms as defined in section 1211 of the revised school code,
11 MCL 380.1211.

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

14 (n) "School operating purposes" means the purposes included in the operation costs of
15 the district as prescribed in sections 7 and 18 and purposes authorized under section 1211
16 of the revised school code, MCL 380.1211.

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

20 (p) "Tax increment financing acts" means parts 2, 3, 4, and 6 of the recodified tax
21 increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or
22 the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

23 (q) "Taxable value per membership pupil" means taxable value, as certified by the
24 county treasurer and reported to the department, for the calendar year ending in the
25 current state fiscal year divided by the district's membership excluding special education
26 pupils for the school year ending in the current state fiscal year.

27 Sec. 20d. In making the final determination required under former section 20a of a
28 district's combined state and local revenue per membership pupil in 1993-94 and in making
29 calculations under section 20 for ~~2021-2022~~, **2022-2023**, the department and the department
30 of treasury shall comply with all of the following:

31 (a) For a district that had combined state and local revenue per membership pupil in
32 the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board

1 designated area vocational education center in the 1993-94 school year, total state school
2 aid received by or paid on behalf of the district under this act in 1993-94 excludes
3 payments made under former section 146 and under section 147 on behalf of the district's
4 employees who provided direct services to the area vocational education center. Not later
5 than June 30, 1996, the department shall make an adjustment under this subdivision to the
6 district's combined state and local revenue per membership pupil in the 1994-95 fiscal year
7 and the department of treasury shall make a final certification of the number of mills that
8 may be levied by the district under section 1211 of the revised school code, MCL 380.1211,
9 as a result of the adjustment under this subdivision.

10 (b) If a district had an adjustment made to its 1993-94 total state school aid that
11 excluded payments made under former section 146 and under section 147 on behalf of the
12 district's employees who provided direct services for intermediate district center programs
13 operated by the district under former section 51 and sections 51a to 56, if nonresident
14 pupils attending the center programs were included in the district's membership for
15 purposes of calculating the combined state and local revenue per membership pupil for 1993-
16 94, and if there is a signed agreement by all constituent districts of the intermediate
17 district agreeing to an adjustment under this subdivision, the department shall calculate
18 the foundation allowances for 1995-96 and 1996-97 of all districts that had pupils
19 attending the intermediate district center program operated by the district that had the
20 adjustment as if their combined state and local revenue per membership pupil for 1993-94
21 included resident pupils attending the center program and excluded nonresident pupils
22 attending the center program.

23 Sec. 20f. (1) From the state school aid fund money appropriated in section 11, there
24 is allocated an amount not to exceed \$18,000,000.00 for ~~2021-2022~~**2022-2023** for payments to
25 eligible districts under this section.

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

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

32 (b) The district's equity payment per membership pupil under former section 22c for

1 2013-2014.

2 (c) The quotient of the district's allocation under section 147a for 2012-2013
3 divided by the district's membership pupils for 2012-2013 minus the quotient of the
4 district's allocation under section 147a for 2013-2014 divided by the district's membership
5 pupils for 2013-2014.

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

9 (4) The funding under this subsection is from the allocation under subsection (1). A
10 district is eligible for funding under this subsection if the sum of the following is less
11 than \$25.00:

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

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

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

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

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

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

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

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

30 (d) The quotient of the district's allocation under section 31a for 2015-2016 divided
31 by the district's membership pupils for 2015-2016 minus the quotient of the district's
32 allocation under section 31a for 2014-2015 divided by the district's membership pupils for

1 2014-2015.

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

5 Sec. 20m. (1) Foundation allowance supplemental payments for the current fiscal year
6 to **qualifying** districts **with an adjustment to their foundation allowance from fiscal year**
7 **2020-2021 to the current fiscal year that is less than the adjustment in the target**
8 **foundation allowance from fiscal year 2020-2021 to the current fiscal year** ~~that in the~~
9 ~~immediately preceding fiscal year had a foundation allowance greater than the target~~
10 ~~foundation allowance~~ must be calculated under this section.

11 (2) The per-pupil allocation to each **qualifying** district under this section is the
12 difference between the dollar amount of the adjustment from ~~the immediately preceding~~
13 fiscal year **2020-2021** to the current fiscal year in the target foundation allowance minus
14 the dollar amount of the adjustment from ~~the immediately preceding~~ fiscal year **2020-2021** to
15 the current fiscal year in a qualifying district's foundation allowance.

16 (3) If a district's local revenue per pupil does not exceed the sum of its foundation
17 allowance under section 20 plus the per-pupil allocation under subsection (2), the total
18 payment to the district calculated under this section is the product of the per-pupil
19 allocation under subsection (2) multiplied by the district's membership, excluding special
20 education pupils. If a district's local revenue per pupil exceeds the foundation allowance
21 under section 20 but does not exceed the sum of the foundation allowance under section 20
22 plus the per-pupil allocation under subsection (2), the total payment to the district
23 calculated under this section is the product of the difference between the sum of the
24 foundation allowance under section 20 plus the per-pupil allocation under subsection (2)
25 minus the local revenue per pupil multiplied by the district's membership, excluding
26 special education pupils. If a district's local revenue per pupil exceeds the sum of the
27 foundation allowance under section 20 plus the per-pupil allocation under subsection (2),
28 there is no payment calculated under this section for the district.

29 (4) Payments to districts must not be made under this section. Rather, the
30 calculations under this section are used to determine the amount of state payments that are
31 made under section 22b.

32 (5) As used in this section, "qualifying district" means a district where the millage

1 limitation in section 1211(3) of the revised school code, MCL 380.1211, is applied due to
2 the increase in the target foundation allowance from the immediately preceding fiscal year
3 to the current fiscal year exceeding the percentage increase in the general price level in
4 the immediately preceding calendar year applied to the district's immediately preceding
5 fiscal year foundation allowance.

6 Sec. 21f. (1) A primary district shall enroll an eligible pupil in virtual courses in
7 accordance with the provisions of this section. A primary district shall not offer a
8 virtual course to an eligible pupil unless the virtual course is published in the primary
9 district's catalog of board-approved courses or in the statewide catalog of virtual courses
10 maintained by the Michigan Virtual University pursuant to section 98. The primary district
11 shall also provide on its publicly accessible website a link to the statewide catalog of
12 virtual courses maintained by the Michigan Virtual University. Unless the pupil is at least
13 age 18 or is an emancipated minor, a pupil must not be enrolled in a virtual course without
14 the consent of the pupil's parent or legal guardian.

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

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

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

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

22 (c) The primary district, in collaboration with the pupil, has developed an education
23 development plan, in a form and manner specified by the department, that is kept on file by
24 the district. This subdivision does not apply to a pupil enrolled as a part-time pupil
25 under section 166b.

26 (4) If the number of applicants eligible for acceptance in a virtual course does not
27 exceed the capacity of the provider to provide the virtual course, the provider shall
28 accept for enrollment all of the applicants eligible for acceptance. If the number of
29 applicants exceeds the provider's capacity to provide the virtual course, the provider
30 shall use a random draw system, subject to the need to abide by state and federal
31 antidiscrimination laws and court orders. A primary district that is also a provider shall
32 determine whether or not it has the capacity to accept applications for enrollment from

1 nonresident applicants in virtual courses and may use that limit as the reason for refusal
2 to enroll a nonresident applicant.

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

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

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

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

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

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

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

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

21 (h) The cost of the virtual course exceeds the amount identified in subsection (10),
22 unless the pupil or the pupil's parent or legal guardian agrees to pay the cost that
23 exceeds this amount.

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

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

30 (6) If a pupil is denied enrollment in a virtual course by the pupil's primary
31 district, the primary district shall provide written notification to the pupil of the
32 denial, the reason or reasons for the denial under subsection (5), and a description of the

1 appeal process. The pupil may appeal the denial by submitting a letter to the
2 superintendent of the intermediate district in which the pupil's primary district is
3 located. The letter of appeal must include the reason provided by the primary district for
4 not enrolling the pupil and the reason why the pupil is claiming that the enrollment should
5 be approved. The intermediate district superintendent or designee shall respond to the
6 appeal within 5 days after it is received. If the intermediate district superintendent or
7 designee determines that the denial of enrollment does not meet 1 or more of the reasons
8 specified in subsection (5), the primary district shall enroll the pupil in the virtual
9 course.

10 (7) To provide a virtual course to an eligible pupil under this section, a provider
11 must do all of the following:

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

15 (b) Assign to each pupil a teacher of record and provide the primary district with
16 the personnel identification code assigned by the center for the teacher of record. If the
17 provider is a community college, the virtual course must be taught by an instructor
18 employed by or contracted through the providing community college.

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

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

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

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

31 (8) To provide a virtual course under this section, a community college shall ensure

1 that each virtual course it provides under this section generates postsecondary credit.

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

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

11 (11) A virtual learning pupil has the same rights and access to technology in his or
12 her primary district's school facilities as all other pupils enrolled in the pupil's
13 primary district. The department shall establish standards for hardware, software, and
14 internet access for pupils who are enrolled in more than 2 virtual courses under this
15 section in an academic term, semester, or trimester taken at a location other than a school
16 facility.

17 (12) If a pupil successfully completes a virtual course, as determined by the pupil's
18 primary district, the pupil's primary district shall grant appropriate academic credit for
19 completion of the course and shall count that credit toward completion of graduation and
20 subject area requirements. A pupil's school record and transcript must identify the virtual
21 course title as it appears in the virtual course syllabus.

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

28 (14) As used in this section:

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

31 (b) "Mentor" means a professional employee of the primary district who monitors the
32 pupil's progress, ensures the pupil has access to needed technology, is available for

1 assistance, and ensures access to the teacher of record. A mentor may also serve as the
2 teacher of record if the primary district is the provider for the virtual course and the
3 mentor meets the requirements under subdivision (e).

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

6 (d) "Provider" means the district, intermediate district, or community college that
7 the primary district pays to provide the virtual course or the Michigan Virtual University
8 if it is providing the virtual course. ~~Beginning on the first day of the 2020-2021 school~~
9 ~~year through August 31, 2021, "provider"~~ **"Provider"** also includes any other institution or
10 individual that the primary district pays to provide the virtual course.

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

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

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

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

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

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

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

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

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

29 (ii) The virtual course content outline.

30 (iii) The virtual course required assessments.

- 1 (iv) The virtual course prerequisites.
- 2 (v) Expectations for actual instructor or teacher of record contact time with the
3 virtual learning pupil and other communications between a pupil and the instructor or
4 teacher of record.
- 5 (vi) Academic support available to the virtual learning pupil.
- 6 (vii) The virtual course learning outcomes and objectives.
- 7 (viii) The name of the institution or organization providing the virtual content.
- 8 (ix) The name of the institution or organization providing the instructor or teacher
9 of record.
- 10 (x) The course titles assigned by the provider and the course titles and course codes
11 from the National Center for Education Statistics (NCES) school codes for the exchange of
12 data (SCED).
- 13 (xi) The number of eligible pupils that will be accepted by the provider in the
14 virtual course. A primary district that is also the provider may limit the enrollment to
15 those pupils enrolled in the primary district.
- 16 (xii) The results of the virtual course quality review using the guidelines and model
17 review process published by the Michigan Virtual University.
- 18 (h) "Virtual learning pupil" means a pupil enrolled in 1 or more virtual courses.
- 19 Sec. 21h. (1) From the state school aid fund money appropriated in section 11, there
20 is allocated \$6,137,400.00 for ~~2021-2022~~**2022-2023** for assisting districts assigned by the
21 superintendent to participate in a partnership and districts that have established a
22 community engagement advisory committee in partnership with the department of treasury, are
23 required to submit a deficit elimination plan or an enhanced deficit elimination plan under
24 section 1220 of the revised school code, MCL 380.1220, and are located in a city with a
25 population between 9,000 and 11,000, as determined by the department, that is in a county
26 with a population between 150,000 and 160,000, as determined by the department, to improve
27 student achievement and district financial stability. The superintendent shall collaborate
28 with the state treasurer to identify any conditions that may be contributing to low
29 academic performance within a district being considered for assignment to a partnership.
30 The purpose of the partnership is to identify district needs, develop intervention plans,

1 and partner with public, private, and nonprofit organizations to coordinate resources and
2 improve student achievement. Assignment of a district to a partnership is made by the
3 superintendent in consultation with the state treasurer.

4 (2) A district described in subsection (1) is eligible for funding under this section
5 if the district includes at least 1 school that has been identified as low performing under
6 the approved federal accountability system or the state accountability system. A district
7 described in this subsection must do all of the following to be eligible for funding under
8 this section:

9 (a) For a partnership district under this section, within 90 days of assignment to
10 the partnership described in this section, and for a district described in subsection (1)
11 that is not a partnership district under this section, by October 15 of each year, complete
12 a comprehensive needs assessment or evaluation in collaboration with an intermediate
13 district, community members, education organizations, and postsecondary institutions, as
14 applicable, that is approved by the superintendent. The comprehensive needs assessment or
15 evaluation must include at least all of the following:

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

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

20 (iii) A review of classroom, instructional, and operational practices and curriculum
21 to ensure alignment with research-based instructional practices and state curriculum
22 standards.

23 (b) Develop an academic and financial operating or intervention plan that has been
24 approved by the superintendent and that addresses the needs identified in the comprehensive
25 needs assessment or evaluation completed under subdivision (a). The intervention plan must
26 include at least all of the following:

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

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

1 (c) Craft academic goals that put pupils on track to meet or exceed grade level
2 proficiency.

3 (3) Upon approval of the academic and financial operating or intervention plan
4 developed under subsection (2), the department, in collaboration with the department of
5 treasury, shall assign a team of individuals with expertise in comprehensive school and
6 district reform to partner with the district, the intermediate district, community
7 organizations, education organizations, and postsecondary institutions identified in the
8 academic and financial operating or intervention plan to review the district's use of
9 existing financial resources to ensure that those resources are being used as efficiently
10 and effectively as possible to improve student academic achievement and to ensure district
11 financial stability. The superintendent of public instruction may waive burdensome
12 administrative rules for a partnership district for the duration of the partnership
13 agreement and for a district described in subsection (1) that is not a partnership district
14 under this section and that receives funding under this section in the current fiscal year.

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

23 (5) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~
24 **2022-2023** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to
25 be used by districts described in subsection (1). The superintendent of public instruction
26 shall require districts described in subsection (1) to purchase a data analytics tool
27 funded under this subsection as part of the agreements described in this section.

28 (6) The department, in consultation with the department of treasury, shall annually
29 report to the legislature on the activities funded under this section and how those
30 activities impacted student achievement in districts that received funds under this
31 section. To the extent possible, participating districts receiving funding under this
32 section shall participate in the report.

1 Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there
2 is allocated an amount not to exceed ~~\$4,836,000,000.00 for 2020-2021~~ and there is allocated
3 ~~an amount not to exceed \$4,742,000,000.00~~ **\$4,421,000,000.00** for ~~2021-2022~~ **2022-2023** for
4 payments to districts and qualifying public school academies to guarantee each district and
5 qualifying public school academy an amount equal to its 1994-95 total state and local per-
6 pupil revenue for school operating purposes under section 11 of article IX of the state
7 constitution of 1963. Pursuant to section 11 of article IX of the state constitution of
8 1963, this guarantee does not apply to a district in a year in which the district levies a
9 millage rate for school district operating purposes less than it levied in 1994. However,
10 subsection (2) applies to calculating the payments under this section. Funds allocated
11 under this section that are not expended in the fiscal year for which they were allocated,
12 as determined by the department, may be used to supplement the allocations under sections
13 22b and 51c to fully fund those allocations for the same fiscal year. For each fund
14 transfer as described in the immediately preceding sentence that occurs, the state budget
15 director shall send notification of the transfer to the house and senate appropriations
16 subcommittees on state school aid and the house and senate fiscal agencies by not later
17 than 14 calendar days after the transfer occurs.

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

22 (a) Except as otherwise provided in this subsection, the state portion of a
23 district's 1994-95 foundation allowance is an amount equal to the district's 1994-95
24 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum
25 of the product of the taxable value per membership pupil of all property in the district
26 that is nonexempt property times the district's certified mills and, for a district with
27 certified mills exceeding 12, the product of the taxable value per membership pupil of
28 property in the district that is commercial personal property times the certified mills
29 minus 12 mills and the quotient of the ad valorem property tax revenue of the district
30 captured under tax increment financing acts divided by the district's membership. For a
31 district that has a millage reduction required under section 31 of article IX of the state
32 constitution of 1963, the department shall calculate the state portion of the district's

1 foundation allowance as if that reduction did not occur. For a receiving district, if
2 school operating taxes are to be levied on behalf of a dissolved district that has been
3 attached in whole or in part to the receiving district to satisfy debt obligations of the
4 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value
5 per membership pupil of all property in the receiving district that is nonexempt property
6 and taxable value per membership pupil of property in the receiving district that is
7 commercial personal property do not include property within the geographic area of the
8 dissolved district; ad valorem property tax revenue of the receiving district captured
9 under tax increment financing acts does not include ad valorem property tax revenue
10 captured within the geographic boundaries of the dissolved district under tax increment
11 financing acts; and certified mills do not include the certified mills of the dissolved
12 district. For a community district, the department shall reduce the allocation as otherwise
13 calculated under this section by an amount equal to the amount of local school operating
14 tax revenue that would otherwise be due to the community district if not for the operation
15 of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is
16 offset by the increase in funding under section 22b(2).

17 (b) For a district that had a 1994-95 foundation allowance greater than \$6,500.00,
18 the state payment under this subsection is the sum of the amount calculated under
19 subdivision (a) plus the amount calculated under this subdivision. The amount calculated
20 under this subdivision must be equal to the difference between the district's 1994-95
21 foundation allowance minus \$6,500.00 and the current year hold harmless school operating
22 taxes per pupil. If the result of the calculation under subdivision (a) is negative, the
23 negative amount is an offset against any state payment calculated under this subdivision.
24 If the result of a calculation under this subdivision is negative, there is not a state
25 payment or a deduction under this subdivision. The taxable values per membership pupil used
26 in the calculations under this subdivision are as adjusted by ad valorem property tax
27 revenue captured under tax increment financing acts divided by the district's membership.
28 For a receiving district, if school operating taxes are to be levied on behalf of a
29 dissolved district that has been attached in whole or in part to the receiving district to
30 satisfy debt obligations of the dissolved district under section 12 of the revised school
31 code, MCL 380.12, ad valorem property tax revenue captured under tax increment financing
32 acts do not include ad valorem property tax revenue captured within the geographic

1 boundaries of the dissolved district under tax increment financing acts.

2 (3) For pupils in membership in a qualifying public school academy, there is
3 allocated under this section to the authorizing body that is the fiscal agent for the
4 qualifying public school academy for forwarding to the qualifying public school academy an
5 amount equal to the 1994-95 per-pupil payment to the qualifying public school academy under
6 section 20.

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

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

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

24 (7) As used in this section:

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

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

30 (c) "Current fiscal year" means the fiscal year for which a particular calculation is
31 made.

32 (d) "Current year hold harmless school operating taxes per pupil" means the per-pupil

1 revenue generated by multiplying a district's 1994-95 hold harmless millage by the
2 district's current year taxable value per membership pupil. For a receiving district, if
3 school operating taxes are to be levied on behalf of a dissolved district that has been
4 attached in whole or in part to the receiving district to satisfy debt obligations of the
5 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value
6 per membership pupil does not include the taxable value of property within the geographic
7 area of the dissolved district.

8 (e) "Dissolved district" means a district that loses its organization, has its
9 territory attached to 1 or more other districts, and is dissolved as provided under section
10 12 of the revised school code, MCL 380.12.

11 (f) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance
12 greater than \$6,500.00, the number of mills by which the exemption from the levy of school
13 operating taxes on a principal residence, qualified agricultural property, qualified forest
14 property, supportive housing property, industrial personal property, commercial personal
15 property, and property occupied by a public school academy could be reduced as provided in
16 section 1211 of the revised school code, MCL 380.1211, and the number of mills of school
17 operating taxes that could be levied on all property as provided in section 1211(2) of the
18 revised school code, MCL 380.1211, as certified by the department of treasury for the 1994
19 tax year. For a receiving district, if school operating taxes are to be levied on behalf of
20 a dissolved district that has been attached in whole or in part to the receiving district
21 to satisfy debt obligations of the dissolved district under section 12 of the revised
22 school code, MCL 380.12, school operating taxes do not include school operating taxes
23 levied within the geographic area of the dissolved district.

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

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

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

1 MCL 380.1211.

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

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

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

9 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6 of the recodified tax
10 increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or
11 the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

14 (i) For the number of mills by which the exemption from the levy of school operating
15 taxes on a principal residence, qualified agricultural property, qualified forest property,
16 supportive housing property, industrial personal property, commercial personal property,
17 and property occupied by a public school academy may be reduced as provided in section 1211
18 of the revised school code, MCL 380.1211, the taxable value of principal residence,
19 qualified agricultural property, qualified forest property, supportive housing property,
20 industrial personal property, commercial personal property, and property occupied by a
21 public school academy for the calendar year ending in the current fiscal year. For a
22 receiving district, if school operating taxes are to be levied on behalf of a dissolved
23 district that has been attached in whole or in part to the receiving district to satisfy
24 debt obligations of the dissolved district under section 12 of the revised school code, MCL
25 380.12, mills do not include mills within the geographic area of the dissolved district.

26 (ii) For the number of mills of school operating taxes that may be levied on all
27 property as provided in section 1211(2) of the revised school code, MCL 380.1211, the
28 taxable value of all property for the calendar year ending in the current fiscal year. For
29 a receiving district, if school operating taxes are to be levied on behalf of a dissolved
30 district that has been attached in whole or in part to the receiving district to satisfy
31 debt obligations of the dissolved district under section 12 of the revised school code, MCL

1 380.12, school operating taxes do not include school operating taxes levied within the
2 geographic area of the dissolved district.

3 Sec. 22b. (1) For discretionary nonmandated payments to districts under this section,
4 there is allocated for ~~2020-2021 an amount not to exceed \$4,478,200,000.00 from the state~~
5 ~~school aid fund and general fund appropriations in section 11 and an amount not to exceed~~
6 ~~\$79,800,000.00 from the community district education trust fund appropriation in section~~
7 ~~11, and there is allocated for 2021-2022-2022-2023~~ an amount not to exceed
8 ~~\$5,132,000,000.00~~ **\$5,672,000,000.00** from the state school aid fund and general fund
9 appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community
10 district education trust fund appropriation in section 11. Of the funds allocated under
11 this section for ~~2021-2022, \$13,600,000.00~~ **2022-2023, \$16,700,000.00** represents the amount
12 of the general fund revenue deposited into the state school aid fund to reimburse the state
13 school aid fund for community district education trust fund costs in excess of
14 \$72,000,000.00. **If the amount allocated under this subsection from the community district**
15 **education trust fund appropriation under section 11 is insufficient to pay for an increase**
16 **under this section, any amount exceeding that allocation may be paid from other allocations**
17 **under this subsection.** Except for money allocated under this section from the community
18 district education trust fund appropriation in section 11, funds allocated under this
19 section that are not expended in the fiscal year for which they were allocated, as
20 determined by the department, may be used to supplement the allocations under sections 22a
21 and 51c to fully fund those allocations for the same fiscal year. For each fund transfer as
22 described in the immediately preceding sentence that occurs, the state budget director
23 shall send notification of the transfer to the house and senate appropriations
24 subcommittees on state school aid and the house and senate fiscal agencies by not later
25 than 14 calendar days after the transfer occurs.

26 (2) Subject to subsection (3) and section 296, the allocation to a district under
27 this section is an amount equal to the sum of the amounts calculated under sections 20,
28 20m, 51a(2), 51a(3), and 51a(11), minus the sum of the allocations to the district under
29 sections 22a and 51c. For a community district, the allocation as otherwise calculated
30 under this section is increased by an amount equal to the amount of local school operating
31 tax revenue that would otherwise be due to the community district if not for the operation
32 of section 386 of the revised school code, MCL 380.386, and this increase must be paid from

1 the community district education trust fund allocation in subsection (1) in order to offset
2 the absence of local school operating revenue in a community district in the funding of the
3 state portion of the foundation allowance under section 20(4).

4 (3) In order to receive an allocation under subsection (1), each district must do all
5 of the following:

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

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

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

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

13 (e) Comply with section 21f.

14 (f) For a district that has entered into a partnership agreement with the department,
15 comply with section 22p.

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

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

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

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

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

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

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

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

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

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

7 Sec. 22c. From the state school aid fund money appropriated in section 11, there is
8 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$3,000,000.00 for payments to
9 eligible districts as provided under this section. The payment for an eligible district
10 under this section must be in an amount per membership pupil equal to \$171.00. As used in
11 this section:

12 (a) "Eligible district" means a district **that received funds under this section in**
13 **the immediately preceding fiscal year and** for which the local school operating revenue per
14 membership pupil **in the current fiscal year** exceeds the district's foundation allowance as
15 calculated under section 20 **for the current fiscal year.**

16 (b) "Local school operating revenue per membership pupil" means that term as defined
17 in section 20.

18 Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an
19 amount not to exceed ~~\$8,420,000.00~~ **\$8,841,000.00** is allocated for ~~2021-2022-2022-2023~~ for
20 supplemental payments to rural districts under this section.

21 (2) From the allocation under subsection (1), there is allocated for ~~2021-2022-2022-~~
22 **2023** an amount not to exceed ~~\$1,557,300.00~~ **\$1,635,200.00** for payments under this subsection
23 to districts that meet all of the following:

24 (a) Operates grades K to 12.

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

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

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

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

30 (3) The amount of the additional funding to each eligible district under subsection
31 (2) is determined under a spending plan developed as provided in this subsection and

1 approved by the superintendent of public instruction. The spending plan must be developed
2 cooperatively by the intermediate superintendents of each intermediate district in which an
3 eligible district is located. The intermediate superintendents shall review the financial
4 situation of each eligible district, determine the minimum essential financial needs of
5 each eligible district, and develop and agree on a spending plan that distributes the
6 available funding under subsection (2) to the eligible districts based on those financial
7 needs. The intermediate superintendents shall submit the spending plan to the
8 superintendent of public instruction for approval. Upon approval by the superintendent of
9 public instruction, the amounts specified for each eligible district under the spending
10 plan are allocated under subsection (2) and must be paid to the eligible districts in the
11 same manner as payments under section 22b.

12 (4) Subject to subsection (7), from the allocation in subsection (1), there is
13 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$6,042,700.00~~ **\$6,344,800.00** for
14 payments under this subsection to districts that have fewer than 10.0 pupils per square
15 mile as determined by the department.

16 (5) The funds allocated under subsection (4) are allocated as follows:

17 (a) An amount equal to ~~\$5,200,000.00~~ **\$5,460,000.00** is allocated to districts with
18 fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-
19 pupil basis.

20 (b) The balance of the funding under subsection (4) is allocated as follows:

21 (i) For districts with at least 8.0 but fewer than 9.0 pupils per square mile, as
22 determined by the department, the allocation is an amount per pupil equal to 75% of the
23 per-pupil amount allocated to districts under subdivision (a).

24 (ii) For districts with at least 9.0 but fewer than 10.0 pupils per square mile, as
25 determined by the department, the allocation is an amount per pupil equal to 50% of the
26 per-pupil amount allocated to districts under subdivision (a).

27 (c) If the total funding allocated under subdivision (b) is not sufficient to fully
28 fund payments as calculated under that subdivision, the department shall prorate payments
29 to districts under subdivision (b) on an equal per-pupil basis.

30 (6) From the allocation in subsection (1), there is allocated an amount not to exceed
31 ~~\$820,000.00~~ **\$861,000.00** for payments under this subsection to districts that have greater

1 than 250 square miles and that do not receive funding under subsection (2) or (4). The
2 funds allocated under this subsection must be allocated on an equal per-pupil basis.

3 (7) A district receiving funds allocated under subsection (2) is not eligible for
4 funding allocated under subsection (4).

5 Sec. 22m. (1) From the state school aid fund money appropriated in section 11, there
6 is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$2,200,000.00 for supporting
7 the integration of local data systems into the Michigan data hub network based on common
8 standards and applications that are in compliance with section 19(6).

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

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

16 (4) The center, in collaboration with the Michigan data hub network, shall determine
17 the amount of funds distributed under this section to each participating regional data hub
18 within the network, based upon a competitive grant process. The center shall ensure that
19 the entities receiving funding under this section represent geographically diverse areas in
20 this state.

21 (5) Notwithstanding section 17b, the department shall make payments under this
22 section on a schedule determined by the center.

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

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

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

32 (a) Creating an infrastructure that effectively manages the movement of data between

1 data systems used by intermediate districts, districts, and other educational organizations
2 in Michigan based on common data standards to improve student achievement.

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

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

7 (d) Promoting 100% district adoption of the Michigan data hub network. ~~by September~~
8 ~~30, 2022.~~

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

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

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

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

18 (9) Not later than January 1 of each fiscal year, the center shall prepare a summary
19 report of information provided by each entity that received funds under this section that
20 includes measurable outcomes based on the objectives described under this section and a
21 summary of compiled data from each entity to provide a means to evaluate the effectiveness
22 of the project. The center shall submit the report to the house and senate appropriations
23 subcommittees on school aid and to the house and senate fiscal agencies.

24 Sec. 22p. (1) Subject to subsection (2), in order to receive funding under section
25 22b, a district or public school academy that is assigned by the superintendent of public
26 instruction as a partnership district must have a signed 3-year partnership agreement with
27 the department that includes all of the following:

28 (a) Measurable academic outcomes that the district or public school academy will
29 achieve for each school operated by the district or public school academy that is subject
30 to the partnership agreement after 18 months and after 36 months from the date the
31 agreement was originally signed. Measurable academic outcomes under this subdivision must
32 include all of the following:

1 (i) Outcomes that put pupils on track to meet or exceed grade level proficiency and
2 that are based on district or public school academy needs identified as required under
3 section 21h.

4 (ii) Either of the following, as applicable:

5 (A) At least 1 proficiency or growth outcome based on state assessments described in
6 section 104b or 104c.

7 (B) At least 1 proficiency or growth outcome based on a benchmark assessment
8 described in section ~~104a.~~104h.

9 (b) Accountability measures to be imposed if the district or public school academy
10 does not achieve the measurable academic outcomes described in subdivision (a) for each
11 school operated by the district or public school academy that is subject to the partnership
12 agreement. For a district assigned as a partnership district as described in this
13 subsection, accountability measures under this subdivision must include the reconstitution
14 of the school. For a public school academy assigned as a partnership district as described
15 in this subsection, accountability measures under this subdivision may include the
16 reconstitution of the school.

17 (c) For a public school academy assigned as a partnership district as described in
18 this subsection, a requirement that, if reconstitution is imposed on a school that is
19 operated by the public school academy and that is subject to the partnership agreement, the
20 school must be reconstituted as described in section 507, 528, or 561, as applicable, of
21 the revised school code, MCL 380.507, 380.528, and 380.561.

22 (d) For a district assigned as a partnership district as described in this
23 subsection, a provision that, if reconstitution is imposed on a school that is operated by
24 the district and that is subject to the partnership agreement, reconstitution may require
25 closure of the school building, but, if the school building remains open, reconstitution
26 must include, but is not limited to, all of the following:

27 (i) The district shall make significant changes to the instructional and
28 noninstructional programming of the school based on the needs identified through a
29 comprehensive review of data in compliance with section 21h.

30 (ii) The district shall review whether the current principal of the school should
31 remain as principal or be replaced.

1 (iii) The reconstitution plan for the school must require the adoption of goals
2 similar to the goals included in the partnership agreement, with a limit of 3 years to
3 achieve the goals. If the goals are not achieved within 3 years, the superintendent of
4 public instruction shall impose a second reconstitution plan.

5 (2) If a district or public school academy is assigned as a partnership district as
6 described in subsection (1) during the current fiscal year, it shall ensure that it has a
7 signed partnership agreement as described in subsection (1) in place by not later than 90
8 days after the date that it is assigned as a partnership district. If a district or public
9 school academy described in this subsection does not comply with this subsection, the
10 department shall withhold funding under section 22b for that district or public school
11 academy until the district or public school academy has a signed partnership agreement as
12 described in subsection (1) in place.

13 Sec. 24. (1) From the state school aid fund money appropriated in section 11, there
14 is allocated for ~~2020-2021 an amount not to exceed \$7,650,000.00 and there is allocated for~~
15 ~~2021-2022-2022-2023~~ an amount not to exceed \$7,650,000.00 for payments to the educating
16 district or intermediate district for educating pupils assigned by a court or the
17 department of health and human services to reside in or to attend a juvenile detention
18 facility or child caring institution licensed by the department of health and human
19 services and approved by the department to provide an on-grounds education program. The
20 amount of the payment under this section to a district or intermediate district is
21 calculated as prescribed under subsection (2).

22 (2) The department shall allocate the total amount allocated under this section by
23 paying to the educating district or intermediate district an amount equal to the lesser of
24 the district's or intermediate district's added cost or the department's approved per-pupil
25 allocation for the district or intermediate district. For the purposes of this subsection:

26 (a) "Added cost" means 100% of the added cost each fiscal year for educating all
27 pupils assigned by a court or the department of health and human services to reside in or
28 to attend a juvenile detention facility or child caring institution licensed by the
29 department of health and human services or the department of licensing and regulatory
30 affairs and approved by the department to provide an on-grounds education program. Added
31 cost is computed by deducting all other revenue received under this article for pupils
32 described in this section from total costs, as approved by the department, in whole or in

1 part, for educating those pupils in the on-grounds education program or in a program
2 approved by the department that is located on property adjacent to a juvenile detention
3 facility or child caring institution. Costs reimbursed by federal funds are not included.

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

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

16 (4) Special education pupils funded under section 53a are not funded under this
17 section.

18 Sec. 24a. From the state school aid fund money appropriated in section 11, there is
19 allocated an amount not to exceed \$1,355,700.00 for ~~2021-2022~~**2022-2023** for payments to
20 intermediate districts for pupils who are placed in juvenile justice service facilities
21 operated by the department of health and human services. The amount of the payment to each
22 intermediate district is an amount equal to the state share of those costs that are clearly
23 and directly attributable to the educational programs for pupils placed in facilities
24 described in this section that are located within the intermediate district's boundaries.
25 The intermediate districts receiving payments under this section shall cooperate with the
26 department of health and human services to ensure that all funding allocated under this
27 section is utilized by the intermediate district and department of health and human
28 services for educational programs for pupils described in this section. Pupils described in
29 this section are not eligible to be funded under section 24. However, a program
30 responsibility or other fiscal responsibility associated with these pupils must not be
31 transferred from the department of health and human services to a district or intermediate
32 district unless the district or intermediate district consents to the transfer.

1 Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there
2 is allocated an amount not to exceed \$1,600,000.00 for ~~2021-2022~~**2022-2023** for payments to
3 strict discipline academies established under sections 1311b to 1311m of the revised school
4 code, MCL 380.1311b to 380.1311m, as provided under this section.

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

8 (3) The total amount allocated to a strict discipline academy under this section must
9 first be distributed as the lesser of the strict discipline academy's added cost or the
10 department's approved per-pupil allocation for the strict discipline academy. Any funds
11 remaining after the first distribution must be distributed by prorating on an equal per-
12 pupil membership basis, not to exceed a strict discipline academy's added cost. However,
13 the sum of the amounts received by a strict discipline academy under this section and under
14 section 24 must not exceed the product of the strict discipline academy's per-pupil
15 allocation calculated under section 20 multiplied by the strict discipline academy's full-
16 time equated membership. The department shall allocate funds to strict discipline academies
17 under this section on a monthly basis. For the purposes of this subsection:

18 (a) "Added cost" means 100% of the added cost each fiscal year for educating all
19 pupils enrolled and in regular daily attendance at a strict discipline academy. Added cost
20 must be computed by deducting all other revenue received under this article for pupils
21 described in this subsection from total costs, as approved by the department, in whole or
22 in part, for educating those pupils in a strict discipline academy. The department shall
23 include all costs including, but not limited to, educational costs, insurance, management
24 fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and
25 any other administrative costs necessary to operate the program or to comply with statutory
26 requirements. Costs reimbursed by federal funds are not included.

27 (b) "Department's approved per-pupil allocation" for a strict discipline academy is
28 determined by dividing the total amount allocated under this subsection for a fiscal year
29 by the full-time equated membership total for all pupils approved by the department to be
30 funded under this subsection for that fiscal year for the strict discipline academy.

31 (4) Special education pupils funded under section 53a are not funded under this
32 section.

1 (5) If the funds allocated under this section are insufficient to fully fund the
2 adjustments under subsection (3), the department shall prorate payments under this section
3 on an equal per-pupil basis.

4 (6) The department shall make payments to districts under this section according to
5 the payment schedule under section 17b.

6 Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there
7 is allocated an amount not to exceed \$750,000.00 for ~~2021-2022~~**2022-2023** for the purposes
8 of this section. Except as otherwise provided in this section, if the operation of the
9 special membership counting provisions under section 6(4)(dd) and the other membership
10 counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE
11 in a fiscal year, then the payment made for the pupil under sections 22a and 22b must not
12 be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0
13 is paid under this section in an amount equal to that portion multiplied by the educating
14 district's foundation allowance or per-pupil payment calculated under section 20.

15 (2) Special education pupils funded under section 53a are not funded under this
16 section.

17 (3) If the funds allocated under this section are insufficient to fully fund the
18 adjustments under subsection (1), the department shall prorate payments under this section
19 on an equal per-pupil basis.

20 (4) The department shall make payments to districts under this section according to
21 the payment schedule under section 17b.

22 Sec. 26a. From the state school aid fund money appropriated in section 11, there is
23 allocated an amount not to exceed ~~\$15,300,000.00~~**\$14,000,000.00** for ~~2021-2022~~**2022-2023** to
24 reimburse districts and intermediate districts under section 12 of the Michigan renaissance
25 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2021~~**2022**. The department shall
26 pay the allocations not later than 60 days after the department of treasury certifies to
27 the department and to the state budget director that the department of treasury has
28 received all necessary information to properly determine the amounts due to each eligible
29 recipient.

30 Sec. 26b. (1) From the state school aid fund money appropriated in section 11, there
31 is allocated an amount not to exceed \$4,710,000.00 for ~~2021-2022~~**2022-2023** for payments to
32 districts, intermediate districts, and community college districts for the portion of the

1 payment in lieu of taxes obligation that is attributable to districts, intermediate
2 districts, and community college districts under section 2154 of the natural resources and
3 environmental protection act, 1994 PA 451, MCL 324.2154.

4 (2) If the amount appropriated under this section is not sufficient to fully pay
5 obligations under this section, payments are prorated on an equal basis among all eligible
6 districts, intermediate districts, and community college districts.

7 Sec. 26c. (1) From the state school aid fund money appropriated under section 11,
8 there is allocated an amount not to exceed ~~\$11,300,000.00 for 2020-2021 and there is~~
9 ~~allocated an amount not to exceed \$13,800,000.00~~ **\$14,800,000.00** for ~~2021-2022-2022-2023~~ to
10 the promise zone fund created in subsection (3). The funds allocated under this section
11 reflect the amount of revenue from the collection of the state education tax captured under
12 section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

13 (2) Funds allocated to the promise zone fund under this section must be used solely
14 for payments to eligible districts and intermediate districts, in accordance with section
15 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677, that have a
16 promise zone development plan approved by the department of treasury under section 7 of the
17 Michigan promise zone authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
18 intermediate districts shall use payments made under this section for reimbursement for
19 qualified educational expenses as that term is defined in section 3 of the Michigan promise
20 zone authority act, 2008 PA 549, MCL 390.1663.

21 (3) The promise zone fund is created as a separate account within the state school
22 aid fund to be used solely for the purposes of the Michigan promise zone authority act,
23 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

24 (a) The state treasurer shall direct the investment of the promise zone fund. The
25 state treasurer shall credit to the promise zone fund interest and earnings from fund
26 investments.

27 (b) Money in the promise zone fund at the close of a fiscal year remains in the
28 promise zone fund and does not lapse to the general fund.

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

1 (5) Notwithstanding section 17b, the department shall make payments under this
2 section on a schedule determined by the department.

3 Sec. 26d. (1) From the state school aid fund money appropriated under section 11,
4 there is allocated an amount not to exceed \$7,500,000.00 for ~~2021-2022~~-2022-2023 for
5 reimbursements to intermediate districts as required under section 15b of the brownfield
6 redevelopment financing act, 1996 PA 381, MCL 125.2665b.

7 (2) The amounts reimbursed under subsection (1) must be used by the intermediate
8 district only for the purposes for which the property taxes were originally levied.

9 (3) The Michigan strategic fund and the Michigan economic development corporation
10 shall work with the department of treasury in identifying the amount of tax revenues that
11 are to be reimbursed under subsection (1).

12 (4) Notwithstanding section 17b, the department shall make payments under this
13 section on a schedule determined by the department.

14 **Sec. 27a. (1) From the state school aid fund appropriation in section 11, there is**
15 **allocated for 2022-2023 an amount not to exceed \$100,000,000.00 for the Mi Future Educator**
16 **Fellowship program. These funds must be used to offset tuition costs for students who are**
17 **working toward earning their initial teacher certification. All of the following apply to**
18 **payments under this section:**

19 (a) To establish initial eligibility for an award under this section, an individual
20 must meet all of the following conditions by the date of enrollment described in
21 subparagraph (ii):

22 (i) Have graduated from high school with a diploma or certificate of completion or
23 achieved a high school equivalency certificate.

24 (ii) Be admitted to an eligible educator preparation program working toward a teacher
25 certification and enrolled in enough coursework to earn at least 24 credits in an academic
26 year or the equivalent of full-time participation for individuals enrolled in an
27 alternative certification program, as defined by the department.

28 (iii) Not have previously earned a teacher certification.

29 (iv) Timely complete a grant application in a form and manner determined by the
30 department of treasury.

31 (v) Timely file the Free Application for Federal Student Aid for the enrollment

1 period described in subparagraph (ii).

2 (vi) Timely apply for all available gift aid for the enrollment period described in
3 subparagraph (ii).

4 (vii) Agree to repay any award funds received if the individual does not maintain
5 enrollment in their educator preparation program, does not successfully complete their
6 educator program, or does not work in a Michigan public school or a qualifying public
7 preschool program for at least 2 years for every year awards were received under this
8 section as a certified teacher beginning within one year of completion of their educator
9 preparation program and the receipt of their teacher certification, subject to the
10 provisions under subdivision (f) and guidance developed by the department of treasury.

11 (b) To establish continuing eligibility for an award under this section at an
12 eligible educator preparation program, an individual must meet all of the following
13 conditions:

14 (i) Maintain continuous enrollment in an eligible educator preparation program and
15 earn at least 24 credits in an academic year or the equivalent of full-time participation
16 for individuals enrolled in an alternative certification program, as defined by the
17 department.

18 (ii) Maintain satisfactory academic progress.

19 (iii) Participate in relevant academic and career advising programs offered by the
20 eligible educator preparation program.

21 (iv) Timely file the Free Application for Federal Student Aid for each academic year
22 in which the individual receives an award under this section.

23 (v) Timely apply for all available gift aid for each academic year in which the
24 individual applies for funding under this section.

25 (c) An award under this section must not exceed \$10,000.00 per academic year or the
26 cost of tuition at the in-district resident rate plus other required fees, as determined by
27 the department of treasury, at the eligible educator preparation program attended,
28 whichever is less.

29 (d) Awards under this section shall be distributed to eligible educator preparation
30 programs on a timeline determined by the department of treasury.

1 (e) Pending available funds, applicants may renew their award for up to three years,
2 or until program completion, whichever comes first.

3 (f) If an award recipient does not maintain enrollment in their educator preparation
4 program, does not successfully complete their educator preparation program, does not work
5 as a certified teacher in a Michigan public school or a qualifying public preschool program
6 within a year of completing their educator preparation program and receiving their teacher
7 certification, or does not maintain employment in a Michigan school for at least 2 years
8 for every year an award was received under this section, any amount received from funds
9 under this section converts to a 0% interest loan that must be repaid to the state. The
10 amount of repayment must be reduced proportionate to the number of years worked in Michigan
11 schools as a certified teacher out of the total number of years the recipient agreed to
12 work in Michigan schools as a certified teacher. The department of treasury shall develop
13 guidance to enforce this subdivision. This guidance may include hardship provisions that
14 allow a loan to be reduced or discharged.

15 (2) An individual may be eligible for an award under this section and an award from
16 funds appropriated in this section in the immediately preceding fiscal year for the Mi
17 Future Educator - Student Teacher Stipend Program.

18 (3) An individual may not concurrently receive funding through programs funded under
19 this section and grow your own programs funded under section 27b in the immediately
20 preceding fiscal year.

21 Sec. 27d. (1) From the state school aid fund appropriation in section 11, there is
22 allocated for 2022-2023 an amount not to exceed \$50,000,000.00 for the purposes of this
23 section. Programs funded under this section are intended to expand support for new
24 teachers, improve their instructional practices, and improve teacher retention.

25 (2) From the allocation under subsection (1), the department shall partner with
26 educator preparation programs provided by public institutions of higher education,
27 districts, or districts in partnership with an institution of higher education or an
28 alternative educator preparation program to provide coaching and cohort support to students
29 in educator preparation programs and new teachers. The service must be free and must
30 continue to be available for at least the first three years of a teacher's service. This
31 partnership is intended to create a robust support system for new teachers. A cohort system
32 of supports must provide both of the following:

1 (a) Provide new teachers with professional connections to similarly experienced
2 teachers who face many of the same challenges when beginning their profession.

3 (b) Provide coaches or mentors who are experts in the field of education to new
4 teachers who can offer guidance on complex issues and subsequently share that expertise
5 with new teachers.

6 (3) From the allocation under subsection (1), the department shall provide grants for
7 mentor stipends to support and retain quality teachers in Michigan. Districts are eligible
8 to receive grants under this subsection and may use the funding for any of the following
9 allowable expenditures:

10 (a) Stipends for veteran teachers who serve as mentor teachers.

11 (b) Training for mentor teachers.

12 (c) Books, materials, professional learning expenses, and other resources necessary
13 for mentoring and onboarding new teachers.

14 (d) Staffing costs to cover time spent by both new and mentor teachers dedicated to
15 mentoring and onboarding rather than being in the classroom.

16 (4) From the allocation under subsection (1), there is allocated \$500,000.00 for a
17 competitive grant to assist the department with the development of research-based mentor
18 standards, curriculum, and professional learning to ensure mentors are prepared to support
19 new teachers. Intermediate districts and other educational entities are eligible to apply
20 for this grant in a form and manner determined by the department.

21 (5) From the allocation under subsection (1), there is allocated \$500,000.00 for a
22 competitive grant to conduct a program evaluation of activities funded under this section.
23 The evaluation shall identify recommendations to strengthen the program. Qualified
24 evaluators are eligible to apply for this grant in a form and manner determined by the
25 department.

26 (6) Notwithstanding section 17b, the department shall make payments under this
27 section on a schedule determined by the department.

28 Sec. 28. (1) To recognize differentiated instructional costs for different types of
29 pupils in ~~2021-2022, 2022-2023~~, the following sections provide a weighted foundation
30 allocation or an additional payment of some type in the following amounts, as allocated
31 under those sections:

32 (a) Section 22d, isolated and rural districts, ~~\$8,420,000.00.~~ **\$8,841,000.00.**

1 (b) Section 31a, at risk, standard programming, ~~\$512,500,000.00.~~ **\$746,500,000.00.**

2 ~~(c) Section 31a, at risk, additional payment, \$12,000,000.00.~~

3 (c) ~~(d)~~ Section 41, bilingual education for English language learners,
4 ~~\$25,200,000.00.~~ **\$26,475,000.00.**

5 (d) ~~(e)~~ Section 51c, special education, mandated percentages, ~~\$733,400,000.00.~~
6 **\$710,000,000.00.**

7 (e) ~~(f)~~ Section 51f, special education, additional percentages, ~~\$90,207,000.00.~~
8 **\$240,207,000.00.**

9 (f) ~~(g)~~ Section 61a, career and technical education, standard reimbursement,
10 ~~\$37,611,300.00.~~ **\$47,611,300.00**

11 (g) ~~(h)~~ Section 61d, career and technical education incentives, \$5,000,000.00.

12 (2) The funding described in subsection (1) is not a separate allocation of any
13 funding but is instead a listing of funding allocated in the sections listed in subsection
14 (1).

15 Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there
16 is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$537,650,000.00,~~
17 **\$770,650,000.00** and from the general fund money appropriated in section 11 there is
18 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$1,500,000.00, for payments to
19 eligible districts and eligible public school academies for the purposes of ensuring that
20 pupils are proficient in English language arts by the end of grade 3, that pupils are
21 proficient in mathematics by the end of grade 8, that pupils are attending school
22 regularly, that high school graduates are career and college ready, and for the purposes
23 under subsections ~~(7)-(6)~~ and ~~(8)-(7)~~.

24 ~~(2) For a district that has combined state and local revenue per membership pupil~~
25 ~~under section 20 that is greater than the target foundation allowance under section 20 for~~
26 ~~the current fiscal year and that, for the immediately preceding fiscal year, had combined~~
27 ~~state and local revenue per membership pupil under section 20 that was greater than the~~
28 ~~target foundation allowance under section 20 that was in effect for that fiscal year, the~~
29 ~~allocation under subsection (4) is an amount equal to 35% of the allocation for which it~~
30 ~~would otherwise be eligible under subsection (4) before any proration under subsection~~
31 ~~(15). It is the intent of the legislature that, if revenues are sufficient and if districts~~
32 ~~with combined state and local revenue per membership pupil under section 20 that is below~~

1 ~~the target foundation allowance are receiving nonprorated payments under subsection (4),~~
2 ~~the percentage in the immediately preceding sentence must be increased annually until it~~
3 ~~reaches 100%. If a district has combined state and local revenue per membership pupil under~~
4 ~~section 20 that is greater than the target foundation allowance under section 20 for the~~
5 ~~current fiscal year, but for the 2018-2019 fiscal year had combined state and local revenue~~
6 ~~per membership pupil under section 20 that was less than the basic foundation allowance~~
7 ~~under section 20 that was in effect for the 2018-2019 fiscal year, the district shall~~
8 ~~receive an amount per pupil equal to 11.5% of the statewide weighted average foundation~~
9 ~~allowance, as applied under subsection (4), and before any proration under subsection (15).~~

10 (2) ~~(3)~~ For a district or public school academy to be eligible to receive funding
11 under this section, other than funding under subsection ~~(7)~~ **(6)** and ~~(8)~~ **(7)**, the district
12 or public school academy, for grades K to 12, must comply with the requirements under
13 section 1280f of the revised school code, MCL 380.1280f, and shall use resources to address
14 early literacy and numeracy, and for at least grades K to 12 or, if the district or public
15 school academy does not operate all of grades K to 12, for all of the grades it operates,
16 must implement a multi-tiered system of supports that is an evidence based framework that
17 uses data driven problem solving to integrate academic and behavioral instruction and that
18 uses intervention delivered to all pupils in varying intensities based on pupil needs. The
19 multi-tiered system of supports described in this subsection must provide at least all of
20 the following essential components:

- 21 (a) Team-based leadership.
22 (b) A tiered delivery system.
23 (c) Selection and implementation of instruction, interventions, and supports.
24 (d) A comprehensive screening and assessment system.
25 (e) Continuous data-based decision making.

26 (3) ~~(4)~~ From the state school aid fund money allocated under subsection (1), there is
27 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$512,500,000.00~~ **\$746,500,000.00**
28 to continue a weighted foundation per pupil payment for districts and public school
29 academies enrolling economically disadvantaged pupils. The department shall pay under this
30 subsection to each eligible district or eligible public school academy an amount per pupil
31 equal to 11.5% of the ~~statewide weighted average~~ **target** foundation allowance for the
32 following, as applicable:

1 (a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of
2 the following:

3 (i) The number of membership pupils in the district or public school academy who are
4 determined to be economically disadvantaged, as reported to the center in the form and
5 manner prescribed by the center not later than the fifth Wednesday after the pupil
6 membership count day of the immediately preceding fiscal year.

7 (ii) If the district or public school academy is in the community eligibility program,
8 the number of pupils determined to be eligible based on the product of the identified
9 student percentage multiplied by the total number of pupils in the district or public
10 school academy, as reported to the center in the form and manner prescribed by the center
11 not later than the fifth Wednesday after the pupil membership count day of the immediately
12 preceding fiscal year. These calculations must be made at the building level. This
13 subparagraph only applies to an eligible district or eligible public school academy for the
14 fiscal year immediately following the first fiscal year in which it is in the community
15 eligibility program. As used in this subparagraph, "identified student percentage" means
16 the quotient of the number of pupils in an eligible district or eligible public school
17 academy who are determined to be economically disadvantaged, as reported to the center in a
18 form and manner prescribed by the center, not later than the fifth Wednesday after the
19 pupil membership count day in the fiscal year preceding the first fiscal year in which the
20 eligible district or eligible public school academy is in the community eligibility
21 program, divided by the total number of pupils counted in an eligible district or eligible
22 public school academy on the pupil membership count day in the fiscal year preceding the
23 first fiscal year in which the eligible district or eligible public school academy is in
24 the community eligibility program.

25 (b) If the district or public school academy began operations as a district or public
26 school academy after the pupil membership count day of the immediately preceding school
27 year, the number of membership pupils in the district or public school academy who are
28 determined to be economically disadvantaged, as reported to the center in the form and
29 manner prescribed by the center not later than the fifth Wednesday after the pupil
30 membership count day of the current fiscal year.

31 (c) If the district or public school academy began operations as a district or public

1 school academy after the pupil membership count day of the current fiscal year, the number
2 of membership pupils in the district or public school academy who are determined to be
3 economically disadvantaged, as reported to the center in the form and manner prescribed by
4 the center not later than the fifth Wednesday after the supplemental count day of the
5 current fiscal year.

6 (d) If, for a particular fiscal year, the number of membership pupils in a district
7 or public school academy who are determined under subdivision (a) to be economically
8 disadvantaged or to be eligible based on the identified student percentage varies by more
9 than 20 percentage points from the number of those pupils in the district or public school
10 academy as calculated under subdivision (a) for the immediately preceding fiscal year
11 caused by an egregious reporting error by the district or public school academy, the
12 department may choose to have the calculations under subdivision (a) instead be made using
13 the number of membership pupils in the district or public school academy who are determined
14 to be economically disadvantaged, as reported to the center in the form and manner
15 prescribed by the center not later than the fifth Wednesday after the supplemental count
16 day of the immediately preceding fiscal year.

17 **(4)** ~~(5)~~ Except as otherwise provided in this section, a district or public school
18 academy receiving funding under this section shall use that money only to provide
19 instructional programs and direct noninstructional services, including, but not limited to,
20 medical, mental health, or counseling services, for at-risk pupils; for school health
21 clinics; and for the purposes of subsection ~~(6), (7), or (8)~~ **(5), (6), or (7)**. In
22 addition, a district that is a school district of the first class or a district or public
23 school academy in which at least 50% of the pupils in membership were determined to be
24 economically disadvantaged in the immediately preceding state fiscal year, as determined
25 and reported as described in subsection ~~(4)~~ **(3)** may use the funds it receives under this
26 section for school security or school parent liaison personnel. The uses of the funds
27 described in the immediately preceding sentence must align to the needs assessment and the
28 multi-tiered system of supports model and, for funds spent on parent liaison personnel,
29 must connect parents to the school community. A district or public school academy shall not
30 use any of the money received under this section for administrative costs. The instruction
31 or direct noninstructional services provided under this section may be conducted before or
32 after regular school hours or by adding extra school days to the school year.

1 (5) ~~(6)~~—A district or public school academy that receives funds under this section
2 and that operates a school breakfast program under section 1272a of the revised school
3 code, MCL 380.1272a, shall use from the funds received under this section an amount, not to
4 exceed \$10.00 per pupil for whom the district or public school academy receives funds under
5 this section, necessary to pay for costs associated with the operation of the school
6 breakfast program.

7 (6) ~~(7)~~—From the state school aid fund money allocated under subsection (1), there is
8 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$8,000,000.00~~ **\$19,000,000.00** to
9 support primary health care services provided to children and adolescents up to age 21.
10 These funds must be expended in a form and manner determined jointly by the department and
11 the department of health and human services. If any funds allocated under this subsection
12 are not used for the purposes of this subsection for the fiscal year in which they are
13 allocated, those unused funds must be used that fiscal year to avoid or minimize any
14 proration that would otherwise be required under subsection ~~(15)~~ **(14)** for that fiscal year.

15 (7) ~~(8)~~—From the state school aid fund money allocated under subsection (1), there is
16 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$5,150,000.00 for the state
17 portion of the hearing and vision screenings as described in part 93 of the public health
18 code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated
19 under subsection (1), there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed
20 \$1,500,000.00 for the state portion of the dental screenings as described in part 93 of the
21 public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local public health department
22 shall pay at least 50% of the total cost of the screenings. The frequency of the vision
23 screenings must be as required under R 325.13091 to R 325.13096 of the Michigan
24 Administrative Code and the frequency of the hearing screenings must be as required under R
25 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form
26 and manner approved jointly by the department and the department of health and human
27 services. Notwithstanding section 17b, the department shall make payments to eligible
28 entities under this subsection on a schedule determined by the department.

29 (8) ~~(9)~~—Each district or public school academy receiving funds under this section
30 shall submit to the department by July 15 of each fiscal year a report, in the form and
31 manner prescribed by the department, that includes a brief description of each program
32 conducted or services performed by the district or public school academy using funds under

1 this section, the amount of funds under this section allocated to each of those programs or
2 services, the total number of at risk pupils served by each of those programs or services,
3 and the data necessary for the department and the department of health and human services
4 to verify matching funds for the temporary assistance for needy families program. In
5 prescribing the form and manner of the report, the department shall ensure that districts
6 are allowed to expend funds received under this section on any activities that are
7 permissible under this section. If a district or public school academy does not comply with
8 this subsection, the department shall withhold an amount equal to the August payment due
9 under this section until the district or public school academy complies with this
10 subsection. If the district or public school academy does not comply with this subsection
11 by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

12 (9) ~~(10)~~—In order to receive funds under this section, a district or public school
13 academy must allow access for the department or the department's designee to audit all
14 records related to the program for which it receives those funds. The district or public
15 school academy shall reimburse the state for all disallowances found in the audit.

16 (10) ~~(11)~~—Subject to subsections ~~(6), (7), or (8)~~, (5), (6), or (7), for schools in
17 which more than 40% of pupils are identified as at-risk, a district or public school
18 academy may use the funds it receives under this section to implement tier 1, evidence-
19 based practices in schoolwide reforms that are guided by the district's comprehensive needs
20 assessment and are included in the district improvement plan. Schoolwide reforms must
21 include parent and community supports, activities, and services, that may include the
22 pathways to potential program created by the department of health and human services or the
23 communities in schools program. As used in this subsection, "tier 1, evidence-based
24 practices" means research based instruction and classroom interventions that are available
25 to all learners and effectively meet the needs of most pupils.

26 (11) ~~(12)~~—A district or public school academy that receives funds under this section
27 may use those funds to provide research based professional development and to implement a
28 coaching model that supports the multi-tiered system of supports framework. Professional
29 development may be provided to district and school leadership and teachers and must be
30 aligned to professional learning standards; integrated into district, school building, and
31 classroom practices; and solely related to the following:

32 (a) Implementing the multi-tiered system of supports required in subsection ~~(3)~~ (2)

1 with fidelity and utilizing the data from that system to inform curriculum and instruction.

2 (b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required
3 under subsection ~~(3)~~, ~~(2)~~ with fidelity.

4 **(12)** ~~(13)~~—A district or public school academy that receives funds under subsection
5 ~~(4) or (17)~~ **(3)** may use funds received under subsection ~~(4) or (17)~~ **(3)** for support staff
6 providing services to at-risk pupils.

7 **(13)** ~~(14)~~—A district or public school academy that receives funds under this section
8 may use up to 10% of the funds received under this section to provide evidence-based
9 instruction for pre-kindergarten instructional and noninstructional services to children
10 who meet at least 1 of the criteria in subsection ~~(20) (a) (i)~~ **(18) (a) (i)** to (x).

11 **(14)** ~~(15)~~—If necessary, ~~and before any proration required under section 296,~~ the
12 department shall prorate payments under this section, except payments under subsection ~~(7),~~
13 ~~(8), or (17),~~ **(6) or (7)** by reducing the amount of the allocation as otherwise calculated
14 under this section by an equal percentage per district.

15 **(15)** ~~(16)~~—If a district is dissolved pursuant to section 12 of the revised school
16 code, MCL 380.12, the intermediate district to which the dissolved district was constituent
17 shall determine the estimated number of pupils that are economically disadvantaged and that
18 are enrolled in each of the other districts within the intermediate district and provide
19 that estimate to the department for the purposes of distributing funds under this section
20 within 60 days after the district is declared dissolved.

21 ~~(17) From the state school aid fund money allocated under subsection (1), there is~~
22 ~~allocated for 2021-2022 an amount not to exceed \$12,000,000.00 for payments to districts~~
23 ~~and public school academies that otherwise received an allocation under this subsection for~~
24 ~~2020-2021 and whose allocation under this section for 2020-2021, excluding any payments~~
25 ~~under subsection (7) or (8), would have been more than the district's or public school~~
26 ~~academy's allocation under this section for 2021-2022 as calculated under subsection (4)~~
27 ~~only and as adjusted under subsection (15). The allocation for each district or public~~
28 ~~school academy under this subsection is an amount equal to its allocation under this~~
29 ~~section for 2020-2021 minus its allocation as otherwise calculated under subsection (4) for~~
30 ~~2021-2022 as adjusted by subsection (15), using in those calculations the 2017-2018 number~~
31 ~~of pupils determined to be economically disadvantaged. However, if the allocation as~~
32 ~~otherwise calculated under this subsection would have been less than \$0.00, the allocation~~

1 ~~under this subsection is \$0.00. If necessary, and before any proration required under~~
2 ~~section 296, the department shall prorate payments under this subsection by reducing the~~
3 ~~amount of the allocation as otherwise calculated under this subsection by an equal~~
4 ~~percentage per district or public school academy. Any unexpended funds under this~~
5 ~~subsection are to be distributed through payments made under subsection (4) as provided~~
6 ~~under subsection (4), but those funds must not be factored into calculating payments under~~
7 ~~this subsection.~~

8 **(16)** ~~(18)~~—A district or public school academy that receives funds under this section
9 may use funds received under this section to provide an anti-bullying or crisis
10 intervention program.

11 **(17)** ~~(19)~~—The department shall collaborate with the department of health and human
12 services to prioritize assigning Pathways to Potential success coaches to elementary
13 schools that have a high percentage of pupils in grades K to 3 who are not proficient in
14 English language arts, based upon state assessments for pupils in those grades.

15 **(18)** ~~(20)~~—As used in this section:

16 (a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district has
17 documentation that the pupil meets any of the following criteria:

18 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

29 (ix) For pupils for whom the results of the state summative assessment have been
30 received, is a pupil who did not achieve proficiency on the English language arts,

1 mathematics, science, or social studies content area assessment.

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

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

10 (c) "English language learner" means limited English proficient pupils who speak a
11 language other than English as their primary language and have difficulty speaking,
12 reading, writing, or understanding English as reported to the center.

13 ~~(d) "Statewide weighted average foundation allowance" means the number that is~~
14 ~~calculated by adding together the result of each district's or public school academy's~~
15 ~~foundation allowance, not to exceed the target foundation allowance for the current fiscal~~
16 ~~year, or per-pupil payment calculated under section 20 multiplied by the number of pupils~~
17 ~~in membership in that district or public school academy, and then dividing that total by~~
18 ~~the statewide number of pupils in membership.~~

19 Sec. 31d. (1) From the appropriations in section 11, there is allocated an amount not
20 to exceed ~~\$23,838,400.00 for 2020-2021 and there is allocated an amount not to exceed~~
21 ~~\$23,838,400.00~~ **\$24,553,400.00** for ~~2021-2022-2022-2023~~ for the purpose of making payments to
22 districts and other eligible entities under this section.

23 (2) The amounts allocated from state sources under this section are used to pay the
24 amount necessary to reimburse districts for 6.0127% of the necessary costs of the state
25 mandated portion of lunch programs provided by those districts. The department shall
26 calculate the amount due to each district under this section using the methods of
27 calculation adopted by the Michigan supreme court in the consolidated cases known as Durant
28 v State of Michigan, 456 Mich 175 (1997).

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

32 (4) The payments made under this section to districts and other eligible entities

1 that are not required under section 1272a of the revised school code, MCL 380.1272a, to
2 provide a lunch program must be in an amount not to exceed \$10.00 per eligible pupil plus 5
3 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined
4 by the department.

5 (5) From the federal funds appropriated in section 11, there is allocated for ~~2020-~~
6 ~~2021~~ all available federal funding, estimated at ~~\$800,000,000.00~~, and there is allocated
7 ~~for 2021-2022-~~**2022-2023** all available federal funding, estimated at ~~\$545,000,000.00~~
8 **\$900,000,000.00** for child nutrition programs and, for ~~2020-2021~~, all available federal
9 ~~funding, estimated at \$15,712,000.00 for food distribution programs, \$50,000,000.00 for the~~
10 ~~child nutrition program pandemic electronic benefit transfer cost reimbursement program,~~
11 ~~\$50,000,000.00 for child nutrition program emergency operational cost reimbursement~~
12 ~~programs, and \$259,600.00 for commodity supplemental fund programs, and, for 2021-2022,~~
13 **2022-2023**, all available federal funding, estimated at ~~\$11,000,000.00~~, **-\$15,000,000.00** for
14 food distribution programs.

15 (6) Notwithstanding section 17b, the department shall make payments to eligible
16 entities other than districts under this section on a schedule determined by the
17 department.

18 (7) In purchasing food for a lunch program funded under this section, a district or
19 other eligible entity shall give preference to food that is grown or produced by Michigan
20 businesses if it is competitively priced and of comparable quality.

21 Sec. 31f. (1) From the state school aid fund money appropriated in section 11, there
22 is allocated an amount not to exceed \$11,900,000.00 for ~~2020-2021~~ and there is allocated an
23 ~~amount not to exceed \$11,900,000.00 for 2021-2022-~~**2022-2023** for the purpose of making
24 payments to districts to reimburse for the cost of providing breakfast.

25 (2) The funds allocated under this section for school breakfast programs are made
26 available to all eligible applicant districts that meet all of the following criteria:

27 (a) The district participates in the federal school breakfast program and meets all
28 standards as prescribed by 7 CFR parts 210, 220, 225, 226, and 245.

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

31 (3) The payment for a district under this section is at a per meal rate equal to the
32 lesser of the district's actual cost or 100% of the statewide average cost of a meal

1 served, as determined and approved by the department, less federal reimbursement,
2 participant payments, and other state reimbursement. The department shall determine the
3 statewide average cost using costs as reported in a manner approved by the department for
4 the preceding school year.

5 (4) Notwithstanding section 17b, the department may make payments under this section
6 pursuant to an agreement with the department.

7 (5) In purchasing food for a school breakfast program funded under this section, a
8 district shall give preference to food that is grown or produced by Michigan businesses if
9 it is competitively priced and of comparable quality.

10 Sec. 31j. (1) From the general fund money appropriated in section 11, there is
11 allocated an amount not to exceed \$500,000.00 and from the state school aid fund money
12 appropriated in section 11, there is allocated an amount not to exceed ~~\$4,500,000.00~~
13 **\$4,000,000.00** for ~~2021-2022-2022-2023~~ for a program to support districts and other non-
14 school sponsors in the purchase of locally grown fruits and vegetables as described in this
15 section.

16 (2) Funding under this section retained by the department for administration must not
17 exceed 5%. Funding under this section retained by project partners for data collection,
18 outreach and training must not exceed 1% for each partner.

19 (3) The department shall develop and implement a competitive grant program for
20 districts and other non-school sponsors to assist in paying for the costs incurred by the
21 district or other non-school sponsor to purchase or increase purchases of whole or
22 minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount
23 that may be drawn down on a grant to a district or other non-school sponsor is based on the
24 number of meals served by the district during the previous school year under the Richard B.
25 Russell national school lunch act, 42 USC 1751 to 1769j, or meals served by the other non-
26 school sponsor in the previous school year. The department shall collaborate with the
27 Michigan department of agriculture and rural development to provide training to newly
28 participating schools and other non-school sponsors and electronic information on Michigan
29 agriculture.

30 (4) The goals of the program under this section include improving daily nutrition and
31 eating habits for children through the school and child care settings while investing in
32 Michigan's agricultural and related food business economy.

1 (5) A district or other non-school sponsor that receives a grant under this section
2 shall use those funds for the costs incurred by the district or the sponsor to purchase
3 whole or minimally processed fruits, vegetables, and legumes that meet all of the
4 following:

5 (a) Were purchased for use in school meals served between September 1, ~~2021~~2022
6 through August 30, ~~2022~~2023.

7 (b) Are grown in this state and, if minimally processed, are also processed in this
8 state.

9 (c) Are used for meals that are served as part of the United States Department of
10 Agriculture's child nutrition programs.

11 (6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements
12 of subsection (5), the department shall make matching reimbursements in an amount not to
13 exceed 10 cents for every school meal that is served as part of the United States
14 Department of Agriculture's child nutrition programs and that uses Michigan-grown fruits,
15 vegetables, and legumes.

16 (7) A district or other non-school sponsor that receives a grant for reimbursement
17 under this section shall use the grant to purchase whole or minimally processed fruits,
18 vegetables, and legumes that are grown in this state and, if minimally processed, are also
19 processed in this state.

20 (8) In awarding grants under this section, the department shall work in consultation
21 with Michigan-based farm to school resource organizations, to develop scoring criteria that
22 assess an applicant's ability to procure Michigan-grown products, prepare and menu
23 Michigan-grown products, promote and market Michigan-grown products, and submit letters of
24 intent from districts or other non-school sponsors on plans for educational activities that
25 promote the goals of the program.

26 (9) The department shall give preference to districts or other non-school sponsors
27 that propose educational activities that meet 1 or more of the following: promote healthy
28 food activities; have clear educational objectives; involve parents or the community;
29 connect to a school's or child care center's farm-to-school or farm-to-early-child-care
30 procurement activities; and market and promote the program, leading to increased pupil
31 knowledge and consumption of Michigan-grown products. The department shall give stronger
32 weighting and consideration to applications with robust marketing and promotional

1 activities.

2 (10) In awarding grants, the department shall also consider all of the following:

3 (a) The percentage of children who qualify for free or reduced price school meals
4 under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

5 (b) The variety of school or child care center sizes and geographic locations within
6 the identified prosperity regions.

7 (c) The existing or future collaboration opportunities between more than 1 district
8 or child care center.

9 (11) As a condition of receiving a grant under this section, a district or other non-
10 school sponsor shall provide or direct its vendors to provide to the department copies of
11 monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and
12 legumes purchased, the amount of money spent on each of these products, the name and
13 Michigan location of the farm that grew the products, and the methods or plans to market
14 and promote the program. The district or other non-school sponsor also shall provide to the
15 department monthly United States Department of Agriculture child nutrition reimbursable
16 meal numbers and participation rates and must retain monthly menus noting when and how
17 Michigan-grown products were used in meals. The district or other non-school sponsor and
18 school or non-school sponsor food service director or directors also shall agree to respond
19 to brief online surveys and to provide a report that shows the percentage relationship of
20 Michigan spending compared to total food spending. Not later than 60 days after the end of
21 the school year in which funds under this section were received, each district or each non-
22 school sponsor shall submit a report to the department on outcomes and related measurements
23 for economic development and children's nutrition and readiness to learn. The report must
24 include at least both of the following:

25 (a) The extent to which farmers and related businesses, including distributors and
26 processors, saw an increase in market opportunities and income generation through sales of
27 Michigan or local products to districts and other non-school sponsors. All of the following
28 apply for purposes of this subdivision:

29 (i) The data used to determine the amount of this increase are the total dollar
30 amount of Michigan or local fruits, vegetables, and legumes purchased by schools and other
31 non-school sponsors, along with the number of different types of products purchased; school
32 and non-school sponsor food purchasing trends identified along with products that are of

1 new and growing interest among food service directors; the number of businesses impacted;
2 and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and
3 legumes.

4 (ii) The district or other non-school sponsor shall use purchasing data collected for
5 the program and surveys of school and non-school sponsor food service directors on the
6 impact and success of the program as the source for the data described in subparagraph (i).

7 (b) The ability to which pupils can access a variety of healthy Michigan-grown foods
8 through schools and other non-school sponsor centers and increase their consumption of
9 those foods. All of the following apply for purposes of this subdivision:

10 (i) The data used to determine whether this subdivision is met are the number of
11 pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and non-school
12 sponsor centers; the variety of products served; new items taste-tested or placed on menus;
13 and the increase in pupil willingness to try new local healthy foods.

14 (ii) The district or other non-school sponsor shall use purchasing data collected for
15 the project, meal count and enrollment numbers, school menu calendars, and surveys of
16 school and non-school sponsor food service directors as the source for the data described
17 in subparagraph (i).

18 (12) The department shall compile the reports provided by districts and other non-
19 school sponsors under subsection (11) into 1 legislative report. The department shall
20 provide this report not later than November 1, ~~2022~~-**2023** to the house and senate
21 subcommittees responsible for school aid, the house and senate fiscal agencies, and the
22 state budget director.

23 (13) Notwithstanding section 17b, the department shall make payments under this
24 section on a schedule determined by the department.

25 Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there
26 is allocated for ~~2021-2022~~-**2022-2023** for the purposes of this section an amount not to
27 exceed ~~\$52,600,000.00~~-**\$102,600,000.00** and from the general fund money appropriated in
28 section 11, there is allocated for ~~2021-2022~~-**2022-2023** for the purposes of this section an
29 amount not to exceed \$1,300,000.00. The department and the department of health and human
30 services shall continue a program to distribute this funding to add licensed behavioral
31 health providers for general education pupils, and shall continue to seek federal Medicaid

1 match funding for all eligible mental health and support services.

2 (2) The department and the department of health and human services shall maintain an
3 advisory council for programs funded under this section. The advisory council shall define
4 goals for implementation of programs funded under this section, and shall provide feedback
5 on that implementation. At a minimum, the advisory council shall consist of representatives
6 of state associations representing school health, school mental health, school counseling,
7 education, health care, and other organizations, representatives from the department and
8 the department of health and human services, and a representative from the school safety
9 task force created under Executive Order No. 2018-5. The department and department of
10 health and human services, working with the advisory council, shall determine an approach
11 to increase capacity for mental health and support services in schools for general
12 education pupils, and shall determine where that increase in capacity qualifies for federal
13 Medicaid match funding.

14 (3) The advisory council shall develop a fiduciary agent checklist for intermediate
15 districts to facilitate development of a plan to submit to the department and to the
16 department of health and human services. The department and department of health and human
17 services shall determine the requirements and format for intermediate districts to submit a
18 plan for possible funding under subsection (6). The department shall make applications for
19 funding for this program available to districts and intermediate districts not later than
20 December 1, ~~2021-2022~~ for the ~~2021-2022-2022-2023~~ fiscal year and shall award the funding
21 not later than February 1, ~~2022-2023~~ for the ~~2021-2022-2022-2023~~ fiscal year.

22 (4) The department of health and human services shall seek to amend the state
23 Medicaid plan or obtain appropriate Medicaid waivers as necessary for the purpose of
24 generating additional Medicaid match funding for school mental health and support services
25 for general education pupils. The intent is that a successful state plan amendment or other
26 Medicaid match mechanisms will result in additional federal Medicaid match funding for both
27 the new funding allocated under this section and for any expenses already incurred by
28 districts and intermediate districts for mental health and support services for general
29 education pupils.

30 (5) From the state school aid fund money allocated under subsection (1), there is
31 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$14,300,000.00 to be distributed
32 to the network of child and adolescent health centers to place a licensed master's level

1 behavioral health provider in schools that do not currently have services available to
2 general education students. Child and adolescent health centers that are part of the
3 network described in this subsection shall provide a commitment to maintain services and
4 implement all available federal Medicaid match methodologies. The department of health and
5 human services shall use all existing or additional federal Medicaid match opportunities to
6 maximize funding allocated under this subsection. The department shall provide funds under
7 this subsection to child and adolescent health centers that are part of the network
8 described in this subsection in the same proportion that funding under section 31a(7) is
9 provided to child and adolescent health centers that are part of the network described in
10 this subsection and that are located and operating in those districts. A payment from
11 funding allocated under this subsection must not be paid to an entity that is not part of
12 the network described in this subsection.

13 (6) From the state school aid fund money allocated under subsection (1), there is
14 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$37,800,000.00~~ **\$87,800,000.00** to
15 be distributed to intermediate districts for the provision of mental health and support
16 services to general education students. If a district or intermediate district is not able
17 to procure the services of a licensed master's level behavioral health provider, the
18 district or intermediate district shall notify the department and the department of health
19 and human services and, if the department and department of health and human services
20 verify that the district or intermediate district attempted to procure services from a
21 master's level behavioral health provider and was not able to do so, then the district or
22 intermediate district may instead procure services from a provider with less than a
23 master's degree in behavioral health. To be able to use the exemption in the immediately
24 preceding sentence, the district or intermediate district must submit evidence satisfactory
25 to the department and department of health and human services demonstrating that the
26 district or intermediate district took measures to procure the services of a licensed
27 master's level behavioral health provider but was unable to do so, and the department and
28 department of health and human services must be able to verify this evidence. From the
29 first ~~\$32,200,000.00~~ **\$74,760,000.00** of the funds allocated under this subsection, the
30 department shall distribute ~~\$575,000.00~~ **\$1,335,000.00** for ~~2021-2022-2022-2023~~ to each
31 intermediate district that submits a plan approved by the department and the department of
32 health and human services. The department shall distribute the remaining ~~\$5,600,000.00~~

1 **\$13,040,000.00** of the funds allocated under this subsection for ~~2021-2022-2022-2023~~ to
2 intermediate districts on an equal per-pupil basis based on the combined total number of
3 pupils in membership in the intermediate district and its constituent districts, including
4 public school academies that are considered to be constituent districts under section
5 705(7) of the revised school code, MCL 380.705. The department and department of health and
6 human services shall work cooperatively in providing oversight and assistance to
7 intermediate districts during the plan submission process and shall monitor the program
8 upon implementation. An intermediate district shall use funds awarded under this subsection
9 to provide funding to its constituent districts, including public school academies that are
10 considered to be constituent districts under section 705(7) of the revised school code, MCL
11 380.705, for the provision of mental health and support services to general education
12 students. In addition to the criteria identified under subsection (7), an intermediate
13 district shall consider geography, cost, or other challenges when awarding funding to its
14 constituent districts. Districts receiving funding under this subsection are encouraged to
15 provide suicide prevention and awareness education and counseling. If funding awarded to an
16 intermediate district remains after funds are provided by the intermediate district to its
17 constituent districts, the intermediate district may hire or contract for experts to
18 provide mental health and support services to general education students residing within
19 the boundaries of the intermediate district, including, but not limited to, expanding,
20 hiring, or contracting for staff and experts to provide those services directly or to
21 increase access to those services through coordination with outside mental health agencies;
22 **the intermediate district may contract with 1 or more other intermediate districts for**
23 **coordination and facilitation of activities related to providing mental health and support**
24 **services to general education students residing within the boundaries of the intermediate**
25 **district;** and the intermediate district is encouraged to provide suicide prevention and
26 awareness education and counseling. ~~If funding awarded to an intermediate district under~~
27 ~~this section for 2018-2019 or 2019-2020 remains unspent as of April 1, 2022, the~~
28 ~~department, in conjunction with the intermediate district, may reallocate the funds to~~
29 ~~another intermediate district or other intermediate districts capable of expending the~~
30 ~~funds before September 30, 2022 in accordance with this section as if those funds were~~
31 ~~originally allocated to the intermediate district or intermediate districts to which the~~
32 ~~funds are being reallocated.~~

1 (7) A district requesting funds under this section from the intermediate district in
2 which it is located shall submit an application for funding for the provision of mental
3 health and support services to general education pupils. A district receiving funding from
4 the application process described in this subsection shall provide services to nonpublic
5 students upon request. An intermediate district shall not discriminate against an
6 application submitted by a public school academy simply on the basis of the applicant being
7 a public school academy. The department shall approve grant applications based on the
8 following criteria:

9 (a) The district's commitment to maintain mental health and support services
10 delivered by licensed providers into future fiscal years.

11 (b) The district's commitment to work with its intermediate district to use funding
12 it receives under this section that is spent by the district for general education pupils
13 toward participation in federal Medicaid match methodologies. A district must provide a
14 local match of at least 20% of the funding allocated to the district under section 31n.

15 (c) The district's commitment to adhere to any local funding requirements determined
16 by the department and the department of health and human services.

17 (d) The extent of the district's existing partnerships with community health care
18 providers or the ability of the district to establish such partnerships.

19 (e) The district's documentation of need, including gaps in current mental health and
20 support services for the general education population.

21 (f) The district's submission of a formal plan of action identifying the number of
22 schools and students to be served.

23 (g) Whether the district will participate in ongoing trainings.

24 (h) Whether the district will submit an annual report to the state.

25 (i) Whether the district demonstrates a willingness to work with the state to
26 establish program and service delivery benchmarks.

27 (j) Whether the district has developed a school safety plan or is in the process of
28 developing a school safety plan.

29 (k) Any other requirements determined by the department or the department of health
30 and human services.

31 (8) Funding under this section, including any federal Medicaid funds that are
32 generated, must not be used to supplant existing services.

1 (9) Both of the following are allocated to the department of health and human
2 services from the general fund money allocated under subsection (1):

3 (a) For ~~2021-2022~~, **2022-2023**, an amount not to exceed \$1,000,000.00 for the purpose
4 of upgrading technology and systems infrastructure and other administrative requirements to
5 support the programs funded under this section.

6 (b) For ~~2021-2022~~, **2022-2023** an amount not to exceed \$300,000.00 for the purpose of
7 administering the programs under this section and working on generating additional Medicaid
8 funds as a result of programs funded under this section.

9 (10) From the state school aid fund money allocated under subsection (1), there is
10 allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$500,000.00 to intermediate
11 districts on an equal per intermediate district basis for the purpose of administering
12 programs funded under this section.

13 (11) In addition to state school aid fund money allocated under subsection (1), from
14 the state school aid allocation in section 11, there is allocated for 2022-2023 an amount
15 not to exceed \$5,000,000.00 to be distributed by the department to a public institution of
16 higher education for a partnership between child and adolescent health centers, school
17 districts, and a program that provides statewide capacity building supports to school-based
18 mental health personnel. This program must provide school-based mental health personnel
19 access to professional development, same-day consultation with behavioral health clinicians
20 to respond to students' complex mental health needs, telehealth evaluations as necessary,
21 and information and resources for child and adolescent health centers and school districts
22 on managing mental health conditions.

23 (12) In addition to state school aid fund money allocated under subsection (1), from
24 the state school aid fund allocation in section 11, there is allocated for 2022-2023 an
25 amount not to exceed \$25,000,000.00 to districts and intermediate districts to improve
26 student mental health services through the adoption and implementation of health insurance
27 portability and accountability act compliant tools for the purposes of conducting mental
28 health screenings, managing referral and consent, care management and coordination, virtual
29 visits, and reporting on outcomes. The department, in collaboration with intermediate
30 districts, shall develop guidance on tools eligible for funding under this subsection.
31 Funds shall be distributed to districts and intermediate districts for the purchase or
32 licensing of, and for the implementation of, eligible tools, including a platform to access

1 multiple assessments; for professional development on the use of eligible tools and how to
2 respond to results; and for development of local and regional systems to coordinate student
3 services. Notwithstanding section 17b, the department shall make payments under this
4 subsection on a schedule determined by the department. Funds allocated under this
5 subsection for 2022-2023 are a work project appropriation, and any unexpended funds for
6 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to provide
7 and deploy mental health screening tools and referral processes in districts and
8 intermediate districts statewide. The estimated completion date of the work project is
9 September 30, 2027.

10 (13) ~~(11)~~—The department and the department of health and human services shall work
11 with the advisory council to develop proposed measurements of outcomes and performance.
12 Those measurements must include, at a minimum, the number of pupils served, the number of
13 schools served, and where those pupils and schools were located. The department and the
14 department of health and human services shall compile data necessary to measure outcomes
15 and performance, and districts and intermediate districts receiving funding under this
16 section shall provide data requested by the department and department of health and human
17 services for the measurement of outcomes and performance. The department and department of
18 health and human services shall provide an annual report not later than December 1 of each
19 year to the house and senate appropriations subcommittees on school aid and health and
20 human services, to the house and senate fiscal agencies, and to the state budget director.
21 At a minimum, the report must include measurements of outcomes and performance, proposals
22 to increase efficacy and usefulness, proposals to increase performance, and proposals to
23 expand coverage.

24 (14) ~~(12)~~—A district or intermediate district that receives funding directly or
25 indirectly under this section may carry over any unexpended funds received under this
26 section for up to 2 fiscal years beyond the fiscal year in which the funds were received.

27 Sec. 31o. (1) From the state school aid fund money appropriated in section 11, there
28 is allocated for ~~2021-2022-2022-2023 only~~ an amount not to exceed ~~\$240,000,000.00~~
29 **\$120,000,000.00** for payments to eligible districts **and intermediate districts** for the
30 purpose of increasing the number of school psychologists, school social workers, school
31 counselors, and school nurses serving students in this state.

32 (2) Except as otherwise provided in this subsection, to receive funding under this

1 section, a district **or intermediate district** must apply for the funding in a form and
2 manner prescribed by the department. In its application for funding under this section, a
3 district **or intermediate district** must pledge and provide assurances to the department that
4 it will fully annually fund all staff that are supported with funding under this section in
5 an ongoing manner after the **district or intermediate district receives its final payment**
6 **under this section.** ~~third year it receives funding under this section.~~

7 (3) The department shall award funding to districts **and intermediate districts** with
8 the greatest need for additional school psychologists, school social workers, school
9 counselors, or school nurses. To determine the districts **and intermediate districts** with
10 the greatest needs under this subsection, the department shall consider the physical and
11 mental health services available at the district **or intermediate district** and how close an
12 applicant district **or intermediate district** is to meeting the following recommended staff-
13 to-student ratios:

14 (a) 1 school psychologist for every 500 full-time equated pupils counted in the
15 district **or directly served by the intermediate district.**

16 (b) 1 school social worker for every 250 full-time equated pupils counted in the
17 district **or directly served by the intermediate district.**

18 (c) 1 school counselor for every 250 full-time equated pupils counted in the district
19 **or directly served by the intermediate district.**

20 (d) 1 school nurse for every 750 full-time equated pupils counted in the district **or**
21 **directly served by the intermediate district.**

22 (4) To be eligible for funding under this section, a district **or intermediate**
23 **district** must hire additional school psychologists, school social workers, school
24 counselors, or school nurses by March 1, ~~2022~~**2025** and must maintain support for the new
25 staff in an ongoing manner. As determined by the department, staff hired and supported by
26 funding under this section must meet all applicable state and federal laws, rules, and
27 license requirements to be considered a school psychologist, school social worker, school
28 counselor, or school nurse.

29 (5) Subject to subsection (6), payments to eligible districts **and intermediate**
30 **districts** must be made as follows:

31 (a) ~~In the first year funds are distributed from this section,~~ **For staff hired on or**
32 **after March 1, 2022 and before March 1, 2023** the department shall provide payments to

1 eligible districts **or intermediate districts** equal to 100% of the annual cost of newly
2 hired school psychologists, school social workers, school counselors, or school nurses. The
3 amount paid to the eligible district **or intermediate district** must be the lesser of the
4 actual cost of the employee, as determined by the department, or the median wage for an
5 equivalent employee working in a school setting, as determined by the department, using
6 wage data from the Bureau of Labor Statistics that is specific to this state.

7 (b) ~~In the second year funds are distributed under this section,~~ **For staff retained**
8 **with funding under this section or new staff hired before March 1, 2024** the department
9 shall pay eligible districts **or intermediate districts** 66% of the amount paid to the
10 eligible district **or intermediate district** under subdivision (a).

11 (c) ~~In the third year funds are distributed under this section,~~ **For staff retained**
12 **with funding under this section or new staff hired before March 1, 2025** the department
13 shall pay eligible districts **or intermediate districts** 33% of the amount paid to the
14 eligible district **or intermediate district** under subdivision (a).

15 (6) If, after awarding funding under subsection (3) and calculating payment amounts
16 under subsection (5), the department determines that the amount allocated in subsection (1)
17 is insufficient to fully fund payments under this section, the department shall prorate
18 payments to eligible districts **or intermediate districts** on an equal percentage basis.

19 (7) The funds allocated under this section for ~~2021-2022-2022-2023~~ are a work project
20 appropriation, and any unexpended funds for ~~2021-2022-2022-2023~~ are carried forward into
21 ~~2022-2023-2023-2024~~. The purpose of the work project is to increase the number of school
22 psychologists, school social workers, school counselors, and school nurses in school
23 buildings. The estimated completion date of the work project is September 30, ~~2024-2025~~.

24 (8) Notwithstanding section 17b, the department shall make payments under this
25 section on a schedule determined by the department.

26 Sec. 31p. (1) From the state school aid fund money appropriated under section 11,
27 there is allocated for ~~2020-2021-2022-2023~~ **only** an amount not to exceed ~~\$5,400,000.00~~
28 **\$150,000,000.00** for grants to intermediate districts ~~to implement for statewide~~
29 **implementation of** a TRAILS program as described in subsection (2).

30 (2) Intermediate districts receiving funding under this section must use the funding
31 to implement a TRAILS program within the boundaries of the intermediate district. The
32 TRAILS program described in this subsection must improve youth access to evidence-based

1 mental health services by training school mental health professionals in effective
2 practices, such as cognitive behavioral therapy and mindfulness.

3 (3) The department shall establish a grant process to distribute funds under this
4 section.

5 (4) The department shall award, ~~in an equal amount,~~ grants under this section to each
6 intermediate district that has an approved grant application for funding under this
7 section. **Intermediate districts must use funds received this section for a direct
8 partnership with the TRAILS program.**

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

11 (6) The funds allocated under this section for ~~2020-2021-2022-2023~~ are a work project
12 appropriation, and any unexpended funds for ~~2020-2021-2022-2023~~ are carried forward into
13 ~~2021-2022-2023-2024~~. The purpose of the work project is to continue support for the
14 **statewide implementation of the TRAILS program.** The estimated completion date of the work
15 project is September 30, ~~2024-2027~~.

16 Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there
17 is allocated to eligible intermediate districts and consortia of intermediate districts for
18 great start readiness programs an amount not to exceed ~~\$297,120,000.00~~ **\$451,120,000.00** for
19 ~~2021-2022-2022-2023~~. ~~In addition, from the federal funds allocated in section 11n, there~~
20 ~~is allocated to eligible intermediate districts and consortia of intermediate districts for~~
21 ~~great start readiness programs an amount not to exceed \$121,000,000.00 for 2021-2022 from~~
22 ~~the coronavirus state fiscal recovery funds under the American rescue plan act of 2021,~~
23 ~~title IX, subtitle M of Public Law 117-2.~~ An intermediate district or consortium shall use
24 funds allocated under this section for great start readiness programs to provide part-day,
25 school-day, or GSRP/Head Start blended comprehensive free compensatory classroom programs
26 designed to improve the readiness and subsequent achievement of educationally disadvantaged
27 children who meet the participant eligibility and prioritization guidelines as defined by
28 the department. For a child to be eligible to participate in a program under this section,
29 the child must be at least 4, but less than 5, years of age as of September 1 of the school
30 year in which the program is offered and must meet those eligibility and prioritization
31 guidelines. A child who is not 4 years of age as of September 1, but who will be 4 years of
32 age not later than December 1, is eligible to participate if the child's parent or legal

1 guardian seeks a waiver from the September 1 eligibility date by submitting a request for
2 enrollment in a program to the responsible intermediate district, if the program has
3 capacity on or after September 1 of the school year, and if the child meets eligibility and
4 prioritization guidelines.

5 (2) From the state school aid fund money allocated under subsection (1), an amount
6 not to exceed ~~\$295,120,000.00~~ and from the federal funds allocated under subsection (1), an
7 ~~amount not to exceed \$121,000,000.00~~ **\$449,120,000.00** is allocated to intermediate districts
8 or consortia of intermediate districts based on the formula in section 39. An intermediate
9 district or consortium of intermediate districts receiving funding under this section shall
10 act as the fiduciary for the great start readiness programs. An intermediate district or
11 consortium of intermediate districts receiving funding under this section may collaborate
12 with local governments to identify children eligible for programs funded under this section
13 and may contract with local governments to provide services. In order to be eligible to
14 receive funds allocated under this subsection from an intermediate district or consortium
15 of intermediate districts, a district, a consortium of districts, a local government, or a
16 public or private for-profit or nonprofit legal entity or agency must comply with this
17 section and section 39. The funds allocated under this subsection for ~~2021-2022-2022-2023~~
18 are a work project appropriation, and any unexpended funds for ~~2021-2022-2022-2023~~ are
19 carried forward into ~~2022-2023-~~**2023-2024**. The purpose of the work project is to continue
20 to improve access to preschool programming for economically disadvantaged children. The
21 estimated completion date of the work project described in the immediately preceding
22 sentence is September 30, 2023.

23 (3) In addition to the allocation under subsection (1), from the general fund money
24 appropriated under section 11, there is allocated an amount not to exceed \$350,000.00 for
25 ~~2021-2022-2022-2023~~ for a competitive grant to continue a longitudinal evaluation of
26 children who have participated in great start readiness programs.

27 (4) To be eligible for funding under this section, a program must prepare children
28 for success in school through comprehensive part-day, school-day, or GSRRP/Head Start
29 blended programs that contain all of the following program components, as determined by the
30 department:

31 (a) Participation in a collaborative recruitment and enrollment process to assure
32 that each child is enrolled in the program most appropriate to his or her needs and to

1 maximize the use of federal, state, and local funds.

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

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

7 (d) Physical and dental health and developmental screening services for all program
8 participants.

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

11 (f) Active and continuous involvement of the parents or guardians of the program
12 participants.

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

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

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

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

26 (5) An application for funding under this section must provide for the following, in
27 a form and manner determined by the department:

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

29 (b) Except as otherwise provided in this subdivision, ensure that at least 85% of the
30 children participating in an eligible great start readiness program for whom the
31 intermediate district is receiving funds under this section are children who live with
32 families with a household income that is equal to or less than 250% of the federal poverty

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

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

15 (i) Teachers possessing proper training. A lead teacher must have a valid Michigan
16 teaching certificate with an early childhood or lower elementary endorsement or a
17 bachelor's or higher degree in child development or early childhood education with
18 specialization in preschool teaching. However, if an applicant demonstrates to the
19 department that it is unable to fully comply with this subparagraph after making reasonable
20 efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a
21 paraprofessional in a great start readiness program classroom who have significant but
22 incomplete training in early childhood education or child development may be used if the
23 applicant provides to the department, and the department approves, a plan for each teacher
24 to come into compliance with the standards in this subparagraph. A teacher's compliance
25 plan must be completed within 3 years of the date of employment. Progress toward completion
26 of the compliance plan consists of at least 2 courses per calendar year.

27 (ii) Paraprofessionals possessing proper training in early childhood education,
28 including an associate degree in early childhood education or child development or the
29 equivalent, or a child development associate (CDA) credential. However, if an applicant
30 demonstrates to the department that it is unable to fully comply with this subparagraph
31 after making reasonable efforts to comply, the applicant may use paraprofessionals who have

1 completed at least 1 course that earns college credit in early childhood education or child
2 development if the applicant provides to the department, and the department approves, a
3 plan for each paraprofessional to come into compliance with the standards in this
4 subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the
5 date of employment. Progress toward completion of the compliance plan consists of at least
6 2 courses or 60 clock hours of training per calendar year.

7 (d) Include a program budget that contains only those costs that are not reimbursed
8 or reimbursable by federal funding, that are clearly and directly attributable to the great
9 start readiness program, and that would not be incurred if the program were not being
10 offered. Eligible costs include transportation costs. The program budget must indicate the
11 extent to which these funds will supplement other federal, state, local, or private funds.
12 An applicant shall not use funds received under this section to supplant any federal funds
13 received by the applicant to serve children eligible for a federally funded preschool
14 program that has the capacity to serve those children.

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

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

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

26 (9) An intermediate district or consortium of intermediate districts may retain for
27 administrative services provided by the intermediate district or consortium of intermediate
28 districts an amount not to exceed 4% of the grant amount. Expenses incurred by
29 subrecipients engaged by the intermediate district or consortium of intermediate districts
30 for directly running portions of the program are considered program costs or a contracted
31 program fee for service. Subrecipients operating with a federally approved indirect rate
32 for other early childhood programs may include indirect costs, not to exceed the federal

1 10% de minimis.

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

5 (11) Each grant recipient shall enroll children identified under subsection (5) (b)
6 according to how far the child's household income is below 250% of the federal poverty
7 guidelines by ranking each applicant child's household income from lowest to highest and
8 dividing the applicant children into quintiles based on how far the child's household
9 income is below 250% of the federal poverty guidelines, and then enrolling children in the
10 quintile with the lowest household income before enrolling children in the quintile with
11 the next lowest household income until slots are completely filled. If the grant recipient
12 determines that all eligible children are being served and that there are no children on
13 the waiting list who live with families with a household income that is equal to or less
14 than 250% of the federal poverty guidelines, the grant recipient may then enroll children
15 who live with families with a household income that is equal to or less than 300% of the
16 federal poverty guidelines. The enrollment process must consider income and risk factors,
17 such that children determined with higher need are enrolled before children with lesser
18 need. For purposes of this subsection, all age-eligible children served in foster care or
19 who are experiencing homelessness or who have individualized education programs
20 recommending placement in an inclusive preschool setting are considered to live with
21 families with household income equal to or less than 250% of the federal poverty guidelines
22 regardless of actual family income and are prioritized for enrollment within the lowest
23 quintile.

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

30 (13) An intermediate district or consortium of intermediate districts receiving a
31 grant under this section shall conduct a local process to contract with interested and
32 eligible public and private for-profit and nonprofit community-based providers that meet

1 all requirements of subsection (4) for at least 30% of its total allocation. For the
2 purposes of this 30% allocation, an intermediate district or consortium of intermediate
3 districts may count children served by a Head Start grantee or delegate in a blended Head
4 Start and great start readiness school-day program. Children served in a program funded
5 only through Head Start are not counted toward this 30% allocation. The intermediate
6 district or consortium shall report to the department, in a manner prescribed by the
7 department, a detailed list of community-based providers by provider type, including
8 private for-profit, private nonprofit, community college or university, Head Start grantee
9 or delegate, and district or intermediate district, and the number and proportion of its
10 total allocation allocated to each provider as subrecipient. If the intermediate district
11 or consortium is not able to contract for at least 30% of its total allocation, the grant
12 recipient shall notify the department and, if the department verifies that the intermediate
13 district or consortium attempted to contract for at least 30% of its total allocation and
14 was not able to do so, then the intermediate district or consortium may retain and use all
15 of its allocation as provided under this section. To be able to use this exemption, the
16 intermediate district or consortium shall demonstrate to the department that the
17 intermediate district or consortium increased the percentage of its total allocation for
18 which it contracts with a community-based provider and the intermediate district or
19 consortium shall submit evidence satisfactory to the department, and the department must be
20 able to verify this evidence, demonstrating that the intermediate district or consortium
21 took measures to contract for at least 30% of its total allocation as required under this
22 subsection, including, but not limited to, at least all of the following measures:

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

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

31 (c) The intermediate district or consortium provided to the public and to
32 participating families a list of community-based great start readiness program

1 subrecipients with a great start to quality rating of at least 3 stars.

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

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

12 (a) Ensure that a great start resource center or the department provides each
13 intermediate district or consortium receiving a grant under this section with the contact
14 information for each licensed child care center located in the service area of the
15 intermediate district or consortium by March 1 of each year.

16 (b) Provide, or ensure that an organization with which the department contracts
17 provides, a community-based provider with a validated great start to quality rating within
18 90 days of the provider's having submitted a request and self-assessment.

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

25 (d) Not later than March 1 of each year, compile the results of the information
26 reported by each intermediate district or consortium under subsection (13) and report to
27 the legislature a list by intermediate district or consortium with the number and
28 percentage of each intermediate district's or consortium's total allocation allocated to
29 community-based providers by provider type, including private for-profit, private
30 nonprofit, community college or university, Head Start grantee or delegate, and district or
31 intermediate district.

32 (16) A recipient of funds under this section shall report to the center in a form and

1 manner prescribed by the center the information necessary to derive the number of children
2 participating in the program who meet the program eligibility criteria under subsection
3 (5) (b), the number of eligible children not participating in the program and on a waitlist,
4 and the total number of children participating in the program by various demographic groups
5 and eligibility factors necessary to analyze equitable and priority access to services for
6 the purposes of subsection (3).

7 (17) As used in this section:

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

10 (b) "Federal poverty guidelines" means the guidelines published annually in the
11 Federal Register by the United States Department of Health and Human Services under its
12 authority to revise the poverty line under 42 USC 9902.

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

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

20 (18) An intermediate district or consortium of intermediate districts receiving funds
21 under this section shall establish and charge tuition according to a sliding scale of
22 tuition rates based upon household income for children participating in an eligible great
23 start readiness program who live with families with a household income that is more than
24 250% of the federal poverty guidelines to be used by all of its providers, as approved by
25 the department.

26 (19) From the amount allocated in subsection (2), there is allocated for ~~2021-2022~~
27 **2022-2023** an amount not to exceed \$10,000,000.00 for reimbursement of transportation costs
28 for children attending great start readiness programs funded under this section. To receive
29 reimbursement under this subsection, not later than November 1 of each year, a program
30 funded under this section that provides transportation shall submit to the intermediate
31 district that is the fiscal agent for the program a projected transportation budget. The
32 amount of the reimbursement for transportation under this subsection is no more than the

1 projected transportation budget or \$300.00 multiplied by the number of children funded for
2 the program under this section. If the amount allocated under this subsection is
3 insufficient to fully reimburse the transportation costs for all programs that provide
4 transportation and submit the required information, the department shall prorate the
5 reimbursement in an equal amount per child funded. The department shall make payments to
6 the intermediate district that is the fiscal agent for each program, and the intermediate
7 district shall then reimburse the program provider for transportation costs as prescribed
8 under this subsection.

9 (20) Subject to, and from the funds allocated under, subsection (19), the department
10 shall reimburse a program for transportation costs related to parent- or guardian-
11 accompanied transportation provided by transportation service companies, buses, or other
12 public transportation services. To be eligible for reimbursement under this subsection, a
13 program must submit to the intermediate district or consortia of intermediate districts all
14 of the following:

15 (a) The names of families provided with transportation support along with a
16 documented reason for the need for transportation support and the type of transportation
17 provided.

18 (b) Financial documentation of actual transportation costs incurred by the program,
19 including, but not limited to, receipts and mileage reports, as determined by the
20 department.

21 (c) Any other documentation or information determined necessary by the department.

22 (21) The department shall implement a process to review and approve age-appropriate
23 comprehensive classroom level quality assessments for GSRP grantees that support the early
24 childhood standards of quality for prekindergarten children adopted by the state board. The
25 department shall make available to intermediate districts at least 2 classroom level
26 quality assessments that were approved in 2018.

27 (22) An intermediate district that is a GSRP grantee may approve the use of a
28 supplemental curriculum that aligns with and enhances the age-appropriate educational
29 curriculum in the classroom. If the department objects to the use of a supplemental
30 curriculum approved by an intermediate district, the superintendent shall establish a
31 review committee independent of the department. The review committee shall meet within 60
32 days of the department registering its objection in writing and provide a final

1 determination on the validity of the objection within 60 days of the review committee's
2 first meeting.

3 (23) The department shall implement a process to evaluate and approve age-appropriate
4 educational curricula that are in compliance with the early childhood standards of quality
5 for prekindergarten children adopted by the state board.

6 (24) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~
7 **2022-2023** an amount not to exceed \$2,000,000.00 for payments to intermediate districts or
8 consortia of intermediate districts for professional development and training materials for
9 educators in programs implementing new curricula or child assessment tools approved for use
10 in the great start readiness program.

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

14 **Sec. 32n. (1) For 2022-2023, from the general fund money appropriated in section 11,**
15 **there is allocated an amount not to exceed \$25,000,000.00 for before and after school**
16 **programs. In addition, for 2022-2023 only, from the general fund money appropriated in**
17 **section 11, there is allocated an additional \$25,000,000.00 for the purposes of this**
18 **section. The department shall develop a competitive grant program to distribute this**
19 **funding to eligible entities, as described in subsection (2), as prescribed under this**
20 **section.**

21 (2) The department shall establish competitive grant criteria under this program for
22 eligible applicants to expand access to quality, affordable programming before and after
23 the school day for young people. To be eligible for a grant under this section, the
24 applicant must meet, at a minimum, all of the following criteria:

25 (a) Serve children in any of grades kindergarten to 12.

26 (b) Be a community-based organization that is exempt from federal income tax under
27 section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher
28 education, community or adult education program, a public library, or a local government.

29 (c) Provide before school, after school, or before and after school programming to
30 children described in subdivision (a). These programs must be used to support expanded
31 learning opportunities, including but not limited to mentoring, leadership, community
32 engagement, agriculture, art, music, literacy, science, technology, engineering,

1 mathematics, health, and recreation programming.

2 (d) Address measurable goals including, but not limited to, improved school
3 attendance, academic outcomes, positive behaviors, and skill acquisition, and include
4 activities linked to research or quality practices.

5 (3) The department shall establish a competitive grant process for awarding funding
6 under this section. The process shall be posted publicly at least 30 days prior to the
7 grant application period. The department shall develop the form and method for applying for
8 the grants. The application shall include a request for information on the applicant's
9 outreach to children, youth, and families who qualify for free or reduced-price lunch. The
10 application must be open for no less than 30 calendar days. At least 30 days before the
11 application is opened, the department must publish on its public website the criteria that
12 will be used in evaluating the application which must include, but are not limited to,
13 priorities under subsection (5).

14 (4) In determining award amounts under this subsection, the department shall, to the
15 extent practicable, ensure that eligible entities in all geographic regions of this state
16 are represented in the distribution of grant funding under this section.

17 (5) The department shall prioritize the distribution of grant funding under this
18 section based on, at a minimum, the following:

19 (a) An applicant's demonstrated need.

20 (b) The percentage of low-income families in the geographic area being served.
21 Prioritization must be determined by the average percentage of pupils in the school
22 district where eligible entities will provide before and after school programs who are
23 eligible for free and reduced-priced meals as determined under the Richard B. Russell
24 national school lunch act, 42 USC 1751 to 1769j.

25 (c) Whether the application provides services for the full school year.

26 (d) The applicant's track record providing quality, affordable before and after
27 school services.

28 (e) Whether an applicant serving children in any of grades kindergarten through
29 eighth grade is licensed or is in the process of becoming licensed or has implemented the
30 Michigan State Board of Education Michigan Out-of-School Time Standards of Quality. This
31 does not preclude a non-licensed entity from applying and being funded.

32 (6) An eligible entity that receives grant funding under this section shall use the

1 funding only to provide before school, after school, or before and after school programming
2 to children described in subsection (2) (a). The programming offered under this subsection
3 must meet all of the following:

4 (a) Be provided to children in a manner in which the children are physically present
5 at a building or location designated by the eligible entity.

6 (b) Provide educational programming in core subject areas, including, but not limited
7 to, mathematics, reading, and science.

8 (c) Provide data to evaluate the program in a form and manner as prescribed by the
9 department.

10 (7) Up to 3% of funding allocated in subsection (2) must be set aside and awarded to
11 a non-profit entity with experience serving youth serving organizations to provide start-up
12 grants and capacity building, professional development, and technical assistance for
13 implementation of high quality, evidence-based out-of-school time learning opportunities.

14 (8) Notwithstanding section 17b, the department shall make payments under this
15 section in full upon grant award. Grantees that do not comply with reporting requirements,
16 fail to provide the services proposed in their grant application, and/or close during the
17 grant period may be required to repay state funds.

18 Sec. 32p. (1) From the state school aid fund money appropriated in section 11, there
19 is allocated an amount not to exceed ~~\$13,400,000.00~~ **\$22,900,000.00** to intermediate
20 districts for ~~2021-2022~~ **2022-2023** for the purpose of providing early childhood funding to
21 intermediate districts to support the goals and outcomes under subsection (2) and
22 subsection (4), and to provide **supports for** early childhood programs for children from
23 birth through age 8. The funding provided to each intermediate district under this section
24 is determined by the distribution formula established by the department's office of great
25 start to provide equitable funding statewide. In order to receive funding under this
26 section, each intermediate district must provide an application to the office of great
27 start not later than September 15 of the immediately preceding fiscal year indicating the
28 strategies planned to be provided.

29 (2) Each intermediate district or consortium of intermediate districts that receives
30 funding under this section shall convene a local great start collaborative and a parent
31 coalition that includes an active partnership with at least 1 community-based organization.
32 The goal of each great start collaborative and parent coalition is to ensure the

1 coordination and expansion of local early childhood ~~infrastructure~~**systems** and programs,
2 **increase the number eligible children that are enrolled from birth to age 8 in publicly**
3 **funded programs and services through joint recruitment and enrollment systems, and to that**
4 allow every child in the community to achieve the following outcomes:

- 5 (a) Children born healthy.
- 6 (b) Children healthy, thriving, and developmentally on track from birth to grade 3.
- 7 (c) Children developmentally ready to succeed in school at the time of school entry.
- 8 (d) Children prepared to succeed in fourth grade and beyond by reading proficiently
9 by the end of third grade.

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

- 14 (a) Physical health.
- 15 (b) Social-emotional health.
- 16 (c) Family supports, **including and** basic needs, **and economic self-sufficiency.**
- 17 (d) ~~Parent education.~~ **Parent leadership and family engagement.**
- 18 (e) Early education, including the child's development of skills linked to success in
19 foundational literacy, and care.

20 (4) From the funds allocated in subsection (1), at least ~~\$2,500,000.00~~**\$4,500,000.00**
21 must be used for the purpose of providing home visits to at-risk children and their
22 families. The home visits must be conducted as part of a locally coordinated, family-
23 centered, evidence-based, data-driven home visit strategic plan that is approved by the
24 department. The goals of the home visits funded under this subsection are to improve school
25 readiness using evidence-based methods, including a focus on developmentally appropriate
26 outcomes for early literacy, to improve positive parenting practices, and to improve family
27 economic self-sufficiency while reducing the impact of high-risk factors through community
28 resources and referrals. The department shall coordinate the goals of the home visit
29 strategic plans approved under this subsection with other state agency home visit programs
30 in a way that strengthens Michigan's home visiting infrastructure and maximizes federal
31 funds available for the purposes of at-risk family home visits. The coordination among
32 departments and agencies is intended to avoid duplication of state services and spending,

1 and should emphasize efficient service delivery of home visiting programs.

2 (5) Not later than December 1 of each year, each intermediate district shall provide
3 a report to the department detailing the strategies actually implemented during the
4 immediately preceding school year and the families and children actually served. At a
5 minimum, the report must include an evaluation of the services provided with additional
6 funding under subsection (4) for home visits, using the goals identified in subsection (4)
7 as the basis for the evaluation, including the degree to which school readiness was
8 improved, the degree to which positive parenting practices were improved, the degree to
9 which there was improved family economic self-sufficiency, and the degree to which
10 community resources and referrals were utilized. The department shall compile and summarize
11 these reports and submit its summary to the house and senate appropriations subcommittees
12 on school aid and to the house and senate fiscal agencies not later than February 15 of
13 each year.

14 (6) An intermediate district or consortium of intermediate districts that receives
15 funding under this section may carry over any unexpended funds received under this section
16 into the next fiscal year and may expend those unused funds through June 30 of the next
17 fiscal year. However, an intermediate district or consortium of intermediate districts that
18 receives funding for the purposes described in subsection (2) in fiscal year ~~2021-2022~~
19 **2022-2023** shall not carry over into the next fiscal year any amount exceeding ~~20%~~**15%** of
20 the amount awarded to the intermediate district or consortium in the ~~2021-2022-2022-2023~~
21 fiscal year. ~~It is intended that the amount carried over from funding awarded for the~~
22 ~~purposes described in subsection (2) in fiscal year 2022-2023 not exceed 15% of the amount~~
23 ~~awarded in that fiscal year.~~ A recipient of a grant shall return any unexpended grant funds
24 to the department in the manner prescribed by the department not later than September 30 of
25 the next fiscal year after the fiscal year in which the funds are received.

26 **Sec. 32s. (1) From the school aid fund money appropriated in section 11, there is**
27 **allocated an amount not to exceed \$5,000,000.00 for 2022-2023 only to an intermediate**
28 **district or consortia of intermediate districts to lead a statewide development for a 3-**
29 **year pilot program that provides high-quality preschool programming in a licensed home-**
30 **based child care setting as provided for under this section. The grantee must work in**
31 **partnership with the department, licensed home-based providers, and other relevant**
32 **stakeholders through a collaborative development process.**

1 (2) Funds allocated under this section may be used for planning, start-up costs,
2 program development, programming costs that exceed the per slot allotment, and evaluation.
3 The pilot funded under this section shall include licensed home-based child care providers
4 from each of the four early childhood support network regions. The participating home-based
5 providers are considered community-based providers and may receive funds from their local
6 intermediate school district under section 32d.

7 (3) Evaluation of this program shall be conducted by a third party that collects
8 individual provider outcomes at each stage of the pilot, but at a minimum annually and
9 assesses the viability of scaling the model and achieving improved outcomes for children.
10 The report shall demonstrate how licensed home-based childcare programs were involved at
11 each stage of the pilot.

12 (4) The department may waive certain requirements specified in section 32d for
13 providers participating in the pilot program only if it can be demonstrated the
14 requirements do not reasonably apply to a licensed home-based child care setting and if
15 research suggests that waiving such requirements does not negatively impact child outcomes.

16 (5) The funds allocated under this section for 2022-2023 are a work project
17 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.
18 The purpose of the work project is to continue to provide support for the preschool home-
19 based pilot programs described in subsection (2). The estimated completion date of the work
20 project is September 30, 2025.

21 (6) Notwithstanding section 17b, the department shall make payments under this
22 section on a schedule determined by the department.

23 Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2021-2022~~
24 ~~2022-2023~~ for the purposes of this section an amount not to exceed \$61,400,000.00—from the
25 state school aid fund and there is allocated for ~~2021-2022-2022-2023~~ for the purposes of
26 subsection (8) an amount not to exceed \$3,500,000.00 from the general fund. Excluding staff
27 or contracted employees funded under subsection (8), the superintendent shall designate
28 staff or contracted employees funded under this section as critical shortage. Programs
29 funded under this section are intended to ensure that this state will be a top 10 state in
30 grade 4 reading proficiency by 2025 according to the National Assessment of Educational
31 Progress (NAEP). By December 31, ~~2021-2022~~, the superintendent of public instruction shall
32 do both of the following:

1 (a) Report in person to the house and senate appropriations subcommittees on school
2 aid regarding progress on the goal described in this subsection and be available for
3 questioning as prescribed through a process developed by the chairs of the house and senate
4 appropriations subcommittees on school aid.

5 (b) Submit a written report to the house and senate appropriations subcommittees on
6 school aid regarding progress on the goal described in this subsection.

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

13 (3) A district that receives funds under subsection (5) may use up to 5% of those
14 funds to administer department-approved screening and diagnostic tools to monitor the
15 development of early literacy and early reading skills, and risk factors for word-level
16 reading difficulties of pupils in grades pre-K to 3 and to support evidence-based
17 professional learning described in subsection (11) for educators in administering and using
18 screening, progress monitoring, and diagnostic assessment data to inform instruction
19 through prevention and intervention in a multi-tiered system of supports framework. A
20 department-approved screening and diagnostic tool administered by a district using funding
21 under this section must include all of the following components: phonemic awareness,
22 phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the
23 following sub-skills must be assessed within each of these components:

24 (a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and
25 substitution).

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

27 (c) Fluency.

28 (d) Comprehension - making meaning of text.

29 (4) From the allocation under subsection (1), there is allocated an amount not to
30 exceed \$31,500,000.00 for ~~2021-2022~~ **2022-2023** for the purpose of providing early literacy
31 coaches at intermediate districts to assist teachers in developing and implementing
32 instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at

1 grade level by the end of grade 3. All of the following apply to funding under this
2 subsection:

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

6 (i) Current state literacy standards for pupils in grades pre-K to 3.

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

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

14 (b) From the allocation under this subsection, the department shall award grants to
15 intermediate districts for the support of early literacy coaches. The department shall
16 provide this funding in the following manner:

17 (i) The department shall award each intermediate district grant funding to support
18 the cost of 1 early literacy coach in an equal amount per early literacy coach, not to
19 exceed \$112,500.00.

20 (ii) After distribution of the grant funding under subparagraph (i), the department
21 shall distribute the remainder of grant funding for additional early literacy coaches in an
22 amount not to exceed \$112,500.00 per early literacy coach. The number of funded early
23 literacy coaches for each intermediate district is based on the percentage of the total
24 statewide number of pupils in grades K to 3 who meet the income eligibility standards for
25 the federal free and reduced-price lunch programs who are enrolled in districts in the
26 intermediate district.

27 (c) If an intermediate district that receives funding under this subsection uses an
28 assessment tool that screens for characteristics of dyslexia, the intermediate district
29 shall use the assessment results from that assessment tool to identify pupils who
30 demonstrate characteristics of dyslexia.

31 (5) From the allocation under subsection (1), there is allocated an amount not to

1 exceed \$19,900,000.00 for ~~2021-2022~~**2022-2023** to districts that provide additional
2 instructional time to those pupils in grades pre-K to 3 who have been identified by using
3 department-approved screening and diagnostic tools as needing additional supports and
4 interventions in order to be reading at grade level by the end of grade 3. Additional
5 instructional time may be provided before, during, and after regular school hours or as
6 part of a year-round balanced school calendar. All of the following apply to funding under
7 this subsection:

8 (a) In order to be eligible to receive funding, a district must demonstrate to the
9 satisfaction of the department that the district has done all of the following:

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

15 (A) Team-based leadership.

16 (B) A tiered delivery system.

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

18 (D) A comprehensive screening and assessment system.

19 (E) Continuous data-based decision making.

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

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

25 (iv) Provided teachers of pupils in grades pre-K to 3 with research-based
26 professional development in diagnostic data interpretation.

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

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

31 (c) If the funds allocated under this subsection are insufficient to fully fund the

1 payments under this subsection, payments under this subsection are prorated on an equal
2 per-pupil basis based on grade 1 pupils.

3 (6) Not later than September 1 of each year, a district that receives funding under
4 subsection (5) in conjunction with the Michigan student data system, if possible, shall
5 provide to the department a report that includes at least both of the following, in a form
6 and manner prescribed by the department:

7 (a) For pupils in grades pre-K to 3, the teachers, pupils, schools, and grades served
8 with funds under this section and the categories of services provided.

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

11 (i) School.

12 (ii) Grade level.

13 (iii) Gender.

14 (iv) Race.

15 (v) Ethnicity.

16 (vi) Economically disadvantaged status.

17 (vii) Disability.

18 (viii) Pupils identified as having reading deficiencies.

19 (7) From the allocation under subsection (1), there is allocated an amount not to
20 exceed \$6,000,000.00 for ~~2021-2022~~ **2022-2023** to an intermediate district in which the
21 combined total number of pupils in membership of all of its constituent districts is the
22 fewest among all intermediate districts. All of the following apply to the funding under
23 this subsection:

24 (a) Funding under this subsection must be used by the intermediate district, in
25 partnership with an association that represents intermediate district administrators in
26 this state, to implement all of the following:

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

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

30 (iii) The placement of regional lead literacy coaches to facilitate professional

1 learning for early literacy coaches. These regional lead literacy coaches shall provide
2 support for new literacy coaches, building teachers, and administrators and shall
3 facilitate regional data collection to evaluate the effectiveness of statewide literacy
4 coaches funded under this section.

5 (iv) Provide \$500,000.00 from this subsection for literacy training, modeling,
6 coaching, and feedback for district principals or chief administrators, as applicable. The
7 training described in this subparagraph must use the pre-K and K to 3 essential
8 instructional practices in literacy created by the general education leadership network as
9 the framework for all training provided under this subparagraph.

10 (v) Job-embedded professional learning opportunities for mathematics teachers through
11 mathematics instructional coaching. Funding must be used for professional learning for
12 coaches, professional developers, administrators, and teachers; coaching for early
13 mathematics educators; the development of statewide and regional professional learning
14 networks in mathematics instructions; and the development and support of digital
15 professional learning modules.

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

24 (c) Up to 2% of funds allocated under this subsection may be used by the association
25 representing intermediate district administrators that is in partnership with the
26 intermediate district specified in this subsection to administer this subsection.

27 (8) From the general fund money allocated in subsection (1), the department shall
28 allocate the amount of \$3,500,000.00 for ~~2021-2022-2022-2023~~ to the Michigan Education
29 Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the
30 following apply to funding under this subsection:

31 (a) By September 1 of the current fiscal year, the Michigan Education Corps shall

1 provide a report concerning its use of the funding to the senate and house appropriations
2 subcommittees on state school aid, the senate and house fiscal agencies, and the senate and
3 house caucus policy offices on outcomes and performance measures of the Michigan Education
4 Corps, including, but not limited to, the degree to which the Michigan Education Corps'
5 replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is
6 demonstrating sufficient efficacy and impact. The report must include data pertaining to at
7 least all of the following:

8 (i) The current impact of the programs on this state in terms of numbers of children
9 and schools receiving support. This portion of the report must specify the number of
10 children tutored, including dosage and completion, and the demographics of those children.

11 (ii) Whether the assessments and interventions are implemented with fidelity. This
12 portion of the report must include details on the total number of assessments and
13 interventions completed and the range, mean, and standard deviation.

14 (iii) Whether the literacy or math improvement of children participating in the
15 programs is consistent with expectations. This portion of the report must detail at least
16 all of the following:

17 (A) Growth rate by grade or age level, in comparison to targeted growth rate.

18 (B) Average linear growth rates.

19 (C) Exit rates.

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

21 (iv) The impact of the programs on organizations and stakeholders, including, but not
22 limited to, school administrators, internal coaches, and AmeriCorps members.

23 (b) If the department determines that the Michigan Education Corps has misused the
24 funds allocated under this subsection, the Michigan Education Corps shall reimburse this
25 state for the amount of state funding misused.

26 (c) The department may not reserve any portion of the allocation provided under this
27 subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps'
28 funding, or the Michigan Education Corps' programming unless agreed to in writing by the
29 Michigan Education Corps. The department shall award the entire \$3,500,000.00 allocated
30 under this subsection to the Michigan Education Corps and shall not condition the awarding
31 of this funding on the implementation of an independent evaluation.

1 (9) If a district or intermediate district expends any funding received under
2 subsection (4) or (5) for professional development in research-based effective reading
3 instruction, the district or intermediate district shall select a professional development
4 program from the list described under subdivision (a). All of the following apply to the
5 requirement under this subsection:

6 (a) The department shall issue a request for proposals for professional development
7 programs in research-based effective reading instruction to develop an initial approved
8 list of professional development programs in research-based effective reading instruction.
9 The department shall make the initial approved list public and shall determine if it will,
10 on a rolling basis, approve any new proposals submitted for addition to its initial
11 approved list.

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

- 15 (i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and
16 comprehension.
- 17 (ii) Appropriate use of assessments and differentiated instruction.
- 18 (iii) Selection of appropriate instructional materials.
- 19 (iv) Application of research-based instructional practices.

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

22 (10) From the allocation under subsection (1), there is allocated an amount not to
23 exceed \$4,000,000.00 for ~~2021-2022~~**2022-2023** for professional learning described in
24 subsection (11), first to educators in pre-K, kindergarten, and grade 1 and then to
25 educators in grade 2 and grade 3. All of the following apply to funding under this
26 subsection:

27 (a) The department must establish and manage professional learning opportunities that
28 are open to all pre-K through grade 3 teachers as follows:

- 29 (i) The department must open voluntary enrollment for any pre-K through grade 3
30 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-
31 K, kindergarten, and grade 1 teachers.

1 (ii) The department must maintain open enrollment until all funds are expended.

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

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

7 (11) The department shall provide a list of 1 or more approved providers of
8 professional learning outlined in this subsection for pre-K to grade 3 teachers,
9 administrators, and early literacy coaches. In order to be approved, a provider of
10 professional learning must meet all of the following:

11 (a) Be offered through a system of training that provides educators with the
12 knowledge base to effectively implement any class-wide, supplemental, or intervention
13 reading approach and to determine why some students struggle with reading, writing,
14 spelling, and language.

15 (b) Provide training activities that direct educators to implement effective reading
16 and spelling instruction supported by scientifically based research and foster a direct
17 explicit instructional sequence that uses techniques to support teachers' independence in
18 using their newly-learned skills with students in the classroom.

19 (c) Include integrated components for educators and administrators in pre-K to grade
20 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of
21 knowledge under this subdivision must incorporate evaluations of learning throughout each
22 unit and include a summative assessment that must be completed to demonstrate successful
23 course completion.

24 (d) Build teacher content knowledge and pedagogical knowledge of the critical
25 components of literacy including how the brain learns to read, phonological and phonemic
26 awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language;
27 fluency; comprehension; spelling and writing; and the organization of language.

28 (e) Support educators in understanding how to effectively use screening, progress
29 monitoring, and diagnostic assessment data to improve literacy outcomes through prevention
30 and intervention for reading difficulties in a multi-tiered system of supports. The multi-
31 tiered system of supports must include at least all of the following essential components:

32 (i) Team-based leadership.

- 1 (ii) A tiered delivery system.
- 2 (iii) Selection and implementation of instruction, interventions, and supports.
- 3 (iv) A comprehensive screening and assessment system.
- 4 (v) Continuous data-based decision making.

5 (12) Notwithstanding section 17b, the department shall make payments made under
6 subsections (7) and (8) on a schedule determined by the department.

7 (13) As used in this section:

8 (a) "Dyslexia" means both of the following:

9 (i) A specific learning disorder that is neurobiological in origin and characterized
10 by difficulties with accurate or fluent word recognition and by poor spelling and decoding
11 abilities that typically result from a deficit in the phonological component of language
12 that is often unexpected in relation to other cognitive abilities and the provision of
13 effective classroom instruction.

14 (ii) A specific learning disorder that may include secondary consequences, such as
15 problems in reading comprehension and a reduced reading experience that can impede the
16 growth of vocabulary and background knowledge and lead to social, emotional, and behavioral
17 difficulties.

18 (b) "Evidence-based" means an activity, program, process, service, strategy, or
19 intervention that demonstrates statistically significant effects on improving pupil
20 outcomes or other relevant outcomes and that meets at least both of the following:

21 (i) At least 1 of the following:

22 (A) Is based on strong evidence from at least 1 well-designed and well-implemented
23 experimental study.

24 (B) Is based on moderate evidence from at least 1 well-designed and well-implemented
25 quasi-experimental study.

26 (C) Is based on promising evidence from at least 1 well-designed and well-implemented
27 correlational study with statistical controls for selection bias.

28 (D) Demonstrates a rationale based on high-quality research findings or positive
29 evaluation that the activity, program, process, service, strategy, or intervention is
30 likely to improve pupil outcomes or other relevant outcomes.

31 (ii) Includes ongoing efforts to examine the effects of the activity, program,

1 process, service, strategy, or intervention.

2 (c) "Explicit" means direct and deliberate instruction through continuous pupil-
3 teacher interaction that includes teacher modeling, guided practice, and independent
4 practice.

5 (d) "Fluency" means the ability to read with speed, accuracy, and proper expression.

6 (e) "Multi-tiered system of supports" means a comprehensive framework that includes 3
7 distinct tiers of instructional support and is composed of a collection of evidence-based
8 strategies designed to meet the individual needs and assets of a whole pupil at all
9 achievement levels.

10 (f) "Phonemic awareness" means the conscious awareness of all of the following:

11 (i) Individual speech sounds, including, but not limited to, consonants and vowels,
12 in spoken syllables.

13 (ii) The ability to consciously manipulate through, including, but not limited to,
14 matching, blending, segmenting, deleting, or substituting, individual speech sounds
15 described in subparagraph (i).

16 (iii) All levels of the speech sound system, including, but not limited to, word
17 boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and phonemes.

18 (g) "Phonological" means relating to the system of contrastive relationships among
19 the speech sounds that constitute the fundamental components of a language.

20 (h) "Progress monitoring" means the assessing of students' academic performance,
21 quantifying students' rates of improvement or progress toward goals, and determining how
22 students are responding to instruction.

23 (i) "Rapid automatized naming (RAN)" means a task that measures how quickly
24 individuals can name objects; pictures; colors; or symbols, including letters and digits,
25 aloud, which can predict later reading abilities for preliterate children.

26 Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an
27 application, in a form and manner prescribed by the department, by a date specified by the
28 department in the immediately preceding fiscal year. An eligible applicant is not required
29 to amend the applicant's current accounting cycle or adopt this state's fiscal year
30 accounting cycle in accounting for financial transactions under this section. The
31 application must include all of the following:

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

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

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

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

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

19 (a) The sum of the number of children served in a school-day program in the preceding
20 school year multiplied by ~~\$8,700.00~~ **\$9,135.00** and the number of children served in a
21 GSRP/Head Start blended program or a part-day program in the preceding school year
22 multiplied by ~~\$4,350.00~~ **\$4,567.50**.

23 (b) The sum of the number of children the applicant has the capacity to serve in the
24 current school year in a school-day program multiplied by ~~\$8,700.00~~ **\$9,135.00** and the
25 number of children served in a GSRP/Head Start blended program or a part-day program the
26 applicant has the capacity to serve in the current school year multiplied by ~~\$4,350.00~~
27 **\$4,567.50**.

28 (4) If funds remain after the allocations under subsection (3), the department shall
29 distribute the remaining funds to each intermediate district or consortium of intermediate
30 districts that serves less than the state percentage benchmark determined under subsection
31 (5). The department shall distribute these remaining funds to each eligible applicant based
32 upon each applicant's proportionate share of the remaining unserved children necessary to

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

7 (5) For the purposes of subsection (4), the department shall calculate a percentage
8 of children served by each intermediate district or consortium of intermediate districts by
9 adding the number of children served in the immediately preceding year by that intermediate
10 district or consortium with the number of eligible children under section 32d served
11 exclusively by head start, as reported in a form and manner prescribed by the department,
12 within the intermediate district or consortia service area and dividing that total by the
13 total number of children within the intermediate district or consortium of intermediate
14 districts who meet the criteria of section 32d as determined by the department utilizing
15 the most recent population data available from the American Community Survey conducted by
16 the United States Census Bureau. The department shall compare the resulting percentage of
17 eligible children served to a statewide percentage benchmark to determine if the
18 intermediate district or consortium is eligible for additional funds under subsection (4).
19 The statewide percentage benchmark is 100%.

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

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

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

31 ~~(9) For the 2020-2021 program year only, the number of children reported on the~~
32 ~~application described in subsection (1) (a), (b), and (c) must not be used by the department~~

1 ~~for the purpose of calculating hold harmless funding levels for 2021-2022. Hold harmless~~
2 ~~funding for 2021-2022 must be determined based on the 2019-2020 final allocations~~
3 ~~calculated and paid under section 32d in 2019-2020.~~

4 Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated
5 ~~for 2020-2021 to districts, intermediate districts, and other eligible entities all~~
6 ~~available federal funding, estimated at \$752,300,000.00 and there is allocated for 2021-~~
7 ~~2022-2022-2023~~ to districts, intermediate districts, and other eligible entities all
8 available federal funding, estimated at \$752,300,000.00, for the federal programs under the
9 no child left behind act of 2001, Public Law 107-110, or the every student succeeds act,
10 Public Law 114-95. These funds are allocated as follows:

11 (a) An amount estimated at ~~\$1,200,000.00 for 2020-2021 and estimated at \$1,200,000.00~~
12 ~~for 2021-2022-2022-2023~~ to provide students with drug- and violence-prevention programs and
13 to implement strategies to improve school safety, funded from DED-OESE, drug-free schools
14 and communities funds.

15 (b) An amount estimated at ~~\$100,000,000.00 for 2020-2021 and estimated at~~
16 ~~\$100,000,000.00 for 2021-2022-2022-2023~~ for the purpose of preparing, training, and
17 recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving
18 teacher quality funds.

19 (c) An amount estimated at ~~\$13,000,000.00 for 2020-2021 and estimated at~~
20 ~~\$13,000,000.00 for 2021-2022-2022-2023~~ for programs to teach English to limited English
21 proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

22 (d) An amount estimated at ~~\$2,800,000.00 for 2020-2021 and estimated at \$2,800,000.00~~
23 ~~for 2021-2022-2022-2023~~ for rural and low-income schools, funded from DED-OESE, rural and
24 low income school funds.

25 (e) An amount estimated at ~~\$535,000,000.00 for 2020-2021 and estimated at~~
26 ~~\$535,000,000.00 for 2021-2022-2022-2023~~ to provide supplemental programs to enable
27 educationally disadvantaged children to meet challenging academic standards, funded from
28 DED-OESE, title I, disadvantaged children funds.

29 (f) An amount estimated at ~~\$9,200,000.00 for 2020-2021 and estimated at \$9,200,000.00~~
30 ~~for 2021-2022-2022-2023~~ for the purpose of identifying and serving migrant children, funded
31 from DED-OESE, title I, migrant education funds.

32 (g) An amount estimated at ~~\$39,000,000.00 for 2020-2021 and estimated at~~

1 \$39,000,000.00 for ~~2021-2022-2022-2023~~ for the purpose of providing high-quality extended
2 learning opportunities, after school and during the summer, for children in low-performing
3 schools, funded from DED-OESE, twenty-first century community learning center funds.

4 (h) An amount estimated at ~~\$14,000,000.00 for 2020-2021 and estimated at~~
5 \$14,000,000.00 for ~~2021-2022-2022-2023~~ to help support local school improvement efforts,
6 funded from DED-OESE, title I, local school improvement grants.

7 (i) An amount estimated at ~~\$35,000,000.00 for 2020-2021 and estimated at~~
8 \$35,000,000.00 for ~~2021-2022-2022-2023~~ to improve the academic achievement of students,
9 funded from DED-OESE, title IV, student support and academic enrichment grants.

10 (j) An amount estimated at ~~\$3,100,000.00 for 2020-2021 and estimated at~~-\$3,100,000.00
11 for ~~2021-2022-2022-2023~~ for literacy programs that advance literacy skills for students
12 from birth through grade 12, including, but not limited to, English-proficient students and
13 students with disabilities, funded from DED-OESE, striving readers comprehensive literacy
14 program.

15 (2) From the federal funds appropriated in section 11, there is allocated to
16 districts, intermediate districts, and other eligible entities all available federal
17 funding, estimated at ~~\$77,867,000.00 for 2020-2021 and estimated at~~-\$56,500,000.00 for
18 ~~2021-2022-2022-2023~~ for the following programs that are funded by federal grants:

19 (a) An amount estimated at ~~\$24,367,000.00 for 2020-2021 and estimated at~~
20 \$3,000,000.00 for ~~2021-2022-2022-2023~~ to provide services to homeless children and youth,
21 funded from DED-OVAE, homeless children and youth funds.

22 (b) An amount estimated at ~~\$24,000,000.00 for 2020-2021 and estimated at~~
23 \$24,000,000.00 for ~~2021-2022-2022-2023~~ for providing career and technical education
24 services to pupils, funded from DED-OVAE, basic grants to states.

25 (c) An amount estimated at ~~\$14,000,000.00 for 2020-2021 and estimated at~~
26 \$14,000,000.00 for ~~2021-2022-2022-2023~~ for the Michigan charter school subgrant program,
27 funded from DED-OII, public charter schools program funds.

28 (d) An amount estimated at ~~\$14,000,000.00 for 2020-2021 and estimated at~~
29 \$14,000,000.00 for ~~2021-2022-2022-2023~~ for the purpose of promoting and expanding high-
30 quality preschool services, funded from HHS-OCC, preschool development funds.

31 (e) An amount estimated at ~~\$1,500,000.00 for 2020-2021 and estimated at~~-\$1,500,000.00
32 for ~~2021-2022-2022-2023~~ for the purpose of addressing priority substance abuse treatment,

1 prevention, and mental health needs, funded from HHS-SAMHSA.

2 (3) The department shall distribute all federal funds allocated under this section in
3 accordance with federal law and with flexibility provisions outlined in Public Law 107-116,
4 and in the education flexibility partnership act of 1999, Public Law 106-25.

5 Notwithstanding section 17b, the department shall make payments of federal funds to
6 districts, intermediate districts, and other eligible entities under this section on a
7 schedule determined by the department.

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

12 (5) For the purposes of funding federal title I grants under this article, in
13 addition to any other federal grants for which the strict discipline academy is eligible,
14 the department shall allocate to a strict discipline academy out of title I, part A an
15 amount equal to what the strict discipline academy would have received if included and
16 calculated under title I, part D, or what it would receive under the formula allocation
17 under title I, part A, whichever is greater.

18 (6) As used in this section:

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

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

21 (c) "DED-OII" means the DED Office of Innovation and Improvement.

22 (d) "DED-OVAE" means the DED Office of Vocational and Adult Education.

23 (e) "HHS" means the United States Department of Health and Human Services.

24 (f) "HHS-OCC" means the HHS Office of Child Care.

25 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

26 Sec. 41. (1) For a district to be eligible to receive funding under this section, the
27 district must administer to English language learners the English language proficiency
28 assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate
29 ACCESS". From the state school aid fund money appropriated in section 11, there is
30 allocated an amount not to exceed ~~\$25,200,000.00~~ **\$26,475,000.00** for ~~2021-2022-2022-2023~~ for
31 payments to eligible districts for services for English language learners who have been
32 administered the WIDA ACCESS for English language learners.

1 (2) The department shall distribute funding allocated under subsection (1) to
2 eligible districts based on the number of full-time equivalent English language learners as
3 follows:

4 (a) ~~\$935.00~~ **\$982.00** per full-time equivalent English language learner who has been
5 assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS
6 with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less,
7 as applicable to each assessment.

8 (b) ~~\$645.00~~ **\$678.00** per full-time equivalent English language learner who has been
9 assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS
10 with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less,
11 as applicable to each assessment.

12 (c) ~~\$105.00~~ **\$111.00** per full-time equivalent English language learner who has been
13 assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS
14 with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less,
15 as applicable to each assessment.

16 (3) If funds allocated under subsection (1) are insufficient to fully fund the
17 payments as prescribed under subsection (2), the department shall prorate payments on an
18 equal percentage basis, with the same percentage proration applied to all funding
19 categories.

20 (4) Each district receiving funds under subsection (1) shall submit to the department
21 by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the
22 district of funds under subsection (1) in a form and manner determined by the department,
23 including a brief description of each program conducted or services performed by the
24 district using funds under subsection (1) and the amount of funds under subsection (1)
25 allocated to each of those programs or services. If a district does not comply with this
26 subsection, the department shall withhold an amount equal to the August payment due under
27 this section until the district complies with this subsection. If the district does not
28 comply with this subsection by the end of the fiscal year, the withheld funds are forfeited
29 to the school aid fund.

30 (5) In order to receive funds under subsection (1), a district must allow access for
31 the department or the department's designee to audit all records related to the program for
32 which it receives those funds. The district shall reimburse this state for all

1 disallowances found in the audit.

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

6 Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated
7 an amount not to exceed ~~\$1,079,296,100.00 for 2020-2021 and there is allocated an amount~~
8 ~~not to exceed \$1,123,696,100.00~~ **\$1,124,396,100.00** for ~~2021-2022~~ **2022-2023** from state
9 sources and all available federal funding under sections 1411 to 1419 of part B of the
10 individuals with disabilities education act, 20 USC 1411 to 1419, estimated at
11 ~~\$456,752,000.00 for 2020-2021 and \$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022,~~ **2022-2023**,
12 plus any carryover federal funds from previous year appropriations. The allocations under
13 this subsection are for the purpose of reimbursing districts and intermediate districts for
14 special education programs, services, and special education personnel as prescribed in
15 article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made
16 by intermediate districts to the Michigan Schools for the Deaf and Blind; and special
17 education programs and services for pupils who are eligible for special education programs
18 and services according to statute or rule. For meeting the costs of special education
19 programs and services not reimbursed under this article, a district or intermediate
20 district may use money in general funds or special education funds, not otherwise
21 restricted, or contributions from districts to intermediate districts, tuition payments,
22 gifts and contributions from individuals or other entities, or federal funds that may be
23 available for this purpose, as determined by the intermediate district plan prepared under
24 article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section
25 17b, the department shall make payments of federal funds to districts, intermediate
26 districts, and other eligible entities under this section on a schedule determined by the
27 department.

28 (2) From the funds allocated under subsection (1), there is allocated the amount
29 necessary, estimated at ~~\$319,000,000.00 for 2020-2021 and estimated at \$332,000,000.00~~
30 **\$323,300,000.00** for ~~2021-2022,~~ **2022-2023**, for payments toward reimbursing districts and
31 intermediate districts for 28.6138% of total approved costs of special education, excluding
32 costs reimbursed under section 53a, and 70.4165% of total approved costs of special

1 education transportation. Allocations under this subsection are made as follows:

2 (a) The department shall calculate the initial amount allocated to a district under
3 this subsection toward fulfilling the specified percentages by multiplying the district's
4 special education pupil membership, excluding pupils described in subsection (11), times
5 the foundation allowance under section 20 of the pupil's district of residence, plus the
6 amount of the district's per-pupil allocation under section 20m, not to exceed the target
7 foundation allowance for the current fiscal year, or, for a special education pupil in
8 membership in a district that is a public school academy, times an amount equal to the
9 amount per membership pupil calculated under section 20(6). For an intermediate district,
10 the amount allocated under this subdivision toward fulfilling the specified percentages is
11 an amount per special education membership pupil, excluding pupils described in subsection
12 (11), and is calculated in the same manner as for a district, using the foundation
13 allowance under section 20 of the pupil's district of residence, not to exceed the target
14 foundation allowance for the current fiscal year, and that district's per-pupil allocation
15 under section 20m.

16 (b) After the allocations under subdivision (a), the department shall pay a district
17 or intermediate district for which the payments calculated under subdivision (a) do not
18 fulfill the specified percentages the amount necessary to achieve the specified percentages
19 for the district or intermediate district.

20 (3) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~
21 ~~an amount not to exceed \$1,000,000.00 and there is allocated for 2021-2022-2022-2023~~ an
22 amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts
23 under this subsection. If the amount allocated to a district or intermediate district for a
24 fiscal year under subsection (2)(b) is less than the sum of the amounts allocated to the
25 district or intermediate district for 1996-97 under sections 52 and 58, there is allocated
26 to the district or intermediate district for the fiscal year an amount equal to that
27 difference, adjusted by applying the same proration factor that was used in the
28 distribution of funds under section 52 in 1996-97 as adjusted to the district's or
29 intermediate district's necessary costs of special education used in calculations for the
30 fiscal year. This adjustment is to reflect reductions in special education program
31 operations or services between 1996-97 and subsequent fiscal years. The department shall
32 make adjustments for reductions in special education program operations or services in a

1 manner determined by the department and shall include adjustments for program or service
2 shifts.

3 (4) If the department determines that the sum of the amounts allocated for a fiscal
4 year to a district or intermediate district under subsection (2) (a) and (b) is not
5 sufficient to fulfill the specified percentages in subsection (2), then the department
6 shall pay the shortfall to the district or intermediate district during the fiscal year
7 beginning on the October 1 following the determination and shall adjust payments under
8 subsection (3) as necessary. If the department determines that the sum of the amounts
9 allocated for a fiscal year to a district or intermediate district under subsection (2) (a)
10 and (b) exceeds the sum of the amount necessary to fulfill the specified percentages in
11 subsection (2), then the department shall deduct the amount of the excess from the
12 district's or intermediate district's payments under this article for the fiscal year
13 beginning on the October 1 following the determination and shall adjust payments under
14 subsection (3) as necessary. However, if the amount allocated under subsection (2) (a) in
15 itself exceeds the amount necessary to fulfill the specified percentages in subsection (2),
16 there is no deduction under this subsection.

17 (5) State funds are allocated on a total approved cost basis. Federal funds are
18 allocated under applicable federal requirements.

19 (6) From the amount allocated in subsection (1), there is allocated an amount not to
20 exceed ~~\$2,200,000.00 for 2020-2021 and there is allocated an amount not to exceed~~
21 ~~\$2,200,000.00 for 2021-2022~~ **2022-2023** to reimburse 100% of the net increase in necessary
22 costs incurred by a district or intermediate district in implementing the revisions in the
23 administrative rules for special education that became effective on July 1, 1987. As used
24 in this subsection, "net increase in necessary costs" means the necessary additional costs
25 incurred solely because of new or revised requirements in the administrative rules minus
26 cost savings permitted in implementing the revised rules. The department shall determine
27 net increase in necessary costs in a manner specified by the department.

28 (7) For purposes of this section and sections 51b to 58, all of the following apply:

29 (a) "Total approved costs of special education" are determined in a manner specified
30 by the department and may include indirect costs, but must not exceed 115% of approved
31 direct costs for section 52 and section 53a programs. The total approved costs include
32 salary and other compensation for all approved special education personnel for the program,

1 including payments for Social Security and Medicare and public school employee retirement
2 system contributions. The total approved costs do not include salaries or other
3 compensation paid to administrative personnel who are not special education personnel as
4 that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed
5 by federal funds, other than those federal funds included in the allocation made under this
6 article, are not included. Special education approved personnel not utilized full time in
7 the evaluation of students or in the delivery of special education programs, ancillary, and
8 other related services are reimbursed under this section only for that portion of time
9 actually spent providing these programs and services, with the exception of special
10 education programs and services provided to youth placed in child caring institutions or
11 juvenile detention programs approved by the department to provide an on-grounds education
12 program.

13 (b) Beginning with the 2004-2005 fiscal year, a district or intermediate district
14 that employed special education support services staff to provide special education support
15 services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-
16 2004 receives the same type of support services from another district or intermediate
17 district shall report the cost of those support services for special education
18 reimbursement purposes under this article. This subdivision does not prohibit the transfer
19 of special education classroom teachers and special education classroom aides if the pupils
20 counted in membership associated with those special education classroom teachers and
21 special education classroom aides are transferred and counted in membership in the other
22 district or intermediate district in conjunction with the transfer of those teachers and
23 aides.

24 (c) If the department determines before bookclosing for a fiscal year that the
25 amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and
26 sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections
27 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate
28 district whose reimbursement for that fiscal year would otherwise be affected by
29 subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for
30 that district or intermediate district and the department shall calculate reimbursement for
31 that district or intermediate district in the same manner as it was for 2003-2004. If the
32 amount of the excess allocations under subsections (2), (3), (6), and (11) and sections

1 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those
2 districts and intermediate districts under this subdivision, then the department shall
3 prorate calculations and resulting reimbursement under this subdivision on an equal
4 percentage basis. Beginning in 2015-2016, the amount of reimbursement under this
5 subdivision for a fiscal year must not exceed \$2,000,000.00 for any district or
6 intermediate district.

7 (d) Reimbursement for ancillary and other related services, as that term is defined
8 by R 340.1701c of the Michigan Administrative Code, is not provided when those services are
9 covered by and available through private group health insurance carriers or federal
10 reimbursed program sources unless the department and district or intermediate district
11 agree otherwise and that agreement is approved by the state budget director. Expenses,
12 other than the incidental expense of filing, must not be borne by the parent. In addition,
13 the filing of claims must not delay the education of a pupil. A district or intermediate
14 district is responsible for payment of a deductible amount and for an advance payment
15 required until the time a claim is paid.

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

26 (8) A pupil who is enrolled in a full-time special education program conducted or
27 administered by an intermediate district or a pupil who is enrolled in the Michigan Schools
28 for the Deaf and Blind is not included in the membership count of a district, but is
29 counted in membership in the intermediate district of residence.

30 (9) Special education personnel transferred from 1 district to another to implement
31 the revised school code are entitled to the rights, benefits, and tenure to which the
32 person would otherwise be entitled had that person been employed by the receiving district

1 originally.

2 (10) If a district or intermediate district uses money received under this section
3 for a purpose other than the purpose or purposes for which the money is allocated, the
4 department may require the district or intermediate district to refund the amount of money
5 received. The department shall deposit money that is refunded in the state treasury to the
6 credit of the state school aid fund.

7 (11) From the funds allocated in subsection (1), there is allocated the amount
8 necessary, estimated at ~~\$2,400,000.00 for 2020-2021 and estimated at \$2,900,000.00~~
9 **\$1,500,000.00** for ~~2021-2022, 2022-2023~~, to pay the foundation allowances for pupils
10 described in this subsection. The department shall calculate the allocation to a district
11 under this subsection by multiplying the number of pupils described in this subsection who
12 are counted in membership in the district times the sum of the foundation allowance under
13 section 20 of the pupil's district of residence, plus the amount of the district's per-
14 pupil allocation under section 20m, not to exceed the target foundation allowance for the
15 current fiscal year, or, for a pupil described in this subsection who is counted in
16 membership in a district that is a public school academy, times an amount equal to the
17 amount per membership pupil under section 20(6). The department shall calculate the
18 allocation to an intermediate district under this subsection in the same manner as for a
19 district, using the foundation allowance under section 20 of the pupil's district of
20 residence not to exceed the target foundation allowance for the current fiscal year and
21 that district's per-pupil allocation under section 20m. This subsection applies to all of
22 the following pupils:

23 (a) Pupils described in section 53a.

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

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

29 (12) If it is determined that funds allocated under subsection (2) or (11) or under
30 section 51c will not be expended, funds up to the amount necessary and available may be
31 used to supplement the allocations under subsection (2) or (11) or under section 51c in
32 order to fully fund those allocations. After payments under subsections (2) and (11) and

1 section 51c, the department shall expend the remaining funds from the allocation in
2 subsection (1) in the following order:

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

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

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

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

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

8 (13) The allocations under subsections (2), (3), and (11) are allocations to
9 intermediate districts only and are not allocations to districts, but instead are
10 calculations used only to determine the state payments under section 22b.

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

32 (15) For the purpose of receiving its federal allocation under part B of the

1 individuals with disabilities education act, Public Law 108-446, a public school academy
2 that is a cyber school, as that term is defined in section 551 of the revised school code,
3 MCL 380.551, and is in compliance with section 553a of the revised school code, MCL
4 380.553a, directly receives the federal allocation under part B of the individuals with
5 disabilities education act, Public Law 108-446, from the intermediate district in which the
6 cyber school is located, as the subrecipient. If the intermediate district does not
7 distribute the funds described in this subsection to the cyber school by the part B
8 application due date of July 1, the department may distribute the funds described in this
9 subsection directly to the cyber school according to the formula prescribed in 34 CFR
10 300.705 and 34 CFR 300.816.

11 (16) For a public school academy that is a cyber school, as that term is defined in
12 section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a
13 of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the
14 intermediate district in which the cyber school is located shall ensure that the cyber
15 school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised
16 school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757;
17 applicable rules; and the individuals with disabilities education act, Public Law 108-446.

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

21 Sec. 51c. As required by the court in the consolidated cases known as Durant v State
22 of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1), there is
23 allocated for ~~2020-2021 and for 2021-2022, 2022-2023~~, the amount necessary, estimated at
24 ~~\$702,500,000.00 for 2020-2021 and \$733,400,000.00~~ **\$710,000,000.00** for ~~2021-2022, 2022-2023~~,
25 for payments to reimburse districts for 28.6138% of total approved costs of special
26 education excluding costs reimbursed under section 53a, and 70.4165% of total approved
27 costs of special education transportation. Funds allocated under this section that are not
28 expended in the fiscal year for which they were allocated, as determined by the department,
29 may be used to supplement the allocations under sections 22a and 22b to fully fund those
30 allocations for the same fiscal year. For each fund transfer as described in the
31 immediately preceding sentence that occurs, the state budget director shall send
32 notification of the transfer to the house and senate appropriations subcommittees on state

1 school aid and the house and senate fiscal agencies by not later than 14 calendar days
2 after the transfer occurs.

3 Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated
4 for ~~2020-2021 all available federal funding, estimated at \$83,195,000.00, and there is~~
5 ~~allocated for 2021-2022~~ **2022-2023** all available federal funding, estimated at
6 \$71,000,000.00, for special education programs and services that are funded by federal
7 grants. The department shall distribute all federal funds allocated under this section in
8 accordance with federal law. Notwithstanding section 17b, the department shall make
9 payments of federal funds to districts, intermediate districts, and other eligible entities
10 under this section on a schedule determined by the department.

11 (2) From the federal funds allocated under subsection (1), the following amounts are
12 allocated:

13 (a) For ~~2020-2021, an amount estimated at \$19,822,000.00 for handicapped infants and~~
14 ~~toddlers, funded from DED-OSERS, handicapped infants and toddlers funds. For 2021-2022,~~
15 **2022-2023**, an amount estimated at \$14,000,000.00 for handicapped infants and toddlers,
16 funded from DED-OSERS, handicapped infants and toddlers funds.

17 (b) For ~~2020-2021, an amount estimated at \$20,373,000.00 for preschool grants under~~
18 ~~Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds. For 2021-~~
19 ~~2022,~~ **2022-2023**, an amount estimated at \$14,000,000.00 for preschool grants under Public
20 Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.

21 (c) For ~~2020-2021 and for 2021-2022,~~ **2022-2023**, an amount estimated at \$43,000,000.00
22 for special education programs funded by DED-OSERS, handicapped program, individuals with
23 disabilities act funds.

24 (3) As used in this section, "DED-OSERS" means the United States Department of
25 Education Office of Special Education and Rehabilitative Services.

26 Sec. 51f. (1) From the funds appropriated under section 11, there is allocated for
27 ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$90,207,000.00~~ **\$240,207,000.00** for payments to
28 districts and intermediate districts to increase the level of reimbursement of costs
29 associated with providing special education services required under state and federal law.

30 (2) A district's or intermediate district's allocation under this section is equal to
31 the level percentage multiplied by each district's or intermediate district's costs
32 reported to the center on the special education actual cost report, known as "SE-4096" as

1 referred to under section 18(6), as approved by the department.

2 (3) The total reimbursement under this section and under section 51c must not exceed
3 the total reported costs for a district or intermediate district.

4 (4) For ~~2021-2022~~, **2022-2023**, the level percentage is estimated at ~~3.0%~~ **\$8.0%**

5 (5) For the purposes of this section, "level percentage" means the percentage
6 calculated by dividing the allocation in subsection (1) by the total of costs reported to
7 the center on the special education actual cost report, known as "SE-4096" as referred to
8 under section 18(6), as approved by the department.

9 Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00 is
10 allocated for ~~2021-2022~~ **2022-2023** to an association for administrators of special education
11 services to develop content for use by special education students, teachers, and others.
12 Any content that is developed as described in this section must be accessible throughout
13 this state. Funds received by an association under this section may be used to support the
14 development of assessment tools to measure the needs of students with special education
15 needs in remote learning environments and the effectiveness of various educational methods
16 and tools, in collaboration with the department. Funds under this section may also be
17 utilized to identify any available federal funds for research related to special education
18 in remote learning.

19 Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is
20 100% of the total approved costs of operating special education programs and services
21 approved by the department and included in the intermediate district plan adopted under
22 article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's
23 foundation allowance calculated under section 20 and minus the district's per-pupil
24 allocation under section 20m. For intermediate districts, the department shall calculate
25 reimbursement for pupils described in subsection (2) in the same manner as for a district,
26 using the foundation allowance under section 20 of the pupil's district of residence, not
27 to exceed the target foundation allowance under section 20 for the current fiscal year plus
28 the amount of the district's per-pupil allocation under section 20m.

29 (2) Reimbursement under subsection (1) is for the following special education pupils:

30 (a) Pupils assigned to a district or intermediate district through the community
31 placement program of the courts or a state agency, if the pupil was a resident of another
32 intermediate district at the time the pupil came under the jurisdiction of the court or a

1 state agency.

2 (b) Pupils who are residents of institutions operated by the department of health and
3 human services.

4 (c) Pupils who are former residents of department of community health institutions
5 for the developmentally disabled who are placed in community settings other than the
6 pupil's home.

7 (d) Pupils enrolled in a department-approved on-grounds educational program longer
8 than 180 days, but not longer than 233 days, at a residential child care institution, if
9 the child care institution offered in 1991-92 an on-grounds educational program longer than
10 180 days but not longer than 233 days.

11 (e) Pupils placed in a district by a parent for the purpose of seeking a suitable
12 home, if the parent does not reside in the same intermediate district as the district in
13 which the pupil is placed.

14 (3) Only those costs that are clearly and directly attributable to educational
15 programs for pupils described in subsection (2), and that would not have been incurred if
16 the pupils were not being educated in a district or intermediate district, are reimbursable
17 under this section.

18 (4) The costs of transportation are funded under this section and are not reimbursed
19 under section 58.

20 (5) The department shall not allocate more than \$10,500,000.00 of the allocation for
21 ~~2021-2022-2022-2023~~ in section 51a(1) under this section.

22 Sec. 54. Each intermediate district receives an amount per pupil for each pupil in
23 attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to
24 the total instructional cost at each school. The department shall not allocate more than
25 \$1,688,000.00 of the allocation for ~~2021-2022-2022-2023~~ in section 51a(1) under this
26 section.

27 Sec. 54b. (1) From the general fund money appropriated in section 11, there is
28 allocated an amount not to exceed \$1,600,000.00 for ~~2021-2022-2022-2023~~ to continue the
29 implementation of the recommendations of the special education reform task force published
30 in January 2016.

31 (2) The department shall use funds allocated under this section for the purpose of
32 piloting statewide implementation of the ~~Michigan Integrated Behavior and Learning Support~~

1 ~~Initiative (MiBLSI), Michigan's Multi-Tiered System of Supports (MIMTSS) Center~~, a
2 nationally recognized program that includes positive behavioral intervention and supports
3 and provides a statewide structure to support local initiatives for an integrated behavior
4 and reading program. With the assistance of the intermediate districts involved in ~~MiBLSI~~,
5 **MIMTSS** the department shall identify a number of intermediate districts to participate in
6 the pilot that is sufficient to ensure that ~~MiBLSI~~-**MIMTSS** can be implemented statewide with
7 fidelity and sustainability. In addition, the department shall identify an intermediate
8 district to act as a fiscal agent for these funds.

9 Sec. 54d. (1) From the state school aid fund money appropriated in section 11, there
10 is allocated an amount not to exceed ~~\$14,150,000.00~~ **\$21,250,000.00** for ~~2021-2022~~ **2022-2023**
11 to intermediate districts for the purpose of providing state early on services programs for
12 children from birth to 3 years of age with a developmental delay or a disability, or both,
13 and their families, as described in the early on Michigan state plan, as approved by the
14 department.

15 (2) To be eligible to receive grant funding under this section, each intermediate
16 district must apply in a form and manner determined by the department.

17 (3) The grant funding allocated under this section must be used to increase early on
18 services and resources available to children that demonstrate developmental delays to help
19 prepare them for success as they enter school. State early on services include evaluating
20 and providing early intervention services for eligible infants and toddlers and their
21 families to address developmental delays, including those affecting physical, cognitive,
22 communication, adaptive, social, or emotional development. Grant funds must not be used to
23 supplant existing services that are currently being provided.

24 (4) The department shall distribute the funds allocated under subsection (1) to
25 intermediate districts according to the department's early on funding formula utilized to
26 distribute the federal award to Michigan under part C of the individuals with disabilities
27 education act, Public Law 108-446. Funds received under this section must not supplant
28 existing funds or resources allocated for early on early intervention services. An
29 intermediate district receiving funds under this section shall maximize the capture of
30 Medicaid funds to support early on early intervention services to the extent possible.

31 (5) Each intermediate district that receives funds under this section shall report
32 data and other information to the department in a form, manner, and frequency prescribed by

1 the department to allow for monitoring and evaluation of the program and to ensure that the
2 children described in subsection (1) received appropriate levels and types of services
3 delivered by qualified personnel, based on the individual needs of the children and their
4 families.

5 (6) Notwithstanding section 17b, the department shall make payments under this
6 section on a schedule determined by the department.

7 (7) Grant funds awarded and allocated to an intermediate district under this section
8 must be expended by the grant recipient before June 30 of the fiscal year immediately
9 following the fiscal year in which the funds were received.

10 Sec. 56. (1) For the purposes of this section:

11 (a) "Membership" means for a particular fiscal year the total membership of the
12 intermediate district and the districts constituent to the intermediate district, except
13 that if a district has elected not to come under part 30 of the revised school code, MCL
14 380.1711 to 380.1741, membership of the district is not included in the membership of the
15 intermediate district.

16 (b) "Millage levied" means the millage levied for special education under part 30 of
17 the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service
18 obligations.

19 (c) "Taxable value" means the total taxable value of the districts constituent to an
20 intermediate district, except that if a district has elected not to come under part 30 of
21 the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not
22 included in the taxable value of the intermediate district.

23 (2) From the allocation under section 51a(1), there is allocated an amount not to
24 exceed ~~\$40,008,100.00 for 2020-2021 and an amount not to exceed \$40,008,100.00 for 2021-~~
25 ~~2022-2022-2023~~ to reimburse intermediate districts levying millages for special education
26 under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and
27 expenditure of the reimbursement are limited as if the funds were generated by these
28 millages and governed by the intermediate district plan adopted under article 3 of the
29 revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this
30 section, an intermediate district distributing any portion of special education millage
31 funds to its constituent districts must submit for departmental approval and implement a
32 distribution plan.

1 ~~(3) Except as otherwise provided in this subsection, reimbursement for those millages~~
2 ~~levied in 2019-2020 is made in 2020-2021 at an amount per 2019-2020 membership pupil~~
3 ~~computed by subtracting from \$208,800.00 the 2019-2020 taxable value behind each membership~~
4 ~~pupil and multiplying the resulting difference by the 2019-2020 millage levied, and then~~
5 ~~subtracting from that amount the 2019-2020 local community stabilization share revenue for~~
6 ~~special education purposes behind each membership pupil for reimbursement of personal~~
7 ~~property exemption loss under the local community stabilization authority act, 2014 PA 86,~~
8 ~~MCL 123.1341 to 123.1362. Reimbursement in 2020-2021 for an intermediate district whose~~
9 ~~2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to~~
10 ~~102.5% of the 2017-2018 allocation to that intermediate district.~~

11 (3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those
12 millages levied in ~~2020-2021-2021-2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per
13 ~~2020-2021-2021-2022~~ membership pupil computed by subtracting from ~~\$215,900.00~~ **\$227,700.00**
14 the ~~2020-2021-2021-2022~~ taxable value behind each membership pupil and multiplying the
15 resulting difference by the ~~2020-2021-2021-2022~~ millage levied, and then subtracting from
16 that amount the ~~2020-2021-2021-2022~~ local community stabilization share revenue for special
17 education purposes **and 2021-2022 tax increment revenues captured by a brownfield**
18 **redevelopment authority** behind each membership pupil for reimbursement of personal property
19 exemption loss under the local community stabilization authority act, 2014 PA 86, MCL
20 123.1341 to 123.1362 **and reimbursements paid under section 26d for tax increment revenues**
21 **captured by a brownfield redevelopment authority.** Reimbursement in ~~2021-2022-2022-2023~~ for
22 an intermediate district whose 2017-2018 allocation was affected by the operation of
23 subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to that
24 intermediate district.

25 (4) ~~(5)~~ The department shall ensure that the amount paid to a single intermediate
26 district under ~~this section-subsection (2)~~ **(2)** does not exceed 62.9% of the total amount
27 allocated under subsection (2).

28 (5) ~~(6)~~ The department shall ensure that the amount paid to a single intermediate
29 district under ~~this section-subsection (2)~~ **(2)** is not less than 75% of the amount allocated to
30 the intermediate district under ~~this section-subsection (2)~~ **(2)** for the immediately preceding
31 fiscal year.

32 (6) ~~(7)~~ From the **allocation under section 51a(1), state school aid fund money**

1 ~~appropriated in section 11,~~ there is allocated an amount not to exceed \$34,200,000.00 for
2 ~~2021-2022-2022-2023~~ to provide payments to intermediate districts levying millages for
3 special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The
4 purpose, use, and expenditure of the payments under this subsection are limited as if the
5 funds were generated by these millages and governed by the intermediate district plan
6 adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The
7 department shall provide a payment under this subsection to each intermediate district
8 described in this subsection as follows:

9 (a) Except as otherwise provided in this subsection, for an intermediate district
10 with a ~~2020-2021-2021-2022~~ 3-year average special education millage revenue per pupil that
11 is less than \$251.00 and that is levying at least 46.2% but less than 60.0% of its maximum
12 millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an
13 amount computed by subtracting from \$251.00 the ~~2020-2021-2021-2022~~ 3-year average special
14 education millage revenue per pupil and, only if the millage levied by the intermediate
15 district is less than 1, multiplying that amount by the number of mills levied divided by
16 1, and then multiplying that amount by the ~~2020-2021-2021-2022~~ 3-year average membership,
17 and then subtracting from that amount the amount allocated under subsection (2) for ~~2021-~~
18 ~~2022-2022-2023~~. If the calculation under this subdivision results in an amount below zero,
19 there is no payment under this subdivision.

20 (b) Except as otherwise provided in this subsection, for an intermediate district
21 with a ~~2020-2021-2021-2022~~ 3-year average special education millage revenue per pupil that
22 is less than ~~\$281.00-\$296.00~~ and that is levying at least 60.0% of its maximum millage rate
23 allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed
24 by subtracting from ~~\$281.00-\$296.00~~ the ~~2020-2021-2021-2022~~ 3-year average special
25 education millage revenue per pupil, and, only if the millage levied by the intermediate
26 district is less than 1, multiplying that amount by the number of mills levied divided by
27 1, and then multiplying that amount by the ~~2020-2021-2021-2022~~ 3-year average membership,
28 and then subtracting from that amount the amount allocated under subsection (2) for ~~2021-~~
29 ~~2022-2022-2023~~. If the calculation under this subdivision results in an amount below zero,
30 there is no payment under this subdivision.

31 (8) As used in subsection (7):

32 (a) "~~2020-2021-2021-2022~~ 3-year average membership" means the 3-year average pupil

1 membership for ~~2018-2019, 2019-2020, and 2020-2021,~~ **and 2021-2022.**

2 (b) "~~2020-2021-2022-2023~~ 3-year average special education millage revenue per pupil"
3 means the 3-year average taxable value per mill levied behind each membership pupil for
4 ~~2018-2019, 2019-2020, and 2020-2021,~~ **and 2021-2022** multiplied by the ~~2020-2021-2021-2022~~
5 millage levied.

6 Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there
7 is allocated an amount not to exceed ~~\$37,611,300.00~~ **\$47,611,300.00** for ~~2021-2022-2022-2023~~
8 to reimburse on an added cost basis districts, except for a district that served as the
9 fiscal agent for a vocational education consortium in the 1993-94 school year and that has
10 a foundation allowance as calculated under section 20 greater than the ~~minimum foundation~~
11 **target foundation** allowance under that section, and secondary area vocational-technical
12 education centers for secondary-level career and technical education programs according to
13 rules approved by the superintendent. Applications for participation in the programs must
14 be submitted in the form prescribed by the department. The department shall determine the
15 added cost for each career and technical education program area. The department shall
16 prioritize the allocation of added cost funds based on the capital and program expenditures
17 needed to operate the career and technical education programs provided; the number of
18 pupils enrolled; the advancement of pupils through the instructional program; the existence
19 of an articulation agreement with at least 1 postsecondary institution that provides pupils
20 with opportunities to earn postsecondary credit during the pupil's participation in the
21 career and technical education program and transfers those credits to the postsecondary
22 institution upon completion of the career and technical education program; and the program
23 rank in student placement, job openings, and wages, and shall ensure that the allocation
24 does not exceed 75% of the added cost of any program. Notwithstanding any rule or
25 department determination to the contrary, when determining a district's allocation or the
26 formula for making allocations under this section, the department shall include the
27 participation of pupils in grade 9 in all of those determinations and in all portions of
28 the formula. With the approval of the department, the board of a district maintaining a
29 secondary career and technical education program may offer the program for the period from
30 the close of the school year until September 1. The program shall use existing facilities
31 and must be operated as prescribed by rules promulgated by the superintendent.

32 (2) Except for a district that served as the fiscal agent for a vocational education

1 consortium in the 1993-94 school year, the department shall reimburse districts and
2 intermediate districts for local career and technical education administration, shared time
3 career and technical education administration, and career education planning district
4 career and technical education administration. The superintendent shall adopt guidelines
5 for the definition of what constitutes administration and shall make reimbursement pursuant
6 to those guidelines. The department shall not distribute more than \$800,000.00 of the
7 allocation in subsection (1) under this subsection.

8 (3) A career and technical education program funded under this section may provide an
9 opportunity for participants who are eligible to be funded under section 107 to enroll in
10 the career and technical education program funded under this section if the participation
11 does not occur during regular school hours.

12 Sec. 61b. (1) From the funds appropriated under section 11, there is allocated for
13 ~~2021-2022-2022-2023~~ an amount not to exceed \$8,000,000.00 from the state school aid fund
14 appropriation for CTE early middle college and CTE dual enrollment programs authorized
15 under this section and for planning grants for the development or expansion of CTE early
16 middle college programs. The purpose of these programs is to increase the number of
17 Michigan residents with high-quality degrees or credentials, and to increase the number of
18 students who are college and career ready upon high school graduation.

19 (2) From the funds allocated under subsection (1), the department shall allocate an
20 amount as determined under this subsection to each intermediate district serving as a
21 fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs
22 in each of the career education planning districts identified by the department. An
23 intermediate district shall not use more than 5% of the funds allocated under this
24 subsection for administrative costs for serving as the fiscal agent.

25 (3) To be an eligible fiscal agent, an intermediate district must agree to do all of
26 the following in a form and manner determined by the department:

27 (a) Distribute funds to eligible CTE early middle college and CTE dual enrollment
28 programs in a career education planning district as described in this section.

29 (b) Collaborate with the career and educational advisory council in the workforce
30 development board service delivery area to develop 1 regional strategic plan under
31 subsection (4) that aligns CTE programs and services into an efficient and effective
32 delivery system for high school students. The department will align career education

1 planning districts, workforce development board service delivery areas, and intermediate
2 districts for the purpose of creating 1 regional strategic plan for each workforce
3 development board service delivery area.

4 (c) Implement a regional process to rank career clusters in the workforce development
5 board service delivery area as described under subsection (4). Regional processes must be
6 approved by the department before the ranking of career clusters.

7 (d) Report CTE early middle college and CTE dual enrollment program and student data
8 and information as prescribed by the department and the center.

9 (e) The local education agency responsible for student reporting in the Michigan
10 student data system (MSDS) will report the total number of college credits the student
11 earned, at the time of high school graduation, as determined by the department and the
12 center.

13 (f) The local education agency will report each award outcome in the Michigan student
14 data system (MSDS) that the CTE early middle college student attained. For purposes of this
15 subsection, an on-track CTE early middle college graduate is a graduate who obtained their
16 high school diploma and at least 1 of the following:

17 (i) An associate's degree.

18 (ii) 60 transferrable college credits.

19 (iii) Professional certification.

20 (iv) A Michigan Early Middle College Association certificate.

21 (v) Participation in a registered apprenticeship.

22 (4) A regional strategic plan must be approved by the career and educational advisory
23 council before submission to the department. A regional strategic plan must include, but is
24 not limited to, the following:

25 (a) An identification of regional employer need based on a ranking of all career
26 clusters in the workforce development board service delivery area ranked by 10-year
27 projections of annual job openings and median wage for each standard occupational code in
28 each career cluster as obtained from the United States Bureau of Labor Statistics. Standard
29 occupational codes within high-ranking clusters also may be further ranked by median wage
30 and annual job openings. The career and educational advisory council located in the
31 workforce development board service delivery area shall review the rankings and modify them

1 if necessary to accurately reflect employer demand for talent in the workforce development
2 board service delivery area. A career and educational advisory council shall document that
3 it has conducted this review and certify that it is accurate. These career cluster rankings
4 must be determined and updated once every 4 years.

5 (b) An identification of educational entities in the workforce development board
6 service delivery area that will provide eligible CTE early middle college and CTE dual
7 enrollment programs including districts, intermediate districts, postsecondary
8 institutions, and noncredit occupational training programs leading to an industry-
9 recognized credential.

10 (c) A strategy to inform parents and students of CTE early middle college and CTE
11 dual enrollment programs in the workforce development board service delivery area.

12 (d) Any other requirements as defined by the department.

13 (5) An eligible CTE program is a program that meets all of the following:

14 (a) Has been identified in the highest 5 career cluster rankings in any of the 16
15 workforce development board service delivery area strategic plans jointly approved by the
16 department of labor and economic opportunity and the department.

17 (b) Has a coherent sequence of courses in a specific career cluster that will allow a
18 student to earn a high school diploma and achieve at least 1 of the following:

19 (i) For CTE early middle college, outcomes as defined in subsection (3)(f).

20 (ii) For CTE dual enrollment, 1 of the following:

21 (A) An associate degree.

22 (B) An industry-recognized technical certification approved by the department of
23 labor and economic opportunity.

24 (C) Up to 60 transferable college credits.

25 (D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice
26 readiness program.

27 (c) Is aligned with the Michigan merit curriculum.

28 (d) Has an articulation or a college credit agreement with at least 1 postsecondary
29 institution that provides students with opportunities to receive postsecondary credits
30 during the student's participation in the CTE early middle college or CTE dual enrollment
31 program and transfers those credits to the postsecondary institution upon completion of the

1 CTE early middle college or CTE dual enrollment program.

2 (e) Provides instruction that is supervised, directed, or coordinated by an
3 appropriately certificated CTE teacher or, for concurrent enrollment courses, a
4 postsecondary faculty member.

5 (f) Provides for highly integrated student support services that include at least the
6 following:

7 (i) Teachers as academic advisors.

8 (ii) Supervised course selection.

9 (iii) Monitoring of student progress and completion.

10 (iv) Career planning services provided by a local one-stop service center as
11 described in the Michigan works one-stop service center system act, 2006 PA 491, MCL
12 408.111 to 408.135, or by a high school counselor or advisor.

13 (g) Has courses that are taught on a college campus, are college courses offered at
14 the high school and taught by college faculty, or are courses taught in combination with
15 online instruction.

16 (6) The department shall distribute funds to eligible CTE early middle college and
17 CTE dual enrollment programs as follows:

18 (a) The department shall determine statewide average CTE costs per pupil for each CIP
19 code program by calculating statewide average costs for each CIP code program for the 3
20 most recent fiscal years.

21 (b) The distribution to each eligible CTE early middle college or CTE dual enrollment
22 program is the product of 50% of CTE costs per pupil times the pupil enrollment of each
23 eligible CTE early middle college or CTE dual enrollment program in the immediately
24 preceding school year.

25 (7) In order to receive funds under this section, a CTE early middle college or CTE
26 dual enrollment program shall furnish to the intermediate district that is the fiscal agent
27 identified in subsection (2), in a form and manner determined by the department, all
28 information needed to administer this program and meet federal reporting requirements;
29 shall allow the department or the department's designee to review all records related to
30 the program for which it receives funds; and shall reimburse the state for all
31 disallowances found in the review, as determined by the department.

1 (8) There is allocated for ~~2021-2022~~**2022-2023** from the funds under subsection (1) an
2 amount not to exceed \$500,000.00 from the state school aid fund allocation for grants to
3 intermediate districts or consortia of intermediate districts for the purpose of planning
4 for new or expanded early middle college programs. Applications for grants must be
5 submitted in a form and manner determined by the department. The amount of a grant under
6 this subsection must not exceed \$50,000.00. To be eligible for a grant under this
7 subsection, an intermediate district or consortia of intermediate districts must provide
8 matching funds equal to the grant received under this subsection. Notwithstanding section
9 17b, the department shall make payments under this subsection in the manner determined by
10 the department.

11 (9) Funds distributed under this section may be used to fund program expenditures
12 that would otherwise be paid from foundation allowances. A program receiving funding under
13 section 61a may receive funding under this section for allowable costs that exceed the
14 reimbursement the program received under section 61a. The combined payments received by a
15 program under section 61a and this section must not exceed the total allowable costs of the
16 program. A program provider shall not use more than 5% of the funds allocated under this
17 section to the program for administrative costs.

18 (10) If the allocation under subsection (1) is insufficient to fully fund payments as
19 otherwise calculated under this section, the department shall prorate payments under this
20 section on an equal percentage basis.

21 (11) If pupils enrolled in a career cluster in an eligible CTE early middle college
22 or CTE dual enrollment program qualify to be reimbursed under this section, those pupils
23 continue to qualify for reimbursement until graduation, even if the career cluster is no
24 longer identified as being in the highest 5 career cluster rankings.

25 (12) As used in this section:

26 (a) "Allowable costs" means those costs directly attributable to the program as
27 jointly determined by the department of labor and economic opportunity and the department.

28 (b) "Career and educational advisory council" means an advisory council to the local
29 workforce development boards located in a workforce development board service delivery area
30 consisting of educational, employer, labor, and parent representatives.

31 (c) "CIP" means classification of instructional programs.

32 (d) "CTE" means career and technical education programs.

1 (e) "CTE dual enrollment program" means a 4-year high school program of postsecondary
2 courses offered by eligible postsecondary educational institutions that leads to an
3 industry-recognized certification or degree.

4 (f) "Early middle college program" means a 5-year high school program.

5 (g) "Eligible postsecondary educational institution" means that term as defined in
6 section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

7 Sec. 61c. (1) From the general fund money appropriated in section 11, there is
8 allocated for ~~2021-2022-2022-2023~~ **only** an amount not to exceed ~~\$7,500,000.00~~ **\$10,000,000.00**
9 to eligible career education planning districts for the ~~CTE-skilled trades initiative~~
10 ~~described in subsections (2) to (5).~~ **purposes described in this section.** To be eligible to
11 receive funding under this section, at least 50% of the area served by a CEPD must be
12 located in an intermediate district that did not levy a vocational education millage in
13 ~~2021-2022~~.

14 (2) To receive funding under subsection (1), each eligible CEPD must apply in a form
15 and manner prescribed by the department. Funding to each eligible CEPD must be equal to the
16 quotient of the allocation under subsection (1) and the sum of the number of career
17 education planning districts applying for funding under subsection (1) that are located in
18 an intermediate district that did not levy a vocational education millage in ~~2021-2022~~.

19 (3) At least 50% of the funding allocated to each eligible CEPD must be used to
20 update equipment in current CTE programs that have been identified in the highest 5 career
21 cluster rankings in the most recent CEPD regional strategic plans jointly approved by the
22 Michigan talent investment agency in the department of labor and economic opportunity and
23 the department, for training on new equipment, for professional development relating to
24 computer science or coding, or for new and emerging certified CTE programs to allow CEPD
25 administrators to provide programming in communities that will enhance economic
26 development. The funding for equipment should be used to support and enhance community
27 areas that have sustained job growth, and act as a commitment to build a more qualified and
28 skilled workforce. In addition, each CEPD is encouraged to explore the option of leasing
29 equipment from local private industry to encourage the use of the most advanced equipment.

30 (4) The allocation of funds at the local level must be determined by CEPD
31 administrators using data from the state, region, and local sources to make well-informed
32 decisions on program equipment improvements. Grants awarded by CEPD administrators for

1 capital infrastructure must be used to ensure that CTE programs can deliver educational
2 programs in high-wage, high-skill, and high-demand occupations. Each CEPD shall continue to
3 ensure that program advisory boards make recommendations on needed improvements for
4 equipment that support job growth and job skill development and retention for both the
5 present and the future.

6 (5) Not later than September 15 of each fiscal year, each CEPD receiving funding
7 shall annually report to the department, the senate and house appropriations subcommittees
8 on school aid, the senate and house fiscal agencies, and legislature on equipment purchased
9 under subsection (1). In addition, the report must identify growth data on program
10 involvement, retention, and development of student skills.

11 (6) As used in this section:

12 (a) "CEPD" means a career education planning district described in this section.

13 (b) "CTE" means career and technical education.

14 Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2021-2022~~
15 **2022-2023** an amount not to exceed \$5,000,000.00 from the state school aid fund for
16 additional payments to districts for career and technical education programs for the
17 purpose of increasing the number of Michigan residents with high-quality degrees or
18 credentials, and to increase the number of pupils who are college- and career-ready upon
19 high school graduation.

20 (2) The department shall calculate payments to districts under this section in the
21 following manner:

22 (a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are
23 counted in membership in the district and are enrolled in at least 1 career and technical
24 education program.

25 (b) An additional payment of \$35.00 multiplied by the number of pupils in grades 9 to
26 12 who are counted in membership in the district and are enrolled in at least 1 career and
27 technical education program that provides instruction in critical skills and high-demand
28 career fields.

29 (3) If the allocation under subsection (1) is insufficient to fully fund payments
30 under subsection (2), the department shall prorate payments under this section on an equal
31 per-pupil basis.

32 (4) As used in this section:

1 (a) "Career and technical education program" means a state-approved career and
2 technical education program, as determined by the department.

3 (b) "Career and technical education program that provides instruction in critical
4 skills and high-demand career field" means a career and technical education program
5 classified under any of the following 2-digit classification of instructional programs
6 (CIP) codes:

7 (i) 01, which refers to "agriculture, agriculture operations, and related sciences".

8 (ii) 03, which refers to "natural resources and conservation".

9 (iii) 10 through 11, which refers to "communications technologies/technicians and
10 support services" and "computer and information sciences and support services".

11 (iv) 14 through 15, which refers to "engineering" and "engineering technologies and
12 engineering-related fields".

13 (v) 26, which refers to "biological and biomedical sciences".

14 (vi) 46 through 48, which refers to "construction trades", "mechanic and repair
15 technologies/technicians", and "precision production".

16 (vii) 51, which refers to "health professions and related programs".

17 Sec. 62. (1) For the purposes of this section:

18 (a) "Membership" means for a particular fiscal year the total membership of the
19 intermediate district and the districts constituent to the intermediate district or the
20 total membership of the area vocational-technical program, except that if a district has
21 elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to
22 380.690, the membership of that district are not included in the membership of the
23 intermediate district. However, the membership of a district that has elected not to come
24 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included
25 in the membership of the intermediate district if the district meets both of the following:

26 (i) The district operates the area vocational-technical education program pursuant to
27 a contract with the intermediate district.

28 (ii) The district contributes an annual amount to the operation of the program that is
29 commensurate with the revenue that would have been raised for operation of the program if
30 millage were levied in the district for the program under sections 681 to 690 of the

1 revised school code, MCL 380.681 to 380.690.

2 (b) "Millage levied" means the millage levied for area vocational-technical education
3 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a
4 levy for debt service obligations incurred as the result of borrowing for capital outlay
5 projects and in meeting capital projects fund requirements of area vocational-technical
6 education.

7 (c) "Taxable value" means the total taxable value of the districts constituent to an
8 intermediate district or area vocational-technical education program, except that if a
9 district has elected not to come under sections 681 to 690 of the revised school code, MCL
10 380.681 to 380.690, the taxable value of that district is not included in the taxable value
11 of the intermediate district. However, the taxable value of a district that has elected not
12 to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is
13 included in the taxable value of the intermediate district if the district meets both of
14 the following:

15 (i) The district operates the area vocational-technical education program pursuant to
16 a contract with the intermediate district.

17 (ii) The district contributes an annual amount to the operation of the program that is
18 commensurate with the revenue that would have been raised for operation of the program if
19 millage were levied in the district for the program under sections 681 to 690 of the
20 revised school code, MCL 380.681 to 380.690.

21 (2) From the appropriation in section 11, there is allocated an amount not to exceed
22 ~~\$9,190,000.00 each fiscal year for 2020-2021 and \$20,000,000.00 for 2021-2022-2022-2023~~ to
23 reimburse intermediate districts and area vocational-technical education programs
24 established under section 690(3) of the revised school code, MCL 380.690, levying millages
25 for area vocational-technical education under sections 681 to 690 of the revised school
26 code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are
27 limited as if the funds were generated by those millages.

28 ~~(3) Reimbursement for those millages levied in 2019-2020 is made in 2020-2021 at an~~
29 ~~amount per 2019-2020 membership pupil computed by subtracting from \$218,700.00 the 2019-~~
30 ~~2020 taxable value behind each membership pupil and multiplying the resulting difference by~~
31 ~~the 2019-2020 millage levied, and then subtracting from that amount the 2019-2020 local~~

1 ~~community stabilization share revenue for area vocational technical education behind each~~
2 ~~membership pupil for reimbursement of personal property exemption loss under the local~~
3 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

4 (3) ~~(4)~~ Reimbursement for those millages levied in ~~2020-2021-2021-2022~~ is made in
5 ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021-2021-2022~~ membership pupil computed by
6 subtracting from ~~\$224,800.00~~ **\$263,400.00** the ~~2020-2021-2021-2022~~ taxable value behind each
7 membership pupil and multiplying the resulting difference by the ~~2020-2021-2021-2022~~
8 millage levied, and then subtracting from that amount the ~~2020-2021-2021-2022~~ local
9 community stabilization share revenue for area vocational technical education **and 2021-2022**
10 **tax increment revenues captured by a brownfield redevelopment authority** behind each
11 membership pupil for reimbursement of personal property exemption loss under the local
12 community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362 **and**
13 **reimbursements paid under section 26d for tax increment revenues captured by a brownfield**
14 **redevelopment authority.**

15 (4) ~~(5)~~ The department shall ensure that the amount paid to a single intermediate
16 district under this section does not exceed 38.4% of the total amount allocated under
17 subsection (2).

18 (5) ~~(6)~~ The department shall ensure that the amount paid to a single intermediate
19 district under this section is not less than 75% of the amount allocated to the
20 intermediate district under this section for the immediately preceding fiscal year.

21 Sec. 65. (1) From the appropriation under section 11, there is allocated an amount
22 not to exceed \$400,000.00 for ~~2021-2022-2022-2023~~ for a pre-college engineering K-12
23 educational program that is focused on the development of a diverse future Michigan
24 workforce, that serves multiple communities within southeast Michigan, that enrolls pupils
25 from multiple districts, and that received funds appropriated for this purpose in the
26 appropriations act that provided the Michigan strategic fund budget for 2014-2015.

27 (2) To be eligible for funding under this section, a program must have the ability to
28 expose pupils to, and motivate and prepare pupils for, science, technology, engineering,
29 and mathematics careers and postsecondary education with special attention given to groups
30 of pupils who are at-risk and underrepresented in technical professions and careers.

31 Sec. 67. (1) From the general fund money appropriated in section 11, there is
32 allocated an amount not to exceed \$3,000,000.00 for ~~2021-2022-2022-2023~~ for college access

1 programs. The programs funded under this section are intended to inform students of college
2 and career options and to provide resources intended to increase the number of pupils who
3 are adequately prepared with the information needed to make informed decisions on college
4 and career. The funds appropriated under this section are intended to be used to increase
5 the number of Michigan residents with high-quality degrees or credentials. Funds
6 appropriated under this section must not be used to supplant funding for counselors already
7 funded by districts.

8 (2) The department of labor and economic opportunity shall administer funds allocated
9 under this section in collaboration with the Michigan college access network. These funds
10 may be used for any of the following purposes:

11 (a) Michigan college access network operations, programming, and services to local
12 college access networks.

13 (b) Local college access networks, which are community-based college access/success
14 partnerships committed to increasing the college participation and completion rates within
15 geographically defined communities through a coordinated strategy.

16 (c) The Michigan college advising program, a program intended to place trained,
17 recently graduated college advisors in high schools that serve significant numbers of low-
18 income and first-generation college-going pupils. State funds used for this purpose may not
19 exceed 33% of the total funds available under this subsection.

20 (d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that
21 establish a college access team and implement specific strategies to create a college-going
22 culture in a high school in a form and manner approved by the Michigan college access
23 network and the department of labor and economic opportunity.

24 (e) The Michigan college access portal, an online one-stop portal to help pupils and
25 families plan and apply for college.

26 (f) Public awareness and outreach campaigns to encourage low-income and first-
27 generation college-going pupils to take necessary steps toward college and to assist pupils
28 and families in completing a timely and accurate free application for federal student aid.

29 (g) Subgrants to postsecondary institutions to recruit, hire, and train college
30 student mentors and college advisors to assist high school pupils in navigating the
31 postsecondary planning and enrollment process.

32 (3) For the purposes of this section, "college" means any postsecondary educational

1 opportunity that leads to a career, including, but not limited to, a postsecondary degree,
2 industry-recognized technical certification, or registered apprenticeship.

3 Sec. 74. (1) From the state school aid fund money appropriated in section 11, there
4 is allocated an amount not to exceed ~~\$3,805,800.00~~ **\$3,844,200.00** for ~~2021-2022-2022-2023~~
5 for the purposes of this section.

6 (2) From the allocation in subsection (1), there is allocated for ~~2021-2022-2022-2023~~
7 the amount necessary for payments to state supported colleges or universities and
8 intermediate districts providing school bus driver safety instruction under section 51 of
9 the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments
10 in an amount determined by the department not to exceed the actual cost of instruction and
11 driver compensation for each public or nonpublic school bus driver attending a course of
12 instruction. For the purpose of computing compensation, the hourly rate allowed each school
13 bus driver must not exceed the hourly rate received for driving a school bus. The
14 department shall make reimbursement compensating the driver during the course of
15 instruction to the college or university or intermediate district providing the course of
16 instruction.

17 (3) From the allocation in subsection (1), there is allocated for ~~2021-2022-2022-2023~~
18 the amount necessary to pay the reasonable costs of nonspecial education auxiliary services
19 transportation provided under section 1323 of the revised school code, MCL 380.1323.
20 Districts funded under this subsection do not receive funding under any other section of
21 this article for nonspecial education auxiliary services transportation.

22 (4) From the funds allocated in subsection (1), there is allocated an amount not to
23 exceed ~~\$1,780,800.00~~ **\$1,819,200.00** for ~~2021-2022-2022-2023~~ for reimbursement to districts
24 and intermediate districts for costs associated with the inspection of school buses and
25 pupil transportation vehicles by the department of state police as required under section
26 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil
27 transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare
28 a statement of costs attributable to each district for which bus inspections are provided
29 and submit it to the department and to an intermediate district serving as fiduciary in a
30 time and manner determined jointly by the department and the department of state police.
31 Upon review and approval of the statement of cost, the department shall forward to the
32 designated intermediate district serving as fiduciary the amount of the reimbursement on

1 behalf of each district and intermediate district for costs detailed on the statement
2 within 45 days after receipt of the statement. The designated intermediate district shall
3 make payment in the amount specified on the statement to the department of state police
4 within 45 days after receipt of the statement. The total reimbursement of costs under this
5 subsection must not exceed the amount allocated under this subsection. Notwithstanding
6 section 17b, the department shall make payments to eligible entities under this subsection
7 on a schedule prescribed by the department.

8 Sec. 81. (1) From the state school aid fund money appropriated in section 11, there
9 is allocated for ~~2020-2021 to the intermediate districts the sum necessary, but not to~~
10 ~~exceed \$69,138,000.00, and there is allocated for 2021-2022-2022-2023~~ to the intermediate
11 districts the sum necessary, but not to exceed ~~\$71,993,600.00~~ **\$75,498,800.00** to provide
12 state aid to intermediate districts under this section.

13 (2) The amount allocated under this section for ~~2020-2021 to each intermediate~~
14 ~~district is an amount equal to 100% of the amount allocated to the intermediate district~~
15 ~~under this section for 2019-2020. The amount allocated under this section for 2021-2022~~
16 **2022-2023** to each intermediate district is an amount equal to ~~104%~~ **105.0%** of the amount
17 allocated to the intermediate district under this section for ~~2020-2021.~~ **2021-2022**. An
18 intermediate district shall use funding provided under this section to comply with
19 requirements of this article and the revised school code that are applicable to
20 intermediate districts, and for which funding is not provided elsewhere in this article,
21 and to provide technical assistance to districts as authorized by the intermediate school
22 board.

23 (3) Intermediate districts receiving funds under this section shall collaborate with
24 the department to develop expanded professional development opportunities for teachers to
25 update and expand their knowledge and skills needed to support the Michigan merit
26 curriculum.

27 (4) From the allocation in subsection (1), there is allocated to an intermediate
28 district, formed by the consolidation or annexation of 2 or more intermediate districts or
29 the attachment of a total intermediate district to another intermediate district or the
30 annexation of all of the constituent K-12 districts of a previously existing intermediate
31 district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for
32 each intermediate district included in the new intermediate district for 3 years following

1 consolidation, annexation, or attachment.

2 (5) In order to receive funding under this section, an intermediate district shall do
3 all of the following:

4 (a) Demonstrate to the satisfaction of the department that the intermediate district
5 employs at least 1 person who is trained in pupil accounting and auditing procedures,
6 rules, and regulations.

7 (b) Demonstrate to the satisfaction of the department that the intermediate district
8 employs at least 1 person who is trained in rules, regulations, and district reporting
9 procedures for the individual-level student data that serves as the basis for the
10 calculation of the district and high school graduation and dropout rates.

11 (c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a
12 and 380.1278b.

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

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

17 (f) Provide advice, guidance, and leadership to assist all districts located within
18 its geographic boundaries to assist in the preparedness and response efforts toward
19 addressing COVID-19. At a minimum, this must include the coordination and collaboration
20 with any local public health agency that has jurisdiction within the intermediate
21 district's geographic boundaries and may include the coordination of bulk purchasing of
22 personal protective equipment, technology, or other products or services necessary for
23 students to return to school. An intermediate district shall ensure that all districts
24 located within its geographic boundaries have equitable access to the intermediate
25 district's coordination activities and services, intermediate district-wide or regional
26 meetings, regularly scheduled superintendent meetings, programming, events, or other
27 coordination or collaboration activities. In ensuring that all districts located within the
28 geographic boundaries of the intermediate district have equitable access to services,
29 meetings, programming, events, or activities as described in the immediately preceding
30 sentence, the intermediate district shall ensure that districts that are public school
31 academies that are located within its geographic boundaries are not excluded from said
32 services, meetings, programming, events, or activities if districts that are not public

1 school academies that are located within the geographic boundaries of the intermediate
2 district are not excluded.

3 Sec. 94. (1) From the general fund money appropriated in section 11, there is
4 allocated to the department for ~~2021-2022~~**2022-2023** an amount not to exceed \$1,200,000.00
5 for efforts to increase the number of pupils who participate and succeed in advanced
6 placement and international baccalaureate programs, and to support the college-level
7 examination program (CLEP).

8 (2) From the funds allocated under this section, the department shall award funds to
9 cover all or part of the costs of advanced placement test fees or international
10 baccalaureate test fees and international baccalaureate registration fees for low-income
11 pupils who take an advanced placement or an international baccalaureate test and CLEP fees
12 for low-income pupils who take a CLEP test.

13 (3) The department shall only award funds under this section if the department
14 determines that all of the following criteria are met:

15 (a) Each pupil for whom payment is made meets eligibility requirements of the federal
16 advanced placement test fee program under section 1701 of the no child left behind act of
17 2001, Public Law 107-110, or under a corresponding provision of the every student succeeds
18 act, Public Law 114-95.

19 (b) The tests are administered by the college board, the international baccalaureate
20 organization, or another test provider approved by the department.

21 (c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each
22 test for which payment is made.

23 (4) The department shall establish procedures for awarding funds under this section.

24 (5) Notwithstanding section 17b, the department shall make payments under this
25 section on a schedule determined by the department.

26 Sec. 94a. (1) There is created within the state budget office in the department of
27 technology, management, and budget the center for educational performance and information.
28 The center shall do all of the following:

29 (a) Coordinate the collection of all data required by state and federal law from
30 districts, intermediate districts, and postsecondary institutions.

31 (b) Create, maintain, and enhance this state's P-20 longitudinal data system and
32 ensure that it meets the requirements of subsection (4).

1 (c) Collect data in the most efficient manner possible in order to reduce the
2 administrative burden on reporting entities, including, but not limited to, electronic
3 transcript services.

4 (d) Create, maintain, and enhance this state's web-based educational portal to
5 provide information to school leaders, teachers, researchers, and the public in compliance
6 with all federal and state privacy laws. Data must include, but are not limited to, all of
7 the following:

8 (i) Data sets that link teachers to student information, allowing districts to assess
9 individual teacher impact on student performance and consider student growth factors in
10 teacher and principal evaluation systems.

11 (ii) Data access or, if practical, data sets, provided for regional data hubs that, in
12 combination with local data, can improve teaching and learning in the classroom.

13 (iii) Research-ready data sets for researchers to perform research that advances this
14 state's educational performance.

15 (e) Provide data in a useful manner to allow state and local policymakers to make
16 informed policy decisions.

17 (f) Provide public reports to the residents of this state to allow them to assess
18 allocation of resources and the return on their investment in the education system of this
19 state.

20 (g) Other functions as assigned by the state budget director.

21 (2) Each state department, officer, or agency that collects information from
22 districts, intermediate districts, or postsecondary institutions as required under state or
23 federal law shall make arrangements with the center to ensure that the state department,
24 officer, or agency is in compliance with subsection (1). This subsection does not apply to
25 information collected by the department of treasury under the uniform budgeting and
26 accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001
27 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act,
28 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL
29 380.1351a.

30 (3) The center may enter into any interlocal agreements necessary to fulfill its
31 functions.

1 (4) The center shall ensure that the P-20 longitudinal data system required under
2 subsection (1) (b) meets all of the following:

3 (a) Includes data at the individual student level from preschool through
4 postsecondary education and into the workforce.

5 (b) Supports interoperability by using standard data structures, data formats, and
6 data definitions to ensure linkage and connectivity in a manner that facilitates the
7 exchange of data among agencies and institutions within the state and between states.

8 (c) Enables the matching of individual teacher and student records so that an
9 individual student may be matched with those teachers providing instruction to that
10 student.

11 (d) Enables the matching of individual teachers with information about their
12 certification and the institutions that prepared and recommended those teachers for state
13 certification.

14 (e) Enables data to be easily generated for continuous improvement and decision-
15 making, including timely reporting to parents, teachers, and school leaders on student
16 achievement.

17 (f) Ensures the reasonable quality, validity, and reliability of data contained in
18 the system.

19 (g) Provides this state with the ability to meet federal and state reporting
20 requirements.

21 (h) For data elements related to preschool through grade 12 and postsecondary, meets
22 all of the following:

23 (i) Contains a unique statewide student identifier that does not permit a student to
24 be individually identified by users of the system, except as allowed by federal and state
25 law.

26 (ii) Contains student-level enrollment, demographic, and program participation
27 information.

28 (iii) Contains student-level information about the points at which students exit,
29 transfer in, transfer out, drop out, or complete education programs.

30 (iv) Has the capacity to communicate with higher education data systems.

31 (i) For data elements related to preschool through grade 12 only, meets all of the

1 following:

2 (i) Contains yearly test records of individual students for assessments approved by
3 DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary
4 education act of 1965, 20 USC 6311, including information on individual students not
5 tested, by grade and subject.

6 (ii) Contains student-level transcript information, including information on courses
7 completed and grades earned.

8 (iii) Contains student-level college readiness test scores.

9 (j) For data elements related to postsecondary education only:

10 (i) Contains data that provide information regarding the extent to which individual
11 students transition successfully from secondary school to postsecondary education,
12 including, but not limited to, all of the following:

13 (A) Enrollment in remedial coursework.

14 (B) Completion of 1 year's worth of college credit applicable to a degree within 2
15 years of enrollment.

16 (ii) Contains data that provide other information determined necessary to address
17 alignment and adequate preparation for success in postsecondary education.

18 (5) From the general fund money appropriated in section 11, there is allocated an
19 amount not to exceed ~~\$18,802,500.00~~ **\$19,032,300.00** for ~~2021-2022~~ **2022-2023** to the
20 department of technology, management, and budget to support the operations of the center.
21 In addition, from the federal funds appropriated in section 11, there is allocated for
22 ~~2021-2022~~ **2022-2023** the amount necessary, estimated at \$193,500.00, to support the
23 operations of the center and to establish a P-20 longitudinal data system necessary for
24 state and federal reporting purposes. The center shall cooperate with the department to
25 ensure that this state is in compliance with federal law and is maximizing opportunities
26 for increased federal funding to improve education in this state.

27 (6) From the funds allocated in subsection (5), the center may use an amount
28 determined by the center for competitive grants for ~~2021-2022~~ **2022-2023** to support
29 collaborative efforts on the P-20 longitudinal data system. All of the following apply to
30 grants awarded under this subsection:

31 (a) The center shall award competitive grants to eligible intermediate districts or a

1 consortium of intermediate districts based on criteria established by the center.

2 (b) Activities funded under the grant must support the P-20 longitudinal data system
3 portal and may include portal hosting, hardware and software acquisition, maintenance,
4 enhancements, user support and related materials, and professional learning tools and
5 activities aimed at improving the utility of the P-20 longitudinal data system.

6 (c) An applicant that received a grant under this subsection for the immediately
7 preceding fiscal year has priority for funding under this section. However, after 3 fiscal
8 years of continuous funding, an applicant is required to compete openly with new
9 applicants.

10 (7) Funds allocated under this section that are not expended in the fiscal year in
11 which they were allocated may be carried forward to a subsequent fiscal year and are
12 appropriated for the purposes for which the funds were originally allocated.

13 (8) The center may bill departments as necessary in order to fulfill reporting
14 requirements of state and federal law. The center may also enter into agreements to supply
15 custom data, analysis, and reporting to other principal executive departments, state
16 agencies, local units of government, and other individuals and organizations. The center
17 may receive and expend funds in addition to those authorized in subsection (5) to cover the
18 costs associated with salaries, benefits, supplies, materials, and equipment necessary to
19 provide such data, analysis, and reporting services.

20 (9) As used in this section, "DED-OESE" means the United States Department of
21 Education Office of Elementary and Secondary Education.

22 Sec. 97. (1) For ~~2021-2022, 2022-2023~~, from the state school aid fund money
23 appropriated under section 11, there is allocated an amount not to exceed ~~\$7,500,000.00~~ and
24 ~~from the general fund money appropriated under section 11, there is allocated an amount not~~
25 ~~to exceed \$2,500,000.00~~ **\$51,000,000.00** for competitive grants to public schools, ~~nonpublic~~
26 ~~schools~~, districts, and intermediate districts to purchase technology equipment, upgrade
27 hardening measures, **or hire school resource officers** ~~or conduct school building safety~~
28 ~~assessments~~ to improve the safety and security of school buildings, pupils or students, and
29 school staff with the goal of creating a safer school environment through equipment and
30 technology enhancements. The department of state police, grants and community services
31 division, shall administer the grant program described in this subsection. All grants under
32 this subsection must be funded on a reimbursement-only basis. Grants under this subsection

1 must not exceed ~~\$50,000.00~~ **\$250,000.00** for each public school ~~or nonpublic school~~ and
2 ~~\$250,000.00~~ **\$1,250,000.00** for each district or intermediate district.

3 (2) All of the following apply to the application process for funding under
4 subsection (1):

5 (a) To receive funding under subsection (1), a public school, ~~nonpublic school,~~
6 district, or intermediate district shall submit an application for funding under subsection
7 (1) directly to the department of state police, grants and community services division.

8 (b) An application from a district or intermediate district under this subsection
9 must be for 1 or more buildings that have some or all of pre-K to grade 12 classrooms and
10 pupils.

11 (c) An applicant may submit only 1 application.

12 **(d) Applicants must document how they used community input to guide their grant**
13 **applications. Once approved, grantees must host at least one community conversation about**
14 **school safety and student mental health.**

15 **(e)** ~~(d)~~ An individual public school may submit its own application but must not also
16 be included in its district's application if the district submits an application under this
17 subsection.

18 **(f)** ~~(e)~~ The department of state police shall award grants to applicants based on
19 eligibility, the project description, and whether the project reflects the highest security
20 need of the applicant within grant funding constraints, the budget narrative, the budget,
21 project goals, objectives, and performance measures.

22 **(g)** ~~(f)~~ The department of state police shall give priority to all of the following
23 applicants:

24 ~~(i) Applicants seeking funding for projects that involve multiple agencies working in~~
25 ~~partnership.~~

26 **(i)** ~~(ii)~~ Applicants seeking funding for proposals that seek to secure exterior access
27 points of school buildings.

28 **(ii)** ~~(iii)~~ Applicants that did not receive a school safety grant in the past **under this**
29 **section in prior fiscal years.**

30 **(iii)** ~~(iv)~~ Applicants that did not receive a grant under section 1001 of article XX of
31 2018 PA 207 or under section 115 of 2018 PA 618.

1 **(h)** ~~(g)~~ To be awarded a grant, an applicant must demonstrate proof that the public
2 school, ~~nonpublic school,~~ district, or intermediate district has an emergency operation
3 plan that was updated after ~~August 1, 2017~~ **a date specified by the department of state**
4 **police** to align with the state emergency operations plan guidance and statewide school
5 safety information policy developed under section 1308 of the revised school code, MCL
6 380.1308.

7 **(i)** ~~(h)~~ The department of state police shall issue grant guidance and application
8 materials, including required performance measures, not later than February 1, ~~2022~~ **2023**.

9 (3) The department of state police shall not award funding under subsection (1) to a
10 public school, ~~nonpublic school,~~ district, or intermediate district in relation to the same
11 school building more than once **in a single grant application period**. If a district submits
12 an application under subsection (2) relating to a school building and a public school
13 within that district also submits an application for funding in relation to that same
14 school building, the department of state police shall not allocate funding under subsection
15 (1) twice for that school building. If a public school, ~~nonpublic school,~~ district, or
16 intermediate district submits more than 1 application, the department of state police shall
17 first consider the most recent application submitted in considering funding under
18 subsection (1).

19 (4) Eligible expenses for reimbursement under subsection (1) must be consistent with
20 the recommendations of the **school safety commission**. ~~school safety task force created by~~
21 ~~Executive Order No. 2018-5~~. **Grant applicants may request funding to create new school**
22 **resource officer positions in a school, including establishing a position for the first**
23 **time or adding additional staff. Any school resource officer hired with funds from this**
24 **section must complete training through the Michigan commission on law enforcements**
25 **standards (MCOLES). Schools must demonstrate a sustainable funding source for these**
26 **positions beyond the availability of these state funds to be awarded a grant.** The
27 department of state police shall list the eligible expenses in the grant guidance and
28 application materials described under subsection (2). The following items are not eligible
29 expenses for which grant funds under subsection (1) may be applied:

30 (a) Weapons, including tasers.

31 (b) Personal body armor for routine use.

32 (c) Construction of new facilities.

1 (d) Costs in applying for the grant, such as consultants and grant writers.

2 (e) Expenses incurred before the date of the award or after the end of the
3 performance period of the grant award.

4 (f) Personnel costs or operation costs related to a capital improvement.

5 (g) Indirect costs or indirect administrative expenses.

6 (h) Travel.

7 (i) Contributions or donations.

8 (j) Management or administrative training and conferences, except as otherwise
9 preapproved by the department of state police.

10 (k) Management studies or research and development.

11 (l) Memberships and dues, except for a specific requirement of the project that has
12 been preapproved by the department of state police.

13 (m) Vehicles, watercraft, or aircraft, including unmanned or remotely piloted
14 aircraft and vehicles.

15 (n) Service contracts and training beyond the performance period of the grant award.

16 (o) Food, refreshments, and snacks.

17 (5) A grantee under section 1001 of article XX of 2018 PA 207 that is a public
18 school, ~~nonpublic school~~, district, or intermediate district or a grantee under section 115
19 of 2018 PA 618 that is a public school, ~~nonpublic school~~, district, or intermediate
20 district is not prohibited from applying for, and receiving, a grant award under this
21 section.

22 (6) The department of state police shall begin issuing awards for grants under
23 subsection (1) not later than May 1, ~~2022~~-**2023**. A project that is awarded a grant under
24 this section must be completed by July 1, ~~2023~~-**2024**.

25 (7) The department of state police shall report on grant activities under this
26 section, including available performance outcomes as identified in individual grant
27 agreements, to the senate and house appropriations subcommittees on state police, the
28 senate and house fiscal agencies, and the state budget office by August 1, ~~2023~~-**2024**.

29 **(8) From the allocation under subsection (1), the department, in consultation with**
30 **the department of state police, districts, intermediate districts, and other public safety**
31 **and educational stakeholder organizations, may use an amount not to exceed \$1,000,000.00**
32 **for the purposes of evaluating the effectiveness of school safety grants funded under this**

1 section in the current fiscal year and in previous fiscal years.

2 (9) ~~(8)~~ The funds allocated for school safety grants under this section for ~~2021-2022~~
3 ~~2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2021-2022-2022-~~
4 ~~2023~~ do not lapse to the state school aid fund and are carried forward into ~~2022-2023-~~
5 ~~2023-2024~~. The purpose of the work project is to continue promoting safer school
6 environments. The estimated completion date of the work project is July 1, ~~2023-~~2024.

7 ~~(9) The department of state police shall ensure that a grant to a nonpublic school~~
8 ~~under this section is funded from the general fund money allocated under this section.~~

9 Sec. 97b. (1) From the state school aid fund money appropriated in section 11, there
10 is allocated for 2022-2023 only an amount not to exceed \$15,000,000.00 to pilot a cross-
11 system intervention approach to identifying and supporting middle and high school students
12 that are determined to be at risk for violence through a psychiatric or psychological
13 assessment.

14 (2) Funding allocated in this section must be awarded to a public research
15 institution and must be used for the pilot program described in this section.

16 (3) The pilot program must be a collaboration between a public research institution
17 and a national law enforcement foundation and must include all the following:

18 (a) The use of case management, intensive mentoring, and technical assistance to
19 reduce the threat of violence in school communities in the state and to provide early
20 interventions for participating youth.

21 (b) Implementation in at least five communities from regions across the state.

22 (c) A third party evaluation to assess outcomes and inform potential statewide
23 implementation.

24 (d) The provision of research-informed training and technical assistance to law
25 enforcement, schools, and community organizations to avert school violence and support
26 young people in the state.

27 (4) The funds allocated under this section for 2022-2023 are a work project
28 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.
29 The purpose of the work project is to increase school safety by identifying and supporting
30 middle and high school students that are determined to be at risk for violence. The
31 estimated completion date of the work project is September 30, 2027.

32 (5) Notwithstanding section 17b, the department shall make payments under this

1 **section on a schedule determined by the department.**

2 Sec. 98. (1) From the general fund money appropriated in section 11, there is
3 allocated an amount not to exceed \$7,500,000.00 for ~~2021-2022-2022-2023~~ for the purposes
4 described in this section. The Michigan Virtual University shall provide a report to the
5 legislature not later than November 1 of each year that includes its mission, its plans,
6 and proposed benchmarks it must meet, including a plan to achieve the organizational
7 priorities identified in this section, in order to receive full funding for ~~2022-2023-~~
8 **2023-2024**. Not later than March 1 of each year, the Michigan Virtual University shall
9 provide an update to the house and senate appropriations subcommittees on school aid to
10 show the progress being made to meet the benchmarks identified.

11 (2) The Michigan Virtual University shall operate the Michigan Virtual Learning
12 Research Institute. The Michigan Virtual Learning Research Institute shall do all of the
13 following:

14 (a) Support and accelerate innovation in education through the following activities:

15 (i) Test, evaluate, and recommend as appropriate new technology-based instructional
16 tools and resources.

17 (ii) Research, design, and recommend virtual education delivery models for use by
18 pupils and teachers that include age-appropriate multimedia instructional content.

19 (iii) Research, develop, and recommend annually to the department criteria by which
20 cyber schools and virtual course providers should be monitored and evaluated to ensure a
21 quality education for their pupils.

22 (iv) Based on pupil completion and performance data reported to the department or the
23 center from cyber schools and other virtual course providers operating in this state,
24 analyze the effectiveness of virtual learning delivery models in preparing pupils to be
25 college- and career-ready and publish a report that highlights enrollment totals,
26 completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research
27 Institute shall submit the report to the house and senate appropriations subcommittees on
28 school aid, the state budget director, the house and senate fiscal agencies, the
29 department, districts, and intermediate districts not later than March 31 of each year.

30 (v) Provide an extensive professional development program to at least 30,000
31 educational personnel, including teachers, school administrators, and school board members,

1 that focuses on the effective integration of virtual learning into curricula and
2 instruction. The Michigan Virtual Learning Research Institute is encouraged to work with
3 the MiSTEM council described in section 99s to coordinate professional development of
4 teachers in applicable fields. In addition, the Michigan Virtual Learning Research
5 Institute and external stakeholders are encouraged to coordinate with the department for
6 professional development in this state. Not later than December 1 of each year, the
7 Michigan Virtual Learning Research Institute shall submit a report to the house and senate
8 appropriations subcommittees on school aid, the state budget director, the house and senate
9 fiscal agencies, and the department on the number of teachers, school administrators, and
10 school board members who have received professional development services from the Michigan
11 Virtual University. The report must also identify barriers and other opportunities to
12 encourage the adoption of virtual learning in the public education system.

13 (vi) Identify and share best practices for planning, implementing, and evaluating
14 virtual and blended education delivery models with intermediate districts, districts, and
15 public school academies to accelerate the adoption of innovative education delivery models
16 statewide.

17 (b) Provide leadership for this state's system of virtual learning education by doing
18 the following activities:

19 (i) Develop and report policy recommendations to the governor and the legislature
20 that accelerate the expansion of effective virtual learning in this state's schools.

21 (ii) Provide a clearinghouse for research reports, academic studies, evaluations, and
22 other information related to virtual learning.

23 (iii) Promote and distribute the most current instructional design standards and
24 guidelines for virtual teaching.

25 (iv) In collaboration with the department and interested colleges and universities in
26 this state, support implementation and improvements related to effective virtual learning
27 instruction.

28 (v) Pursue public/private partnerships that include districts to study and implement
29 competency-based technology-rich virtual learning models.

30 (vi) Create a statewide network of school-based mentors serving as liaisons between
31 pupils, virtual instructors, parents, and school staff, as provided by the department or

1 the center, and provide mentors with research-based training and technical assistance
2 designed to help more pupils be successful virtual learners.

3 (vii) Convene focus groups and conduct annual surveys of teachers, administrators,
4 pupils, parents, and others to identify barriers and opportunities related to virtual
5 learning.

6 (viii) Produce an annual consumer awareness report for schools and parents about
7 effective virtual education providers and education delivery models, performance data, cost
8 structures, and research trends.

9 (ix) Provide an internet-based platform that educators can use to create student-
10 centric learning tools and resources for sharing in the state's open educational resource
11 repository and facilitate a user network that assists educators in using the content
12 creation platform and state repository for open educational resources. As part of this
13 initiative, the Michigan Virtual University shall work collaboratively with districts and
14 intermediate districts to establish a plan to make available virtual resources that align
15 to Michigan's K-12 curriculum standards for use by students, educators, and parents.

16 (x) Create and maintain a public statewide catalog of virtual learning courses being
17 offered by all public schools and community colleges in this state. The Michigan Virtual
18 Learning Research Institute shall identify and develop a list of nationally recognized best
19 practices for virtual learning and use this list to support reviews of virtual course
20 vendors, courses, and instructional practices. The Michigan Virtual Learning Research
21 Institute shall also provide a mechanism for intermediate districts to use the identified
22 best practices to review content offered by constituent districts. The Michigan Virtual
23 Learning Research Institute shall review the virtual course offerings of the Michigan
24 Virtual University, and make the results from these reviews available to the public as part
25 of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure
26 that the statewide catalog is made available to the public on the Michigan Virtual
27 University website and shall allow the ability to link it to each district's website as
28 provided for in section 21f. The statewide catalog must also contain all of the following:

29 (A) The number of enrollments in each virtual course in the immediately preceding
30 school year.

31 (B) The number of enrollments that earned 60% or more of the total course points for

1 each virtual course in the immediately preceding school year.

2 (C) The pass rate for each virtual course.

3 (xi) Support registration, payment services, and transcript functionality for the
4 statewide catalog and train key stakeholders on how to use new features.

5 (xii) Collaborate with key stakeholders to examine district level accountability and
6 teacher effectiveness issues related to virtual learning under section 21f and make
7 findings and recommendations publicly available.

8 (xiii) Provide a report on the activities of the Michigan Virtual Learning Research
9 Institute.

10 (3) To further enhance its expertise and leadership in virtual learning, the Michigan
11 Virtual University shall continue to operate the Michigan Virtual School as a statewide
12 laboratory and quality model of instruction by implementing virtual and blended learning
13 solutions for Michigan schools in accordance with the following parameters:

14 (a) The Michigan Virtual School must maintain its accreditation status from
15 recognized national and international accrediting entities.

16 (b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the
17 amount allocated under this section to subsidize the cost paid by districts for virtual
18 courses.

19 (c) In providing educators responsible for the teaching of virtual courses as
20 provided for in this section, the Michigan Virtual School shall follow the requirements to
21 request and assess, and the department of state police shall provide, a criminal history
22 check and criminal records check under sections 1230 and 1230a of the revised school code,
23 MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a
24 school district under those sections.

25 (4) From the funds allocated under subsection (1), the Michigan Virtual University
26 shall allocate up to \$500,000.00 to support the expansion of new online and blended
27 educator professional development programs.

28 (5) If the course offerings are included in the statewide catalog of virtual courses
29 under subsection (2) (b) (x), the Michigan Virtual School operated by the Michigan Virtual
30 University may offer virtual course offerings, including, but not limited to, all of the
31 following:

- 1 (a) Information technology courses.
- 2 (b) College level equivalent courses, as that term is defined in section 1471 of the
3 revised school code, MCL 380.1471.
- 4 (c) Courses and dual enrollment opportunities.
- 5 (d) Programs and services for at-risk pupils.
- 6 (e) High school equivalency test preparation courses for adjudicated youth.
- 7 (f) Special interest courses.
- 8 (g) Professional development programs for teachers, school administrators, other
9 school employees, and school board members.
- 10 (6) If a home-schooled or nonpublic school student is a resident of a district that
11 subscribes to services provided by the Michigan Virtual School, the student may use the
12 services provided by the Michigan Virtual School to the district without charge to the
13 student beyond what is charged to a district pupil using the same services.
- 14 (7) Not later than December 1 of each fiscal year, the Michigan Virtual University
15 shall provide a report to the house and senate appropriations subcommittees on school aid,
16 the state budget director, the house and senate fiscal agencies, and the department that
17 includes at least all of the following information related to the Michigan Virtual School
18 for the preceding state fiscal year:
- 19 (a) A list of the districts served by the Michigan Virtual School.
- 20 (b) A list of virtual course titles available to districts.
- 21 (c) The total number of virtual course enrollments and information on registrations
22 and completions by course.
- 23 (d) The overall course completion rate percentage.
- 24 (8) In addition to the information listed in subsection (7), the report under
25 subsection (7) must also include a plan to serve at least 600 schools with courses from the
26 Michigan Virtual School or with content available through the internet-based platform
27 identified in subsection (2) (b) (ix).
- 28 (9) The governor may appoint an advisory group for the Michigan Virtual Learning
29 Research Institute established under subsection (2). The members of the advisory group
30 serve at the pleasure of the governor and without compensation. The purpose of the advisory
31 group is to make recommendations to the governor, the legislature, and the president and
32 board of the Michigan Virtual University that will accelerate innovation in this state's

1 education system in a manner that will prepare elementary and secondary students to be
2 career and college ready and that will promote the goal of increasing the percentage of
3 residents of this state with high-quality degrees and credentials to at least 60% by 2025.

4 (10) Not later than November 1 of each year, the Michigan Virtual University shall
5 submit to the house and senate appropriations subcommittees on school aid, the state budget
6 director, and the house and senate fiscal agencies a detailed budget for that fiscal year
7 that includes a breakdown on its projected costs to deliver virtual educational services to
8 districts and a summary of the anticipated fees to be paid by districts for those services.
9 Not later than March 1 each year, the Michigan Virtual University shall submit to the house
10 and senate appropriations subcommittees on school aid, the state budget director, and the
11 house and senate fiscal agencies a breakdown on its actual costs to deliver virtual
12 educational services to districts and a summary of the actual fees paid by districts for
13 those services based on audited financial statements for the immediately preceding fiscal
14 year.

15 (11) As used in this section:

16 (a) "Blended learning" means a hybrid instructional delivery model where pupils are
17 provided content, instruction, and assessment, in part at a supervised educational facility
18 away from home where the pupil and a teacher with a valid Michigan teaching certificate are
19 in the same physical location and in part through internet-connected learning environments
20 with some degree of pupil control over time, location, and pace of instruction.

21 (b) "Cyber school" means a full-time instructional program of virtual courses for
22 pupils that may or may not require attendance at a physical school location.

23 (c) "Virtual course" means a course of study that is capable of generating a credit
24 or a grade and that is provided in an interactive learning environment in which the
25 majority of the curriculum is delivered using the internet and in which pupils are
26 separated from their instructor or teacher of record by time or location, or both.

27 Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there
28 is allocated an amount not to exceed ~~\$4,723,200.00~~ **\$5,323,200.00** for ~~2021-2022-2022-2023~~
29 for competitive grants to districts and intermediate districts, ~~and from the general fund~~
30 ~~money appropriated in section 11, there is allocated \$600,000.00 for 2021-2022 for~~
31 ~~competitive grants to nonpublic schools,~~ that provide pupils in grades pre-K to 12 with
32 expanded opportunities to improve mathematics, science, and technology skills by

1 participating in events hosted by a science and technology development program known as
2 FIRST (for inspiration and recognition of science and technology) Robotics, including JR
3 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics competition,
4 or other competitive robotics programs, including VEX, Square One, and those hosted by the
5 Robotics Education and Competition (REC) Foundation. Programs funded under this section are
6 intended to increase the number of pupils demonstrating proficiency in science and
7 mathematics on the state assessments and to increase the number of pupils who are college-
8 and career-ready upon high school graduation. Notwithstanding section 17b, the department
9 shall make grant payments to districts, ~~nonpublic schools~~, and intermediate districts under
10 this section on a schedule determined by the department. The department shall set maximum
11 grant awards for each different level of programming and competition in a manner that both
12 maximizes the number of teams that will be able to receive funds and expands the
13 geographical distribution of teams. **To be considered an eligible science and technology
14 development program listed in this subsection, the department may require the science and
15 technology development program to provide performance metrics including, but not limited
16 to, a plan describing how the program will continue to expand offerings for students,
17 proposed measurements of student outcomes, and the number of students who participated in
18 the program.**

19 (2) A district, ~~nonpublic school~~, or intermediate district applying for a grant under
20 this section shall submit an application in a form and manner prescribed by the department.
21 To be eligible for a grant, a district, ~~nonpublic school~~, or intermediate district must
22 demonstrate in its application that the district, ~~nonpublic school~~, or intermediate
23 district has established a partnership for the purposes of the robotics program with at
24 least 1 sponsor, business entity, higher education institution, or technical school, shall
25 submit a spending plan, and shall provide a local in-kind or cash match from other private
26 or local funds of at least 25% of the cost of the robotics program award.

27 (3) The department shall distribute the grant funding under this section for the
28 following purposes:

29 (a) Grants to districts, ~~nonpublic schools~~, or intermediate districts to pay for
30 stipends not to exceed \$1,500.00 per building for coaching.

31 (b) Grants to districts, ~~nonpublic schools~~, or intermediate districts for event
32 registrations, materials, travel costs, and other expenses associated with the preparation

1 for and attendance at robotics events and competitions.

2 (c) Grants to districts, ~~nonpublic schools,~~ or intermediate districts for awards to
3 teams that advance to the next levels of competition as determined by the department. The
4 department shall determine an equal amount per team for those teams that advance.

5 ~~(4) The funds allocated under this section for 2021-2022 are a work project~~
6 ~~appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023.~~
7 ~~The purpose of the work project is to continue support of FIRST Robotics and must not be~~
8 ~~used to support other robotics competitions. The estimated completion date of the work~~
9 ~~project is September 30, 2023.~~

10 ~~(5) A nonpublic school that receives a grant under this section may use the funds for~~
11 ~~either robotics or Science Olympiad programs.~~

12 ~~(6) To be eligible to receive funds under this section, a nonpublic school must be a~~
13 ~~nonpublic school registered with the department and must meet all applicable state~~
14 ~~reporting requirements for nonpublic schools.~~

15 Sec. 99s. (1) From the funds appropriated under section 11, there is allocated for
16 ~~2021-2022-2022-2023~~ an amount not to exceed \$7,634,300.00 from the state school aid fund
17 appropriation ~~and an amount not to exceed \$300,000.00 from the general fund appropriation~~
18 for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. ~~In~~
19 ~~addition, from the federal funds appropriated in section 11, there is allocated to the~~
20 ~~department for 2021-2022 an amount estimated at \$235,000.00 from DED-OESE, title II,~~
21 ~~mathematics and science partnership grants.~~ The MiSTEM network may receive funds from
22 private sources. If the MiSTEM network receives funds from private sources, the MiSTEM
23 network shall expend those funds in alignment with the statewide STEM strategy. Programs
24 funded under this section are intended to increase the number of pupils demonstrating
25 proficiency in science and mathematics on the state assessments, to increase the number of
26 pupils who are college- and career-ready upon high school graduation, and to promote
27 certificate and degree attainment in STEM fields. Notwithstanding section 17b, the
28 department shall make payments under this section on a schedule determined by the
29 department.

30 (2) The MiSTEM council annually shall review and make recommendations to the
31 governor, the legislature, and the department concerning changes to the statewide strategy
32 adopted by the council for delivering STEM education-related opportunities to pupils. The

1 MiSTEM council shall use funds received under this subsection to ensure that its members or
2 their designees are trained in the Change the Equation STEMworks rating system program for
3 the purpose of rating STEM programs.

4 (3) The MiSTEM council shall make specific funding recommendations for the funds
5 allocated under subsection (4) by December 15 of each fiscal year. Each specific funding
6 recommendation must be for a program approved by the MiSTEM council. All of the following
7 apply:

8 (a) To be eligible for MiSTEM council approval as described in this subsection, a
9 program must satisfy all of the following:

10 (i) Align with this state's academic standards.

11 (ii) Have STEMworks certification.

12 (iii) Provide project-based experiential learning, student programming, or educator
13 professional learning experiences.

14 (iv) Focus predominantly on classroom-based STEM experiences or professional learning
15 experiences.

16 (b) The MiSTEM council shall approve programs that represent all network regions and
17 include a diverse array of options for students and educators and at least 1 program in
18 each of the following areas:

19 (i) Robotics.

20 (ii) Computer science or coding.

21 (iii) Engineering or bioscience.

22 (c) The MiSTEM council is encouraged to work with the MiSTEM network to develop
23 locally and regionally developed programs and professional learning experiences for the
24 programs on the list of approved programs.

25 (d) If the MiSTEM council is unable to make specific funding recommendations by
26 December 15 of a fiscal year, the department shall award and distribute the funds allocated
27 under subsection (4) on a competitive grant basis that at least follows the statewide STEM
28 strategy plan and rating system recommended by the MiSTEM council. Each grant must provide
29 STEM education-related opportunities for pupils.

30 (e) The MiSTEM council shall work with the department of labor and economic
31 opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

1 (4) ~~Except as otherwise provided in this subsection, from~~ **From** the state school aid
2 fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an
3 amount not to exceed \$3,050,000.00 for the purpose of funding programs under this section
4 for ~~2021-2022~~ **2022-2023** as recommended by the MiSTEM council. ~~However, from the allocation~~
5 ~~under this subsection, the MiSTEM council shall recommend and the department shall award~~
6 ~~\$350,000.00 in grants to intermediate districts to implement fabrication laboratories (Fab~~
7 ~~Labs). The MiSTEM council shall recommend and the department shall only award 10 grants~~
8 ~~described in the immediately preceding sentence in an amount not to exceed \$35,000.00 each.~~

9 (5) From the state school aid fund money allocated under subsection (1), there is
10 allocated an amount not to exceed \$3,834,300.00 for ~~2021-2022~~ **2022-2023** to support the
11 activities and programs of the MiSTEM network regions. ~~In addition, from the federal funds~~
12 ~~allocated under subsection (1), there is allocated for 2021-2022 an amount estimated at~~
13 ~~\$235,000.00 from DED-OESE, title II, mathematics and science partnership grants, for the~~
14 ~~purposes of this subsection.~~ From the money allocated under this subsection, the department
15 shall award the fiscal agent for each MiSTEM network region \$200,000.00 for the base
16 operations of each region. The department shall distribute the remaining funds to each
17 fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled
18 in districts within each region in the immediately preceding fiscal year.

19 (6) A MiSTEM network region shall do all of the following:

20 (a) Collaborate with the career and educational advisory council that is located in
21 the MiSTEM region to develop a regional strategic plan for STEM education that creates a
22 robust regional STEM culture, that empowers STEM teachers, that integrates business and
23 education into the STEM network, and that ensures high-quality STEM experiences for pupils.
24 At a minimum, a regional STEM strategic plan should do all of the following:

25 (i) Identify regional employer need for STEM.

26 (ii) Identify processes for regional employers and educators to create guided pathways
27 for STEM careers that include internships or externships, apprenticeships, and other
28 experiential engagements for pupils.

29 (iii) Identify educator professional learning opportunities, including internships or
30 externships and apprenticeships, that integrate this state's science standards into high-
31 quality STEM experiences that engage pupils.

1 (b) Facilitate regional STEM events such as educator and employer networking and STEM
2 career fairs to raise STEM awareness.

3 (c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to
4 further the mission of STEM in this state in coordination with the MiSTEM council and the
5 department of labor and economic opportunity.

6 (d) Facilitate application and implementation of state and federal funds under this
7 subsection and any other grants or funds for the MiSTEM network region.

8 (e) Work with districts to provide STEM programming and professional learning.

9 (f) Coordinate recurring discussions and work with the career and educational
10 advisory council to ensure that feedback and best practices are being shared, including
11 funding, program, professional learning opportunities, and regional strategic plans.

12 (7) From the state school aid fund money allocated under subsection (1), the
13 department shall distribute for ~~2021-2022~~-**2022-2023** an amount not to exceed \$750,000.00, in
14 a form and manner determined by the department, to those network regions able to further
15 the statewide STEM strategy recommended by the MiSTEM council.

16 (8) In order to receive state or federal funds under subsection (5) or (7), or to
17 receive funds from private sources as authorized under subsection (1), a grant recipient
18 must allow access for the department or the department's designee to audit all records
19 related to the program for which it receives those funds. The grant recipient shall
20 reimburse the state for all disallowances found in the audit.

21 (9) In order to receive state funds under subsection (5) or (7), a grant recipient
22 must provide at least a 10% local match from local public or private resources for the
23 funds received under this subsection.

24 (10) Not later than July 1 of each year, a MiSTEM network region that receives funds
25 under subsection (5) shall report to the executive director of the MiSTEM network in a form
26 and manner prescribed by the executive director on performance measures developed by the
27 MiSTEM network regions and approved by the executive director. The performance measures
28 must be designed to ensure that the activities of the MiSTEM network are improving student
29 academic outcomes.

30 (11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7)
31 may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network
32 region.

1 ~~(12) From the general fund money allocated under subsection (1), there is allocated~~
2 ~~an amount not to exceed \$300,000.00 to the department of labor and economic opportunity to~~
3 ~~support the staff for the MiSTEM network, and for administrative, training, and travel~~
4 ~~costs related to the MiSTEM council. The staff for the MiSTEM network shall do all of the~~
5 ~~following:~~

6 ~~(a) Serve as a liaison among and between the department, the department of labor and~~
7 ~~economic opportunity, the MiSTEM council, the governor's workforce development board, the~~
8 ~~MiSTEM regions, and any other relevant organization or entity in a manner that creates a~~
9 ~~robust statewide STEM culture, that empowers STEM teachers, that integrates business and~~
10 ~~education into the STEM network, and that ensures high-quality STEM experiences for pupils.~~

11 ~~(b) Coordinate the implementation of a marketing campaign, including, but not limited~~
12 ~~to, a website that includes dashboards of outcomes, to build STEM awareness and communicate~~
13 ~~STEM needs and opportunities to pupils, parents, educators, and the business community.~~

14 ~~(c) Work with the department and the MiSTEM council to coordinate, award, and monitor~~
15 ~~MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant~~
16 ~~recipients, including, but not limited to, pupil experience and feedback.~~

17 ~~(d) Report to the governor, the legislature, the department, and the MiSTEM council~~
18 ~~annually on the activities and performance of the MiSTEM network regions.~~

19 ~~(e) Coordinate recurring discussions and work with regional staff to ensure that a~~
20 ~~network or loop of feedback and best practices are shared, including funding, programming,~~
21 ~~professional learning opportunities, discussion of MiSTEM strategic vision, and regional~~
22 ~~objectives.~~

23 ~~(f) Coordinate major grant application efforts with the MiSTEM council to assist~~
24 ~~regional staff with grant applications on a local level. The MiSTEM council shall leverage~~
25 ~~private and nonprofit relationships to coordinate and align private funds in addition to~~
26 ~~funds appropriated under this section.~~

27 ~~(g) Train state and regional staff in the STEMworks rating system, in collaboration~~
28 ~~with the MiSTEM council and the department.~~

29 ~~(h) Hire MiSTEM network region staff in collaboration with the network region fiscal~~
30 ~~agent.~~

31 **(12)** ~~(13)~~—As used in this section:

32 (a) "Career and educational advisory council" means an advisory council to the local

1 workforce development boards located in a prosperity region consisting of educational,
2 employer, labor, and parent representatives.

3 (b) "DED" means the United States Department of Education.

4 (c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

5 (d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and
6 Mathematics Education Advisory Council created as an advisory body within the department of
7 labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

8 (e) "STEM" means science, technology, engineering, and mathematics delivered in an
9 integrated fashion using cross-disciplinary learning experiences that can include language
10 arts, performing and fine arts, and career and technical education.

11 Sec. 104. (1) In order to receive state aid under this article, a district shall
12 comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL
13 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to
14 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in
15 section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed
16 ~~\$29,509,400.00~~ **\$37,509,400.00** for payments on behalf of districts for costs associated with
17 complying with those provisions of law. In addition, from the federal funds appropriated in
18 section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount estimated at \$6,250,000.00
19 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the
20 individuals with disabilities education act, 20 USC 1411 to 1419, plus any carryover
21 federal funds from previous year appropriations, for the purposes of complying with the
22 every student succeeds act, Public Law 114-95.

23 (2) The results of each test administered as part of the Michigan student test of
24 educational progress (M-STEP), including tests administered to high school students, must
25 include an item analysis that lists all items that are counted for individual pupil scores
26 and the percentage of pupils choosing each possible response. The department shall work
27 with the center to identify the number of students enrolled at the time assessments are
28 given by each district. In calculating the percentage of pupils assessed for a district's
29 scorecard, the department shall use only the number of pupils enrolled in the district at
30 the time the district administers the assessments and shall exclude pupils who enroll in
31 the district after the district administers the assessments.

32 (3) The department shall distribute federal funds allocated under this section in

1 accordance with federal law and with flexibility provisions outlined in Public Law 107-116,
2 and in the education flexibility partnership act of 1999, Public Law 106-25.

3 (4) The department may recommend, but may not require, districts to allow pupils to
4 use an external keyboard with tablet devices for online M-STEP testing, including, but not
5 limited to, open-ended test items such as constructed response or equation builder items.

6 (5) Notwithstanding section 17b, the department shall make payments on behalf of
7 districts, intermediate districts, and other eligible entities under this section on a
8 schedule determined by the department.

9 (6) From the allocation in subsection (1), there is allocated an amount not to exceed
10 \$500,000.00 for ~~2021-2022-2022-2023~~ for the operation of an online reporting tool to
11 provide student-level assessment data in a secure environment to educators, parents, and
12 pupils immediately after assessments are scored. The department and the center shall ensure
13 that any data collected by the online reporting tool do not provide individually
14 identifiable student data to the federal government.

15 (7) As used in this section:

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

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

18 (c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative
19 Services.

20 Sec. 104h. (1) From the state school aid fund money appropriated under section 11,
21 there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$11,500,000.00 to
22 districts **and intermediate school districts with enrolled K-8 pupils for to begin**
23 implementation of a benchmark assessment system for the ~~2022-2023-2023-2024~~ school year.
24 All of the following apply to the benchmark assessment system described in this subsection:

25 (a) The system must provide for all of the following:

26 (i) That, within the first 9 weeks of the ~~2022-2023-2023-2024~~ school year, the
27 district shall administer 1 or more benchmark assessments provided by a provider approved
28 under subsection (6), benchmark assessments described in subdivision (b), or local
29 benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to
30 measure proficiency in reading and mathematics.

31 (ii) That, in addition to the benchmark assessment or benchmark assessments

1 administered under subparagraph (i), by not later than the last day of the ~~2022-2023-2023-~~
2 **2024** school year, the district shall administer 1 or more benchmark assessments provided by
3 a provider approved under subsection (6), benchmark assessments described in subdivision
4 (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K
5 to 8 to measure proficiency in reading and mathematics.

6 (b) A district may administer 1 or more of the following benchmark assessments toward
7 meeting the requirements under subdivision (a):

8 (i) A benchmark assessment in reading for students in grades K to 9 that contains
9 progress monitoring tools and enhanced diagnostic assessments.

10 (ii) A benchmark assessment in math for students in grades K to 8 that contains
11 progress monitoring tools.

12 (c) The system must provide that, to the extent practicable, if a district
13 administers a benchmark assessment or benchmark assessments under this section, the
14 district shall administer the same benchmark assessment or benchmark assessments provided
15 by a provider approved under subsection (6), benchmark assessment or benchmark assessments
16 described in subdivision (b), or local benchmark assessment or local benchmark assessments
17 that it administered to pupils in previous school years, as applicable.

18 (d) The system must provide that, if a district administers a benchmark assessment or
19 benchmark assessments under this section, the district shall provide each pupil's data from
20 the benchmark assessment or benchmark assessments, as available, to the pupil's parent or
21 legal guardian within 30 days of administering the benchmark assessment or benchmark
22 assessments.

23 (e) The system must provide that, if a local benchmark assessment or local benchmark
24 assessments are administered under subdivision (a), the district shall report to the
25 department and the center, in a form and manner prescribed by the center, the local
26 benchmark assessment or local benchmark assessments that were administered and how that
27 assessment or those assessments measure changes, including any losses, as applicable, in
28 learning, and the district's plan for addressing any losses in learning.

29 (f) The system must provide that, by not later than 30 days after a benchmark
30 assessment or benchmark assessments are administered under subparagraph (1)(a)(ii), **or within**
31 **the timeframe specified by the department**, the district shall send benchmark assessment

1 data from all benchmark assessments administered in the ~~2022-2023~~**2023-2024** school year,
2 excluding data from a local benchmark assessment, as applicable, ~~aggregated by grade level,~~
3 ~~student demographic subgroups, and mode of instruction~~ **including grade level, student**
4 **demographics, and mode of instruction in a form and manner prescribed by the department** to
5 the department. If available, the data described in this subdivision must include
6 information concerning pupil growth from fall ~~2022-2023~~ to spring ~~2023-~~**2024**.

7 (2) To receive funding under this section, a district must apply for the funding in a
8 form and manner prescribed by the department.

9 (3) The department shall pay an amount equal to \$12.50 per membership pupil in grades
10 K to 8 in the district to each district that applies for funding under this section.

11 (4) The department shall make 1 of the benchmark assessments provided by a provider
12 approved under subsection (6) available to districts at no cost to the districts for
13 purposes of meeting the requirements under this section. The benchmark assessment described
14 in this subsection must meet all of the following:

15 (a) Be aligned to the content standards of this state.

16 (b) Complement the state's summative assessment system.

17 (c) Be internet-delivered and include a standards-based assessment.

18 (d) Provide information on pupil achievement with regard to learning content required
19 in a given year or grade span.

20 (e) Provide timely feedback to pupils and teachers.

21 (f) Be nationally normed.

22 (g) Provide information to educators about student growth and allow for multiple
23 testing opportunities.

24 (5) By not later than ~~June 15, 2023,~~**September 25, 2024**, the department shall submit
25 a report to the house and senate appropriations committees, the house and senate
26 appropriations subcommittees on school aid, and the house and senate fiscal agencies
27 regarding the benchmark assessment data received under this section, disaggregated by grade
28 level and demographic subgroup for each district. If information concerning pupil growth is
29 included in the data described in this subsection, it must be incorporated in the report
30 described in this subsection.

31 (6) The department shall approve at least 4 but not more than 6 providers of
32 benchmark assessments for the purposes of this section. The department shall inform

1 districts of all of the providers approved under this subsection in an equitable manner.
2 The benchmark assessments, with the exclusion of the benchmark assessment described in
3 subsection (4), provided by approved providers under this subsection must meet all of the
4 following:

5 (a) Be aligned to the content standards of this state.

6 (b) Complement the state's summative assessment system.

7 (c) Be internet-delivered and include a standards-based remote, in-person, or both
8 remote and in-person assessment using a computer-adaptive model to target the instructional
9 level of each pupil.

10 (d) Provide information on pupil achievement with regard to learning content required
11 in a given year or grade span.

12 (e) Provide immediate feedback to pupils and teachers.

13 (f) Be nationally normed.

14 (g) Provide multiple measures of growth and provide for multiple testing
15 opportunities.

16 Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not
17 to exceed \$30,000,000.00 for ~~2021-2022~~ **2022-2023** for adult education programs authorized
18 under this section. Except as otherwise provided under subsections (14) and (15), funds
19 allocated under this section are restricted for adult education programs as authorized
20 under this section only. A recipient of funds under this section shall not use those funds
21 for any other purpose.

22 (2) To be eligible for funding under this section, an eligible adult education
23 provider shall employ certificated teachers and qualified administrative staff and shall
24 offer continuing education opportunities for teachers to allow them to maintain
25 certification.

26 (3) To be eligible to be a participant funded under this section, an individual must
27 be enrolled in an adult basic education program, an adult secondary education program, an
28 adult English as a second language program, a high school equivalency test preparation
29 program, or a high school completion program, that meets the requirements of this section,
30 and for which instruction is provided, and the individual must be at least 18 years of age
31 by July 1 of the program year and the individual's graduating class must have graduated.

32 (4) By April 1 of each fiscal year, the intermediate districts within a prosperity

1 region or subregion shall determine which intermediate district will serve as the
2 prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify
3 the department in a form and manner determined by the department. The department shall
4 approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From
5 the funds allocated under subsection (1), an amount as determined under this subsection is
6 allocated to each intermediate district serving as a fiscal agent for adult education
7 programs in each of the prosperity regions or subregions identified by the department. An
8 intermediate district shall not use more than 5% of the funds allocated under this
9 subsection for administration costs for serving as the fiscal agent. The allocation
10 provided to each intermediate district serving as a fiscal agent must be calculated as
11 follows:

12 (a) Sixty percent of this portion of the funding must be distributed based upon the
13 proportion of the state population of individuals between the ages of 18 and 24 that are
14 not high school graduates that resides in each of the prosperity regions or subregions
15 located within the intermediate district, as reported by the most recent 5-year estimates
16 from the American Community Survey (ACS) from the United States Census Bureau.

17 (b) Thirty-five percent of this portion of the funding must be distributed based upon
18 the proportion of the state population of individuals age 25 or older who are not high
19 school graduates that resides in each of the prosperity regions or subregions located
20 within the intermediate district, as reported by the most recent 5-year estimates from the
21 ACS from the United States Census Bureau.

22 (c) Five percent of this portion of the funding must be distributed based upon the
23 proportion of the state population of individuals age 18 or older who lack basic English
24 language proficiency that resides in each of the prosperity regions or subregions located
25 within the intermediate district, as reported by the most recent 5-year estimates from the
26 ACS from the United States Census Bureau.

27 (5) To be an eligible fiscal agent, an intermediate district must agree to do the
28 following in a form and manner determined by the department:

29 (a) Distribute funds to adult education programs in a prosperity region or subregion
30 as described in this section.

31 (b) Collaborate with the career and educational advisory council, which is an
32 advisory council of the workforce development boards located in the prosperity region or

1 subregion, or its successor, to develop a regional strategy that aligns adult education
2 programs and services into an efficient and effective delivery system for adult education
3 learners, with special consideration for providing contextualized learning and career
4 pathways and addressing barriers to education and employment.

5 (c) Collaborate with the career and educational advisory council, which is an
6 advisory council of the workforce development boards located in the prosperity region or
7 subregion, or its successor, to create a local process and criteria that will identify
8 eligible adult education providers to receive funds allocated under this section based on
9 location, demand for services, past performance, quality indicators as identified by the
10 department, and cost to provide instructional services. The fiscal agent shall determine
11 all local processes, criteria, and provider determinations. However, the local processes,
12 criteria, and provider services must be approved by the department before funds may be
13 distributed to the fiscal agent.

14 (d) Provide oversight to its adult education providers throughout the program year to
15 ensure compliance with the requirements of this section.

16 (e) Report adult education program and participant data and information as prescribed
17 by the department.

18 (6) An adult basic education program, an adult secondary education program, or an
19 adult English as a second language program operated on a year-round or school year basis
20 may be funded under this section, subject to all of the following:

21 (a) The program enrolls adults who are determined by a department-approved
22 assessment, in a form and manner prescribed by the department, to be below twelfth grade
23 level in reading or mathematics, or both, or to lack basic English proficiency.

24 (b) The program tests individuals for eligibility under subdivision (a) before
25 enrollment and upon completion of the program in compliance with the state-approved
26 assessment policy.

27 (c) A participant in an adult basic education program is eligible for reimbursement
28 until 1 of the following occurs:

29 (i) The participant's reading and mathematics proficiency are assessed at or above
30 the ninth grade level.

31 (ii) The participant fails to show progress on 2 successive assessments after having

1 completed at least 450 hours of instruction.

2 (d) A participant in an adult secondary education program is eligible for
3 reimbursement until 1 of the following occurs:

4 (i) The participant's reading and mathematics proficiency are assessed above the
5 twelfth grade level.

6 (ii) The participant fails to show progress on 2 successive assessments after having
7 at least 450 hours of instruction.

8 (e) A funding recipient enrolling a participant in an English as a second language
9 program is eligible for funding according to subsection (9) until the participant meets 1
10 of the following:

11 (i) The participant is assessed as having attained basic English proficiency as
12 determined by a department-approved assessment.

13 (ii) The participant fails to show progress on 2 successive department-approved
14 assessments after having completed at least 450 hours of instruction. The department shall
15 provide information to a funding recipient regarding appropriate assessment instruments for
16 this program.

17 (7) A high school equivalency test preparation program operated on a year-round or
18 school year basis may be funded under this section, subject to all of the following:

19 (a) The program enrolls adults who do not have a high school diploma or a high school
20 equivalency certificate.

21 (b) The program administers a pre-test approved by the department before enrolling an
22 individual to determine the individual's literacy levels, administers a high school
23 equivalency practice test to determine the individual's potential for success on the high
24 school equivalency test, and administers a post-test upon completion of the program in
25 compliance with the state-approved assessment policy.

26 (c) A funding recipient receives funding according to subsection (9) for a
27 participant, and a participant may be enrolled in the program until 1 of the following
28 occurs:

29 (i) The participant achieves a high school equivalency certificate.

30 (ii) The participant fails to show progress on 2 successive department-approved
31 assessments used to determine readiness to take a high school equivalency test after having

1 completed at least 450 hours of instruction.

2 (8) A high school completion program operated on a year-round or school year basis
3 may be funded under this section, subject to all of the following:

4 (a) The program enrolls adults who do not have a high school diploma.

5 (b) The program tests participants described in subdivision (a) before enrollment and
6 upon completion of the program in compliance with the state-approved assessment policy.

7 (c) A funding recipient receives funding according to subsection (9) for a
8 participant in a course offered under this subsection until 1 of the following occurs:

9 (i) The participant passes the course and earns a high school diploma.

10 (ii) The participant fails to earn credit in 2 successive semesters or terms in which
11 the participant is enrolled after having completed at least 900 hours of instruction.

12 (9) The department shall make payments to a funding recipient under this section in
13 accordance with all of the following:

14 (a) Statewide allocation criteria, including 3-year average enrollments, census data,
15 and local needs.

16 (b) Participant completion of the adult basic education objectives by achieving an
17 educational gain as determined by the national reporting system levels; for achieving basic
18 English proficiency, as determined by the department; for achieving a high school
19 equivalency certificate or passage of 1 or more individual high school equivalency tests;
20 for attainment of a high school diploma or passage of a course required for a participant
21 to attain a high school diploma; for enrollment in a postsecondary institution, or for
22 entry into or retention of employment, as applicable.

23 (c) Participant completion of core indicators as identified in the innovation and
24 opportunity act.

25 (d) Allowable expenditures.

26 (10) A person who is not eligible to be a participant funded under this section may
27 receive adult education services upon the payment of tuition. In addition, a person who is
28 not eligible to be served in a program under this section due to the program limitations
29 specified in subsection (6), (7), or (8) may continue to receive adult education services
30 in that program upon the payment of tuition. The local or intermediate district conducting
31 the program shall determine the tuition amount.

1 (11) An individual who is an inmate in a state correctional facility is not counted
2 as a participant under this section.

3 (12) A funding recipient shall not commingle money received under this section or
4 from another source for adult education purposes with any other funds and shall establish a
5 separate ledger account for funds received under this section. This subsection does not
6 prohibit a district from using general funds of the district to support an adult education
7 or community education program.

8 (13) A funding recipient receiving funds under this section may establish a sliding
9 scale of tuition rates based upon a participant's family income. A funding recipient may
10 charge a participant tuition to receive adult education services under this section from
11 that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per
12 participant must not exceed the actual operating cost per participant minus any funds
13 received under this section per participant. A funding recipient may not charge a
14 participant tuition under this section if the participant's income is at or below 200% of
15 the federal poverty guidelines published by the United States Department of Health and
16 Human Services.

17 (14) In order to receive funds under this section, a funding recipient shall furnish
18 to the department, in a form and manner determined by the department, all information
19 needed to administer this program and meet federal reporting requirements; shall allow the
20 department or the department's designee to review all records related to the program for
21 which it receives funds; and shall reimburse the state for all disallowances found in the
22 review, as determined by the department. In addition, a funding recipient shall agree to
23 pay to a career and technical education program under section 61a the amount of funding
24 received under this section in the proportion of career and technical education coursework
25 used to satisfy adult basic education programming, as billed to the funding recipient by
26 programs operating under section 61a. In addition to the funding allocated under subsection
27 (1), there is allocated for ~~2021-2022~~**2022-2023** an amount not to exceed \$500,000.00 to
28 reimburse funding recipients for administrative and instructional expenses associated with
29 commingling programming under this section and section 61a. The department shall make
30 payments under this subsection to each funding recipient in the same proportion as funding
31 calculated and allocated under subsection (4).

32 (15) From the amount appropriated in subsection (1), an amount not to exceed

1 \$4,000,000.00 is allocated for ~~2021-2022~~**2022-2023** for grants to adult education or state-
2 approved career technical center programs that connect adult education participants with
3 employers as provided under this subsection. The department shall determine the amount of
4 the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible
5 for funding under this subsection, a program must provide a collaboration linking adult
6 education programs within the county, the area career technical center, and local
7 employers. To receive funding under this subsection, an eligible program must satisfy all
8 of the following:

9 (a) Connect adult education participants directly with employers by linking adult
10 education, career and technical skills, and workforce development.

11 (b) Require adult education staff to work with Michigan Works! agency to identify a
12 cohort of participants who are most prepared to successfully enter the workforce. Except as
13 otherwise provided under this subdivision, participants identified under this subsection
14 must be dually enrolled in adult education programming and in at least 1 state-approved
15 technical course at the area career and technical center. A program that links participants
16 identified under this subsection with adult education programming and commercial driver
17 license courses does not need to enroll the participants in at least 1 state-approved
18 technical course at the area career and technical center to be considered an eligible
19 program under this subsection.

20 (c) Employ an individual staffed as an adult education navigator who will serve as a
21 caseworker for each participant identified under subdivision (b). The navigator shall work
22 with adult education staff and potential employers to design an educational program best
23 suited to the personal and employment needs of the participant and shall work with human
24 service agencies or other entities to address any barrier in the way of participant access.

25 (16) Each program funded under subsection (15) will receive funding for 3 years.
26 After 3 years of operations and funding, a program must reapply for funding.

27 (17) Not later than December 1 of each year, a program funded under subsection (15)
28 shall provide a report to the senate and house appropriations subcommittees on school aid,
29 to the senate and house fiscal agencies, and to the state budget director identifying the
30 number of participants, graduation rates, and a measure of transition to employment.

31 (18) Except as otherwise provided in this subsection, participants under subsection
32 (15) must be concurrently enrolled and actively working toward obtaining a high school

1 diploma or a high school equivalency certificate. Concurrent enrollment is not required
2 under this subsection for a participant that was enrolled in adult education during the
3 same program year and obtained a high school diploma or a high school equivalency
4 certificate prior to enrollment in an eligible career and technical skills program under
5 subsection (15). Up to ~~25%~~15% of adult education participants served under subsection (15)
6 may already have a high school diploma or a high school equivalency certificate at the time
7 of enrollment in an eligible career and technical skills program under subsection (15) and
8 receive remediation services. It is intended that the cap described in the immediately
9 preceding sentence is continually lowered on an annual basis until it eventually is 0%.

10 (19) The department shall approve at least 3 high school equivalency tests and
11 determine whether a high school equivalency certificate meets the requisite standards for
12 high school equivalency in this state.

13 (20) As used in this section:

14 (a) "Career and educational advisory council" means an advisory council to the local
15 workforce development boards located in a prosperity region consisting of educational,
16 employer, labor, and parent representatives.

17 (b) "Career pathway" means a combination of rigorous and high-quality education,
18 training, and other services that comply with all of the following:

19 (i) Aligns with the skill needs of industries in the economy of this state or in the
20 regional economy involved.

21 (ii) Prepares an individual to be successful in any of a full range of secondary or
22 postsecondary education options, including apprenticeships registered under the act of
23 August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50 et seq.

24 (iii) Includes counseling to support an individual in achieving the individual's
25 education and career goals.

26 (iv) Includes, as appropriate, education offered concurrently with and in the same
27 context as workforce preparation activities and training for a specific occupation or
28 occupational cluster.

29 (v) Organizes education, training, and other services to meet the particular needs of
30 an individual in a manner that accelerates the educational and career advancement of the
31 individual to the extent practicable.

1 (vi) Enables an individual to attain a secondary school diploma or its recognized
2 equivalent, and at least 1 recognized postsecondary credential.

3 (vii) Helps an individual enter or advance within a specific occupation or
4 occupational cluster.

5 (c) "Department" means the department of labor and economic opportunity.

6 (d) "Eligible adult education provider" means a district, intermediate district, a
7 consortium of districts, a consortium of intermediate districts, or a consortium of
8 districts and intermediate districts that is identified as part of the local process
9 described in subsection (5) (c) and approved by the department.

10 Sec. 147. (1) The allocation for ~~2021-2022-2022-2023~~ for the public school employees'
11 retirement system pursuant to the public school employees retirement act of 1979, 1980 PA
12 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age
13 normal cost method of valuation and risk assumptions adopted by the public school employees
14 retirement board and the department of technology, management, and budget.

15 (2) The annual level percentage of payroll contribution rates for the ~~2021-2022-2022-~~
16 ~~2023~~ fiscal year, as determined by the retirement system, are estimated as follows:

17 (a) ~~Except as otherwise provided in this subdivision, for~~ For public school employees
18 who first worked for a public school reporting unit before July 1, 2010 and who are
19 enrolled in the health premium subsidy, the annual level percentage of payroll contribution
20 rate is estimated at ~~43.28%~~ **44.88%** with 28.23% paid directly by the employer. ~~For 2021-~~
21 ~~2022, if the retirement system determines that the annual level percentage of payroll~~
22 ~~contribution rate estimated in the immediately preceding sentence needs to be adjusted, the~~
23 ~~annual level percentage of payroll contribution rate estimations under this subdivision are~~
24 ~~the estimations determined by the retirement system. If the retirement system makes a~~
25 ~~determination as described in the immediately preceding sentence, it shall issue its~~
26 ~~estimations publicly and describe the need for the adjustment described in the immediately~~
27 ~~preceding sentence.~~

28 (b) ~~Except as otherwise provided in this subdivision, for~~ For public school employees
29 who first worked for a public school reporting unit on or after July 1, 2010 and who are
30 enrolled in the health premium subsidy, the annual level percentage of payroll contribution
31 rate is estimated at ~~40.36%~~ **41.96%** with 25.31% paid directly by the employer. ~~For 2021-~~

1 ~~2022, if the retirement system determines that the annual level percentage of payroll~~
2 ~~contribution rate estimated in the immediately preceding sentence needs to be adjusted, the~~
3 ~~annual level percentage of payroll contribution rate estimations under this subdivision are~~
4 ~~the estimations determined by the retirement system. If the retirement system makes a~~
5 ~~determination as described in the immediately preceding sentence, it shall issue its~~
6 ~~estimations publicly and describe the need for the adjustment described in the immediately~~
7 ~~preceding sentence.~~

8 (c) ~~Except as otherwise provided in this subdivision, for~~ **For** public school employees
9 who first worked for a public school reporting unit on or after July 1, 2010 and who
10 participate in the personal healthcare fund, the annual level percentage of payroll
11 contribution rate is estimated at ~~39.50%~~ **41.10%** with 24.45% paid directly by the employer.
12 ~~For 2021-2022, if the retirement system determines that the annual level percentage of~~
13 ~~payroll contribution rate estimated in the immediately preceding sentence needs to be~~
14 ~~adjusted, the annual level percentage of payroll contribution rate estimations under this~~
15 ~~subdivision are the estimations determined by the retirement system. If the retirement~~
16 ~~system makes a determination as described in the immediately preceding sentence, it shall~~
17 ~~issue its estimations publicly and describe the need for the adjustment described in the~~
18 ~~immediately preceding sentence.~~

19 (d) ~~Except as otherwise provided in this subdivision, for~~ **For** public school employees
20 who first worked for a public school reporting unit on or after September 4, 2012, who
21 elect defined contribution, and who participate in the personal healthcare fund, the annual
22 level percentage of payroll contribution rate is estimated at ~~36.01%~~ **37.61%** with 20.96%
23 paid directly by the employer. ~~For 2021-2022, if the retirement system determines that the~~
24 ~~annual level percentage of payroll contribution rate estimated in the immediately preceding~~
25 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution rate~~
26 ~~estimations under this subdivision are the estimations determined by the retirement system.~~
27 ~~If the retirement system makes a determination as described in the immediately preceding~~
28 ~~sentence, it shall issue its estimations publicly and describe the need for the adjustment~~
29 ~~described in the immediately preceding sentence.~~

30 (e) ~~Except as otherwise provided in this subdivision, for~~ **For** public school employees
31 who first worked for a public school reporting unit before July 1, 2010, who elect defined
32 contribution, and who are enrolled in the health premium subsidy, the annual level

1 percentage of payroll contribution rate is estimated at ~~36.87%~~ **38.47%** with 21.82% paid
2 directly by the employer. ~~For 2021-2022, if the retirement system determines that the~~
3 ~~annual level percentage of payroll contribution rate estimated in the immediately preceding~~
4 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution rate~~
5 ~~estimations under this subdivision are the estimations determined by the retirement system.~~
6 ~~If the retirement system makes a determination as described in the immediately preceding~~
7 ~~sentence, it shall issue its estimations publicly and describe the need for the adjustment~~
8 ~~described in the immediately preceding sentence.~~

9 (f) ~~Except as otherwise provided in this subdivision, for~~ **For** public school employees
10 who first worked for a public school reporting unit before July 1, 2010, who elect defined
11 contribution, and who participate in the personal healthcare fund, the annual level
12 percentage of payroll contribution rate is estimated at ~~36.01%~~ **37.61%** with 20.96% paid
13 directly by the employer. ~~For 2021-2022, if the retirement system determines that the~~
14 ~~annual level percentage of payroll contribution rate estimated in the immediately preceding~~
15 ~~sentence needs to be adjusted, the annual level percentage of payroll contribution rate~~
16 ~~estimations under this subdivision are the estimations determined by the retirement system.~~
17 ~~If the retirement system makes a determination as described in the immediately preceding~~
18 ~~sentence, it shall issue its estimations publicly and describe the need for the adjustment~~
19 ~~described in the immediately preceding sentence.~~

20 (g) ~~Except as otherwise provided in this subdivision, for~~ **For** public school employees
21 who first worked for a public school reporting unit before July 1, 2010 and who participate
22 in the personal healthcare fund, the annual level percentage of payroll contribution rate
23 is estimated at ~~42.42%~~ **44.02%** with 27.37% paid directly by the employer. ~~For 2021-2022, if~~
24 ~~the retirement system determines that the annual level percentage of payroll contribution~~
25 ~~rate estimated in the immediately preceding sentence needs to be adjusted, the annual level~~
26 ~~percentage of payroll contribution rate estimations under this subdivision are the~~
27 ~~estimations determined by the retirement system. If the retirement system makes a~~
28 ~~determination as described in the immediately preceding sentence, it shall issue its~~
29 ~~estimations publicly and describe the need for the adjustment described in the immediately~~
30 ~~preceding sentence.~~

31 (h) ~~Except as otherwise provided in this subdivision, for~~ **For** public school employees
32 who first worked for a public school reporting unit after January 31, 2018 and who elect to

1 become members of the MPSERS plan, the annual level percentage of payroll contribution rate
2 is estimated at ~~42.21%~~ **43.81%** with 27.16% paid directly by the employer. ~~For 2021-2022, if~~
3 ~~the retirement system determines that the annual level percentage of payroll contribution~~
4 ~~rate estimated in the immediately preceding sentence needs to be adjusted, the annual level~~
5 ~~percentage of payroll contribution rate estimations under this subdivision are the~~
6 ~~estimations determined by the retirement system. If the retirement system makes a~~
7 ~~determination as described in the immediately preceding sentence, it shall issue its~~
8 ~~estimations publicly and describe the need for the adjustment described in the immediately~~
9 ~~preceding sentence.~~

10 (3) In addition to the employer payments described in subsection (2), the employer
11 shall pay the applicable contributions to the Tier 2 plan, as determined by the public
12 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

13 (4) The contribution rates in subsection (2) reflect an amortization period of ~~17-16~~
14 years for ~~2021-2022.~~ **2022-2023**. The public school employees' retirement system board shall
15 notify each district and intermediate district by February 28 of each fiscal year of the
16 estimated contribution rate for the next fiscal year.

17 Sec. 147a. (1) From the **state school aid fund** appropriation in section 11, there is
18 allocated for ~~2020-2021 an amount not to exceed \$100,000,000.00 and for 2021-2022-2022-2023~~
19 an amount not to exceed ~~\$100,000,000.00~~ **\$112,040,000.00** for payments to participating
20 districts **and intermediate districts, and from the general fund appropriation in section**
21 **11, there is allocated for 2022-2023 an amount not to exceed \$31,000.00 for payments to**
22 **participating district libraries.** A participating ~~district entity~~ that receives money under
23 this subsection shall use that money solely for the purpose of offsetting a portion of the
24 retirement contributions owed by the ~~district participating entity~~ for the fiscal year in
25 which it is received. The amount allocated to each participating ~~district entities~~ under
26 this subsection is **calculated as follows:**

27 (a) For each participating district, \$100,000,000.00 multiplied by each participating
28 district's percentage of the total statewide payroll for all participating districts.

29 (b) For each participating intermediate district, \$12,040,000.00 multiplied by each
30 participating intermediate district's percentage of the total statewide payroll for all
31 participating intermediate districts.

32 (c) For each participating district library, \$31,000.00 multiplied by each

1 participating district library's percentage of the total statewide payroll for all
2 participating district libraries. ~~based on each participating district's percentage of the~~
3 ~~total statewide payroll for all participating districts for the immediately preceding~~
4 ~~fiscal year. As used in this subsection, "participating district" means a district, that is~~
5 ~~a reporting unit of the Michigan public school employees' retirement system under the~~
6 ~~public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and~~
7 ~~that reports employees to the Michigan public school employees' retirement system for the~~
8 ~~applicable fiscal year.~~

9 (2) In addition to the allocation under subsection (1), from the state school aid
10 fund money appropriated under section 11, there is allocated an amount not to exceed
11 ~~\$190,430,000.00 for 2020-2021 and an amount not to exceed \$177,400,000.00~~ **\$172,100,000.00**
12 ~~for 2021-2022-2022-2023~~ for payments to participating districts and intermediate districts
13 and from the general fund money appropriated under section 11, there is allocated an amount
14 not to exceed ~~\$70,000.00 for 2020-2021 and an amount not to exceed \$60,000.00~~ **\$50,000.00**
15 ~~for 2021-2022-2022-2023~~ for payments to participating district libraries. The amount
16 allocated to each participating entity under this subsection is based on each participating
17 entity's reported quarterly payroll for members that became tier 1 prior to February 1,
18 2018 for the current fiscal year. A participating entity that receives money under this
19 subsection shall use that money solely for the purpose of offsetting a portion of the
20 normal cost contribution rate. ~~As used in this subsection:~~

21 **(3) As used in this section:**

22 (a) "District library" means a district library established under the district
23 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

24 (b) "Participating entity" means a district, intermediate district, or district
25 library that is a reporting unit of the Michigan public school employees' retirement system
26 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
27 38.1437, and that reports employees to the Michigan public school employees' retirement
28 system for the applicable fiscal year.

29 Sec. 147c. From the state school aid fund money appropriated in section 11, there is
30 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$1,468,500,000.00~~
31 **\$1,478,000,000.00** for payments to districts and intermediate districts that are
32 participating entities of the Michigan public school employees' retirement system. In

1 addition, from the general fund money appropriated in section 11, there is allocated for
2 ~~2021-2022-2022-2023~~ an amount not to exceed \$500,000.00 for payments to district libraries
3 that are participating entities of the Michigan public school employees' retirement system.
4 All of the following apply to funding under this section:

5 (a) Except as otherwise provided in this subdivision, for ~~2021-2022, 2022-2023~~ the
6 amounts allocated under this section are estimated to provide an average MPSERS rate cap
7 per pupil amount of ~~\$911.00~~ **\$1,042.00** and are estimated to provide a rate cap per pupil for
8 districts ranging between \$5.00 and ~~\$4,200.00~~ **\$3,700.00**. ~~For 2021-2022, if the retirement~~
9 ~~system determines the average MPSERS rate cap per pupil amount and rate cap per pupil for~~
10 ~~districts estimated in the immediately preceding sentence need to be adjusted, the~~
11 ~~estimated average MPSERS rate cap per pupil amount and estimated rate cap per pupil for~~
12 ~~districts under this subdivision are the estimations determined by the retirement system.~~
13 ~~If the retirement system makes a determination as described in the immediately preceding~~
14 ~~sentence, it shall issue its estimations publicly and describe the need for the adjustment~~
15 ~~described in the immediately preceding sentence.~~

16 (b) Payments made under this section are equal to the difference between the unfunded
17 actuarial accrued liability contribution rate as calculated pursuant to section 41 of the
18 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated
19 without taking into account the maximum employer rate of 20.96% included in section 41 of
20 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
21 maximum employer rate of 20.96% included in section 41 of the public school employees
22 retirement act of 1979, 1980 PA 300, MCL 38.1341.

23 (c) The amount allocated to each participating entity under this section is based on
24 each participating entity's proportion of the total covered payroll for the immediately
25 preceding fiscal year for the same type of participating entities. A participating entity
26 that receives funds under this section shall use the funds solely for the purpose of
27 retirement contributions as specified in subdivision (d).

28 (d) Each participating entity receiving funds under this section shall forward an
29 amount equal to the amount allocated under subdivision (c) to the retirement system in a
30 form, manner, and time frame determined by the retirement system.

31 (e) Funds allocated under this section should be considered when comparing a
32 district's growth in total state aid funding from 1 fiscal year to the next.

1 (f) Not later than December 20, ~~2021~~**2022**, the department shall publish and post on
2 its website an estimated MPSERS rate cap per pupil for each district.

3 (g) The office of retirement services shall first apply funds allocated under this
4 section to pension contributions and, if any funds remain after that payment, shall apply
5 those remaining funds to other postemployment benefit contributions.

6 (h) As used in this section:

7 (i) "District library" means a district library established under the district
8 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

9 (ii) "MPSERS rate cap per pupil" means an amount equal to the quotient of the
10 district's payment under this section divided by the district's pupils in membership.

11 (iii) "Participating entity" means a district, intermediate district, or district
12 library that is a reporting unit of the Michigan public school employees' retirement system
13 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
14 38.1437, and that reports employees to the Michigan public school employees' retirement
15 system for the applicable fiscal year.

16 (iv) "Retirement board" means the board that administers the retirement system under
17 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

18 (v) "Retirement system" means the Michigan public school employees' retirement system
19 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
20 38.1437.

21 Sec. 147e. (1) From the state school aid fund money appropriated in section 11, there
22 is allocated for ~~2020-2021 an amount not to exceed \$33,800,000.00 and there is allocated~~
23 ~~for 2021-2022~~**2022-2023** an amount not to exceed ~~\$65,300,000.00~~**\$69,300,000.00** for payments
24 to participating entities.

25 (2) The payment to each participating entity under this section is the sum of the
26 amounts under this subsection as follows:

27 (a) An amount equal to the contributions made by a participating entity for the
28 additional contribution made to a qualified participant's Tier 2 account in an amount equal
29 to the contribution made by the qualified participant not to exceed 3% of the qualified
30 participant's compensation as provided for under section 131(6) of the public school
31 employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

1 (b) Beginning October 1, 2017, an amount equal to the contributions made by a
2 participating entity for a qualified participant who is only a Tier 2 qualified participant
3 under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL
4 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the
5 qualified participant's compensation.

6 (c) An amount equal to the increase in employer normal cost contributions under
7 section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL
8 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in
9 Tier 1, compared to the employer normal cost contribution for a member under section 41b(1)
10 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

11 (3) As used in this section:

12 (a) "Member" means that term as defined under the public school employees retirement
13 act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

14 (b) "Participating entity" means a district, intermediate district, or community
15 college that is a reporting unit of the Michigan public school employees' retirement system
16 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
17 38.1437, and that reports employees to the Michigan public school employees' retirement
18 system for the applicable fiscal year.

19 (c) "Qualified participant" means that term as defined under section 124 of the
20 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

21 Sec. 152a. (1) As required by the court in the consolidated cases known as Adair v
22 State of Michigan, 486 Mich 468 (2010), from the state school aid fund money appropriated
23 in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed
24 \$38,000,500.00 to be used solely for the purpose of paying necessary costs related to the
25 state-mandated collection, maintenance, and reporting of data to this state.

26 (2) From the allocation in subsection (1), the department shall make payments to
27 districts and intermediate districts in an equal amount per pupil based on the total number
28 of pupils in membership in each district and intermediate district. The department shall
29 not make any adjustment to these payments after the final installment payment under section
30 17b is made.

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ARTICLE II

STATE AID TO COMMUNITY COLLEGES

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2022~~, **2023**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$431,917,000.00.~~ **\$470,028,400.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$431,917,000.00.~~ **\$470,028,400.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

- (i) Total federal revenues, \$0.00.
- (ii) Total local revenues, \$0.00.
- (iii) Total private revenues, \$0.00.
- (iv) Total other state restricted revenues, ~~\$431,917,000.00.~~ **\$470,028,400.00**.
- (v) State general fund/general purpose money, \$0.00.

1 (2) Subject to subsection (3), the amount appropriated for community college
2 operations is ~~\$328,583,400.00~~, **\$341,224,400.00**, allocated as follows:

3 (a) The appropriation for Alpena Community College is ~~\$5,830,600.00~~, ~~\$5,753,300.00~~
4 ~~for operations, \$53,400.00 for 1-time performance funding, and \$23,900.00 for costs~~
5 ~~incurred under the North American Indian tuition waiver.~~ **\$6,040,500.00**, **\$5,753,300.00 for**
6 **operations, \$273,500.00 for performance funding, and \$13,700.00 for costs incurred under**
7 **the North American Indian tuition waiver.**

8 (b) The appropriation for Bay de Noc Community College is ~~\$5,772,400.00~~,
9 ~~\$5,602,800.00 for operations, \$58,000.00 for 1-time performance funding, and \$111,600.00~~
10 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$5,986,700.00**,
11 **\$5,602,800.00 for operations, \$274,200.00 for performance funding, and \$109,700.00 for**
12 **costs incurred under the North American Indian tuition waiver.**

13 (c) The appropriation for Delta College is ~~\$15,364,000.00~~, ~~\$15,160,500.00 for~~
14 ~~operations, \$143,400.00 for 1-time performance funding, and \$60,100.00 for costs incurred~~
15 ~~under the North American Indian tuition waiver.~~ **\$15,928,400.00**, **\$15,160,500.00 for**
16 **operations, \$727,700.00 for performance funding, and \$40,200.00 for costs incurred under**
17 **the North American Indian tuition waiver.**

18 (d) The appropriation for Glen Oaks Community College is ~~\$2,684,500.00~~, ~~\$2,651,200.00~~
19 ~~for operations, \$33,300.00 for 1-time performance funding, and \$0.00 for costs incurred~~
20 ~~under the North American Indian tuition waiver.~~ **\$2,802,100.00**, **\$2,651,200.00 for**
21 **operations, \$150,900.00 for performance funding, and \$0.00 for costs incurred under the**
22 **North American Indian tuition waiver.**

23 (e) The appropriation for Gogebic Community College is ~~\$4,968,100.00~~, ~~\$4,873,700.00~~
24 ~~for operations, \$42,400.00 for 1-time performance funding, and \$52,000.00 for costs~~
25 ~~incurred under the North American Indian tuition waiver.~~ **\$5,145,800.00**, **\$4,873,700.00 for**
26 **operations, \$229,600.00 for performance funding, and \$42,500.00 for costs incurred under**
27 **the North American Indian tuition waiver.**

28 (f) The appropriation for Grand Rapids Community College is ~~\$19,193,200.00~~,
29 ~~\$18,773,100.00 for operations, \$221,500.00 for 1-time performance funding, and \$198,600.00~~
30 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$19,950,600.00**,
31 **\$18,773,100.00 for operations, \$993,100.00 for performance funding, and \$184,400.00 for**
32 **costs incurred under the North American Indian tuition waiver.**

1 (g) The appropriation for Henry Ford College is ~~\$22,753,900.00, \$22,533,100.00 for~~
2 ~~operations, \$205,800.00 for 1-time performance funding, and \$15,000.00 for costs incurred~~
3 ~~under the North American Indian tuition waiver. \$23,731,400.00, \$22,533,100.00 for~~
4 ~~operations, \$1,167,000.00 for performance funding, and \$31,300.00 for costs incurred under~~
5 ~~the North American Indian tuition waiver.~~

6 (h) The appropriation for Jackson College is ~~\$12,912,300.00, \$12,756,200.00 for~~
7 ~~operations, \$109,900.00 for 1-time performance funding, and \$46,200.00 for costs incurred~~
8 ~~under the North American Indian tuition waiver. \$13,337,700.00, \$12,756,200.00 for~~
9 ~~operations, \$538,900.00 for performance funding, and \$42,600.00 for costs incurred under~~
10 ~~the North American Indian tuition waiver.~~

11 (i) The appropriation for Kalamazoo Valley Community College is ~~\$13,320,400.00,~~
12 ~~\$13,099,900.00 for operations, \$134,400.00 for 1-time performance funding, and \$86,100.00~~
13 ~~for costs incurred under the North American Indian tuition waiver. \$13,832,700.00,~~
14 ~~\$13,099,900.00 for operations, \$676,200.00 for performance funding, and \$56,600.00 for~~
15 ~~costs incurred under the North American Indian tuition waiver.~~

16 (j) The appropriation for Kellogg Community College is ~~\$10,419,200.00, \$10,267,100.00~~
17 ~~for operations, \$100,800.00 for 1-time performance funding, and \$51,300.00 for costs~~
18 ~~incurred under the North American Indian tuition waiver. \$10,781,400.00, \$10,267,100.00 for~~
19 ~~operations, \$487,300.00 for performance funding, and \$27,000.00 for costs incurred under~~
20 ~~the North American Indian tuition waiver.~~

21 (k) The appropriation for Kirtland Community College is ~~\$3,404,000.00, \$3,358,400.00~~
22 ~~for operations, \$39,100.00 for 1-time performance funding, and \$6,500.00 for costs incurred~~
23 ~~under the North American Indian tuition waiver. \$3,601,000.00, \$3,358,400.00 for~~
24 ~~operations, \$219,500.00 for performance funding, and \$23,100.00 for costs incurred under~~
25 ~~the North American Indian tuition waiver.~~

26 (l) The appropriation for Lake Michigan College is ~~\$5,768,200.00, \$5,702,700.00 for~~
27 ~~operations, \$52,400.00 for 1-time performance funding, and \$13,100.00 for costs incurred~~
28 ~~under the North American Indian tuition waiver. \$5,990,800.00, \$5,702,700.00 for~~
29 ~~operations, \$275,700.00 for performance funding, and \$12,400.00 for costs incurred under~~
30 ~~the North American Indian tuition waiver.~~

31 (m) The appropriation for Lansing Community College is ~~\$33,255,300.00, \$32,852,000.00~~
32 ~~for operations, \$280,600.00 for 1-time performance funding, and \$122,700.00 for costs~~

1 incurred under the North American Indian tuition waiver. ~~\$34,339,200.00, \$32,852,000.00 for~~
2 operations, \$1,376,900.00 for performance funding, and \$110,300.00 for costs incurred under
3 the North American Indian tuition waiver.

4 (n) The appropriation for Macomb Community College is ~~\$34,629,700.00, \$34,276,100.00~~
5 ~~for operations, \$330,300.00 for 1-time performance funding, and \$23,300.00 for costs~~
6 ~~incurred under the North American Indian tuition waiver. \$35,950,400.00, \$34,276,100.00 for~~
7 operations, \$1,635,800.00 for performance funding, and \$38,500.00 for costs incurred under
8 the North American Indian tuition waiver.

9 (o) The appropriation for Mid Michigan Community College is ~~\$5,396,300.00,~~
10 ~~\$5,184,400.00 for operations, \$58,000.00 for 1-time performance funding, and \$153,900.00~~
11 ~~for costs incurred under the North American Indian tuition waiver. \$5,555,700.00,~~
12 \$5,184,400.00 for operations, \$273,700.00 for performance funding, and \$97,600.00 for costs
13 incurred under the North American Indian tuition waiver.

14 (p) The appropriation for Monroe County Community College is ~~\$4,798,100.00,~~
15 ~~\$4,746,200.00 for operations, \$51,200.00 for 1-time performance funding, and \$700.00 for~~
16 ~~costs incurred under the North American Indian tuition waiver. \$5,005,000.00, \$4,746,200.00~~
17 for operations, \$257,400.00 for performance funding, and \$1,400.00 for costs incurred under
18 the North American Indian tuition waiver.

19 (q) The appropriation for Montcalm Community College is ~~\$3,612,600.00, \$3,570,600.00~~
20 ~~for operations, \$37,200.00 for 1-time performance funding, and \$4,800.00 for costs incurred~~
21 ~~under the North American Indian tuition waiver. \$3,767,400.00, \$3,570,600.00 for~~
22 operations, \$188,300.00 for performance funding, and \$8,500.00 for costs incurred under the
23 North American Indian tuition waiver.

24 (r) The appropriation for C.S. Mott Community College is ~~\$16,623,500.00,~~
25 ~~\$16,440,000.00 for operations, \$142,500.00 for 1-time performance funding, and \$41,000.00~~
26 ~~for costs incurred under the North American Indian tuition waiver. \$17,127,100.00,~~
27 \$16,440,000.00 for operations, \$658,300.00 for performance funding, and \$28,800.00 for
28 costs incurred under the North American Indian tuition waiver.

29 (s) The appropriation for Muskegon Community College is ~~\$9,431,700.00, \$9,289,100.00~~
30 ~~for operations, \$85,100.00 for 1-time performance funding, and \$57,500.00 for costs~~
31 ~~incurred under the North American Indian tuition waiver. \$9,775,400.00, \$9,289,100.00 for~~
32 operations, \$444,300.00 for performance funding, and \$42,000.00 for costs incurred under

1 the North American Indian tuition waiver.

2 (t) The appropriation for North Central Michigan College is ~~\$3,612,700.00,~~
3 ~~\$3,389,300.00 for operations, \$42,200.00 for 1-time performance funding, and \$181,200.00~~
4 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$3,779,800.00,**
5 **\$3,389,300.00 for operations, \$226,600.00 for performance funding, and \$163,900.00 for**
6 **costs incurred under the North American Indian tuition waiver.**

7 (u) The appropriation for Northwestern Michigan College is ~~\$9,906,900.00,~~
8 ~~\$9,567,100.00 for operations, \$89,600.00 for 1-time performance funding, and \$251,200.00~~
9 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$10,162,300.00,**
10 **\$9,567,100.00 for operations, \$439,700.00 for performance funding, and \$155,500.00 for**
11 **costs incurred under the North American Indian tuition waiver.**

12 (v) The appropriation for Oakland Community College is ~~\$22,485,200.00, \$22,211,700.00~~
13 ~~for operations, \$240,000.00 for 1-time performance funding, and \$33,500.00 for costs~~
14 ~~incurred under the North American Indian tuition waiver.~~ **\$23,505,300.00, \$22,211,700.00 for**
15 **operations, \$1,257,800.00 for performance funding, and \$35,800.00 for costs incurred under**
16 **the North American Indian tuition waiver.**

17 (w) The appropriation for Schoolcraft College is ~~\$13,386,700.00, \$13,196,200.00 for~~
18 ~~operations, \$151,700.00 for 1-time performance funding, and \$39,800.00 for costs incurred~~
19 ~~under the North American Indian tuition waiver.~~ **\$13,960,700.00, \$13,196,200.00 for**
20 **operations, \$743,300.00 for performance funding, and \$21,200.00 for costs incurred under**
21 **the North American Indian tuition waiver.**

22 (x) The appropriation for Southwestern Michigan College is ~~\$7,081,900.00,~~
23 ~~\$6,979,400.00 for operations, \$69,400.00 for 1-time performance funding, and \$34,100.00 for~~
24 ~~costs incurred under the North American Indian tuition waiver.~~ **\$7,359,900.00, \$6,979,400.00**
25 **for operations, \$353,400.00 for performance funding, and \$27,100.00 for costs incurred**
26 **under the North American Indian tuition waiver.**

27 (y) The appropriation for St. Clair County Community College is ~~\$7,478,700.00,~~
28 ~~\$7,385,200.00 for operations, \$79,400.00 for 1-time performance funding, and \$15,100.00 for~~
29 ~~costs incurred under the North American Indian tuition waiver.~~ **\$7,805,200.00, \$7,385,200.00**
30 **for operations, \$401,400.00 for performance funding, and \$18,600.00 for costs incurred**
31 **under the North American Indian tuition waiver.**

32 (z) The appropriation for Washtenaw Community College is ~~\$14,080,600.00,~~

1 ~~\$13,855,900.00 for operations, \$189,400.00 for 1 time performance funding, and \$35,300.00~~
2 ~~for costs incurred under the North American Indian tuition waiver. \$14,875,000.00,~~
3 **\$13,855,900.00 for operations, \$995,400.00 for performance funding, and \$23,700.00 for**
4 **costs incurred under the North American Indian tuition waiver.**

5 (aa) The appropriation for Wayne County Community College is ~~\$17,782,100.00,~~
6 ~~\$17,593,400.00 for operations, \$173,700.00 for 1 time performance funding, and \$15,000.00~~
7 ~~for costs incurred under the North American Indian tuition waiver. \$18,384,700.00,~~
8 **\$17,593,400.00 for operations, \$782,700.00 for performance funding, and \$8,600.00 for costs**
9 **incurred under the North American Indian tuition waiver.**

10 (bb) The appropriation for West Shore Community College is ~~\$2,630,600.00,~~
11 ~~\$2,585,600.00 for operations, \$24,800.00 for 1 time performance funding, and \$20,200.00 for~~
12 ~~costs incurred under the North American Indian tuition waiver. \$2,742,200.00, \$2,585,600.00~~
13 **for operations, \$135,400.00 for performance funding, and \$21,200.00 for costs incurred**
14 **under the North American Indian tuition waiver.**

15 (3) The amount appropriated in subsection (2) for community college operations is
16 ~~\$328,583,400.00~~ **\$341,244,400.00** and is appropriated from the state school aid fund.

17 (4) From the appropriations described in subsection (1), both of the following apply:

18 (a) Subject to section 207a, the amount appropriated for fiscal year ~~2021-2022-2022-~~
19 ~~2023~~ to offset certain fiscal year ~~2021-2022-2022-2023~~ retirement contributions is
20 ~~\$1,733,600.00,~~ **\$7,020,000.00**, appropriated from the state school aid fund.

21 (b) For fiscal year ~~2021-2022,~~ **2022-2023**, there is allocated an amount not to exceed
22 ~~\$11,700,000.00~~ **\$10,800,000.00** for payments to participating community colleges,
23 appropriated from the state school aid fund. A community college that receives money under
24 this subdivision shall use that money solely for the purpose of offsetting the normal cost
25 contribution rate.

26 (5) From the appropriations described in subsection (1), subject to section 207b, the
27 amount appropriated for payments to community colleges that are participating entities of
28 the retirement system is ~~\$87,200,000.00~~ **\$92,600,000.00** appropriated from the state school
29 aid fund.

30 (6) From the appropriations described in subsection (1), subject to section 207c, the
31 amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated
32 from the state school aid fund. Each community college receiving funds in this subsection

1 shall accrue these payments to its institutional fiscal year ending June 30, ~~2022~~ **2023**.

2 Sec. 201e. (1) In addition to the funds appropriated under section 201(2) for
3 community college operations, for the fiscal year ending September 30, 2023 only, there is
4 appropriated an amount not to exceed ~~\$12,696,000.00~~ **\$16,184,000.00**. from the state school
5 aid fund for ~~operational support payments~~. **one-time performance funding**.

6 (2) From the amount appropriated under subsection (1), each community college is
7 allocated the following:

- 8 (a) Alpena Community College, ~~\$225,700.00~~ **\$273,500.00**.
- 9 (b) Bay de Noc Community College, ~~\$219,800.00~~ **\$274,200.00**.
- 10 (c) Delta College, ~~\$594,700.00~~ **\$727,700.00**.
- 11 (d) Glen Oaks Community College, ~~\$104,000.00~~ **\$150,900.00**.
- 12 (e) Gogebic Community College, ~~\$191,100.00~~ **\$229,600.00**.
- 13 (f) Grand Rapids Community College, ~~\$736,400.00~~ **\$993,100.00**.
- 14 (g) Henry Ford College, ~~\$883,900.00~~ **\$1,167,000.00**.
- 15 (h) Jackson College, ~~\$500,400.00~~ **\$538,900.00**.
- 16 (i) Kalamazoo Valley Community College, ~~\$513,900.00~~ **\$676,200.00**.
- 17 (j) Kellogg Community College, ~~\$402,700.00~~ **\$487,300.00**.
- 18 (k) Kirtland Community College, ~~\$131,700.00~~ **\$219,500.00**.
- 19 (l) Lake Michigan College, ~~\$223,700.00~~ **\$275,700.00**.
- 20 (m) Lansing Community College, ~~\$1,288,700.00~~ **\$1,376,900.00**.
- 21 (n) Macomb Community College, ~~\$1,344,500.00~~ **\$1,635,800.00**.
- 22 (o) Mid Michigan Community College, ~~\$203,400.00~~ **\$273,700.00**.
- 23 (p) Monroe County Community College, ~~\$186,200.00~~ **\$257,400.00**.
- 24 (q) Montcalm Community College, ~~\$140,100.00~~ **\$188,300.00**.
- 25 (r) C.S. Mott Community College, ~~\$644,900.00~~ **\$658,300.00**.
- 26 (s) Muskegon Community College, ~~\$364,400.00~~ **\$444,300.00**.
- 27 (t) North Central Michigan College, ~~\$133,000.00~~ **\$226,600.00**.
- 28 (u) Northwestern Michigan College, ~~\$375,300.00~~ **\$439,700.00**.
- 29 (v) Oakland Community College, ~~\$871,300.00~~ **\$1,257,800.00**.
- 30 (w) Schoolcraft College, ~~\$517,700.00~~ **\$743,300.00**.
- 31 (x) Southwestern Michigan College, ~~\$273,800.00~~ **\$353,400.00**.
- 32 (y) St. Clair County Community College, ~~\$289,700.00~~ **\$401,400.00**.

1 (z) Washtenaw Community College, ~~\$543,500.00.~~ **\$995,400.00.**

2 (aa) Wayne County Community College, ~~\$690,100.00.~~ **\$782,700.00.**

3 (bb) West Shore Community College, ~~\$101,400.00.~~ **\$135,400.00.**

4 Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds
5 appropriated in section 201 **and section 201e** are appropriated for community colleges with
6 fiscal years ending June 30, ~~2022–2023~~ and shall be paid out of the state treasury and
7 distributed by the state treasurer to the respective community colleges in 11 monthly
8 installments on the sixteenth of each month, or the next succeeding business day, beginning
9 with October 16, ~~2021–2022~~. Each community college shall accrue its July and August ~~2022~~
10 **2023** payments to its institutional fiscal year ending June 30, ~~2022–2023~~.

11 (2) The funds appropriated in section 201(4)(b) are appropriated for community
12 colleges with fiscal years ending June 30, ~~2022–2023~~ and shall be distributed to the
13 respective community colleges in quarterly installments on the sixteenth of each November,
14 February, May, and August. Each community college shall accrue its August ~~2022–2023~~
15 payments to its institutional fiscal year ending June 30, ~~2022–2023~~.

16 (3) If the state budget director determines that a community college failed to submit
17 any of the following information in the form and manner specified by the center, the state
18 treasurer shall, subject to subsection (4), withhold the monthly installments from that
19 community college until those data are submitted:

20 (a) The Michigan community colleges verified data inventory data for the preceding
21 academic year to the center by the first business day of November of each year as specified
22 in section 217.

23 ~~(b) The college credit opportunity data set as specified in section 209.~~

24 **(b)** ~~(c)~~ The longitudinal data set for the preceding academic year to the center as
25 specified in section 219.

26 **(c)** ~~(d)~~ The annual independent audit as specified in section 222.

27 **(d)** ~~(e)~~ Tuition and mandatory fees information for the current academic year as
28 specified in section 225.

29 **(e)** ~~(f)~~ The number and type of associate degrees and other certificates awarded
30 during the previous academic year as specified in section 226.

31 ~~(4) The state budget director shall notify the chairs of the house and senate~~
32 ~~appropriations subcommittees on community colleges at least 10 days before withholding~~

1 ~~funds from any community college under subsection (3).~~

2 Sec. 207a. The following apply to the allocation of the fiscal year ~~2021-2022~~**2022-**
3 **2023** appropriations described in section 201(4):

4 (a) A community college that receives money under section 201(4) shall use that money
5 solely for the purpose of offsetting a portion of the retirement contributions owed by the
6 college for that fiscal year.

7 (b) The amount allocated to each participating community college under section
8 201(4) (a) shall be based on each college's percentage of the total covered payroll for all
9 community colleges that are participating colleges in the immediately preceding fiscal
10 year.

11 (c) The amount allocated to each participating community college under section
12 201(4) (b) shall be based on each college's reported quarterly payroll for members for the
13 current fiscal year.

14 Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2021-2022~~
15 **2022-2023** appropriations described in section 201(5) for payments to community colleges
16 that are participating entities of the retirement system:

17 (a) The amount of a payment under section 201(5) shall be the difference between the
18 unfunded actuarial accrued liability contribution rate as calculated under section 41 of
19 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated
20 without taking into account the maximum employer rate of 20.96% included in section 41 of
21 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
22 maximum employer rate of 20.96% under section 41 of the public school employees retirement
23 act of 1979, 1980 PA 300, MCL 38.1341.

24 (b) The amount allocated to each community college under section 201(5) shall be
25 based on each community college's percentage of the total covered payroll for all community
26 colleges that are participating colleges in the immediately preceding fiscal year. A
27 community college that receives funds under this subdivision shall use the funds solely for
28 the purpose of retirement contributions under section 201(5).

29 (c) Each participating college that receives funds under section 201(5) shall forward
30 an amount equal to the amount allocated under subdivision (b) to the retirement system in a
31 form and manner determined by the retirement system.

32 Sec. 207c. All of the following apply to the allocation of the appropriations

1 described in section 201(6) to community colleges described in section 12(3) of the
2 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

3 (a) The amount allocated to each community college under section 201(6) for fiscal
4 year ~~2021-2022~~ **2022-2023** shall be based on that community college's proportion of total
5 revenue lost by community colleges as a result of the exemption of property taxes levied in
6 ~~2021-2022~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

7 (b) The appropriations described in section 201(6) shall be made to each eligible
8 community college within 60 days after the department of treasury certifies to the state
9 budget director that it has received all necessary information to properly determine the
10 amounts payable to each eligible community college under section 12 of the Michigan
11 renaissance zone act, 1996 PA 376, MCL 125.2692.

12 Sec. 209. (1) Within 30 days after the board of a community college adopts its annual
13 operating budget for the following fiscal year, or after the board adopts a subsequent
14 revision to that budget, the community college shall make all of the following information
15 available through a link on its website homepage, ~~and shall also submit this information,~~
16 ~~and the information described in subsections (4) and (5), to the state budget director, who~~
17 ~~will compile the information it receives into a single report for all community colleges~~
18 ~~and will submit the report to the house and senate appropriations subcommittees on~~
19 ~~community colleges and the house and senate fiscal agencies:~~

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

21 (b) A link to the most recent "Michigan Community College Data Inventory Report".

22 (c) General fund revenue and expenditure projections for the current fiscal year and
23 the next fiscal year.

24 (d) A listing of all debt service obligations, detailed by project, anticipated
25 payment of each project, and total outstanding debt for the current fiscal year.

26 (e) Links to all of the following for the community college:

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

28 (ii) Each health care benefits plan, including, but not limited to, medical, dental,
29 vision, disability, long-term care, or any other type of benefits that would constitute
30 health care services, offered to any bargaining unit or employee of the community college.

31 (iii) Audits and financial reports for the most recent fiscal year for which they are

1 available.

2 (iv) A copy of the board of trustees resolution regarding compliance with best
3 practices for the local strategic value component described in section 230(2).

4 (f) A map that includes the boundaries of the community college district.

5 (2) For statewide consistency and public visibility, community colleges must use the
6 icon badge provided by the department of technology, management, and budget consistent with
7 the icon badge developed by the department of education for K-12 school districts. It must
8 appear on the front of each community college's homepage. The size of the icon may be
9 reduced to 150 x 150 pixels.

10 ~~(3) The state budget director shall determine whether a community college has~~
11 ~~complied with this section. The state budget director may withhold a community college's~~
12 ~~monthly installments described in section 206 until the community college complies with~~
13 ~~this section. The state budget director shall notify the chairs of the house and senate~~
14 ~~appropriations subcommittee on community colleges at least 10 days before withholding funds~~
15 ~~from any community college.~~

16 ~~(4) Each community college shall report the following information to the senate and~~
17 ~~house appropriations subcommittees on community colleges, the senate and house fiscal~~
18 ~~agencies, and the state budget office by November 15 and post that information on its~~
19 ~~website as required under subsection (1):~~

20 ~~(a) Budgeted current fiscal year general fund revenue from tuition and fees.~~

21 ~~(b) Budgeted current fiscal year general fund revenue from state appropriations.~~

22 ~~(c) Budgeted current fiscal year general fund revenue from property taxes.~~

23 ~~(d) Budgeted current fiscal year total general fund revenue.~~

24 ~~(e) Budgeted current fiscal year total general fund expenditures.~~

25 ~~(5) By the first business day of November of each year, a community college shall~~
26 ~~post the following information on its website under the budget transparency icon badge:~~

27 ~~(a) Opportunities for earning college credit through the following programs:~~

28 ~~(i) State approved career and technical education or a tech prep articulated program~~
29 ~~of study.~~

30 ~~(ii) Direct college credit or concurrent enrollment.~~

31 ~~(iii) Dual enrollment.~~

1 ~~(iv) An early college/middle college program.~~

2 ~~(b) For each program described in subdivision (a) that the community college offers,~~
3 ~~all of the following information:~~

4 ~~(i) The number of high school students participating in the program.~~

5 ~~(ii) The number of school districts that participate in the program with the community~~
6 ~~college.~~

7 ~~(iii) Whether a college professor, qualified local school district employee, or other~~
8 ~~individual teaches the course or courses in the program.~~

9 ~~(iv) The total cost to the community college to operate the program.~~

10 ~~(v) The cost per credit hour for the course or courses in the program.~~

11 ~~(vi) The location where the course or courses in the program are held.~~

12 ~~(vii) Instructional resources offered to the program instructors.~~

13 ~~(viii) Resources offered to the student in the program.~~

14 ~~(ix) Transportation services provided to students in the program.~~

15 Sec. 209a. (1) A public community college shall develop, maintain, and update a
16 "campus safety information and resources" link, prominently displayed on the homepage of
17 its website, to a section of its website containing all of the information required under
18 subsection (2).

19 (2) The "campus safety information and resources" section of a public community
20 college's website shall include, but not be limited to, all of the following information:

21 (a) Emergency contact numbers for police, fire, health, and other services.

22 (b) Hours, locations, phone numbers, and electronic mail contacts for campus public
23 safety offices and title IX offices.

24 (c) A list of safety and security services provided by the community college,
25 including transportation, escort services, building surveillance, anonymous tip lines, and
26 other available security services.

27 (d) A public community college's policies applicable to minors on community college
28 property.

29 (e) A directory of resources available at the community college or surrounding
30 community for students or employees who are survivors of sexual assault or sexual abuse.

1 (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors,
2 Friends and Family", published in 2018.

3 (g) Campus security policies and crime statistics pursuant to the student right-to-
4 know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include
5 all material prepared pursuant to the public information reporting requirements under the
6 crime awareness and campus security act of 1990, title II of the student right-to-know and
7 campus security act, Public Law 101-542, 104 Stat 2381.

8 ~~(3) A community college shall certify to the state budget director by October 1, 2021~~
9 ~~that it is in compliance with this section. The state budget director may withhold a public~~
10 ~~community college's monthly installments described in section 206 until the public~~
11 ~~community college complies with this section.~~

12 **Sec. 226e. It is the goal of the governor to ensure that 60% of Michigan's residents**
13 **achieve a postsecondary credential, high-quality industry certification, associate degree,**
14 **or bachelor's degree by 2030.**

15 Sec. 229a. Included in the fiscal year ~~2021-2022-2022-2023~~ appropriations for the
16 department of technology, management, and budget are appropriations totaling ~~\$32,681,600.00~~
17 **\$32,981,600.00** to provide funding for the state share of costs for previously constructed
18 capital projects for community colleges. Those appropriations for state building authority
19 rent represent additional state general fund support for community colleges, and the
20 following is an estimate of the amount of that support to each community college:

- 21 (a) Alpena Community College, ~~\$933,000.00.~~ **\$902,600.00.**
22 (b) Bay de Noc Community College, ~~\$538,000.00.~~ **\$520,600.00.**
23 (c) Delta College, ~~\$2,706,700.00.~~ **\$2,732,600.00.**
24 (d) Glen Oaks Community College, ~~\$128,500.00.~~ **\$194,600.00.**
25 (e) Gogebic Community College, ~~\$58,500.00.~~ **\$56,600.00.**
26 (f) Grand Rapids Community College, ~~\$1,210,000.00.~~ **\$1,097,700.00.**
27 (g) Henry Ford College, ~~\$1,073,900.00.~~ **\$1,174,500.00.**
28 (h) Jackson College, ~~\$2,260,600.00.~~ **\$2,187,400.00.**
29 (i) Kalamazoo Valley Community College, ~~\$2,028,700.00.~~ **\$1,963,000.00.**
30 (j) Kellogg Community College, ~~\$709,300.00.~~ **\$686,300.00.**
31 (k) Kirtland Community College, ~~\$235,000.00.~~ **\$227,400.00.**
32 (l) Lake Michigan College, ~~\$1,009,100.00.~~ **\$976,400.00.**

- 1 (m) Lansing Community College, ~~\$1,191,900.00.~~ **\$1,153,300.00.**
- 2 (n) Macomb Community College, ~~\$1,722,600.00.~~ **\$1,966,900.00.**
- 3 (o) Mid Michigan Community College, ~~\$1,687,100.00.~~ **\$1,632,400.00.**
- 4 (p) Monroe County Community College, ~~\$1,608,700.00.~~ **\$1,556,600.00.**
- 5 (q) Montcalm Community College, ~~\$465,900.00.~~ **\$450,800.00.**
- 6 (r) C.S. Mott Community College, ~~\$2,196,900.00.~~ **\$2,125,700.00.**
- 7 (s) Muskegon Community College, ~~\$1,025,800.00.~~ **\$992,600.00.**
- 8 (t) North Central Michigan College, ~~\$502,500.00.~~ **\$692,400.00.**
- 9 (u) Northwestern Michigan College, ~~\$1,866,800.00.~~ **\$1,806,300.00.**
- 10 (v) Oakland Community College, \$0.00.
- 11 (w) Schoolcraft College, ~~\$1,824,000.00.~~ **\$2,371,300.00.**
- 12 (x) Southwestern Michigan College, ~~\$859,200.00.~~ **\$831,400.00.**
- 13 (y) St. Clair County Community College, ~~\$750,100.00.~~ **\$725,800.00.**
- 14 (z) Washtenaw Community College, ~~\$1,792,600.00.~~ **\$1,734,600.00.**
- 15 (aa) Wayne County Community College, ~~\$1,527,300.00.~~ **\$1,477,900.00.**
- 16 (bb) West Shore Community College, ~~\$768,900.00.~~ **\$743,900.00.**

17 Sec. 230. (1) ~~With the exception of fiscal year 2020-2021, and subject~~ **Subject** to
18 subsection (4), money included in the appropriations for community college operations under
19 section 201(2) for performance funding **and section 201e for one-time performance funding** is
20 distributed based on the following formula:

21 (a) Allocated proportionate to fiscal year ~~2020-2021-2021-2022~~ base appropriations,
22 30%.

23 (b) Based on a weighted student contact hour formula as provided for in the 2016
24 recommendations of the performance indicators task force, 30%.

25 (c) Based on the performance improvement as provided for in the 2016 recommendations
26 of the performance indicators task force and based on data provided by the center, 10%.

27 (d) Based on the performance completion number as provided for in the 2016
28 recommendations of the performance indicators task force, 10%.

29 (e) Based on the performance completion rate as provided for in the 2016
30 recommendations of the performance indicators task force and based on data provided by the
31 center, 10%.

32 (f) Based on administrative costs, 5%.

1 (g) Based on the local strategic value component, as developed in cooperation with
2 the Michigan Community College Association and described in subsection (2), 5%.

3 (2) Money included in the appropriations for community college operations under
4 section 201(2) **and section 201e** for local strategic value shall be allocated to each
5 community college that certifies to the state budget director, through a board of trustees
6 resolution on or before October 15, ~~2021~~, **2022**, that the college has met 4 out of 5 best
7 practices listed in each category described in subsection (3). The resolution shall provide
8 specifics as to how the community college meets each best practice measure within each
9 category. One-third of funding available under the strategic value component shall be
10 allocated to each category described in subsection (3). Amounts distributed under local
11 strategic value shall be on a proportionate basis to each college's fiscal year ~~2020-2021~~
12 **2021-2022** operations funding. Payments to community colleges that qualify for local
13 strategic value funding shall be distributed with the November installment payment
14 described in section 206.

15 (3) For purposes of subsection (2), the following categories of best practices
16 reflect functional activities of community colleges that have strategic value to the local
17 communities and regional economies:

18 (a) For Category A, economic development and business or industry partnerships, the
19 following:

20 (i) The community college has active partnerships with local employers including
21 hospitals and health care providers.

22 (ii) The community college provides customized on-site training for area companies,
23 employees, or both.

24 (iii) The community college supports entrepreneurship through a small business
25 assistance center or other training or consulting activities targeted toward small
26 businesses.

27 (iv) The community college supports technological advancement through industry
28 partnerships, incubation activities, or operation of a Michigan technical education center
29 or other advanced technology center.

30 (v) The community college has active partnerships with local or regional workforce
31 and economic development agencies.

1 (b) For Category B, educational partnerships, the following:

2 (i) The community college has active partnerships with regional high schools,
3 intermediate school districts, and career-tech centers to provide instruction through dual
4 enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

5 (ii) The community college hosts, sponsors, or participates in enrichment programs for
6 area K-12 students, such as college days, summer or after-school programming, or Science
7 Olympiad.

8 (iii) The community college provides, supports, or participates in programming to
9 promote successful transitions to college for traditional age students, including grant
10 programs such as talent search, upward bound, or other activities to promote college
11 readiness in area high schools and community centers.

12 (iv) The community college provides, supports, or participates in programming to
13 promote successful transitions to college for new or reentering adult students, such as
14 adult basic education, a high school equivalency test preparation program and testing, or
15 recruiting, advising, or orientation activities specific to adults. As used in this
16 subparagraph, "high school equivalency test preparation program" means that term as defined
17 in section 4.

18 (v) The community college has active partnerships with regional 4-year colleges and
19 universities to promote successful transfer, such as articulation, 2+2, or reverse transfer
20 agreements or operation of a university center.

21 (c) For Category C, community services, the following:

22 (i) The community college provides continuing education programming for leisure,
23 wellness, personal enrichment, or professional development.

24 (ii) The community college operates or sponsors opportunities for community members to
25 engage in activities that promote leisure, wellness, cultural or personal enrichment such
26 as community sports teams, theater or musical ensembles, or artist guilds.

27 (iii) The community college operates public facilities to promote cultural,
28 educational, or personal enrichment for community members, such as libraries, computer
29 labs, performing arts centers, museums, art galleries, or television or radio stations.

30 (iv) The community college operates public facilities to promote leisure or wellness

1 activities for community members, including gymnasiums, athletic fields, tennis courts,
2 fitness centers, hiking or biking trails, or natural areas.

3 (v) The community college promotes, sponsors, or hosts community service activities
4 for students, staff, or community members.

5 (4) Payments for performance funding under section 201(2) **and for one-time**
6 **performance funding under section 201e** shall be made to a community college only if that
7 community college actively participates in the Michigan Transfer Network sponsored by the
8 Michigan Association of Collegiate Registrars and Admissions Officers and submits timely
9 updates, including updated course equivalencies at least every 6 months, to the Michigan
10 transfer network. The state budget director shall determine if a community college has not
11 satisfied this requirement. The state budget director may withhold payments for performance
12 funding until a community college is in compliance with this subsection.

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ARTICLE III

STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2022~~, **2023**, from the funds indicated in this section. The following is a summary of the appropriations in this section ~~and section 236h~~:

(a) The gross appropriation is ~~\$1,808,251,200.00~~. **\$1,852,614,900.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$1,808,251,200.00~~. **\$1,852,614,900.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

- (i) Total federal revenues, ~~\$128,526,400.00~~. **\$122,426,400.00**.
- (ii) Total local revenues, \$0.00.
- (iii) Total private revenues, \$0.00.
- (iv) Total other state restricted revenues, ~~\$361,403,300.00~~. **\$347,888,300.00**.
- (v) State general fund/general purpose money, ~~\$1,318,321,500.00~~. **\$1,382,300,200.00**.

1 (2) Amounts appropriated for public universities are as follows:

2 (a) The appropriation for Central Michigan University is ~~\$90,440,500.00,~~
3 ~~\$87,600,000.00 for operations, \$876,000.00 for 1-time supplemental funding, and~~
4 ~~\$1,964,500.00 for costs incurred under the North American Indian tuition waiver.~~
5 **\$93,773,100.00, \$87,600,000.00 for operations, \$4,380,000.00 for operational support**
6 **payments, and \$1,793,100.00 for costs incurred under the North American Indian tuition**
7 **waiver.**

8 (b) The appropriation for Eastern Michigan University is ~~\$78,305,900.00,~~
9 ~~\$77,253,700.00 for operations, \$772,500.00 for 1-time supplemental funding, and \$279,700.00~~
10 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$81,470,000.00,**
11 **\$77,253,700.00 for operations, \$3,862,700.00 for operational support payments, and**
12 **\$353,600.00 for costs incurred under the North American Indian tuition waiver.**

13 (c) The appropriation for Ferris State University is ~~\$56,541,600.00, \$55,025,500.00~~
14 ~~for operations, \$550,300.00 for 1-time supplemental funding, and \$965,800.00 for costs~~
15 ~~incurred under the North American Indian tuition waiver.~~ **\$58,603,700.00, \$55,025,500.00 for**
16 **operations, \$2,751,300.00 for operational support payments, and \$826,900.00 for costs**
17 **incurred under the North American Indian tuition waiver.**

18 (d) The appropriation for Grand Valley State University is ~~\$74,213,800.00,~~
19 ~~\$72,313,500.00 for operations, \$723,100.00 for 1-time supplemental funding, and~~
20 ~~\$1,177,200.00 for costs incurred under the North American Indian tuition waiver.~~
21 **\$82,661,800.00, \$72,313,500.00 for operations, \$3,615,700.00 for operational support**
22 **payments, \$5,453,300.00 for per-student floor funding, and \$1,279,300.00 for costs incurred**
23 **under the North American Indian tuition waiver.**

24 (e) The appropriation for Lake Superior State University is ~~\$14,366,600.00,~~
25 ~~\$13,307,000.00 for operations, \$133,100.00 for 1-time supplemental funding, and \$926,500.00~~
26 ~~for costs incurred under the North American Indian tuition waiver.~~ **\$14,761,200.00,**
27 **\$13,307,000.00 for operations, \$665,400.00 for operational support payments, and**
28 **\$788,800.00 for costs incurred under the North American Indian tuition waiver.**

29 (f) The appropriation for Michigan State University is ~~\$357,862,000.00,~~
30 ~~\$287,331,700.00 for operations, \$2,873,300.00 for 1-time supplemental funding,~~
31 ~~\$1,932,800.00 for costs incurred under the North American Indian tuition waiver,~~
32 ~~\$35,286,700.00 for MSU AgBioResearch, and \$30,437,500.00 for MSU Extension.~~ **\$372,071,900.00,**

1 \$287,331,700.00 for operations, \$14,366,600.00 for operational support payments,
2 \$2,046,400.00 for costs incurred under the North American Indian tuition waiver,
3 \$36,684,200.00 for MSU AgBioResearch, and \$31,643,000.00 for MSU Extension.

4 (g) The appropriation for Michigan Technological University is ~~\$51,371,900.00,~~
5 ~~\$50,101,600.00 for operations, \$501,000.00 for 1-time supplemental funding, and \$769,300.00~~
6 ~~for costs incurred under the North American Indian tuition waiver.~~ \$53,454,100.00,
7 \$50,101,600.00 for operations, \$2,505,100.00 for operational support payments, and
8 \$847,400.00 for costs incurred under the North American Indian tuition waiver.

9 (h) The appropriation for Northern Michigan University is ~~\$49,338,700.00,~~
10 ~~\$47,809,100.00 for operations, \$478,100.00 for 1-time supplemental funding, and~~
11 ~~\$1,051,500.00 for costs incurred under the North American Indian tuition waiver.~~
12 \$51,360,900.00, \$47,809,100.00 for operations, \$2,390,500.00 for operational support
13 payments, and \$1,161,300.00 for costs incurred under the North American Indian tuition
14 waiver.

15 (i) The appropriation for Oakland University is ~~\$54,012,900.00, \$53,147,400.00 for~~
16 ~~operations, \$531,500.00 for 1-time supplemental funding, and \$334,000.00 for costs incurred~~
17 ~~under the North American Indian tuition waiver.~~ \$61,538,300.00, \$53,147,400.00 for
18 operations, \$2,657,400.00 for operational support payments, \$5,378,200.00 for per-student
19 floor funding, and \$355,300.00 for costs incurred under the North American Indian tuition
20 waiver.

21 (j) The appropriation for Saginaw Valley State University is ~~\$31,043,500.00,~~
22 ~~\$30,583,800.00 for operations, \$305,800.00 for 1-time supplemental funding, and \$153,900.00~~
23 ~~for costs incurred under the North American Indian tuition waiver.~~ \$32,346,300.00,
24 \$30,583,800.00 for operations, \$1,529,200.00 for operational support payments, \$45,000.00
25 for per-student floor funding, and \$188,300.00 for costs incurred under the North American
26 Indian tuition waiver.

27 (k) The appropriation for University of Michigan - Ann Arbor is ~~\$326,265,400.00,~~
28 ~~\$321,970,100.00 for operations, \$3,219,700.00 for 1-time supplemental funding, and~~
29 ~~\$1,075,600.00 for costs incurred under the North American Indian tuition waiver.~~
30 \$338,906,400.00, \$321,970,100.00 for operations, \$16,098,600.00 for operational support
31 payments, and \$837,700.00 for costs incurred under the North American Indian tuition
32 waiver.

1 (l) The appropriation for University of Michigan - Dearborn is ~~\$26,593,700.00,~~
2 ~~\$26,167,000.00 for operations, \$261,700.00 for 1-time supplemental funding, and \$165,000.00~~
3 ~~for costs incurred under the North American Indian tuition waiver. \$28,957,000.00,~~
4 **\$26,167,000.00 for operations, \$1,308,400.00 for operational support payments,**
5 **\$1,235,400.00 for per-student floor funding, and \$246,200.00 for costs incurred under the**
6 **North American Indian tuition waiver.**

7 (m) The appropriation for University of Michigan - Flint is ~~\$24,197,400.00,~~
8 ~~\$23,616,200.00 for operations, \$236,200.00 for 1-time supplemental funding, and \$345,000.00~~
9 ~~for costs incurred under the North American Indian tuition waiver. \$25,809,600.00,~~
10 **\$23,616,200.00 for operations, \$1,180,900.00 for operational support payments, \$628,100.00**
11 **for per-student floor funding, and \$384,400.00 for costs incurred under the North American**
12 **Indian tuition waiver.**

13 (n) The appropriation for Wayne State University is ~~\$205,496,400.00, \$202,996,700.00~~
14 ~~for operations, \$2,030,000.00 for 1-time supplemental funding, and \$469,700.00 for costs~~
15 ~~incurred under the North American Indian tuition waiver. \$213,499,700.00, \$202,996,700.00~~
16 **for operations, \$10,149,900.00 for operational support payments, and \$353,100.00 for costs**
17 **incurred under the North American Indian tuition waiver.**

18 (o) The appropriation for Western Michigan University is ~~\$113,432,700.00,~~
19 ~~\$111,522,200.00 for operations, \$1,115,200.00 for 1-time supplemental funding, and~~
20 ~~\$795,300.00 for costs incurred under the North American Indian tuition waiver.~~
21 **\$117,697,700.00, \$111,522,200.00 for operations, \$5,576,200.00 for operational support**
22 **payments, and \$599,300.00 for costs incurred under the North American Indian tuition**
23 **waiver.**

24 (3) The amount appropriated in subsection (2) for public universities is
25 ~~\$1,553,483,000.00, \$1,626,911,700.00,~~ appropriated from the following:

26 (a) State school aid fund, \$343,168,300.00.

27 (b) State general fund/general purpose money, ~~\$1,210,314,700.00. \$1,283,743,400.00.~~

28 (4) The amount appropriated for Michigan public school employees' retirement system
29 reimbursement is ~~\$13,495,000.00, \$70,000.00,~~ appropriated from the state school aid fund.

30 (5) The amount appropriated for state and regional programs is \$316,800.00,
31 appropriated from general fund/general purpose money and allocated as follows:

32 (a) Higher education database modernization and conversion, \$200,000.00.

1 (b) Midwestern Higher Education Compact, \$116,800.00.

2 (6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa
3 Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and
4 allocated as follows:

5 (a) Select student support services, \$1,956,100.00.

6 (b) Michigan college/university partnership program, \$586,800.00.

7 (c) Morris Hood, Jr. educator development program, \$148,600.00.

8 (7) Subject to subsection (8), the amount appropriated for grants and financial aid
9 is ~~\$147,783,200.00~~, **\$141,683,200.00**, allocated as follows:

10 (a) State competitive scholarships, \$29,861,700.00.

11 (b) Tuition grants, \$42,021,500.00.

12 (c) Tuition incentive program, ~~\$71,300,000.00~~, **\$65,200,000.00**.

13 (d) Children of veterans and officer's survivor tuition grant programs,
14 \$1,400,000.00.

15 (e) Project GEAR-UP, \$3,200,000.00.

16 (8) The money appropriated in subsection (7) for grants and financial aid is
17 appropriated from the following:

18 (a) Federal revenues under the United States Department of Education, Office of
19 Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

20 (b) Federal revenues under the social security act, temporary assistance for needy
21 families, ~~\$125,326,400.00~~, **\$119,226,400.00**.

22 (c) State general fund/general purpose money, \$19,256,800.00.

23 (9) For fiscal year ~~2021-2022 only~~, **2022-2023** in addition to the allocation under
24 subsection (4), from the appropriations described in subsection (1), there is allocated an
25 amount not to exceed ~~\$4,740,000.00~~, **\$4,650,000.00** for payments to participating public
26 universities, appropriated from the state school aid fund. A university that receives money
27 under this subsection shall use that money solely for the purpose of offsetting the normal
28 cost contribution rate. As used in this subsection, "participating public universities"
29 means public universities that are a reporting unit of the Michigan public school
30 employees' retirement system under the public school employees retirement act of 1979, 1980
31 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school
32 employees' retirement system for the state fiscal year.

1 ~~(11) The amount of one-time funding appropriated for the Japan Center for Michigan~~
2 ~~Universities is \$500,000.00, appropriated from the state general fund/general purpose money~~
3 ~~and allocated to support the operations of the Japan Center.~~

4 Sec. 236b. In addition to the funds appropriated in section 236, there is
5 appropriated for grants and financial aid in fiscal year ~~2021-2022-2022-2023~~ an amount not
6 to exceed \$6,000,000.00 for federal contingency authorization. These funds are not
7 available for expenditure until they have been transferred under section 393(2) of the
8 management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this
9 article.

10 Sec. 236c. In addition to the funds appropriated for fiscal year ~~2021-2022-2022-2023~~
11 in section 236, appropriations to the department of technology, management, and budget in
12 the act providing general appropriations for fiscal year ~~2021-2022-2022-2023~~ for state
13 building authority rent, totaling an estimated ~~\$130,595,300.00-\$132,295,300.00~~ provide
14 funding for the state share of costs for previously constructed capital projects for state
15 universities. These appropriations for state building authority rent represent additional
16 state general fund support provided to public universities, and the following is an
17 estimate of the amount of that support to each university:

- 18 (a) Central Michigan University, ~~\$13,227,700.00-\$12,973,000.00.~~
- 19 (b) Eastern Michigan University, ~~\$6,168,300.00-\$6,049,500.00.~~
- 20 (c) Ferris State University, ~~\$8,104,200.00-\$8,392,700.00.~~
- 21 (d) Grand Valley State University, ~~\$7,380,000.00-\$8,653,400.00.~~
- 22 (e) Lake Superior State University, ~~\$1,842,700.00-\$2,340,600.00.~~
- 23 (f) Michigan State University, ~~\$17,351,100.00-\$16,673,800.00.~~
- 24 (g) Michigan Technological University, ~~\$3,488,700.00-\$3,421,600.00.~~
- 25 (h) Northern Michigan University, ~~\$7,486,500.00-\$7,342,400.00.~~
- 26 (i) Oakland University, ~~\$9,059,800.00-\$9,488,200.00.~~
- 27 (j) Saginaw Valley State University, ~~\$8,009,900.00-\$7,855,700.00.~~
- 28 (k) University of Michigan - Ann Arbor, ~~\$10,459,000.00-\$12,065,900.00.~~
- 29 (l) University of Michigan - Dearborn, ~~\$11,336,800.00-\$10,774,000.00.~~
- 30 (m) University of Michigan - Flint, ~~\$6,546,200.00-\$6,084,700.00.~~
- 31 (n) Wayne State University, ~~\$10,489,800.00-\$10,118,000.00.~~
- 32 (o) Western Michigan University, ~~\$9,644,600.00-\$10,061,800.00.~~

1 Sec. 236i. (1) In addition to the funds appropriated under section 236(2) for
2 university operations, for the fiscal year ending September 30, ~~2021-2023~~ only, there is
3 appropriated an amount not to exceed ~~\$57,304,000.00 from the state general fund/general~~
4 ~~purpose money~~ **\$73,037,900.00** for **one-time** operational support payments, **\$1,746,900.00** for
5 **one-time support for MSU AgBioResearch**, and **\$1,506,900.00** for **one-time support for MSU**
6 **Extension**. These funds are intended to be used for the same purposes as the funds
7 appropriated under section 201(2) ~~for university operations~~, and are appropriated from
8 **state general fund/general purpose money**.

9 (2) From the amount appropriated in subsection (1), each university is allocated the
10 following:

- 11 (a) Central Michigan University, ~~\$3,437,300.00~~ **\$4,380,000.00**.
- 12 (b) Eastern Michigan University, ~~\$3,030,400.00~~ **\$3,862,700.00**.
- 13 (c) Ferris State University, ~~\$2,158,400.00~~ **\$2,751,300.00**.
- 14 (d) Grand Valley State University, ~~\$2,836,600.00~~ **\$3,615,700.00**.
- 15 (e) Lake Superior State University, ~~\$525,900.00~~ **\$665,400.00**.
- 16 (f) Michigan State University, ~~\$11,270,800.00~~ **\$14,366,600.00**.
- 17 (g) Michigan Technological University, ~~\$1,965,300.00~~ **\$2,505,100.00**.
- 18 (h) Northern Michigan University, ~~\$1,875,400.00~~ **\$2,390,500.00**.
- 19 (i) Oakland University, ~~\$2,084,800.00~~ **\$2,657,400.00**.
- 20 (j) Saginaw Valley State University, ~~\$1,199,700.00~~ **\$1,529,200.00**.
- 21 (k) University of Michigan - Ann Arbor, ~~\$12,629,500.00~~ **\$16,098,600.00**.
- 22 (l) University of Michigan - Dearborn, ~~\$1,026,400.00~~ **\$1,308,400.00**.
- 23 (m) University of Michigan - Flint, ~~\$926,400.00~~ **\$1,180,900.00**.
- 24 (n) Wayne State University, ~~\$7,962,600.00~~ **\$10,149,900.00**.
- 25 (o) Western Michigan University, ~~\$4,374,500.00~~ **\$5,576,200.00**.

26 **Sec. 236k. (1) The amounts appropriated in section 236 for per-student floor funding**
27 **are distributed to those public universities whose annual state appropriations per fiscal**
28 **year equated student is less than \$4,500.00 and are to be allocated each year over four**
29 **years until a funding floor of \$4,500.00 is met.**

30 (2) The per-student floor funding allocation for fiscal year 2022-2023 is an amount
31 equal to (the difference between \$4,500.00 and the amount calculated by dividing the annual
32 state appropriations for fiscal year 2020-2021 by fiscal year equated student for fiscal

1 year 2020-2021) divided by 4. The amount paid to an eligible public university is the
2 amount calculated in the immediately preceding sentence multiplied by fiscal year equated
3 student for fiscal year 2020-2021. If a calculation under this section results in an amount
4 less than \$0, the payment under this section is equal to \$0. It is the intent that each
5 university will reach a minimum funding level of at least \$4,500.00 over 4 years.

6 (3) As used in this section:

7 (a) "Annual state appropriations" are those total amounts allocated in section 236(2)
8 with the exception of MSU AgBioResearch and MSU Extension for the fiscal year ending
9 September 30, 2021.

10 (b) "Fiscal year equated student" is the total fiscal year equated student as defined
11 and reported in the higher education institutional data inventory for fiscal year ending
12 September 30, 2021.

13 Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in section 236
14 and section 236i to public universities shall be paid out of the state treasury and
15 distributed by the state treasurer to the respective institutions in 11 equal monthly
16 installments on the sixteenth of each month, or the next succeeding business day, beginning
17 with October 16, ~~2021~~ **2022**. Except for Wayne State University, each institution shall
18 accrue its July and August ~~2022~~ **2023** payments to its institutional fiscal year ending June
19 30, ~~2022~~ **2023**.

20 (2) All public universities shall submit higher education institutional data
21 inventory (HEIDI) data and associated financial and program information requested by and in
22 a manner prescribed by the state budget director. For public universities with fiscal years
23 ending June 30, these data shall be submitted to the state budget director by October 15 of
24 each fiscal year. Public universities with a fiscal year ending September 30, ~~2021~~ **2022**
25 shall submit preliminary HEIDI data by November 15, ~~2021~~ **2022** and final data by December
26 15, ~~2021~~ **2022**. If a public university fails to submit HEIDI data and associated financial
27 aid program information in accordance with this reporting schedule, the state treasurer may
28 withhold the monthly installments under subsection (1) to the public university until those
29 data are submitted.

30 Sec. 245. (1) A public university shall maintain a public transparency website
31 available through a link on its website homepage. The public university shall update this
32 website within 30 days after the university's governing board adopts its annual operating

1 budget for the next academic year, or after the governing board adopts a subsequent
2 revision to that budget. ~~In addition, each public university shall submit the information~~
3 ~~described in subsections (2), (3), (6), and (7) to the state budget director, who will~~
4 ~~compile the information into a single report for all public universities and will submit~~
5 ~~the report to the house and senate appropriations subcommittees on higher education and the~~
6 ~~house and senate fiscal agencies.~~

7 (2) The website required under subsection (1) shall include all of the following
8 concerning the public university:

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

10 (b) A summary of current expenditures for the most recent fiscal year for which they
11 are available, expressed as pie charts in the following 2 categories:

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

13 (A) Earnings and wages.

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

16 (C) Retirement benefit costs.

17 (D) All other personnel costs.

18 (ii) A chart of all current expenditures the public university reported as part of its
19 higher education institutional data inventory data under section 241(2), broken into the
20 same subcategories in which it reported those data.

21 (c) Links to all of the following for the public university:

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

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

26 (iii) Audits and financial reports for the most recent fiscal year for which they are
27 available.

28 ~~(d) A list of all positions funded partially or wholly through institutional general~~
29 ~~fund revenue that includes the position title and annual salary or wage amount for each~~
30 ~~position.~~

31 (d) ~~(e)~~ General fund revenue and expenditure projections for the current fiscal year

1 and the next fiscal year.

2 (e) ~~(f)~~—A listing of all debt service obligations, detailed by project, anticipated
3 fiscal year payment for each project, and total outstanding debt for the current fiscal
4 year.

5 (f) ~~(g)~~—The institution's policy regarding the transferability of core college
6 courses between community colleges and the university.

7 (g) ~~(h)~~—A listing of all community colleges that have entered into reverse transfer
8 agreements with the university.

9 (3) On the website required under subsection (1), a public university shall provide a
10 dashboard or report card demonstrating the university's performance in several "best
11 practice" measures. The dashboard or report card shall include at least all of the
12 following for the 3 most recent academic years for which the data are available:

13 (a) Enrollment.

14 (b) Student retention rate.

15 (c) Six-year graduation rates.

16 (d) Number of Pell grant recipients and graduating Pell grant recipients.

17 (e) Geographic origination of students, categorized as in-state, out-of-state, and
18 international.

19 (f) Faculty to student ratios and total university employee to student ratios.

20 (g) Teaching load by faculty classification.

21 (h) Graduation outcome rates, including employment and continuing education.

22 (4) For statewide consistency and public visibility, public universities must use the
23 icon badge provided by the department of technology, management, and budget consistent with
24 the icon badge developed by the department of education for K-12 school districts. It must
25 appear on the front of each public university's homepage. The size of the icon may be
26 reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent
27 with other documents on each university's website.

28 ~~(5) The state budget director shall determine whether a public university has~~
29 ~~complied with this section. The state budget director may withhold a public university's~~
30 ~~monthly installments described in section 241 until the public university complies with~~
31 ~~this section.~~

32 ~~(6) By the first business day of November of each year, a public university shall~~

1 ~~post the following information on its website under the budget transparency icon badge:~~

2 ~~(a) Opportunities for earning college credit through the following programs:~~

3 ~~(i) State approved career and technical education or a tech prep articulated program~~
4 ~~of study.~~

5 ~~(ii) Direct college credit or concurrent enrollment.~~

6 ~~(iii) Dual enrollment.~~

7 ~~(iv) An early college/middle college program.~~

8 ~~(b) For each program described in subdivision (a) that the public university offers,~~
9 ~~all of the following information:~~

10 ~~(i) The number of high school students participating in the program.~~

11 ~~(ii) The number of school districts that participate in the program with the public~~
12 ~~university.~~

13 ~~(iii) Whether a university professor, qualified local school district employee, or~~
14 ~~other individual teaches the course or courses in the program.~~

15 ~~(iv) The total cost to the public university to operate the program.~~

16 ~~(v) The cost per credit hour for the course or courses in the program.~~

17 ~~(vi) The location where the course or courses in the program are held.~~

18 ~~(vii) Instructional resources offered to the program instructors.~~

19 ~~(viii) Resources offered to the student in the program.~~

20 ~~(ix) Transportation services provided to students in the program.~~

21 ~~(5) (7)~~ A public university shall collect and report the number and percentage of all
22 enrolled students who complete the Free Application for Federal Student Aid, broken out by
23 undergraduate and graduate/professional classifications, to the center and post the
24 information on its website under the budget transparency icon badge.

25 Sec. 245a. (1) A public university shall develop, maintain, and update a "campus
26 safety information and resources" link, prominently displayed on the homepage of its
27 website, to a section of its website containing all of the information required under
28 subsection (2).

29 (2) The "campus safety information and resources" section of a public university's
30 website shall include, but not be limited to, all of the following information:

1 (a) Emergency contact numbers for police, fire, health, and other services.

2 (b) Hours, locations, phone numbers, and email contacts for campus public safety
3 offices and title IX offices.

4 (c) A listing of safety and security services provided by the university, including
5 transportation, escort services, building surveillance, anonymous tip lines, and other
6 available security services.

7 (d) A public university's policies applicable to minors on university property.

8 (e) A directory of resources available at the university or surrounding community for
9 students or employees who are survivors of sexual assault or sexual abuse.

10 (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors,
11 Friends and Family", published in 2018.

12 (g) Campus security policies and crime statistics pursuant to the student right-to-
13 know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include
14 all material prepared pursuant to the public information reporting requirements under the
15 crime awareness and campus security act of 1990, title II of the student right-to-know and
16 campus security act, Public Law 101-542, 104 Stat 2381.

17 ~~(3) A public university shall certify to the state budget director by October 1, 2021~~
18 ~~that it is in compliance with this section. The state budget director may withhold a public~~
19 ~~university's monthly installments described in section 241 until the public university~~
20 ~~complies with this section.~~

21 Sec. 251. (1) Payments of the amounts included in section 236 for the state
22 competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971
23 to 390.981.

24 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury
25 shall determine an actual state competitive scholarship award per student, which shall be
26 ~~\$1,000.00~~, **\$1,200.00**, that ensures that the aggregate payments for the state competitive
27 scholarship program do not exceed the appropriation contained in section 236 for the state
28 competitive scholarship program. If the department determines that insufficient funds are
29 available to establish an award amount equal to ~~\$1,000.00~~, **\$1,200.00**, the department shall
30 immediately report to the house and senate appropriations subcommittees on higher
31 education, the house and senate fiscal agencies, and the state budget director regarding
32 the estimated amount of additional funds necessary to establish a ~~\$1,000.00~~ **\$1,200.00** award

1 amount.

2 (3) The department of treasury shall implement a proportional competitive scholarship
3 award level for recipients enrolled less than full-time in a given semester or term.

4 (4) If a student who receives an award under this section has his or her tuition and
5 fees paid under the Michigan educational trust program, pursuant to the Michigan education
6 trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds
7 awarded under this section may be used for educational expenses other than tuition and
8 fees.

9 (5) If the department of treasury increases the award per eligible student from that
10 provided in the previous fiscal year, it shall not have the effect of reducing the number
11 of eligible students receiving awards in relation to the total number of eligible
12 applicants. Any increase in the grant shall be proportional for all eligible students
13 receiving awards.

14 (6) Veterans Administration benefits shall not be considered in determining
15 eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

16 Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant
17 program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

18 (2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in
19 undergraduate degree programs who are qualified and who apply by March 1 of each year for
20 the next academic year.

21 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6)
22 and (7), the department of treasury shall determine an actual tuition grant award per
23 student, which shall be ~~\$2,800.00~~, **\$2,900.00**, that ensures that the aggregate payments for
24 the tuition grant program do not exceed the appropriation contained in section 236 for the
25 state tuition grant program. If the department determines that insufficient funds are
26 available to establish an award amount equal to ~~\$2,800.00~~, **\$2,900.00**, the department shall
27 immediately report to the house and senate appropriations subcommittees on higher
28 education, the house and senate fiscal agencies, and the state budget director regarding
29 the estimated amount of additional funds necessary to establish a ~~\$2,800.00~~ **\$2,900.00** award
30 amount. If the department determines that sufficient funds are available to establish an
31 award amount equal to ~~\$2,800.00~~, **\$2,900.00** the department shall immediately report to the
32 house and senate appropriations subcommittees on higher education, the house and senate

1 fiscal agencies, and the state budget director regarding the award amount established and
2 the projected amount of any projected year-end appropriation balance based on that award
3 amount. By February 18 of each fiscal year, the department shall analyze the status of
4 award commitments, shall make any necessary adjustments, and shall confirm that those award
5 commitments will not exceed the appropriation contained in section 236 for the tuition
6 grant program. The determination and actions shall be reported to the state budget director
7 and the house and senate fiscal agencies no later than the final day of February of each
8 year. If award adjustments are necessary, the students shall be notified of the adjustment
9 by March 4 of each year.

10 (4) The department of treasury shall continue a proportional tuition grant award
11 level for recipients enrolled less than full-time in a given semester or term.

12 (5) If the department of treasury increases the award per eligible student from that
13 provided in the previous fiscal year, it shall not have the effect of reducing the number
14 of eligible students receiving awards in relation to the total number of eligible
15 applicants. Any increase in the grant shall be proportional for all eligible students
16 receiving awards for that fiscal year.

17 (6) The department of treasury shall not award more than \$4,800,000.00 in tuition
18 grants to eligible students enrolled in the same independent nonprofit college or
19 university in this state. Any decrease in the grant shall be proportional for all eligible
20 students enrolled in that college or university, as determined by the department. ~~The limit~~
21 ~~described in this subsection does not apply to any other student financial aid program or~~
22 ~~in combination with any other student financial aid program.~~

23 (7) The department of treasury shall not award tuition grants to otherwise eligible
24 students enrolled in an independent college or university that does not report, in a form
25 and manner directed by and satisfactory to the department of treasury, by October 31 of
26 each year, all of the following:

27 (a) The number of students in the most recently completed academic year who in any
28 academic year received a state tuition grant at the reporting institution and successfully
29 completed a program or graduated.

30 (b) The number of students in the most recently completed academic year who in any
31 academic year received a state tuition grant at the reporting institution and took a
32 remedial education class.

1 (c) The number of students in the most recently completed academic year who in any
2 academic year received a Pell grant at the reporting institution and successfully completed
3 a program or graduated.

4 (8) By February 1 of each year, each independent college and university participating
5 in the tuition grant program shall report to the senate and house appropriations
6 subcommittees on higher education, the senate and house fiscal agencies, and the state
7 budget director on its efforts to develop and implement sexual assault response training
8 for the institution's title IX coordinator, campus law enforcement personnel, campus public
9 safety personnel, and any other campus personnel charged with responding to on-campus
10 incidents, including information on sexual assault response training materials and the
11 status of implementing sexual assault response training for institutional personnel.

12 Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program
13 must be distributed as provided in this section and pursuant to the administrative
14 procedures for the tuition incentive program of the department of treasury.

15 (2) As used in this section:

16 (a) "Phase I" means the first part of the tuition incentive program defined as the
17 academic period of 80 semester or 120 term credits, or less, leading to an associate degree
18 or certificate. Students must be enrolled in a certificate or associate degree program and
19 taking classes within the program of study for a certificate or associate degree. Tuition
20 will not be covered for courses outside of a certificate or associate degree program.

21 (b) "Phase II" means the second part of the tuition incentive program that provides
22 assistance in the third and fourth year of 4-year degree programs.

23 (c) "Department" means the department of treasury.

24 (d) "High school equivalency certificate" means that term as defined in section 4.

25 (3) An individual must meet the following basic criteria and financial thresholds to
26 be eligible for tuition incentive program benefits:

27 (a) To be eligible for phase I, an individual must meet all of the following
28 criteria:

29 (i) Be less than 20 years of age at the time he or she graduates from high school
30 with a diploma or certificate of completion or achieves a high school equivalency
31 certificate or, for students attending a 5-year middle college approved by the Michigan
32 department of education, be less than 21 years of age when he or she graduates from high

1 school.

2 (ii) Be a United States citizen and a resident of this state according to
3 institutional criteria.

4 (iii) Be at least a half-time student, earning less than 80 semester or 120 term
5 credits at a participating educational institution within 4 years of high school graduation
6 or achievement of a high school equivalency certificate. All program eligibility expires 10
7 years after initial enrollment at a participating educational institution.

8 (iv) Meet the satisfactory academic progress policy of the educational institution he
9 or she attends.

10 (b) To be eligible for phase II, an individual must meet either of the following
11 criteria in addition to the criteria in subdivision (a):

12 (i) Complete at least 56 transferable semester or 84 transferable term credits.

13 (ii) Obtain an associate degree or certificate at a participating institution.

14 (c) To be eligible for phase I or phase II, an individual must be financially
15 eligible as determined by the department. An individual is financially eligible for the
16 tuition incentive program if he or she was eligible for Medicaid from this state for 24
17 months within ~~the~~ 36 months **prior to high school completion.** ~~before application.~~ The
18 department shall accept certification of Medicaid eligibility only from the department of
19 health and human services for the purposes of verifying if a person is Medicaid eligible
20 for 24 months within ~~the~~ 36 months **prior to high school completion.** ~~before application.~~
21 Certification of eligibility may begin in the sixth grade.

22 (4) For phase I, the department shall provide payment on behalf of a person eligible
23 under subsection (3). The department shall only accept standard per-credit hour tuition
24 billings and shall reject billings that are excessive or outside the guidelines for the
25 type of educational institution.

26 (5) For phase I, all of the following apply:

27 (a) Payments for associate degree or certificate programs must not be made for more
28 than 80 semester or 120 term credits for any individual student at any participating
29 institution.

30 (b) For persons enrolled at a Michigan community college, the department shall pay
31 the current in-district tuition and mandatory fees. For persons residing in an area that is

1 not included in any community college district, the out-of-district tuition rate may be
2 authorized.

3 (c) For persons enrolled at a Michigan public university, the department shall pay
4 lower division resident tuition and mandatory fees for the current year **and a per-credit**
5 **payment that does not exceed 2.5 times the average community college in-district per-credit**
6 **tuition rate as reported by the last business day of August, for the immediately preceding**
7 **academic year.**

8 (d) For persons enrolled at a Michigan independent, nonprofit degree-granting college
9 or university, a Michigan federal tribally controlled community college, or Focus: HOPE,
10 the department shall pay mandatory fees for the current year and a per-credit payment that
11 does not exceed the average community college in-district per-credit tuition rate as
12 reported by the last business day of August for the immediately preceding academic year.

13 (6) A person participating in phase II may be eligible for additional funds not to
14 exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the
15 following conditions:

16 (a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year
17 college or university.

18 (b) The tuition reimbursement is for coursework completed within 30 months of
19 completion of the phase I requirements.

20 (7) The department shall work closely with participating institutions to provide the
21 highest level of participation and ensure that all requirements of the program are met.

22 (8) The department shall notify students of their financial eligibility for the
23 program any time after the student begins sixth grade.

24 (9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant act,
25 2020 PA 84, MCL 390.1703, and section 17 of the Michigan reconnect grant recipient act,
26 2020 PA 68, MCL 390.1717, each institution shall ensure that all known available restricted
27 grants for tuition and fees are used before billing the tuition incentive program for any
28 portion of a student's tuition and fees.

29 (10) The department shall ensure that the tuition incentive program is well
30 publicized and that eligible Medicaid clients are provided information on the program. The
31 department shall provide the necessary funding and staff to fully operate the program.

32 (11) The department of treasury shall collaborate with the center to use the P-20

1 longitudinal data system to report the following information for each qualified
2 postsecondary institution:

3 (a) The number of phase I students in the most recently completed academic year who
4 in any academic year received a tuition incentive program award and who successfully
5 completed a degree or certificate program. Cohort graduation rates for phase I students
6 shall be calculated using the established success rate methodology developed by the center
7 in collaboration with the postsecondary institutions.

8 (b) The number of students in the most recently completed academic year who in any
9 academic year received a Pell grant at the reporting institution and who successfully
10 completed a degree or certificate program. Cohort graduation rates for students who
11 received Pell grants must be calculated using the established success rate methodology
12 developed by the center in collaboration with the postsecondary institutions.

13 (12) If a qualified postsecondary institution does not report the data necessary to
14 complete the reporting in subsection (11) to the P-20 longitudinal data system by October
15 15 for the prior academic year, the department of treasury shall not award phase I tuition
16 incentive program funding to otherwise eligible students enrolled in that institution until
17 the data are submitted.

18 Sec. 259. ~~It is the intent of the legislature that the~~**The** department of treasury **is**
19 **encouraged to** continue an aggressive campaign to inform high school students about the
20 financial aid programs offered by this state and the eligibility requirements for
21 participation in those financial aid programs, including free or reduced tuition programs
22 provided by community colleges and universities in this state.

23 Sec. 260. (1) The department of treasury shall work with student and postsecondary
24 education groups, including the Michigan College Access Network, the Michigan Association
25 of School Counselors, the Michigan Association of State Universities, the Michigan
26 Community College Association, and the Michigan Independent Colleges and Universities, to
27 provide an online informational resource for students in grades 9 through 12 and
28 prospective and current student loan borrowers. The online informational resource must be a
29 website or a portion of an existing website designed and maintained by the department of
30 treasury that, to the extent practicable, contains information including, but not limited
31 to, all of the following:

32 (a) A list of public and private community support centers, student debt clinics, and

1 other organizations and their contact information submitted by Michigan College Access
2 Network that provides free information and services for student loan borrowers to help
3 educate them about repayment options and to help them access student loan programs or
4 benefits for which they may be eligible.

5 (b) Links to state and federal financial aid programs, including FAFSA and College
6 Scorecard.

7 (c) Links to each promise zone website and the financial aid website to each
8 community college, public university, and independent college and university in this state.

9 (d) Benefits of federal student loans that may no longer be available if a borrower
10 refinances a loan.

11 (e) Links to net price calculators for community colleges receiving an appropriation
12 in section 201 and universities receiving an appropriation in section 236, if available.

13 (f) Information on the fundamentals of borrowing and repayment, including, but not
14 limited to, all of the following:

15 (i) A link to the federal Public Service Loan Forgiveness Program.

16 (ii) Deciding how much to borrow.

17 (iii) Creating a plan for borrowing and repayment.

18 (iv) Estimating how much borrowing is needed for a given school year.

19 ~~(v) Evaluating financial aid offers.~~

20 ~~(v)~~ ~~(vi)~~ Factors that affect total student loan costs.

21 ~~(vi)~~ ~~(vii)~~ Tips for graduating with less student loan debt.

22 ~~(vii)~~ ~~(viii)~~ A loan payment calculator or a link to a loan payment calculator that can
23 be used for different types of loans.

24 ~~(viii)~~ ~~(ix)~~ Links to federal student loan entrance and exit counseling services and
25 the FACT tool.

26 ~~(ix)~~ ~~(x)~~ Student loan debt relief scams.

27 ~~(g) A list of student loan providers in this state.~~

28 (2) A university receiving an appropriation in section 236 shall place a prominent
29 link to the website created under this section on its website homepage.

30 (3) Independent colleges and universities in this state are encouraged to place a

1 link to the website created under this section on their website homepages.

2 (4) By November 1 of each year, the department of treasury shall inform each high
3 school in this state about the website described in this section and encourage them to
4 distribute the information to all students in grades 9 through 12.

5 Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2021-2022~~
6 **2022-2023** for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in
7 section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is
8 intended to address critical regulatory, food safety, economic, and environmental problems
9 faced by this state's plant-based agriculture, forestry, and processing industries.
10 "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and
11 Economic Needs.

12 (2) The department of agriculture and rural development and Michigan State
13 University, in consultation with agricultural commodity groups and other interested
14 parties, shall develop Project GREEN and its program priorities.

15 Sec. 263a. (1) Not later than September 30 of each year, Michigan State University
16 shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate
17 appropriations subcommittees on agriculture and on higher education, the house and senate
18 standing committees on agriculture, the house and senate fiscal agencies, and the state
19 budget director for the preceding academic fiscal year.

20 (2) The report required under subsection (1) shall include all of the following:

21 (a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by
22 state, local, private, federal, and university fund sources.

23 (b) A review of major programs within both MSU AgBioResearch and MSU Extension with
24 specific reference to accomplishments, impacts, and a specific accounting of Project GREEN
25 expenditures and the impact of those expenditures. The program review for MSU AgBioResearch
26 and MSU Extension should include the following:

27 (i) The number of agriculture and food-related firms collaborating with and using
28 services of research and extension faculty and staff.

29 (ii) The number of individuals utilizing MSU Extension's educational services.

30 (iii) External funds generated in support of research and extension.

31 (iv) Efforts to improve access to healthy foods for Michigan consumers.

1 Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2021-2022~~
2 **2022-2023** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of
3 America Association. This \$80,000.00 allocation shall not supplant any existing support
4 that Michigan State University provides to the Michigan Future Farmers of America
5 Association.

6 Sec. 265. (1) Payments under ~~section 236 for 1-time supplemental funding for fiscal~~
7 ~~year 2021-2022, and payments under section 265a for performance funding~~ **operational support**
8 **payments and operational support payments** and under section 236i for one-time operational
9 support payments for fiscal ~~years 2022-2023 and 2023-2024,~~ **year 2022-2023** shall only be
10 made to a public university that certifies to the state budget director by October 1, ~~2021~~
11 **2022** that its board did not adopt an increase in tuition and fee rates for resident
12 undergraduate students after September 1, ~~2020-2021~~ for the ~~2020-2021-2021-2022~~ academic
13 year and that its board will not adopt an increase in tuition and fee rates for resident
14 undergraduate students for the ~~2021-2022-2022-2023~~ academic year that is greater than ~~4.2%~~
15 **5.0%** or ~~\$590.00, \$722.00~~, whichever is greater. As used in this subsection:

16 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all
17 resident undergraduate students at least once during their enrollment at a public
18 university, as described in the higher education institutional data inventory (HEIDI) user
19 manual. A university increasing a fee that applies to a specific subset of students or
20 courses shall provide sufficient information to prove that the increase applied to that
21 subset will not cause the increase in the average amount of board-authorized total tuition
22 and fees paid by resident undergraduate students in the ~~2021-2022-2022-2023~~ academic year
23 to exceed the limit established in this subsection.

24 (b) "Tuition and fee rate" means the average of full-time rates paid by a majority of
25 students in each undergraduate class, based on an unweighted average of the rates
26 authorized by the university board and actually charged to students, deducting any
27 uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-
28 time equated resident undergraduate enrollment during the academic year, as described in
29 the higher education institutional data inventory (HEIDI) user manual.

30 (2) The state budget director shall implement uniform reporting requirements to
31 ensure that a public university receiving a payment under ~~section 236 for 1-time~~
32 ~~supplemental funding or a payment under section 265a for performance funding~~ **operational**

1 **support payments and operational support payments** and under section 236i for one-time
2 operational support payments has satisfied the tuition restraint requirements of this
3 section. The state budget director shall have the sole authority to determine if a public
4 university has met the requirements of this section. Information reported by a public
5 university to the state budget director under this subsection shall also be reported to the
6 house and senate appropriations subcommittees on higher education and the house and senate
7 fiscal agencies.

8 ~~(3) Universities that exceed the tuition and fee rate cap described in subsection (1)~~
9 ~~shall not receive a planning or construction authorization for a state-funded capital~~
10 ~~outlay project in fiscal year 2022-2023 or 2023-2024.~~

11 ~~(4) Notwithstanding any other provision of this act, the legislature may at any time~~
12 ~~adjust appropriations for a university that adopts an increase in tuition and fee rates for~~
13 ~~resident undergraduate students that exceeds the rate cap established in subsection (1).~~

14 Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal ~~years~~
15 ~~2019-2020, 2020-2021, and 2021-2022~~ **year 2022-2023** for ~~performance funding~~ **operational**
16 **support payments and section 236i for one-time operational support payments** shall be paid
17 only to a public university that complies with section 265 and certifies to the state
18 budget director, the house and senate appropriations subcommittees on higher education, and
19 the house and senate fiscal agencies by ~~October 1, 2019~~ **the last business day of August**
20 that it complies with all of the following requirements:

21 (a) The university participates in reverse transfer agreements described in section
22 286 with at least 3 Michigan community colleges.

23 (b) The university does not and will not consider whether dual enrollment credits
24 earned by an incoming student were utilized towards his or her high school graduation
25 requirements when making a determination as to whether those credits may be used by the
26 student toward completion of a university degree or certificate program.

27 (c) The university actively participates in and submits timely updates to the
28 Michigan Transfer Network created as part of the Michigan Association of Collegiate
29 Registrars and Admissions Officers transfer agreement.

30 (2) Any ~~performance funding~~ **operational support payment and one-time operational**
31 **support payments** amounts under section 236 **and section 236i** that are not paid to a public
32 university because it did not comply with 1 or more requirements under subsection (1) are

1 unappropriated and reappropriated for ~~performance funding~~ **operational support payment and**
2 **one-time operational support payments** to those public universities that meet the
3 requirements under subsection (1), distributed in proportion to their ~~performance funding~~
4 **operational support payment and one-time operational support payments** appropriation amounts
5 under section 236 ~~and section 236i~~.

6 (3) The state budget director shall report to the house and senate appropriations
7 subcommittees on higher education and the house and senate fiscal agencies ~~by October 15,~~
8 ~~2019, September 15, 2022~~ regarding any ~~performance funding~~ **operational support payment and**
9 **one-time operational support payments** amounts that are not paid to a public university
10 because it did not comply with 1 or more requirements under subsection (1) and any
11 reappropriation of funds under subsection (2).

12 (4) ~~performance funding~~ **Operational support payment and one-time operational support**
13 **payments** amounts described in section 236 **and section 236i** are distributed **across-the-board**
14 **proportional to each university's share of total operations funding appropriated in fiscal**
15 **year 2021-2022. based on the following formula:**

16 ~~(a) Proportional to each university's share of total operations funding appropriated~~
17 ~~in fiscal year 2010-2011, 50%.~~

18 ~~(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.~~

19 ~~(c) Based on research and development expenditures, for universities classified in~~
20 ~~Carnegie classifications as doctoral universities: moderate research activity, doctoral~~
21 ~~universities: higher research activity, or doctoral universities: highest research activity~~
22 ~~only, 5.6%.~~

23 ~~(d) Based on 6-year graduation rate, total degree completions, and institutional~~
24 ~~support as a percentage of core expenditures, and the percentage of students receiving Pell~~
25 ~~grants, scored against national Carnegie classification peers and weighted by total~~
26 ~~undergraduate fiscal year equated students, 33.3%.~~

27 ~~(5) For purposes of determining the score of a university under subsection (4) (d),~~
28 ~~each university is assigned 1 of the following scores:~~

29 ~~(a) A university classified as in the top 20%, a score of 3.~~

30 ~~(b) A university classified as above national median, a score of 2.~~

31 ~~(c) A university classified as improving, a score of 2. It is the intent of the~~

32 ~~legislature that, beginning in the 2020-2021 state fiscal year, a university classified as~~

1 ~~improving is assigned a score of 1.~~

2 ~~(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.~~

3 ~~(6) As used in this section, "Carnegie classification" means the basic classification~~
4 ~~of the university according to the most recent version of the Carnegie classification of~~
5 ~~institutions of higher education, published by the Carnegie Foundation for the Advancement~~
6 ~~of Teaching.~~

7 ~~(7) It is the intent of the legislature to allocate more funding based on an updated~~
8 ~~set of performance metrics in future years. Updated metrics will be based on the outcome of~~
9 ~~joint hearings between the house and senate appropriations subcommittees on higher~~
10 ~~education and community colleges intended to be held in the fall of 2019.~~

11 Sec. 265b. (1) Appropriations to public universities in section 236 for the fiscal
12 year ending September 30, ~~2022~~**2023** for operations funding shall be reduced by 10% pursuant
13 to the procedures described in subdivision (a) for a public university that fails to submit
14 certification to the state budget director, the house and senate appropriations
15 subcommittees on higher education, and the house and senate fiscal agencies by October 1,
16 ~~2021~~**2022** that the university complies with sections 274c and 274d and that it complies
17 with all of the requirements described in subdivisions (b) to (i), as follows:

18 (a) If a university fails to submit certification, the state budget director shall
19 withhold 10% of that university's annual operations funding until the university submits
20 certification. If a university fails to submit certification by the end of the fiscal year,
21 the 10% of its annual operations funding that is withheld shall lapse to the general fund.

22 (b) For title IX investigations of alleged sexual misconduct, the university
23 prohibits the use of medical experts that have an actual or apparent conflict of interest.

24 (c) For title IX investigations of alleged sexual misconduct, the university
25 prohibits the issuance of divergent reports to complainants, respondents, and
26 administration and instead requires that identical reports be issued to them.

27 (d) Consistent with the university's obligations under 20 USC 1092(f), the university
28 notifies each individual who reports having experienced sexual assault by a student,
29 faculty member, or staff member of the university that the individual has the option to
30 report the matter to law enforcement, to the university, to both, or to neither, as the
31 individual may choose.

32 (e) The university provides both of the following:

1 (i) For all freshmen and incoming transfer students enrolled, an in-person sexual
2 misconduct prevention presentation or course, which must include contact information for
3 the title IX office of the university.

4 (ii) For all students not considered freshmen or incoming transfer students, an online
5 or electronic sexual misconduct prevention presentation or course.

6 (f) The university prohibits seeking compensation from the recipient of any medical
7 procedure, treatment, or care provided by a medical professional who has been convicted of
8 a felony arising out of the medical procedure, treatment, or care.

9 (g) The university had a third party review its title IX compliance office and
10 related policies and procedures by the end of the 2018-2019 academic year. A copy of the
11 third-party review shall be transmitted to the state budget director, the house and senate
12 appropriations subcommittees on higher education, and the house and senate fiscal agencies.
13 Each university shall have a third-party review once every three years and a copy of the
14 third-party review shall be transmitted to the state budget director, the house and senate
15 appropriations subcommittees on higher education, and the house and senate fiscal agencies.

16 (h) The university requires that the governing board and the president or chancellor
17 of the university receive not less than quarterly reports from their title IX coordinator
18 or title IX office. The report shall contain aggregated data of the number of sexual
19 misconduct reports that the office received for the academic year, the types of reports
20 received, including reports received against employees, and a summary of the general
21 outcomes of the reports and investigations. A member of the governing board may request to
22 review a title IX investigation report involving a complaint against an employee, and the
23 university shall provide the report in a manner it considers appropriate. The university
24 shall protect the complainant's anonymity, and the report shall not contain specific
25 identifying information.

26 (i) If allegations against an employee are made in more than 1 title IX complaint
27 that resulted in the university finding that no misconduct occurred, the university
28 requires that the title IX officer promptly notify the president or chancellor and a member
29 of the university's governing board in writing and take all appropriate steps to ensure
30 that the matter is being investigated thoroughly, including hiring an outside investigator
31 for future cases involving that employee. A third-party title IX investigation under this

1 subdivision does not prohibit the university from simultaneously conducting its own title
2 IX investigation through its own title IX coordinator.

3 (2) Each public university that receives an appropriation in section 236 shall also
4 certify that its president or chancellor and a member of its governing board has reviewed
5 all title IX reports involving the alleged sexual misconduct of an employee of the
6 university, and shall send the certification to the house and senate appropriations
7 subcommittees on higher education, the house and senate fiscal agencies, and the state
8 budget director by October 1, ~~2021.~~ **2022.**

9 (3) For purposes of this section, "sexual misconduct" includes, but is not limited
10 to, any of the following:

- 11 (a) Intimate partner violence.
- 12 (b) Nonconsensual sexual conduct.
- 13 (c) Sexual assault.
- 14 (d) Sexual exploitation.
- 15 (e) Sexual harassment.
- 16 (f) Stalking.

17 Sec. 267. All public universities shall submit the amount of tuition and fees
18 actually charged to a full-time resident undergraduate student for academic year ~~2021-2022~~
19 **2022-2023** as part of their higher education institutional data inventory (HEIDI) data by
20 ~~October 1, 2021, and by~~ the last business day of August each year. ~~thereafter.~~ A public
21 university shall report any revisions for any semester of the reported academic year ~~2021-~~
22 ~~2022-~~ **2022-2023** tuition and fee charges to HEIDI within 15 days of being adopted.

23 Sec. 268. ~~(1) For the fiscal year ending September 30, 2022, it is the intent of the~~
24 ~~legislature that funds be allocated for unfunded North American Indian tuition waiver costs~~
25 ~~incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the~~
26 ~~general fund.~~

27 **(1)** ~~(2)~~ By January 15 of each year, the department of civil rights shall annually
28 submit to the state budget director, the house and senate appropriations subcommittees on
29 higher education, and the house and senate fiscal agencies a report on North American
30 Indian tuition waivers for the preceding academic year that includes, but is not limited
31 to, all of the following information:

- 32 (a) The number of waiver applications received and the number of waiver applications

1 approved.

2 (b) For each university submitting information under subsection (3), all of the
3 following:

4 (i) The number of graduate and undergraduate North American Indian students enrolled
5 each term for the previous academic year.

6 (ii) The number of North American Indian waivers granted each term, including to
7 continuing education students, and the monetary value of the waivers for the previous
8 academic year.

9 (iii) The number of graduate and undergraduate students attending under a North
10 American Indian tuition waiver who withdrew from the university each term during the
11 previous academic year. For purposes of this subparagraph, a withdrawal occurs when a
12 student who has been awarded the waiver withdraws from the institution at any point during
13 the term, regardless of enrollment in subsequent terms.

14 (iv) The number of graduate and undergraduate students attending under a North
15 American Indian tuition waiver who successfully complete a degree or certificate program,
16 separated by degree or certificate level, and the graduation rate for graduate and
17 undergraduate students attending under a North American Indian tuition waiver who complete
18 a degree or certificate within 150% of the normal time to complete, separated by the level
19 of the degree or certificate.

20 (2) ~~(3)~~ By January 1 of each year, a public university that receives funds under
21 section 236, or a tribal college receiving pass-through funds under section 269 or 270c,
22 shall provide to the department of civil rights any information necessary for preparing the
23 report detailed in subsection ~~(2)~~, **(1)**, using guidelines and procedures developed by the
24 department of civil rights.

25 (3) ~~(4)~~ The department of civil rights may consolidate the report required under this
26 section with the report required under section 223, but a consolidated report must
27 separately identify data for universities and data for community colleges.

28 Sec. 269. For fiscal year ~~2021-2022~~, **2022-2023**, from the amount appropriated in
29 section 236 to Central Michigan University for costs incurred under the North American
30 Indian tuition waiver, ~~\$82,400.00~~ **\$31,000.00** shall be paid to Saginaw Chippewa Tribal
31 College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL

1 390.1251 to 390.1253. ~~It is the intent of the legislature that~~ **The** Saginaw Chippewa Tribal
2 College **is encouraged to** provide the department of civil rights the necessary information
3 for the college to be included in the report required under section 268.

4 Sec. 270c. For fiscal year ~~2021-2022,~~ **2022-2023** from the amount appropriated in
5 section 236 to Northern Michigan University for costs incurred under the North American
6 Indian tuition waiver, ~~\$50,000.00~~ **\$87,800.00** is to be paid to Keweenaw Bay Ojibwa Community
7 College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL
8 390.1251 to 390.1253. ~~It is the intent of the legislature that~~ **The** Keweenaw Bay Ojibwa
9 Community College **is encouraged to** provide the department of civil rights the necessary
10 information for the community college to be included in the report required under section
11 268.

12 Sec. 275h. **It is the goal of the governor to ensure that 60% of Michigan's residents**
13 **achieve a postsecondary credential, high-quality industry certification, associate degree,**
14 **or bachelor's degree by 2030.** ~~(1) It is the intent of the legislature that each public~~
15 ~~university adopt an advocacy policy applicable to faculty, staff, students, student~~
16 ~~employees, visitors, and contractors by January 1, 2022 and comply with all other~~
17 ~~requirements of this section.~~

18 ~~(2) An advocacy policy established under subsection (1) should include, but is not~~
19 ~~limited to, policies for distribution and self-distribution of printed political or~~
20 ~~advocacy materials, related First Amendment activities, and political demonstrating. The~~
21 ~~policy should include a process for filing a complaint or reporting a violation of the~~
22 ~~advocacy policy and identify the public university staff responsible for investigating~~
23 ~~complaints and violations. The advocacy policy should include the effective date and be~~
24 ~~posted on the university's website.~~

25 Sec. 276. (1) Included in the appropriation for fiscal year ~~2021-2022~~ **2022-2023** for
26 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
27 Chavez - Rosa Parks future faculty program that is intended to increase the pool of
28 academically or economically disadvantaged candidates pursuing faculty teaching careers in
29 postsecondary education in this state. Preference may not be given to applicants on the
30 basis of race, color, ethnicity, gender, or national origin. Institutions should encourage
31 applications from applicants who would otherwise not adequately be represented in the
32 graduate student and faculty populations. Each public university shall apply the percentage

1 change applicable to every public university in the calculation of appropriations in
2 section 236 to the amount of funds allocated to the future faculty program.

3 (2) The program shall be administered by each public university in a manner
4 prescribed by the department of labor and economic opportunity. The department of labor and
5 economic opportunity shall use a good faith effort standard to evaluate whether a
6 fellowship is in default. All of the following apply to the program:

7 (a) By April 15 of each year, public universities shall report any anticipated
8 unexpended or unencumbered program funds to the department of labor and economic
9 opportunity. Encumbered funds are those funds that were committed by a fellowship agreement
10 that is signed during the current fiscal year or administrative expenses that have been
11 approved by the department of labor and economic opportunity.

12 (b) Before August 1, ~~2022~~, **of each year**, unexpended or unencumbered funds may be
13 transferred, under the direction of the department of labor and economic opportunity, to a
14 future faculty program at another university to be awarded to an eligible candidate at that
15 university.

16 (c) Program allocations not expended or encumbered by September 30, ~~2022~~ **2024** must be
17 returned to the department of labor and economic opportunity so that those funds may lapse
18 to the state general fund.

19 (d) Not more than 5% of each public university's allocation for the program may be
20 used for administration of the program.

21 **(e) In addition to the appropriation for fiscal year 2022-2023, any revenue received**
22 **during prior fiscal years by the department of labor and economic opportunity from**
23 **defaulted fellowship agreements are appropriated for the purposes originally intended.**

24 Sec. 277. (1) Included in the appropriation for fiscal year ~~2021-2022-2022-2023~~ for
25 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
26 Chavez - Rosa Parks college day program that is intended to introduce academically or
27 economically disadvantaged schoolchildren to the potential of a college education in this
28 state. Preference may not be given to participants on the basis of race, color, ethnicity,
29 gender, or national origin. Public universities should encourage participation from those
30 who would otherwise not adequately be represented in the student population.

31 (2) Individual program plans of each public university shall include a budget of
32 equal contributions from this program, the participating public university, the

1 participating school district, and the participating independent degree-granting college.
2 College day funds shall not be expended to cover indirect costs. Not more than 20% of the
3 university match shall be attributable to indirect costs. Each public university shall
4 apply the percentage change applicable to every public university in the calculation of
5 appropriations in section 236 to the amount of funds allocated to the college day program.

6 (3) The program described in this section shall be administered by each public
7 university in a manner prescribed by the department of labor and economic opportunity.

8 Sec. 278. (1) Included in section 236 for fiscal year ~~2021-2022~~**2022-2023** is funding
9 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services
10 program for developing academically or economically disadvantaged student retention
11 programs for 4-year public and independent educational institutions in this state.
12 Preference may not be given to participants on the basis of race, color, ethnicity, gender,
13 or national origin. Institutions should encourage participation from those who would
14 otherwise not adequately be represented in the student population.

15 (2) An award made under this program to any 1 institution shall not be greater than
16 \$150,000.00, **have an award period of no more than two years**, and the amount awarded shall
17 be matched on a 70% state, 30% college or university basis.

18 (3) The program described in this section shall be administered by the department of
19 labor and economic opportunity.

20 Sec. 279. (1) Included in section 236 for fiscal year ~~2021-2022~~**2022-2023** is funding
21 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership
22 program between 4-year public and independent colleges and universities and public
23 community colleges, which is intended to increase the number of academically or
24 economically disadvantaged students who transfer from community colleges into baccalaureate
25 programs in this state. Preference may not be given to participants on the basis of race,
26 color, ethnicity, gender, or national origin. Institutions should encourage participation
27 from those who would otherwise not adequately be represented in the transfer student
28 population.

29 (2) The grants shall be made under the program described in this section to Michigan
30 public and independent colleges and universities. An award to any 1 institution shall not
31 be greater than \$150,000.00, **have an award period of no more than two years**, and the amount
32 awarded shall be matched on a 70% state, 30% college or university basis.

1 (3) The program described in this section shall be administered by the department of
2 labor and economic opportunity.

3 Sec. 280. (1) Included in the appropriation for fiscal year ~~2021-2022-2022-2023~~ for
4 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
5 Chavez - Rosa Parks visiting professors program which is intended to increase the number of
6 instructors in the classroom to provide role models for academically or economically
7 disadvantaged students. Preference may not be given to participants on the basis of race,
8 color, ethnicity, gender, or national origin. Public universities should encourage
9 participation from those who would otherwise not adequately be represented in the student
10 population.

11 (2) The program described in this section shall be administered by the department of
12 labor and economic opportunity.

13 (3) The amount allocated to each university is \$9,994.00 **and have an award period of**
14 **no more than two years.** Each university receiving funds for fiscal year ~~2021-2022~~ **2022-2023**
15 under this section shall report to the department of labor and economic opportunity by
16 April 15, ~~2022~~ **2023** the amount of its unobligated and unexpended funds as of March 31, ~~2022~~
17 **2023** and a plan to expend the remaining funds by the end of the fiscal year. The amount of
18 funding reported as not being expended may be transferred, under the direction of the
19 department, to another university for use under this section.

20 Sec. 281. (1) Included in the appropriation for fiscal year ~~2021-2022-2022-2023~~ in
21 section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
22 initiative for the Morris Hood, Jr. educator development program, which is intended to
23 increase the number of academically or economically disadvantaged students who enroll in
24 and complete K-12 teacher education programs at the baccalaureate level and teach in this
25 state. Preference may not be given to participants on the basis of race, color, ethnicity,
26 gender, or national origin. Institutions should encourage participation from those who
27 would otherwise not adequately be represented in the teacher education student population.

28 (2) The program described in this section shall be administered by each state-
29 approved teacher education institution in a manner prescribed by the department of labor
30 and economic opportunity.

31 (3) Approved teacher education institutions may and are encouraged to use select
32 student support services funding in coordination with the Morris Hood, Jr. funding to

1 achieve the goals of the program described in this section.

2 Sec. 282. (1) Each institution receiving funds for fiscal year ~~2021-2022~~**2022-2023**
3 under section 278, 279, or 281 shall provide to the department of labor and economic
4 opportunity by April 15, ~~2022~~**2023** the unobligated and unexpended funds as of March 31,
5 ~~2022~~**2023** and a plan to expend the remaining funds by the end of the fiscal year.
6 Notwithstanding the award limitations in sections 278 and 279, the amount of funding
7 reported as not being expended will be reallocated to the institutions that intend to
8 expend all funding received under section 278, 279, or 281.

9 (2) Funds received for the purpose of administering programs under sections 275j,
10 278, 279, and 281 shall not be used for direct financial aid or indirect financial aid.
11 However, a university may provide academic incentives to motivate participating students as
12 approved by the department. As used in this subsection:

13 (a) "Direct financial aid" includes, but is not limited to, scholarships, payment of
14 tuition, stipends, and work-studies.

15 (b) "Indirect financial aid" includes, but is not limited to, transportation,
16 textbook allowances, child care support, and assistance with medical premiums or expenses.

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ARTICLE IV

SUMMARY OF ANTICIPATED APPROPRIATIONS

Sec. 298. (1) Subject to the conditions set forth in this act, the amounts appropriated in this act for the fiscal year ending September 30, 2023 for the public schools, intermediate school districts, community colleges and public universities of this state, and certain other state purposes relating to education are anticipated to be the same amounts appropriated for the fiscal year ending September 30, 2024, with the following exceptions:

(2) Appropriations for School Aid (Article I)

Drinking Water Declaration of Emergency Early

Childhood Collaborative	1,000,000	0
School Infrastructure	171,000,000	170,000,000
Proposal A Obligation Payment	4,421,000,000	4,290,000,000
Discretionary Payment	5,744,000,000	5,729,000,000
Mental Health Screening Tools	25,000,000	0
Wraparound Support Services - Staffing	120,000,000	0
TRAILS	120,000,000	0

1	Great Start Readiness Program	451,470,000	469,470,000
2	Before and After School Partnerships	50,000,000	25,000,000
3	Great Start Readiness Program - Home-Based Pilot	5,000,000	0
4	Michigan Reading Corps	3,500,000	0
5	Professional Learning - Early Literacy	4,000,000	0
6	Special Education Foundations	323,300,000	335,300,000
7	Special Education Headlee Obligations	710,000,000	735,500,000
8	CTE Equipment Upgrades	10,000,000	0
9	School Safety Grants	51,000,000	0
10	Cross-Sector School Safety Model	15,000,000	0
11	Benchmark Assessments	11,500,000	0
12	Michigan Public School Employees Retirement System	1,823,021,000	1,955,321,000
13	(3) Appropriations for Community Colleges (Article II)		
14	Michigan Public School Employees Retirement System	\$ 110,420,000	\$ 117,920,000
15	One-Time Operations Support	\$ 16,184,000	\$ 0
16	(4) Appropriations for Universities and Student Financial Aid (Article III)		
17	Michigan Public School Employees Retirement System	\$ 4,720,000	\$ 4,450,000
18	One-Time Operations Support	\$ 76,291,700	\$ 0

1 Enacting section 1. (1) In accordance with section 30 of article I of the state
2 constitution of 1963, total state spending on school aid under article I as amended by this
3 amendatory act from state sources for fiscal year 2022-2023 is estimated at
4 \$16,164,795,700.00 and state appropriations for school aid to be paid to local units of
5 government for fiscal year 2022-2023 are estimated at \$15,788,938,300.00.

6 (2) In accordance with section 30 of article IX of the state constitution of 1963,
7 total state spending from state sources for community colleges for fiscal year 2022-2023
8 under article II as amended by this amendatory act is estimated at \$470,028,400.00 and the
9 amount of that state spending from state sources to be paid to local units of government
10 for fiscal year 2022-2023 is estimated at \$470,028,400.00.

11 (3) In accordance with section 30 of article IX of the state constitution of 1963,
12 total state spending from state sources for higher education for fiscal year 2022-2023
13 under article III as amended by this amendatory act is estimated at \$1,730,188,500.00 and
14 the amount of that state spending from state sources to be paid to local units of
15 government for fiscal year 2022-2023 is estimated at \$0.

16 Enacting section 2. Sections 11n, 11o, 11r, 11t, 22g, 25i, 31m, 31y, 31z, 35b, 35d,
17 35e, 35f, 35g, 35h, 41a, 55, 61g, 67a, 67b, 94c, 94d, 95b, 97a, 98a, 98b, 98d, 99i, 99t,
18 99u, 99w, 99x, 99z, 99aa, 99bb, 104a, 104f, 104g, 152b, 164g, 164h, 166, 208, 210g, 210h,
19 212, 220, 226b, 226d, 226g, 228, 236h, 261, 265e, 271a, 274, 275a, 275d, 275f, 275g, 275i,
20 281a, 286b, and 291 of the state school aid act of 1979, 1979 PA 94, MCL 388.1611n,
21 388.1611o, 388.1611r, 388.1611t, 388.1622g, 388.1625i, 388.1631m, 388.1631y, 388.1631z,
22 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1635g, 388.1635h, 388.1641a, 388.1655,
23 388.1661g, 388.1667a, 388.1667b, 388.1694c, 388.1694d, 388.1695b, 388.1697a, 388.1698a,
24 388.1698b, 388.1698d, 388.1699i, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1699z,
25 388.1699aa, 388.1699bb, 388.1704a, 388.1704f, 388.1704g, 388.1752b, 388.1764g, 388.1764h,
26 388.1766, 388.1808, 388.1810g, 388.1810h, 388.1812, 388.1820, 388.1826b, 388.1826d,
27 388.1826g, 388.1828, 388.1836h, 388.1861, 388.1865e, 388.1871a, 388.1874, 388.1875a,
28 388.1875d, 388.1875f, 388.1875g, 388.1875i, 388.1881a, 388.1886b, and 388.1891 are repealed
29 effective October 1, 2022.

30 Enacting section 3. This amendatory act takes effect October 1, 2022.