

**SUBSTITUTE FOR
SENATE BILL NO. 83**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18,
19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f,
25g, 25i, 26a, 26b, 26c, 28, 29a, 31a, 31d, 31f, 31j, 31m, 31n,
32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c, 51d, 51f,
53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 67a, 74, 81,
94, 94a, 95b, 98, 99h, 99i, 99s, 99t, 99u, 99w, 99x, 99z, 101, 104,
104a, 104f, 105, 105c, 107, 147, 147a, 147b, 147c, 147e, 152a, and
152b (MCL 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a,
388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618,
388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h,
388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624,



388.1624a, 388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1629a, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1699z, 388.1701, 388.1704, 388.1704a, 388.1704f, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), section 4 as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended and sections 25i, 29a, 35d, 35e, 35f, 67a, 99i, 99z, and 104f as added by 2020 PA 165, section 6a as amended by 2020 PA 149, sections 11, 21f, and 31n as amended and section 104a as added by 2021 PA 3, and sections 19, 147b, and 152b as amended and section 31m as added by 2018 PA 265, and by adding sections 20m, 25k, 26d, 31p, 51g, 51h, 61g, 78, 94c, 98e, and 167c; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) "Elementary pupil" means a pupil in membership in
2 grades K to 8 in a district not maintaining classes above ~~the~~
3 ~~eighth-grade~~ **8** or in grades K to 6 in a district maintaining



1 classes above ~~the eighth-grade~~ 8 or a child enrolled and in regular
2 attendance in a publicly funded prekindergarten setting.

3 (2) "Extended school year" means an educational program
4 conducted by a district in which pupils must be enrolled but not
5 necessarily in attendance on the pupil membership count day in an
6 extended year program. The mandatory clock hours must be completed
7 by each pupil not more than 365 calendar days after the pupil's
8 first day of classes for the school year prescribed. The department
9 shall prescribe pupil, personnel, and other reporting requirements
10 for the educational program.

11 (3) "Fiscal year" means the state fiscal year that commences
12 October 1 and continues through September 30.

13 (4) "High school equivalency certificate" means a certificate
14 granted for the successful completion of a high school equivalency
15 test.

16 (5) "High school equivalency test" means the G.E.D. test
17 developed by the GED Testing Service, ~~the Test Assessing Secondary~~
18 ~~Completion (TASC) developed by CTS/McGraw-Hill,~~ the HISET test
19 developed by Educational Testing Service (ETS), or another
20 comparable test approved by the department of labor and economic
21 opportunity.

22 (6) "High school equivalency test preparation program" means a
23 program that has high school level courses in English language
24 arts, social studies, science, and mathematics and that prepares an
25 individual to successfully complete a high school equivalency test.

26 (7) "High school pupil" means a pupil in membership in grades
27 7 to 12, except in a district not maintaining grades above ~~the~~
28 ~~eighth-grade~~ 8.

29 Sec. 6. (1) "Center program" means a program operated by a



1 district or by an intermediate district for special education
2 pupils from several districts in programs for pupils with autism
3 spectrum disorder, pupils with severe cognitive impairment, pupils
4 with moderate cognitive impairment, pupils with severe multiple
5 impairments, pupils with hearing impairment, pupils with visual
6 impairment, and pupils with physical impairment or other health
7 impairment. Programs for pupils with emotional impairment housed in
8 buildings that do not serve regular education pupils also qualify.
9 Unless otherwise approved by the department, a center program
10 either serves all constituent districts within an intermediate
11 district or serves several districts with less than 50% of the
12 pupils residing in the operating district. In addition, special
13 education center program pupils placed part-time in noncenter
14 programs to comply with the least restrictive environment
15 provisions of section 1412 of the individuals with disabilities
16 education act, 20 USC 1412, may be considered center program pupils
17 for pupil accounting purposes for the time scheduled in either a
18 center program or a noncenter program.

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

22 (3) "District and high school graduation report" means a
23 report of the number of pupils, excluding adult education
24 participants, in the district for the immediately preceding school
25 year, adjusted for those pupils who have transferred into or out of
26 the district or high school, who leave high school with a diploma
27 or other credential of equal status.

28 (4) "Membership", except as otherwise provided in this
29 subsection or this article, means for a district, a public school



1 academy, or an intermediate district the sum of the product of .90
 2 times the number of full-time equated pupils in grades K to 12
 3 actually enrolled and in regular daily attendance in the district,
 4 public school academy, or intermediate district on the pupil
 5 membership count day for the current school year, plus the product
 6 of .10 times the final audited count from the supplemental count
 7 day of full-time equated pupils in grades K to 12 actually enrolled
 8 and in regular daily attendance in the district, public school
 9 academy, or intermediate district for the immediately preceding
 10 school year. A district's, public school academy's, or intermediate
 11 district's membership is adjusted as provided under section 25e for
 12 pupils who enroll after the pupil membership count day in a strict
 13 discipline academy operating under sections 1311b to 1311m of the
 14 revised school code, MCL 380.1311b to 380.1311m. For ~~2020-2021~~
 15 **2021-2022** only, membership means for a district, a public school
 16 academy, or an intermediate district, the sum of the product of ~~.75~~
 17 **.90** times the ~~district's, public school academy's, or intermediate~~
 18 ~~district's 2019-2020 membership as calculated under this section in~~
 19 **2019-2020 number of full-time equated pupils in grades K to 12**
 20 **actually enrolled and in regular daily attendance in the district,**
 21 **public school academy, or intermediate district on the pupil**
 22 **membership count day for the current school year** and the product of
 23 ~~.25-.10~~ times ~~{the sum of (the product of .90 times the number of~~
 24 ~~full-time equated pupils engaged in pandemic learning for fall 2020~~
 25 ~~or, for a public school academy that operates as a cyber school, as~~
 26 ~~that term is defined in section 551 of the revised school code, MCL~~
 27 ~~380.551, the number of full-time equated pupils in grades K to 12~~
 28 ~~actually enrolled and in regular daily attendance in the public~~
 29 ~~school academy on pupil membership count day for the current school~~



~~year) and (the product of .10 times the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district for the immediately preceding school year)]~~. **the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, or, for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the public school academy for the immediately preceding school year.** All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district:

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

(b) If a pupil is educated in a district other than the pupil's district of residence, if the pupil is not being educated as part of a cooperative education program, if the pupil's district



1 of residence does not give the educating district its approval to
2 count the pupil in membership in the educating district, and if the
3 pupil is not covered by an exception specified in subsection (6) to
4 the requirement that the educating district must have the approval
5 of the pupil's district of residence to count the pupil in
6 membership, the pupil is not counted in membership in any district.

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

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

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

18 (f) A pupil enrolled in a career and technical education
19 program supported by a millage levied over an area larger than a
20 single district or in an area vocational-technical education
21 program established under section 690 of the revised school code,
22 MCL 380.690, is counted in membership only in the pupil's district
23 of residence.

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

26 (h) For the purposes of this section and section 6a, for a
27 cyber school, as that term is defined in section 551 of the revised
28 school code, MCL 380.551, that is in compliance with section 553a
29 of the revised school code, MCL 380.553a, a pupil's participation



in the cyber school's educational program is considered regular daily attendance, and for a district or public school academy, a pupil's participation in a virtual course as that term is defined in section 21f is considered regular daily attendance. For the purposes of this subdivision, for a pupil enrolled in a cyber school and utilizing sequential learning, participation means that term as defined in the pupil accounting manual, section ~~5-o-d:5-O-~~
D: requirements for counting pupils in membership-subsection 10.

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

(i) ~~Except as otherwise provided in this subparagraph, if~~ **If** operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2. ~~However, for 2020-2021 only, if~~
~~operations begin before the pupil membership count day for the~~
~~fiscal year, except for a public school academy that operates as a~~
~~cyber school, as that term is defined in section 551 of the revised~~
~~school code, MCL 380.551, membership is the average number of full-~~
~~time equated pupils engaged in pandemic learning for fall 2020 and~~



~~full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.~~

(ii) If operations begin after the pupil membership count day for the fiscal year and not later than the supplemental count day for the fiscal year, membership is the final audited count of the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year. ~~, but, for 2020-2021 only, except for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, membership is the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a.~~

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



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

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

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

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

17 (A) Is enrolled in a public school academy or an alternative
18 education high school diploma program, that is primarily focused on
19 educating pupils with extreme barriers to education, such as being
20 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
23 current school year.

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



1 intends to enroll the child in kindergarten for that school year.

2 (m) An individual who has achieved a high school diploma is
3 not counted in membership. An individual who has achieved a high
4 school equivalency certificate is not counted in membership unless
5 the individual is a student with a disability as that term is
6 defined in R 340.1702 of the Michigan Administrative Code. An
7 individual participating in a job training program funded under
8 former section 107a or a jobs program funded under former section
9 107b, administered by the department of labor and economic
10 opportunity, or participating in any successor of either of those 2
11 programs, is not counted in membership.

12 (n) If a pupil counted in membership in a public school
13 academy is also educated by a district or intermediate district as
14 part of a cooperative education program, the pupil is counted in
15 membership only in the public school academy unless a written
16 agreement signed by all parties designates the party or parties in
17 which the pupil is counted in membership, and the instructional
18 time scheduled for the pupil in the district or intermediate
19 district is included in the full-time equated membership
20 determination under subdivision (q) and section 101. However, for
21 pupils receiving instruction in both a public school academy and in
22 a district or intermediate district but not as a part of a
23 cooperative education program, the following apply:

24 (i) If the public school academy provides instruction for at
25 least 1/2 of the class hours required under section 101, the public
26 school academy receives as its prorated share of the full-time
27 equated membership for each of those pupils an amount equal to 1
28 times the product of the hours of instruction the public school
29 academy provides divided by the number of hours required under



1 section 101 for full-time equivalency, and the remainder of the
2 full-time membership for each of those pupils is allocated to the
3 district or intermediate district providing the remainder of the
4 hours of instruction.

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

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

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

22 (q) The number of class hours used to calculate full-time
23 equated memberships must be consistent with section 101. In
24 determining full-time equated memberships for pupils who are
25 enrolled in a postsecondary institution or for pupils engaged in an
26 internship or work experience under section 1279h of the revised
27 school code, MCL 380.1279h, a pupil is not considered to be less
28 than a full-time equated pupil solely because of the effect of his
29 or her postsecondary enrollment or engagement in the internship or



work experience, including necessary travel time, on the number of class hours provided by the district to the pupil.

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

(s) For a district or a public school academy that has pupils enrolled in a grade level that was not offered by the district or public school academy in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day and the supplemental count day of the current school year. ~~, but, for 2020-2021 only, except for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils engaged in pandemic learning~~



~~for fall 2020 and the number of those pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, as determined by the department.~~ Membership is calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

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

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

(i) The district provides at least 2 nonconsecutive hours of instruction per week to the pupil at the pupil's home or otherwise



1 apart from the general school population under the supervision of a
2 certificated teacher.

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

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

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

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

17 (w) For a public school academy that has been in operation for
18 at least 2 years and that suspended operations for at least 1
19 semester and is resuming operations, membership is the sum of the
20 product of .90 times the number of full-time equated pupils in
21 grades K to 12 actually enrolled and in regular daily attendance on
22 the first pupil membership count day or supplemental count day,
23 whichever is first, occurring after operations resume, plus the
24 product of .10 times the final audited count from the most recent
25 pupil membership count day or supplemental count day that occurred
26 before suspending operations, as determined by the superintendent.
27 ~~, but, for 2020-2021 only, except for a public school academy that~~
28 ~~operates as a cyber school, as that term is defined in section 551~~
29 ~~of the revised school code, MCL 380.551, membership is the sum of~~



~~the product of .90 times the number of full-time equated pupils engaged in pandemic learning for fall 2020 or the number of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is defined in section 6a, whichever applies first after operations resume, plus the product of .10 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.~~

(x) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. If a district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, **as determined by the department**, that is in a county with a population between ~~155,000~~ **150,000** and 160,000, **as determined by the department**, the district's membership is



1 considered to be the membership figure calculated under this
2 subdivision. The membership figure calculated under this
3 subdivision is the greater of the following:

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

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

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

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

26 (aa) For the first year in which a pupil is counted in
27 membership on the pupil membership count day in a middle college
28 program, the membership is the average of the full-time equated
29 membership on the pupil membership count day and on the



1 supplemental count day for the current school year, as determined
2 by the department. If a pupil described in this subdivision was
3 counted in membership by the operating district on the immediately
4 preceding supplemental count day, the pupil is excluded from the
5 district's immediately preceding supplemental count for the
6 purposes of determining the district's membership.

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

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

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



1 following are met:

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

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

13 (ee) A pupil participating in a virtual course under section
14 21f is counted in membership in the district enrolling the pupil.

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

25 (gg) If a special education pupil is expelled under section
26 1311 or 1311a of the revised school code, MCL 380.1311 and
27 380.1311a, and is not in attendance on the pupil membership count
28 day because of the expulsion, and if the pupil remains enrolled in
29 the district and resumes regular daily attendance during that



1 school year, the district's membership is adjusted to count the
2 pupil in membership as if he or she had been in attendance on the
3 pupil membership count day.

4 (hh) A pupil enrolled in a community district is counted in
5 membership in the community district.

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

9 (jj) A district that borders another state or a public school
10 academy that operates at least grades 9 to 12 and is located within
11 20 miles of a border with another state may count in membership a
12 pupil who is enrolled in a course at a college or university that
13 is located in the bordering state and within 20 miles of the border
14 with this state if all of the following are met:

15 (i) The pupil would meet the definition of an eligible student
16 under the postsecondary enrollment options act, 1996 PA 160, MCL
17 388.511 to 388.524, if the course were an eligible course under
18 that act.

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

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



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

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

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

18 (ll) If a district's or public school academy's membership for
19 a particular fiscal year, as otherwise calculated under this
20 subsection, includes pupils counted in membership who are enrolled
21 under section 166b, all of the following apply for the purposes of
22 this subdivision:

23 (i) If the district's or public school academy's membership for
24 pupils counted under section 166b equals or exceeds 5% of the
25 district's or public school academy's membership for pupils not
26 counted in membership under section 166b in the immediately
27 preceding fiscal year, then the growth in the district's or public
28 school academy's membership for pupils counted under section 166b
29 must not exceed 10%.



1 (ii) If the district's or public school academy's membership
2 for pupils counted under section 166b is less than 5% of the
3 district's or public school academy's membership for pupils not
4 counted in membership under section 166b in the immediately
5 preceding fiscal year, then the district's or public school
6 academy's membership for pupils counted under section 166b must not
7 exceed the greater of the following:

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

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

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

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

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

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

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

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



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

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

9 (f) A pupil who has made an official written complaint or
10 whose parent or legal guardian has made an official written
11 complaint to law enforcement officials and to school officials of
12 the pupil's district of residence that the pupil has been the
13 victim of a criminal sexual assault or other serious assault, if
14 the official complaint either indicates that the assault occurred
15 at school or that the assault was committed by 1 or more other
16 pupils enrolled in the school the pupil would otherwise attend in
17 the district of residence or by an employee of the district of
18 residence. A person who intentionally makes a false report of a
19 crime to law enforcement officials for the purposes of this
20 subdivision is subject to section 411a of the Michigan penal code,
21 1931 PA 328, MCL 750.411a, which provides criminal penalties for
22 that conduct. As used in this subdivision:

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

27 (ii) "Serious assault" means an act that constitutes a felony
28 violation of chapter XI of the Michigan penal code, 1931 PA 328,
29 MCL 750.81 to 750.90h, or that constitutes an assault and



1 infliction of serious or aggravated injury under section 81a of the
2 Michigan penal code, 1931 PA 328, MCL 750.81a.

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

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

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

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

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

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

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

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

26 (k) An expelled pupil who has been denied reinstatement by the
27 expelling district and is reinstated by another school board under
28 section 1311 or 1311a of the revised school code, MCL 380.1311 and
29 380.1311a.



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

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

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

11 (o) A pupil who enrolls in a district other than the pupil's
12 district of residence as a result of the pupil's school not making
13 adequate yearly progress under the no child left behind act of
14 2001, Public Law 107-110, or the every student succeeds act, Public
15 Law 114-95.

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

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

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



~~in session for purposes of this subdivision when the district is providing pupil instruction pursuant to an extended COVID-19 learning plan approved under section 98a.~~

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

- (i) Fourth Wednesday in July.
- (ii) First Wednesday in October.
- (iii) Second Wednesday in February.
- (iv) Fourth Wednesday in April.

(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. Except as otherwise provided in this subsection, a pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, is not counted as 1.0 full-time equated membership. A pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day is not counted as 1.0 full-time equated membership. In addition, a pupil who was enrolled and in attendance in a district, intermediate district, or public school academy before the pupil membership count day or supplemental count day of a particular year but was expelled or suspended on the pupil



1 membership count day or supplemental count day is only counted as
 2 1.0 full-time equated membership if the pupil resumed attendance in
 3 the district, intermediate district, or public school academy
 4 within 45 days after the pupil membership count day or supplemental
 5 count day of that particular year. A pupil not counted as 1.0 full-
 6 time equated membership due to an absence from a class is counted
 7 as a prorated membership for the classes the pupil attended. For
 8 purposes of this subsection, "class" means ~~a~~**either of the**
 9 **following, as applicable:**

10 (a) A period of time in 1 day when pupils and an individual
 11 who is appropriately placed under a valid certificate, substitute
 12 permit, authorization, or approval issued by the department, are
 13 together and instruction is taking place. **This subdivision does not**
 14 **apply for the 2020-2021 school year.**

15 (b) For the 2020-2021 school year only, a period of time in 1
 16 day when pupils and a certificated teacher, a teacher engaged to
 17 teach under section 1233b of the revised school code, MCL
 18 380.1233b, or an individual working under a valid substitute
 19 permit, authorization, or approval issued by the department are
 20 together and instruction is taking place.

21 (9) "Pupils engaged in pandemic learning for ~~fall 2020~~**spring**
 22 **2021**" means ~~pupils in grades K to 12 who are enrolled in a~~
 23 ~~district, excluding a district that operates as a cyber school, as~~
 24 ~~that term is defined in section 551 of the revised school code, MCL~~
 25 ~~380.551, or intermediate district and to which any of the following~~
 26 ~~apply:~~

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

29 (i) ~~The pupil attends a live lesson from the pupil's teacher or~~



~~at least 1 of the pupil's teachers on 2020-2021 pupil membership count day.~~

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

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

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

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

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

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

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

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

~~(c) At a minimum, 1 2-way interaction has occurred between the pupil and the pupil's teacher or at least 1 of the pupil's teachers~~



~~or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress during the week on which 2020-2021 pupil membership count day falls and during each week for the 3 consecutive weeks after the week on which 2020-2021 pupil membership count day falls. A district may utilize 2-way interactions that occur under this subdivision toward meeting the requirement under section 101(3) (h). As used in this subdivision:~~

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

~~(A) Electronic mail.~~

~~(B) Telephone.~~

~~(C) Instant messaging.~~

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

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

~~(d) The pupil has not participated in or completed an activity~~



~~as described in subdivision (a), (b), or (c) and the pupil was not excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 10 consecutive school days immediately following the 2020-2021 pupil membership count day.~~

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

~~(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in regular daily attendance.~~ **that term as defined in section 6a.**

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

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

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

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

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

(15) "Superintendent", unless the context clearly refers to a district or intermediate district superintendent, means the superintendent of public instruction described in section 3 of



1 article VIII of the state constitution of 1963.

2 (16) "Supplemental count day" means the day on which the
3 supplemental pupil count is conducted under section 6a or the day
4 specified as supplemental count day under section 6a.

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

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

18 (19) "Taxable value" means, **except as otherwise provided in**
19 **this article**, the taxable value of property as determined under
20 section 27a of the general property tax act, 1893 PA 206, MCL
21 211.27a.

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

29 (21) "Total state aid" or "total state school aid", except as



1 otherwise provided in this article, means the total combined amount
2 of all funds due to a district, intermediate district, or other
3 entity under this article.

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



1 subsection when the district is providing pupil instruction
2 pursuant to an extended COVID-19 learning plan approved under
3 section 98a.

4 (2) As used in this section, "pupils engaged in pandemic
5 learning for spring 2021" means pupils in grades K to 12 who are
6 enrolled in a district, excluding a district that operates as a
7 cyber school, as that term is defined in section 551 of the revised
8 school code, MCL 380.551, or intermediate district and to which any
9 of the following apply:

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

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

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

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

21 (iv) The district or intermediate district documents that an
22 ~~electronic mail~~**email** dialogue occurred between the pupil and the
23 pupil's teacher or at least 1 of the pupil's teachers on 2020-2021
24 supplemental count day.

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

27 (i) The pupil attends a virtual course where synchronous, live
28 instruction occurs with the pupil's teacher or at least 1 of the
29 pupil's teachers on 2020-2021 supplemental count day and the



1 attendance is documented by the district or intermediate district.

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

5 (iii) The pupil completes a course lesson or lesson activity on
6 2020-2021 supplemental count day and the completion is documented
7 by the district or intermediate district.

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

11 (c) At a minimum, 1 2-way interaction has occurred between the
12 pupil and the pupil's teacher or at least 1 of the pupil's teachers
13 **or another district employee who has responsibility for the pupil's**
14 **learning, grade progression, or academic progress** during the week
15 on which 2020-2021 supplemental count day falls and during each
16 week for the 3 consecutive weeks after the week on which 2020-2021
17 supplemental count day falls. A district may utilize 2-way
18 interactions that occur under this subdivision toward meeting the
19 requirement under section 101(3)(h). As used in this subdivision:

20 (i) "2-way interaction" means a communication that occurs
21 between a pupil and the pupil's teacher or at least 1 of the
22 pupil's teachers **or another district employee who has**
23 **responsibility for the pupil's learning, grade progression, or**
24 **academic progress**, where 1 party initiates communication and a
25 response from the other party follows that communication, and that
26 is relevant to course progress or course content for at least 1 of
27 the courses in which the pupil is enrolled **or relevant to the**
28 **pupil's overall academic progress or grade progression**. Responses,
29 as described in this subparagraph, must be to ~~the~~ communication



initiated by the teacher, **by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil**, and not some other action taken. The communication described in this subparagraph may occur through, but is not limited to, any of the following means:

(A) ~~Electronic mail.~~**Email.**

(B) Telephone.

(C) Instant messaging.

(D) Face-to-face conversation.

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

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

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

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

Sec. 11. (1) For the fiscal year ending September 30, 2021, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$13,759,819,500.00~~ **\$13,690,913,900.00** from the state school aid



fund, the sum of \$50,964,600.00 from the general fund, an amount not to exceed \$77,700,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund. **For the fiscal year ending September 30, 2022, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$13,815,936,300.00 from the state school aid fund, the sum of \$63,418,200.00 from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund.** In addition, all available federal funds are **only** appropriated **as allocated in this article** for the ~~fiscal year~~**years** ending **September 30, 2021 and September 30, 2021-2022.**

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

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

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

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid stabilization fund. The state treasurer shall deposit into the school aid stabilization



1 fund all of the following:

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

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

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

8 (3) Money available in the school aid stabilization fund may
9 not be expended without a specific appropriation from the school
10 aid stabilization fund. Money in the school aid stabilization fund
11 must be expended only for purposes for which state school aid fund
12 money may be expended.

13 (4) The state treasurer shall direct the investment of the
14 school aid stabilization fund. The state treasurer shall credit to
15 the school aid stabilization fund interest and earnings from fund
16 investments.

17 (5) Money in the school aid stabilization fund at the close of
18 a fiscal year remains in the school aid stabilization fund and does
19 not lapse to the unreserved school aid fund balance or the general
20 fund.

21 (6) If the maximum amount appropriated under section 11 from
22 the state school aid fund for a fiscal year exceeds the amount
23 available for expenditure from the state school aid fund for that
24 fiscal year, there is appropriated from the school aid
25 stabilization fund to the state school aid fund an amount equal to
26 the projected shortfall as determined by the department of
27 treasury, but not to exceed available money in the school aid
28 stabilization fund. If the money in the school aid stabilization
29 fund is insufficient to fully fund an amount equal to the projected



1 shortfall, the state budget director shall notify the legislature
 2 as required under section 296(2) and state payments in an amount
 3 equal to the remainder of the projected shortfall must be prorated
 4 in the manner provided under section 296(3).

5 (7) For ~~2020-2021~~, **2021-2022**, in addition to the
 6 appropriations in section 11, there is appropriated from the school
 7 aid stabilization fund to the state school aid fund the amount
 8 necessary to fully fund the allocations under this article.

9 Sec. 11j. From the ~~appropriation~~ **state school aid fund money**
 10 **appropriated** in section 11, there is allocated an amount not to
 11 exceed \$111,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to the
 12 school loan bond redemption fund in the department of treasury on
 13 behalf of districts and intermediate districts. Notwithstanding
 14 section 296 or any other provision of this act, funds allocated
 15 under this section are not subject to proration and must be paid in
 16 full.

17 Sec. 11k. For ~~2020-2021~~, **2021-2022**, there is appropriated from
 18 the general fund to the school loan revolving fund an amount equal
 19 to the amount of school bond loans assigned to the Michigan finance
 20 authority, not to exceed the total amount of school bond loans held
 21 in reserve as long-term assets. As used in this section, "school
 22 loan revolving fund" means that fund created in section 16c of the
 23 shared credit rating act, 1985 PA 227, MCL 141.1066c.

24 Sec. 11m. From the ~~appropriation~~ **state school aid fund money**
 25 **appropriated** in section 11, there is allocated for 2020-2021 an
 26 amount not to exceed ~~\$11,400,000.00~~ **\$8,700,000.00 and there is**
 27 **allocated for 2021-2022 an amount not to exceed \$9,500,000.00** for
 28 fiscal year cash-flow borrowing costs solely related to the state
 29 school aid fund established under section 11 of article IX of the



1 state constitution of 1963.

2 Sec. 11s. (1) From the state school aid fund money
 3 appropriated in section 11, there is allocated \$5,000,000.00 for
 4 ~~2020-2021-2021-2022~~ and from the general fund money appropriated in
 5 section 11, there is allocated \$3,075,000.00 for ~~2020-2021-2021-~~
 6 **2022** for the purpose of providing services and programs to children
 7 who reside within the boundaries of a district with the majority of
 8 its territory located within the boundaries of a city for which an
 9 executive proclamation of emergency concerning drinking water is
 10 issued in the current or immediately preceding ~~5-6~~ fiscal years
 11 under the emergency management act, 1976 PA 390, MCL 30.401 to
 12 30.421. From the funding appropriated in section 11, there is
 13 allocated for ~~2020-2021-2021-2022~~ \$100.00 from the water emergency
 14 reserve fund for the purposes of this section.

15 (2) From the general fund money allocated in subsection (1),
 16 there is allocated to a district with the majority of its territory
 17 located within the boundaries of a city in which an executive
 18 proclamation of emergency **concerning drinking water** is issued in
 19 the current or immediately preceding ~~5-6~~ fiscal years and that has
 20 at least 4,500 pupils in membership for the 2016-2017 fiscal year
 21 or has at least 3,000 pupils in membership for a fiscal year after
 22 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2020-2021-~~
 23 **2021-2022** for the purpose of employing school nurses, classroom
 24 aides, and school social workers. The district shall provide a
 25 report to the department in a form, manner, and frequency
 26 prescribed by the department. The department shall provide a copy
 27 of that report to the governor, the house and senate school aid
 28 subcommittees, the house and senate fiscal agencies, and the state
 29 budget director within 5 days after receipt. The report must



1 provide at least the following information:

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

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

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

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

11 (3) For ~~2020-2021 only,~~ **2021-2022**, from the state school aid
12 fund money allocated in subsection (1), there is allocated an
13 amount not to exceed ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate
14 district that has a constituent district described in subsection
15 (2) to provide state early intervention services for children
16 described in subsection (1) who are between age 3 and age 5. The
17 intermediate district shall use these funds to provide state early
18 intervention services that are similar to the services described in
19 the early on Michigan state plan. ~~, including ensuring that all~~
20 ~~children described in subsection (1) who are less than 4 years of~~
21 ~~age as of September 1, 2016 are assessed and evaluated at least~~
22 ~~twice annually.~~

23 (4) From the state school aid fund money allocated in
24 subsection (1), there is allocated an amount not to exceed
25 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to the intermediate district
26 described in subsection (3) to enroll children described in
27 subsection (1) in school-day great start readiness programs,
28 regardless of household income eligibility requirements contained
29 in section 32d. The department shall administer this funding



consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.

(5) For ~~2020-2021~~, **2021-2022**, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to children described in subsection (1).

(6) For ~~2020-2021~~, **2021-2022**, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,600,000.00~~ **\$2,000,000.00** to the intermediate district described in subsection (3) for interventions and supports for students in K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.

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

(8) ~~(7)~~—In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for state



1 restricted contingency funds. These contingency funds are not
2 available for expenditure until they have been transferred to a
3 section within this article under section 393(2) of the management
4 and budget act, 1984 PA 431, MCL 18.1393.

5 (9) ~~(8)~~—Notwithstanding section 17b, the department shall make
6 payments under this section on a schedule determined by the
7 department.

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



1 school code, MCL 380.1211.

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

20 (3) If, based on an audit by the department or the
21 department's designee or because of new or updated information
22 received by the department, the department determines that the
23 amount paid to a district or intermediate district under this
24 article for the current fiscal year or a prior fiscal year was
25 incorrect, the department shall make the appropriate deduction or
26 payment in the district's or intermediate district's allocation in
27 the next apportionment after the adjustment is finalized. The
28 department shall calculate the deduction or payment according to
29 the law in effect in the fiscal year in which the incorrect amount



1 was paid. If the district does not receive an allocation for the
2 fiscal year or if the allocation is not sufficient to pay the
3 amount of any deduction, the amount of any deduction otherwise
4 applicable must be satisfied from the proceeds of a loan to the
5 district under the emergency municipal loan act, 1980 PA 243, MCL
6 141.931 to 141.942, or from the proceeds of millage levied or
7 pledged under section 1211 of the revised school code, MCL
8 380.1211, as determined by the department.

9 (4) If the department makes an adjustment under this section
10 based in whole or in part on a membership audit finding that a
11 district or intermediate district employed an educator in violation
12 of certification requirements under the revised school code and
13 rules promulgated by the department, the department shall prorate
14 the adjustment according to the period of noncompliance with the
15 certification requirements.

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

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

24 (7) In addition to funds appropriated in section 11 for all
25 programs and services, there is appropriated for ~~2020-2021~~**2021-**
26 **2022** for obligations in excess of applicable appropriations an
27 amount equal to the collection of overpayments, but not to exceed
28 amounts available from overpayments.

29 Sec. 18. (1) Except as provided in another section of this



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

20 (2) A district or intermediate district shall adopt an annual
21 budget in a manner that complies with the uniform budgeting and
22 accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days
23 after a district board adopts its annual operating budget for the
24 following school fiscal year, or after a district board adopts a
25 subsequent revision to that budget, the district shall make all of
26 the following available through a link on its website homepage, or
27 may make the information available through a link on its
28 intermediate district's website homepage, in a form and manner
29 prescribed by the department:



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

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

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

9 (A) Salaries and wages.

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

13 (C) Retirement benefit costs.

14 (D) All other personnel costs.

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

17 (A) Instruction.

18 (B) Support services.

19 (C) Business and administration.

20 (D) Operations and maintenance.

21 (c) Links to all of the following:

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

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

28 (iii) The audit report of the **financial** audit conducted under
29 subsection (4) for the most recent fiscal year for which it is



1 available.

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

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

6 (vi) The district's written policy establishing specific
7 categories of reimbursable expenses, as described in section
8 1254(2) of the revised school code, MCL 380.1254.

9 (vii) Either the district's accounts payable check register for
10 the most recent school fiscal year or a statement of the total
11 amount of expenses incurred by board members or employees of the
12 district that were reimbursed by the district for the most recent
13 school fiscal year.

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

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

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

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

25 (h) Identification of all credit cards maintained by the
26 district as district credit cards, the identity of all individuals
27 authorized to use each of those credit cards, the credit limit on
28 each credit card, and the dollar limit, if any, for each
29 individual's authorized use of the credit card.



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

6 (3) For the information required under subsection (2)(a),
7 (2)(b)(i), and (2)(c), an intermediate district shall provide the
8 same information in the same manner as required for a district
9 under subsection (2).

10 (4) For the purposes of determining the reasonableness of
11 expenditures, whether a district or intermediate district has
12 received the proper amount of funds under this article, and whether
13 a violation of this article has occurred, all of the following
14 apply:

15 (a) The department shall require that each district and
16 intermediate district have an audit of the district's or
17 intermediate district's financial and pupil accounting records
18 conducted at least annually, and at such other times as determined
19 by the department, at the expense of the district or intermediate
20 district, as applicable. The audits must be performed by a
21 certified public accountant or by the intermediate district
22 superintendent, as may be required by the department, or in the
23 case of a district of the first class by a certified public
24 accountant, the intermediate superintendent, or the auditor general
25 of the city. A district or intermediate district shall retain these
26 records for the current fiscal year and from at least the 3
27 immediately preceding fiscal years.

28 (b) If a district operates in a single building with fewer
29 than 700 full-time equated pupils, if the district has stable



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

(c) A district's or intermediate district's annual financial 10 audit must include an analysis of the financial and pupil 11 accounting data used as the basis for distribution of state school 12 aid. 13

(d) The pupil and financial accounting records and reports, 14 audits, and management letters are subject to requirements 15 established in the auditing and accounting manuals approved and 16 published by the department. 17

(e) All of the following must be done not later than November 18 1 each year for reporting the prior fiscal year data: ~~, but, for~~ 19 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~ 20 ~~2020 data.~~ 21

(i) A district shall file the annual financial audit reports 22 with the intermediate district and the department. 23

(ii) The intermediate district shall file the annual financial 24 audit reports for the intermediate district with the department. 25

(iii) The intermediate district shall enter the pupil membership 26 audit reports for its constituent districts and for the 27 intermediate district, for the pupil membership count day and 28 supplemental count day, in the Michigan student data system. 29



1 (f) The annual financial audit reports and pupil accounting
2 procedures reports must be available to the public in compliance
3 with the freedom of information act, 1976 PA 442, MCL 15.231 to
4 15.246.

5 (g) Not later than January 31 of each year, the department
6 shall notify the state budget director and the legislative
7 appropriations subcommittees responsible for review of the school
8 aid budget of districts and intermediate districts that have not
9 filed an annual financial audit and pupil accounting procedures
10 report required under this section for the school year ending in
11 the immediately preceding fiscal year.

12 (5) By the first business day in November of each fiscal year,
13 ~~but, for submission of the 2019-2020 annual comprehensive financial~~
14 ~~data described in this subsection, by the first business day in~~
15 ~~December,~~ each district and intermediate district shall submit to
16 the center, in a manner prescribed by the center, annual
17 comprehensive financial data consistent with the district's or
18 intermediate district's audited financial statements and consistent
19 with accounting manuals and charts of accounts approved and
20 published by the department. For an intermediate district, the
21 report must also contain the website address where the department
22 can access the report required under section 620 of the revised
23 school code, MCL 380.620. The department shall ensure that the
24 prescribed Michigan public school accounting manual chart of
25 accounts includes standard conventions to distinguish expenditures
26 by allowable fund function and object. The functions must include
27 at minimum categories for instruction, pupil support, instructional
28 staff support, general administration, school administration,
29 business administration, transportation, facilities operation and



1 maintenance, facilities acquisition, and debt service; and must
2 include object classifications of salary, benefits, including
3 categories for active employee health expenditures, purchased
4 services, supplies, capital outlay, and other. A district shall
5 report the required level of detail consistent with the manual as
6 part of the comprehensive annual financial report.

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

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

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

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

28 (10) If a district or intermediate district does not comply
29 with subsections (4), (5), (6), (7), and (12), or if the department



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

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

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



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

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

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

13 (a) Virtual courses provided by the Michigan Virtual
14 University.

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

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

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

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

25 (16) ~~Beginning October 1, 2020, and annually thereafter, the~~
26 **The** department shall **annually** submit to the senate and house
27 subcommittees on state school aid and to the senate and house
28 standing committees on education an itemized list of allocations
29 under this article to any association or consortium consisting of



1 associations in the immediately preceding fiscal year. The report
2 must detail the recipient or recipients, the amount allocated, and
3 the purpose for which the funds were distributed.

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

12 (2) Each district shall furnish to the center not later than 5
13 weeks after the pupil membership count day and by the last business
14 day in June of the school fiscal year ending in the fiscal year, in
15 a manner prescribed by the center, the information necessary for
16 the preparation of the district and high school graduation report,
17 **information regarding completion of early middle college**
18 **credentials obtained and postsecondary credits obtained in any**
19 **college acceleration program, and information necessary** for the
20 preparation of the state and federal accountability reports. This
21 information shall meet requirements established in the pupil
22 auditing manual approved and published by the department. The
23 center shall calculate an annual graduation and pupil dropout rate
24 for each high school, each district, and this state, in compliance
25 with nationally recognized standards for these calculations. The
26 center shall report all graduation and dropout rates to the senate
27 and house education committees and appropriations committees, the
28 state budget director, and the department not later than 30 days
29 after the publication of the list described in subsection (5).



1 Before reporting these graduation and dropout rates, the department
2 shall allow a school or district to appeal the calculations. The
3 department shall consider and act upon the appeal within 30 days
4 after it is submitted and shall not report these graduation and
5 dropout rates until after all appeals have been considered and
6 decided.

7 (3) By the first business day in December and by the last
8 business day in June of each year, a district shall furnish to the
9 center, in a manner prescribed by the center, information related
10 to educational personnel as necessary for reporting required by
11 state and federal law. For the purposes of this subsection, the
12 center shall only require districts and intermediate districts to
13 report information that is not already available from the office of
14 retirement services in the department of technology, management,
15 and budget.

16 (4) If a district or intermediate district fails to meet the
17 requirements of this section, the department shall withhold 5% of
18 the total funds for which the district or intermediate district
19 qualifies under this article until the district or intermediate
20 district complies with all of those subsections. If the district or
21 intermediate district does not comply with all of those subsections
22 by the end of the fiscal year, the department shall place the
23 amount withheld in an escrow account until the district or
24 intermediate district complies with all of those subsections.

25 (5) Before publishing a list of school or district
26 accountability designations as required by the no child left behind
27 act of 2001, Public Law 107-110, or the every student succeeds act,
28 Public Law 114-95, and utilizing data that were certified as
29 accurate and complete after districts and intermediate districts



1 adhered to deadlines, data quality reviews, and correction
 2 processes leading to local certification of final student data in
 3 subsection (2), the department shall allow a school or district to
 4 appeal any calculation errors used in the preparation of
 5 accountability metrics. The department shall consider and act upon
 6 the appeal within 30 days after it is submitted and shall not
 7 publish the list until after all appeals have been considered and
 8 decided.

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

18 Sec. 20. (1) For ~~2020-2021,~~ **2021-2022**, both of the following
 19 apply:

20 (a) The target foundation allowance is ~~\$8,529.00.~~ **\$8,654.00.**

21 (b) The minimum foundation allowance is ~~\$8,111.00.~~ **\$8,361.00.**

22 (2) The department shall calculate the amount of each
 23 district's foundation allowance as provided in this section, using
 24 a target foundation allowance in the amount specified in subsection
 25 (1).

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



1 proration:

2 (a) Except as otherwise provided in this subdivision, for a
 3 district that had a foundation allowance for the immediately
 4 preceding fiscal year that was at least equal to the minimum
 5 foundation allowance for the immediately preceding fiscal year, but
 6 less than the target foundation allowance for the immediately
 7 preceding fiscal year, the district receives a foundation allowance
 8 in an amount equal to the sum of the district's foundation
 9 allowance for the immediately preceding fiscal year plus the
 10 difference between twice the dollar amount of the adjustment from
 11 the immediately preceding fiscal year to the current fiscal year
 12 made in the target foundation allowance and [(the difference
 13 between the target foundation allowance for the current fiscal year
 14 and target foundation allowance for the immediately preceding
 15 fiscal year minus ~~\$40.00~~ **\$41.67**) times (the difference between the
 16 district's foundation allowance for the immediately preceding
 17 fiscal year and the minimum foundation allowance for the
 18 immediately preceding fiscal year) divided by the difference
 19 between the target foundation allowance for the current fiscal year
 20 and the minimum foundation allowance for the immediately preceding
 21 fiscal year.] However, the foundation allowance for a district that
 22 had less than the target foundation allowance for the immediately
 23 preceding fiscal year must not exceed the target foundation
 24 allowance for the current fiscal year.

25 (b) Except as otherwise provided in this subsection, for a
 26 district that in the immediately preceding fiscal year had a
 27 foundation allowance in an amount equal to the amount of the target
 28 foundation allowance for the immediately preceding fiscal year, the
 29 district receives a foundation allowance for ~~2020-2021~~ **2021-2022** in



1 an amount equal to the target foundation allowance for ~~2020-~~
2 ~~2021-2021-2022.~~

3 (c) For a district that had a foundation allowance for the
4 immediately preceding fiscal year that was greater than the target
5 foundation allowance for the immediately preceding fiscal year, the
6 district's foundation allowance is an amount equal to the sum of
7 the district's foundation allowance for the immediately preceding
8 fiscal year plus the lesser of the increase in the target
9 foundation allowance for the current fiscal year, as compared to
10 the immediately preceding fiscal year, or the product of the
11 district's foundation allowance for the immediately preceding
12 fiscal year times the percentage increase in the United States
13 Consumer Price Index in the calendar year ending in the immediately
14 preceding fiscal year as reported by the May revenue estimating
15 conference conducted under section 367b of the management and
16 budget act, 1984 PA 431, MCL 18.1367b.

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

20 (4) Except as otherwise provided in this subsection, beginning
21 in 2014-2015, the state portion of a district's foundation
22 allowance is an amount equal to the district's foundation allowance
23 or the target foundation allowance for the current fiscal year,
24 whichever is less, minus the local portion of the district's
25 foundation allowance. For a district described in subsection
26 (3)(c), beginning in 2014-2015, the state portion of the district's
27 foundation allowance is an amount equal to \$6,962.00 plus the
28 difference between the district's foundation allowance for the
29 current fiscal year and the district's foundation allowance for



1 1998-99, minus the local portion of the district's foundation
 2 allowance. For a district that has a millage reduction required
 3 under section 31 of article IX of the state constitution of 1963,
 4 the department shall calculate the state portion of the district's
 5 foundation allowance as if that reduction did not occur. For a
 6 receiving district, if school operating taxes continue to be levied
 7 on behalf of a dissolved district that has been attached in whole
 8 or in part to the receiving district to satisfy debt obligations of
 9 the dissolved district under section 12 of the revised school code,
 10 MCL 380.12, the taxable value per membership pupil of property in
 11 the receiving district used for the purposes of this subsection
 12 does not include the taxable value of property within the
 13 geographic area of the dissolved district. For a community
 14 district, if school operating taxes continue to be levied by a
 15 qualifying school district under section 12b of the revised school
 16 code, MCL 380.12b, with the same geographic area as the community
 17 district, the taxable value per membership pupil of property in the
 18 community district to be used for the purposes of this subsection
 19 does not include the taxable value of property within the
 20 geographic area of the community district.

21 (5) The allocation calculated under this section for a pupil
 22 is based on the foundation allowance of the pupil's district of
 23 residence. For a pupil enrolled ~~pursuant to~~ **under** section 105 or
 24 105c in a district other than the pupil's district of residence,
 25 the allocation calculated under this section is based on the lesser
 26 of the foundation allowance of the pupil's district of residence or
 27 the foundation allowance of the educating district. For a pupil in
 28 membership in a K-5, K-6, or K-8 district who is enrolled in
 29 another district in a grade not offered by the pupil's district of



1 residence, the allocation calculated under this section is based on
 2 the foundation allowance of the educating district if the educating
 3 district's foundation allowance is greater than the foundation
 4 allowance of the pupil's district of residence. **The calculation**
 5 **under this subsection must take into account a district's per-pupil**
 6 **allocation under section 20m.**

7 (6) Except as otherwise provided in this subsection, for
 8 pupils in membership, other than special education pupils, in a
 9 public school academy, the allocation calculated under this section
 10 is an amount per membership pupil other than special education
 11 pupils in the public school academy equal to the minimum foundation
 12 allowance specified in subsection (1). **However, beginning in 2021-**
 13 **2022, for a public school academy that by agreement provides public**
 14 **educational services for the residents of a district that does not**
 15 **directly provide public educational services to the residents on**
 16 **its own, the allocation calculated under this section is an amount**
 17 **per membership pupil other than special education pupils in the**
 18 **public school academy equal to what the allocation per membership**
 19 **pupil would have been for the public school academy had it remained**
 20 **a district and directly provided public educational services to the**
 21 **residents on its own.** Notwithstanding section 101, for a public
 22 school academy that begins operations after the pupil membership
 23 count day, the amount per membership pupil calculated under this
 24 subsection must be adjusted by multiplying that amount per
 25 membership pupil by the number of hours of pupil instruction
 26 provided by the public school academy after it begins operations,
 27 as determined by the department, divided by the minimum number of
 28 hours of pupil instruction required under section 101(3). The
 29 result of this calculation must not exceed the amount per



1 membership pupil otherwise calculated under this subsection.

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

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

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

29 (10) State payments related to payment of the foundation



1 allowance for a special education pupil are not calculated under
2 this section but are instead calculated under section 51a.

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

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

19 (b) The revenue adjustment factor is computed by dividing the
20 sum of the estimated total state school aid fund revenue for the
21 subsequent fiscal year plus the estimated total state school aid
22 fund revenue for the current fiscal year, adjusted for any change
23 in the rate or base of a tax the proceeds of which are deposited in
24 that fund and excluding money transferred into that fund from the
25 countercyclical budget and economic stabilization fund under the
26 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by
27 the sum of the estimated total school aid fund revenue for the
28 current fiscal year plus the estimated total state school aid fund
29 revenue for the immediately preceding fiscal year, adjusted for any



1 change in the rate or base of a tax the proceeds of which are
2 deposited in that fund. If a consensus revenue factor is not
3 determined at the revenue estimating conference, the principals of
4 the revenue estimating conference shall report their estimates to
5 the house and senate subcommittees responsible for ~~state~~-school aid
6 appropriations not later than 7 days after the conclusion of the
7 revenue conference.

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

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

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

24 (14) As used in this section:

25 (a) "Certified mills" means the lesser of 18 mills or the
26 number of mills of school operating taxes levied by the district in
27 1993-94.

28 (b) "Combined state and local revenue" means the aggregate of
29 the district's state school aid received by or paid on behalf of



1 the district under this section and the district's local school
2 operating revenue.

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

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

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

12 (f) "Immediately preceding fiscal year" means the fiscal year
13 immediately preceding the current fiscal year.

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

25 (h) "Local school operating revenue" means school operating
26 taxes levied under section 1211 of the revised school code, MCL
27 380.1211. For a receiving district, if school operating taxes are
28 to be levied on behalf of a dissolved district that has been
29 attached in whole or in part to the receiving district to satisfy



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

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

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

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

16 (l) "Principal residence", "qualified agricultural property",
17 "qualified forest property", "supportive housing property",
18 "industrial personal property", and "commercial personal property"
19 mean those terms as defined in section 1211 of the revised school
20 code, MCL 380.1211.

21 (m) "Receiving district" means a district to which all or part
22 of the territory of a dissolved district is attached under section
23 12 of the revised school code, MCL 380.12.

24 (n) "School operating purposes" means the purposes included in
25 the operation costs of the district as prescribed in sections 7 and
26 18 and purposes authorized under section 1211 of the revised school
27 code, MCL 380.1211.

28 (o) "School operating taxes" means local ad valorem property
29 taxes levied under section 1211 of the revised school code, MCL



380.1211, and retained for school operating purposes.

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

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

Sec. 20d. In making the final determination required under former section 20a of a district's combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for ~~2020-2021~~, **2021-2022**, the department and the department of treasury shall comply with all of the following:

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



1 section 1211 of the revised school code, MCL 380.1211, as a result
2 of the adjustment under this subdivision.

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

20 Sec. 20f. (1) From the ~~funds~~**-state school aid fund money**
21 appropriated in section 11, there is allocated an amount not to
22 exceed \$18,000,000.00 for ~~2020-2021~~**-2021-2022** for payments to
23 eligible districts under this section.

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

29 (a) The increase in the district's foundation allowance or



1 per-pupil payment as calculated under section 20 from 2012-2013 to
2 2013-2014.

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

5 (c) The quotient of the district's allocation under section
6 147a for 2012-2013 divided by the district's membership pupils for
7 2012-2013 minus the quotient of the district's allocation under
8 section 147a for 2013-2014 divided by the district's membership
9 pupils for 2013-2014.

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

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

17 (a) The increase in the district's foundation allowance or
18 per-pupil payment as calculated under section 20 from 2014-2015 to
19 2015-2016.

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

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

24 (d) The quotient of the district's allocation under section
25 31a for 2015-2016 divided by the district's membership pupils for
26 2015-2016 minus the quotient of the district's allocation under
27 section 31a for 2014-2015 divided by the district's membership
28 pupils for 2014-2015.

29 (5) The amount allocated to each eligible district under



subsection (4) is an amount per membership pupil equal to \$25.00 minus the sum of the following:

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

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

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

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

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

Sec. 20m. (1) Foundation allowance supplemental payments for the current fiscal year to districts that in the immediately preceding fiscal year had a foundation allowance greater than the target foundation allowance must be calculated under this section.

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



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

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

(5) As used in this section, "qualifying district" means a district where the millage limitation in section 1211(3) of the revised school code, MCL 380.1211, is applied due to the increase in the target foundation allowance from the immediately preceding fiscal year to the current fiscal year exceeding the percentage increase in the general price level in the immediately preceding calendar year applied to the district's immediately preceding fiscal year foundation allowance.



1 Sec. 21f. (1) ~~Except as otherwise provided under subsection~~
 2 ~~(15), a~~ **A** primary district shall enroll an eligible pupil in
 3 virtual courses in accordance with the provisions of this section.
 4 ~~Except as otherwise provided under subsection (15), a~~ **A** primary
 5 district shall not offer a virtual course to an eligible pupil
 6 unless the virtual course is published in the primary district's
 7 catalog of board-approved courses or in the statewide catalog of
 8 virtual courses maintained by the Michigan Virtual University
 9 pursuant to section 98. The primary district shall also provide on
 10 its publicly accessible website a link to the statewide catalog of
 11 virtual courses maintained by the Michigan Virtual University.
 12 ~~Except as otherwise provided under subsection (15), unless~~ **Unless**
 13 the pupil is at least age 18 or is an emancipated minor, a pupil
 14 must not be enrolled in a virtual course without the consent of the
 15 pupil's parent or legal guardian.

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

20 (3) ~~Except as otherwise provided under subsection (15), a~~ **A**
 21 pupil may be enrolled in more than 2 virtual courses in a specific
 22 academic term, semester, or trimester if all of the following
 23 conditions are met:

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

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

28 (c) The primary district, in collaboration with the pupil, has
 29 developed an education development plan, in a form and manner



specified by the department, that is kept on file by the district.
This subdivision does not apply to a pupil enrolled as a part-time
pupil under section 166b.

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

(5) ~~Except as otherwise provided under subsection (15), a~~ **A**
primary district may not establish additional requirements beyond
those specified in this subsection that would prohibit a pupil from
taking a virtual course. ~~Except as otherwise provided under~~
~~subsection (15), a~~ **A** pupil's primary district may deny the pupil
enrollment in a virtual course if any of the following apply, as
determined by the district:

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

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

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

(d) The virtual course is inconsistent with the remaining



1 graduation requirements or career interests of the pupil.

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

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

7 (g) The virtual course is of insufficient quality or rigor. A
8 primary district that denies a pupil enrollment request for this
9 reason shall enroll the pupil in a virtual course in the same or a
10 similar subject that the primary district determines is of
11 acceptable rigor and quality.

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

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

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

23 (6) ~~Except as otherwise provided under subsection (15), if~~ **If**
24 a pupil is denied enrollment in a virtual course by the pupil's
25 primary district, the primary district shall provide written
26 notification to the pupil of the denial, the reason or reasons for
27 the denial under subsection (5), and a description of the appeal
28 process. The pupil may appeal the denial by submitting a letter to
29 the superintendent of the intermediate district in which the



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

(7) ~~Except as otherwise provided under subsection (15), to~~ **To** provide a virtual course to an eligible pupil under this section, a provider must do all of the following:

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

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

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

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

(i) Provide the Michigan Virtual University with a course



1 syllabus that meets the definition under subsection (14)(g) in a
 2 form and manner prescribed by the Michigan Virtual University for
 3 inclusion in a statewide catalog of virtual courses.

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

10 (8) ~~Except as otherwise provided under subsection (15), to~~ **To**
 11 provide a virtual course under this section, a community college
 12 shall ensure that each virtual course it provides under this
 13 section generates postsecondary credit.

14 (9) ~~Except as otherwise provided under subsection (15), for~~
 15 **For** any virtual course a pupil enrolls in under this section, the
 16 pupil's primary district must assign to the pupil a mentor and
 17 shall supply the provider with the mentor's contact information.

18 (10) ~~Except as otherwise provided under subsection (15), for~~
 19 **For** a pupil enrolled in 1 or more virtual courses, the primary
 20 district shall use foundation allowance or per-pupil funds
 21 calculated under section 20 to pay for the expenses associated with
 22 the virtual course or courses. ~~Except as otherwise provided under~~
 23 ~~subsection (15), a~~ **A** primary district is not required to pay toward
 24 the cost of a virtual course an amount that exceeds 6.67% of the
 25 minimum foundation allowance for the current fiscal year as
 26 calculated under section 20.

27 (11) A virtual learning pupil has the same rights and access
 28 to technology in his or her primary district's school facilities as
 29 all other pupils enrolled in the pupil's primary district. The

1 department shall establish standards for hardware, software, and
2 internet access for pupils who are enrolled in more than 2 virtual
3 courses under this section in an academic term, semester, or
4 trimester taken at a location other than a school facility.

5 (12) If a pupil successfully completes a virtual course, as
6 determined by the pupil's primary district, the pupil's primary
7 district shall grant appropriate academic credit for completion of
8 the course and shall count that credit toward completion of
9 graduation and subject area requirements. A pupil's school record
10 and transcript must identify the virtual course title as it appears
11 in the virtual course syllabus.

12 (13) The enrollment of a pupil in 1 or more virtual courses
13 must not result in a pupil being counted as more than 1.0 full-time
14 equivalent pupils under this article. ~~Except as otherwise provided~~
15 ~~under subsection (15), the~~ **The** minimum requirements to count the
16 pupil in membership are those established by the pupil accounting
17 manual as it was in effect for the 2015-2016 school year or as
18 subsequently amended by the department if the department notifies
19 the legislature about the proposed amendment at least 60 days
20 before the amendment becomes effective.

21 (14) As used in this section:

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

24 (b) "Mentor" means a professional employee of the primary
25 district who monitors the pupil's progress, ensures the pupil has
26 access to needed technology, is available for assistance, and
27 ensures access to the teacher of record. A mentor may also serve as
28 the teacher of record if the primary district is the provider for
29 the virtual course and the mentor meets the requirements under



1 subdivision (e).

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

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

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

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

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

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

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

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

26 (f) "Virtual course" means a course of study that is capable
27 of generating a credit or a grade and that is provided in an
28 interactive learning environment where the majority of the
29 curriculum is delivered using the internet and in which pupils may



1 be separated from their instructor or teacher of record by time or
2 location, or both.

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

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

8 (ii) The virtual course content outline.

9 (iii) The virtual course required assessments.

10 (iv) The virtual course prerequisites.

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

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

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

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

19 (ix) The name of the institution or organization providing the
20 instructor or teacher of record.

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

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

28 (xii) The results of the virtual course quality review using



1 the guidelines and model review process published by the Michigan
2 Virtual University.

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

5 ~~(15) The requirements under this section concerning virtual~~
6 ~~courses do not apply to virtual courses offered as part of pandemic~~
7 ~~learning. As used in this subsection, "pandemic learning" means a~~
8 ~~mode of pupil instruction provided as a result of the COVID-19~~
9 ~~pandemic.~~

10 Sec. 21h. (1) From the ~~appropriation~~ **state school aid fund**
11 **money appropriated** in section 11, there is allocated \$6,137,400.00
12 for ~~2020-2021~~ **2021-2022** for assisting districts assigned by the
13 superintendent to participate in a partnership and districts that
14 have established a community engagement advisory committee in
15 partnership with the department of treasury, are required to submit
16 a deficit elimination plan or an enhanced deficit elimination plan
17 under section 1220 of the revised school code, MCL 380.1220, and
18 are located in a city with a population between 9,000 and 11,000,
19 **as determined by the department**, that is in a county with a
20 population between ~~155,000~~ **150,000** and 160,000, **as determined by**
21 **the department**, to improve student achievement and district
22 financial stability. The superintendent shall collaborate with the
23 state treasurer to identify any conditions that may be contributing
24 to low academic performance within a district being considered for
25 assignment to a partnership. The purpose of the partnership is to
26 identify district needs, develop intervention plans, and partner
27 with public, private, and nonprofit organizations to coordinate
28 resources and improve student achievement. Assignment of a district
29 to a partnership is made by the superintendent in consultation with



1 the state treasurer.

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

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

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

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

23 (iii) A review of classroom, instructional, and operational
24 practices and curriculum to ensure alignment with research-based
25 instructional practices and state curriculum standards.

26 (b) Develop an academic and financial operating or
27 intervention plan that has been approved by the superintendent and
28 that addresses the needs identified in the comprehensive needs
29 assessment or evaluation completed under subdivision (a). The



1 intervention plan must include at least all of the following:

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

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

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

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

27 (4) Funds allocated under this section, excluding funds
28 allocated under subsection (5), may be used to pay for district
29 expenditures approved by the superintendent to improve student



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

9 (5) From the funds allocated under subsection (1), there is
 10 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 11 \$137,400.00 for the purchase of a data analytics tool to be used by
 12 districts described in subsection (1). The superintendent of public
 13 instruction shall require districts described in subsection (1) to
 14 purchase a data analytics tool funded under this subsection as part
 15 of the agreements described in this section.

16 (6) The department, in consultation with the department of
 17 treasury, shall annually report to the legislature on the
 18 activities funded under this section and how those activities
 19 impacted student achievement in districts that received funds under
 20 this section. To the extent possible, participating districts
 21 receiving funding under this section shall participate in the
 22 report.

23 Sec. 22a. (1) From the ~~appropriation~~**state school aid fund**
 24 **money appropriated** in section 11, there is allocated an amount not
 25 to exceed ~~\$4,916,000,000.00~~**\$4,823,000,000.00** for ~~2019-2020~~**2020-**
 26 **2021** and there is allocated an amount not to exceed
 27 ~~\$4,880,500,000.00~~**\$4,729,000,000.00** for ~~2020-2021~~**2021-2022** for
 28 payments to districts and qualifying public school academies to
 29 guarantee each district and qualifying public school academy an



1 amount equal to its 1994-95 total state and local per pupil revenue
2 for school operating purposes under section 11 of article IX of the
3 state constitution of 1963. Pursuant to section 11 of article IX of
4 the state constitution of 1963, this guarantee does not apply to a
5 district in a year in which the district levies a millage rate for
6 school district operating purposes less than it levied in 1994.

7 However, subsection (2) applies to calculating the payments under
8 this section. Funds allocated under this section that are not
9 expended in the fiscal year for which they were allocated, as
10 determined by the department, may be used to supplement the
11 allocations under sections 22b and 51c to fully fund those
12 allocations for the same fiscal year. For each fund transfer as
13 described in the immediately preceding sentence that occurs, the
14 state budget director shall send notification of the transfer to
15 the house and senate appropriations subcommittees on state school
16 aid and the house and senate fiscal agencies by not later than 14
17 calendar days after the transfer occurs.

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

23 (a) Except as otherwise provided in this subsection, the state
24 portion of a district's 1994-95 foundation allowance is an amount
25 equal to the district's 1994-95 foundation allowance or \$6,500.00,
26 whichever is less, minus the difference between the sum of the
27 product of the taxable value per membership pupil of all property
28 in the district that is nonexempt property times the district's
29 certified mills and, for a district with certified mills exceeding



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



1 section 22b(2).

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

25 (3) ~~Beginning in 2003-2004, for~~ **For** pupils in membership in a
 26 qualifying public school academy, there is allocated under this
 27 section to the authorizing body that is the fiscal agent for the
 28 qualifying public school academy for forwarding to the qualifying
 29 public school academy an amount equal to the 1994-95 per pupil



1 payment to the qualifying public school academy under section 20.

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

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

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

25 (7) As used in this section:

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



1 (b) "Certified mills" means the lesser of 18 mills or the
2 number of mills of school operating taxes levied by the district in
3 1993-94.

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

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

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

21 (f) "Hold harmless millage" means, for a district with a 1994-
22 95 foundation allowance greater than \$6,500.00, the number of mills
23 by which the exemption from the levy of school operating taxes on a
24 principal residence, qualified agricultural property, qualified
25 forest property, supportive housing property, industrial personal
26 property, commercial personal property, and property occupied by a
27 public school academy could be reduced as provided in section 1211
28 of the revised school code, MCL 380.1211, and the number of mills
29 of school operating taxes that could be levied on all property as



provided in section 1211(2) of the revised school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

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

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

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

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

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

(l) "School operating taxes" means local ad valorem property



1 taxes levied under section 1211 of the revised school code, MCL
 2 380.1211, and retained for school operating purposes as defined in
 3 section 20.

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

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

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

27 (ii) For the number of mills of school operating taxes that may
 28 be levied on all property as provided in section 1211(2) of the
 29 revised school code, MCL 380.1211, the taxable value of all



property for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

Sec. 22b. (1) For discretionary nonmandated payments to districts under this section, there is allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed ~~\$4,499,100,000.00~~ **\$4,475,200,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~\$75,900,000.00~~ **\$79,800,000.00** from the community district education trust fund appropriation in section 11, and there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$4,488,800,000.00~~ **\$4,762,165,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education trust fund appropriation in section 11. **Of the funds allocated under this section for 2021-2022, \$11,500,000.00 represents the amount of the general fund revenue deposited into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00.**

Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under



1 sections 22a and 51c to fully fund those allocations for the same
 2 fiscal year. For each fund transfer as described in the immediately
 3 preceding sentence that occurs, the state budget director shall
 4 send notification of the transfer to the house and senate
 5 appropriations subcommittees on state school aid and the house and
 6 senate fiscal agencies by not later than 14 calendar days after the
 7 transfer occurs.

8 (2) Subject to subsection (3) and section 296, the allocation
 9 to a district under this section is an amount equal to the sum of
 10 the amounts calculated under sections 20, **20m**, 51a(2), 51a(3), and
 11 51a(11), minus the sum of the allocations to the district under
 12 sections 22a and 51c. For a community district, the allocation as
 13 otherwise calculated under this section is increased by an amount
 14 equal to the amount of local school operating tax revenue that
 15 would otherwise be due to the community district if not for the
 16 operation of section 386 of the revised school code, MCL 380.386,
 17 and this increase must be paid from the community district
 18 education trust fund allocation in subsection (1) in order to
 19 offset the absence of local school operating revenue in a community
 20 district in the funding of the state portion of the foundation
 21 allowance under section 20(4).

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

24 (a) Comply with section 1280b of the revised school code, MCL
 25 380.1280b.

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

28 (c) Furnish data and other information required by state and
 29 federal law to the center and the department in the form and manner



1 specified by the center or the department, as applicable.

2 (d) Comply with section 1230g of the revised school code, MCL
3 380.1230g.

4 (e) Comply with section 21f.

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

7 (g) For a district that offers kindergarten, comply with
8 section 104(4).

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

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

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

27 (7) It is the intent of the legislature that all
28 constitutional obligations of this state have been fully funded
29 under sections 22a, 31d, 51a, 51c, and 152a. If a claim is made by



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

13 (8) If the local claims review board or a court of competent
14 jurisdiction makes a final determination that this state is in
15 violation of section 29 of article IX of the state constitution of
16 1963 regarding state payments to districts, the state budget
17 director shall use work project funds under subsection (7) or
18 allocate from the discretionary funds for nonmandated payments
19 under this section the amount as may be necessary to satisfy the
20 amount owed to districts before making any payments to districts
21 under subsection (2).

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



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

(11) If a lawsuit challenging payments made to districts related to costs reimbursed by federal title XIX Medicaid funds is filed against this state, then, for the purpose of addressing potential liability under such a lawsuit, the state budget director may place funds allocated under this section in escrow or allocate money from the funds otherwise allocated under this section, up to a maximum of 50% of the amount allocated in subsection (1). If funds are placed in escrow under this subsection, those funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of the litigation. The work project is completed upon resolution of the litigation. In addition, this state reserves the right to terminate future federal title XIX Medicaid reimbursement payments to districts if the amount or allocation of reimbursed funds is challenged in the lawsuit. As used in this subsection, "title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-5.

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed ~~\$7,000,000.00~~ **\$8,120,000.00** is allocated for ~~2020-2021~~ **2021-2022** for supplemental payments to rural districts under this section.



(2) From the allocation under subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$957,300.00~~**\$1,257,300.00** for payments under this subsection to districts that meet all of the following:

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

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

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

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

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

(4) Subject to subsection ~~(6)~~**(7)**, from the allocation in



subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed \$6,042,700.00 for payments under this subsection to districts that have fewer than 10.0 pupils per square mile as determined by the department.

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

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

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

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

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

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

(6) From the allocation in subsection (1), there is allocated an amount not to exceed \$820,000.00 for payments under this subsection to districts that have greater than 250 square miles and that do not receive funding under subsection (2) or (4). The funds allocated under this subsection must be allocated on an equal per-pupil basis.



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

Sec. 22m. (1) From the ~~appropriations~~ **state school aid fund money appropriated** in section 11, there is allocated for ~~2020–2021~~ **2021–2022** an amount not to exceed \$2,200,000.00 for supporting the integration of local data systems into the Michigan data hub network based on common standards and applications that are in compliance with section 19(6).

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

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

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

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

(6) To receive funding under this section, a regional data hub must have a governance model that ensures local control of data, data security, and student privacy issues. The integration of data



1 within each of the regional data hubs must provide for the
2 actionable use of data by districts and intermediate districts
3 through common reports and dashboards and for efficiently providing
4 information to meet state and federal reporting purposes.

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

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

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

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

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

20 (d) Promoting 100% district adoption of the Michigan data hub
21 network by September 30, ~~2021~~.**2022**.

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

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

27 (g) Creating a governance model to facilitate sustainable
28 operations of the infrastructure in the future, including
29 administration, legal agreements, documentation, staffing, hosting,



1 and funding.

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

5 (9) Not later than January 1 of each fiscal year, the center
6 shall prepare a summary report of information provided by each
7 entity that received funds under this section that includes
8 measurable outcomes based on the objectives described under this
9 section and a summary of compiled data from each entity to provide
10 a means to evaluate the effectiveness of the project. The center
11 shall submit the report to the house and senate appropriations
12 subcommittees on ~~state~~-school aid and to the house and senate
13 fiscal agencies.

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

19 (a) Measurable academic outcomes that the district or public
20 school academy will achieve for each school operated by the
21 district or public school academy that is subject to the
22 partnership agreement after 18 months and after 36 months from the
23 date the agreement was originally signed. Measurable academic
24 outcomes under this subdivision must include ~~all~~**both** of the
25 following:

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

29 ~~(ii) (ii) Either of the following, as applicable:~~



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

3 ~~(B) For 2020-2021 only, at least 1 proficiency or growth~~
4 ~~outcome based on a benchmark assessment described in section 104.~~

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

16 (c) For a public school academy assigned as a partnership
17 district as described in this subsection, a requirement that, if
18 reconstitution is imposed on a school that is operated by the
19 public school academy and that is subject to the partnership
20 agreement, the school must be reconstituted as described in section
21 507, 528, or 561, as applicable, of the revised school code, MCL
22 380.507, 380.528, and 380.561.

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



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

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

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

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

Sec. 24. (1) From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated for 2020-2021 an amount not to exceed ~~\$7,150,000.00~~ **\$7,650,000.00 and there is allocated for 2021-2022 an amount not to exceed \$7,650,000.00** for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention



1 facility or child caring institution licensed by the department of
2 health and human services and approved by the department to provide
3 an on-grounds education program. The amount of the payment under
4 this section to a district or intermediate district is calculated
5 as prescribed under subsection (2).

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

12 (a) "Added cost" means 100% of the added cost each fiscal year
13 for educating all pupils assigned by a court or the department of
14 health and human services to reside in or to attend a juvenile
15 detention facility or child caring institution licensed by the
16 department of health and human services or the department of
17 licensing and regulatory affairs and approved by the department to
18 provide an on-grounds education program. Added cost is computed by
19 deducting all other revenue received under this article for pupils
20 described in this section from total costs, as approved by the
21 department, in whole or in part, for educating those pupils in the
22 on-grounds education program or in a program approved by the
23 department that is located on property adjacent to a juvenile
24 detention facility or child caring institution. Costs reimbursed by
25 federal funds are not included.

26 (b) "Department's approved per-pupil allocation" for a
27 district or intermediate district is determined by dividing the
28 total amount allocated under this section for a fiscal year by the
29 full-time equated membership total for all pupils approved by the



1 department to be funded under this section for that fiscal year for
2 the district or intermediate district.

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

12 (4) Special education pupils funded under section 53a are not
13 funded under this section.

14 Sec. 24a. From the ~~appropriation~~ **state school aid fund money**
15 **appropriated** in section 11, there is allocated an amount not to
16 exceed \$1,355,700.00 for ~~2020-2021~~ **2021-2022** for payments to
17 intermediate districts for pupils who are placed in juvenile
18 justice service facilities operated by the department of health and
19 human services. The amount of the payment to each intermediate
20 district is an amount equal to the state share of those costs that
21 are clearly and directly attributable to the educational programs
22 for pupils placed in facilities described in this section that are
23 located within the intermediate district's boundaries. The
24 intermediate districts receiving payments under this section shall
25 cooperate with the department of health and human services to
26 ensure that all funding allocated under this section is utilized by
27 the intermediate district and department of health and human
28 services for educational programs for pupils described in this
29 section. Pupils described in this section are not eligible to be



1 funded under section 24. However, a program responsibility or other
2 fiscal responsibility associated with these pupils must not be
3 transferred from the department of health and human services to a
4 district or intermediate district unless the district or
5 intermediate district consents to the transfer.

6 Sec. 25f. (1) From the state school aid fund money
7 appropriated in section 11, there is allocated an amount not to
8 exceed \$1,600,000.00 for ~~2020-2021~~**2021-2022** for payments to strict
9 discipline academies established under sections 1311b to 1311m of
10 the revised school code, MCL 380.1311b to 380.1311m, as provided
11 under this section.

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

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



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

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

19 (4) Special education pupils funded under section 53a are not
20 funded under this section.

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

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

27 Sec. 25g. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated an amount not to
29 exceed \$750,000.00 for ~~2020-2021~~ **2021-2022** for the purposes of this



1 section. Except as otherwise provided in this section, if the
2 operation of the special membership counting provisions under
3 section 6(4) (dd) and the other membership counting provisions under
4 section 6(4) result in a pupil being counted as more than 1.0 FTE
5 in a fiscal year, then the payment made for the pupil under
6 sections 22a and 22b must not be based on more than 1.0 FTE for
7 that pupil, and that portion of the FTE that exceeds 1.0 is paid
8 under this section in an amount equal to that portion multiplied by
9 the educating district's foundation allowance or per-pupil payment
10 calculated under section 20.

11 (2) Special education pupils funded under section 53a are not
12 funded under this section.

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

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

19 Sec. 25i. (1) From the general fund money appropriated in
20 section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount
21 not to exceed ~~\$2,000,000.00~~ **\$4,000,000.00** for an eligible
22 attendance recovery program as described in subsection (3). The
23 funds allocated under this section must be used to administer an
24 eligible attendance recovery program for all districts that opt
25 into the program to serve eligible pupils described in subsection
26 (2).

27 (2) A pupil who meets any of the following and who is enrolled
28 in a district that opts into the attendance recovery program funded
29 under this section is an eligible pupil under this section:



(a) The pupil did not engage in the district's remote continuous education offerings in spring ~~2020-2021~~.

(b) The pupil needs intervention based on his or her absences **or chronic absenteeism** or consistent disengagement in classes.

(c) The pupil is in danger of failing 1 or more classes.

(d) The pupil is eligible under the McKinney-Vento homelessness assistance act, Public Law 100-77, or is in foster care.

(e) The pupil's family requires financial or social support.

(f) The pupil has disengaged in his or her education, is attending school irregularly, or is not progressing in his or her coursework.

(g) The pupil participated in or was eligible to participate in the district's summer 2021 educational offerings.

(3) An attendance recovery program that ~~meets all of the following~~ **received funding under this section in 2020-2021** is ~~an~~ **the** eligible attendance recovery program under this section. +

~~(a) Reflects experience and successful outcomes running statewide student recovery programs.~~

~~(b) Has, at a minimum, 2 years of experience working with this state's local education agencies.~~

~~(c) Has multimodal contact capabilities that include, but are not limited to, a call center, electronic mail, text, social-media matching, and public service announcements.~~

~~(d) Reflects experience in assisting at-risk students in overcoming learning barriers in a remote or online learning environment.~~

~~(e) Has the ability to scale to provide outreach to at least 20,000 students before the end of 2020.~~



1 (4) ~~The department shall choose and designate the provider of~~
2 ~~the eligible attendance recovery program under this section by not~~
3 ~~later than November 1, 2020.~~ The provider chosen and designated by
4 the department under this subsection **in 2020-2021** must **continue to**
5 do all of the following:

6 (a) Work with the department to notify districts about the
7 program and provide technical assistance to districts interested in
8 opting in.

9 (b) Work with each district to obtain contact information for
10 each eligible pupil.

11 (c) Provide outreach using differentiated treatment strategies
12 to pupils and families using multiple modalities that may include
13 phone, text, social media, ~~electronic mail, email,~~ and traditional
14 mail, to find and engage eligible pupils.

15 (d) Implement a culturally and linguistically responsive
16 outreach and support plan. Elements of the plan must include
17 differentiated outreach and ongoing coaching strategies to families
18 to ensure cultural and linguistic relevance.

19 (e) Use information about barriers to engagement gathered from
20 pupils and families to assign eligible pupils to an ongoing support
21 level. Ongoing support levels described in this subdivision must
22 include a minimum of 3 support tiers following the general design
23 of response to intervention (RTI) models.

24 (f) For eligible pupils and their families, provide a coach to
25 deliver interventions in accordance with the pupil's needs and the
26 framework of his or her assigned ongoing support level.

27 (g) Report weekly to each district that has opted into the
28 program and to the department with metrics agreed upon by the
29 provider and the department.



(5) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, 2020-2021.

Sec. 25k. (1) From the general fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$100.00 to an eligible program that provides dropout prevention solutions for at-risk students and disengaged learners by offering during-school social and emotional learning, enrichment, career exploration, and counseling.

(2) A program that does all of the following is an eligible program under this section:

(a) Provides core academics that get students back on track toward graduation by allowing students to earn credit for 2 grade levels in 1 year.

(b) Reengages at-risk students who are close to dropping out of school.

(c) Provides a social emotional learning environment that creates a safe and productive learning space.

(d) Focuses on a math, science, English language arts, and social studies curriculum for students in grades 7, 8, and 9.

(e) Provides a hands-on, real-world, project-based curriculum.

(f) Provides soft skills development through individual collaborative pairs and small-group learning.

(g) Provides academic content for more than 50 careers.

(3) Notwithstanding section 17b, the department shall award grant funding under this section to a provider of an eligible program by not later than November 15, 2021.

Sec. 26a. From the ~~funds~~-state school aid fund money appropriated in section 11, there is allocated an amount not to



1 exceed \$15,300,000.00 for ~~2020-2021~~**2021-2022** to reimburse
 2 districts and intermediate districts under section 12 of the
 3 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
 4 levied in ~~2020~~**2021**. The department shall pay the allocations not
 5 later than 60 days after the department of treasury certifies to
 6 the department and to the state budget director that the department
 7 of treasury has received all necessary information to properly
 8 determine the amounts due to each eligible recipient.

9 Sec. 26b. (1) From the ~~appropriation~~**state school aid fund**
 10 **money appropriated** in section 11, there is allocated an amount not
 11 to exceed \$4,645,000.00 for ~~2020-2021~~**2021-2022** for payments to
 12 districts, intermediate districts, and community college districts
 13 for the portion of the payment in lieu of taxes obligation that is
 14 attributable to districts, intermediate districts, and community
 15 college districts under section 2154 of the natural resources and
 16 environmental protection act, 1994 PA 451, MCL 324.2154.

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

21 Sec. 26c. (1) From the state school aid fund money
 22 appropriated under section 11, there is allocated an amount not to
 23 exceed ~~\$9,700,000.00~~**\$11,300,000.00** for 2020-2021 **and there is**
 24 **allocated an amount not to exceed \$13,800,000.00 for 2021-2022** to
 25 the promise zone fund created in subsection (3). The funds
 26 allocated under this section reflect the amount of revenue from the
 27 collection of the state education tax captured under section 17 of
 28 the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

29 (2) Funds allocated to the promise zone fund under this



1 section must be used solely for payments to eligible districts and
2 intermediate districts, in accordance with section 17 of the
3 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
4 that have a promise zone development plan approved by the
5 department of treasury under section 7 of the Michigan promise zone
6 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
7 intermediate districts shall use payments made under this section
8 for reimbursement for qualified educational expenses as **that term**
9 **is** defined in section 3 of the Michigan promise zone authority act,
10 2008 PA 549, MCL 390.1663.

11 (3) The promise zone fund is created as a separate account
12 within the state school aid fund to be used solely for the purposes
13 of the Michigan promise zone authority act, 2008 PA 549, MCL
14 390.1661 to 390.1679. All of the following apply to the promise
15 zone fund:

16 (a) The state treasurer shall direct the investment of the
17 promise zone fund. The state treasurer shall credit to the promise
18 zone fund interest and earnings from fund investments.

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

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

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



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

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

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

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

16 Sec. 28. (1) To recognize differentiated instructional costs
 17 for different types of pupils in ~~2020-2021,~~ **2021-2022**, the
 18 following sections provide a weighted foundation allocation or an
 19 additional payment of some type in the following amounts, as
 20 allocated under those sections:

21 (a) Section 22d, isolated and rural districts,
 22 ~~\$7,000,000.00-~~ **\$8,120,000.00.**

23 (b) Section 31a, at risk, standard programming,
 24 \$510,000,000.00.

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

26 (d) Section 41, bilingual education for English language
 27 learners, ~~\$13,000,000.00-~~ **\$13,390,000.00.**

28 (e) Section 51c, special education, mandated percentages,
 29 ~~\$713,400,000.00-~~ **\$733,000,000.00.**



1 (f) Section 51f, special education, additional percentages,
2 ~~\$60,207,000.00.~~ **\$61,407,000.00.**

3 (g) Section 61a, career and technical education, standard
4 reimbursement, \$37,611,300.00.

5 (h) Section 61d, career and technical education incentives,
6 \$5,000,000.00.

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

10 Sec. 29a. (1) From the state school aid fund money
11 appropriated under section 11, there is allocated for 2020-2021 an
12 amount not to exceed ~~\$66,000,000.00~~ **\$50,000,000.00** for payments as
13 provided under this section to eligible districts described in
14 subsection (2).

15 (2) A district for which its 2020-2021 pupils in membership
16 exceeds the calculation of membership for that district under
17 section 6(4) for 2020-2021 is an eligible district under this
18 section.

19 (3) The payment to each eligible district under this section
20 must be equal to the lesser of the eligible district's foundation
21 allowance or the target foundation allowance multiplied by the
22 difference between the eligible district's 2020-2021 pupils in
23 membership and the eligible district's membership for 2020-2021 as
24 calculated under section 6(4).

25 (4) If funds allocated under this section are insufficient to
26 fully fund the calculations under this section, the department
27 shall apply proration of an equal dollar amount per pupil.

28 (5) As used in this section, "2020-2021 pupils in membership"
29 means the sum of (the product of .90 times the number of full-time



equated pupils engaged in pandemic learning for fall 2020 or, for a district that is a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district on pupil membership count day for the current school year) and (the product of .10 times the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district for the immediately preceding school year).

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$535,150,000.00~~**\$537,150,000.00** for payments to eligible districts and eligible public school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8).

(2) For a district that has combined state and local revenue per membership pupil under ~~section~~**sections** 20 **and 20m** that is greater than the target foundation allowance under section 20 for the current fiscal year and that, for the immediately preceding fiscal year, had combined state and local revenue per membership pupil under section 20 that was greater than the target foundation allowance under section 20 that was in effect for that fiscal year, the allocation under this section is an amount equal to 30% of the allocation for which it would otherwise be eligible under this section before any proration under subsection ~~(14)~~**(15)**. It is the



1 intent of the legislature that, if revenues are sufficient and if
 2 districts with combined state and local revenue per membership
 3 pupil under section 20 that is below the target foundation
 4 allowance are receiving nonprorated payments under this section,
 5 the percentage in the immediately preceding sentence must be
 6 increased annually until it reaches 100%. If a district has
 7 combined state and local revenue per membership pupil under ~~section~~
 8 **sections 20 and 20m** that is greater than the target foundation
 9 allowance under section 20 for the current fiscal year, but for the
 10 2018-2019 fiscal year had combined state and local revenue per
 11 membership pupil under section 20 that was less than the basic
 12 foundation allowance under section 20 that was in effect for the
 13 2018-2019 fiscal year, the district shall receive an amount per
 14 pupil equal to 11.5% of the statewide weighted average foundation
 15 allowance, as applied under subsection (4), and before any
 16 proration under subsection ~~(14)~~ **(15)**.

17 (3) For a district or public school academy to be eligible to
 18 receive funding under this section, other than funding under
 19 subsection (7) or (8), the district or public school academy, for
 20 grades K to 12, must comply with the requirements under section
 21 1280f of the revised school code, MCL 380.1280f, and shall use
 22 resources to address early literacy and numeracy, and for at least
 23 grades K to 12 or, if the district or public school academy does
 24 not operate all of grades K to 12, for all of the grades it
 25 operates, must implement a multi-tiered system of supports that is
 26 an evidence based framework that uses data driven problem solving
 27 to integrate academic and behavioral instruction and that uses
 28 intervention delivered to all pupils in varying intensities based
 29 on pupil needs. The multi-tiered system of supports described in



1 this subsection must provide at least all of the following
 2 essential components:

3 (a) Team-based leadership.

4 (b) A tiered delivery system.

5 (c) Selection and implementation of instruction,
 6 interventions, and supports.

7 (d) A comprehensive screening and assessment system.

8 (e) Continuous data-based decision making.

9 (4) From the funds allocated under subsection (1), there is
 10 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 11 \$510,000,000.00 to continue a weighted foundation per pupil payment
 12 for districts and public school academies enrolling economically
 13 disadvantaged pupils. The department shall pay under this section
 14 to each eligible district or eligible public school academy an
 15 amount per pupil equal to 11.5% of the statewide weighted average
 16 foundation allowance for the following, as applicable:

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

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

24 (ii) If the district or public school academy is in the
 25 community eligibility program, the number of pupils determined to
 26 be eligible based on the product of the identified student
 27 percentage multiplied by the total number of pupils in the district
 28 or public school academy, as reported to the center in the form and
 29 manner prescribed by the center not later than the fifth Wednesday



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

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

28 (c) If the district or public school academy began operations
29 as a district or public school academy after the pupil membership



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

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

22 (5) Except as otherwise provided in this section, a district
23 or public school academy receiving funding under this section shall
24 use that money only to provide instructional programs and direct
25 noninstructional services, including, but not limited to, medical,
26 mental health, or counseling services, for at-risk pupils; for
27 school health clinics; and for the purposes of subsection (6), (7),
28 or (8). In addition, a district that is a school district of the
29 first class or a district or public school academy in which at



1 least 50% of the pupils in membership were determined to be
 2 economically disadvantaged in the immediately preceding state
 3 fiscal year, as determined and reported as described in subsection
 4 (4), may use not more than 20% of the funds it receives under this
 5 section for school security ~~that aligns or~~ **school parent liaison**
 6 **personnel. The uses of the funds described in the immediately**
 7 **preceding sentence must align** to the needs assessment and **align to**
 8 the multi-tiered system of supports model, **and, for funds spent on**
 9 **school parent liaison personnel, must connect parents to the school**
 10 **community.** A district or public school academy shall not use any of
 11 that money for administrative costs. The instruction or direct
 12 noninstructional services provided under this section may be
 13 conducted before or after regular school hours or by adding extra
 14 school days to the school year.

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

23 (7) From the funds allocated under subsection (1), there is
 24 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 25 ~~\$8,000,000.00~~ **\$10,000,000.00** to support primary health care
 26 services provided to children and adolescents up to age 21. These
 27 funds must be expended in a form and manner determined jointly by
 28 the department and the department of health and human services. If
 29 any funds allocated under this subsection are not used for the



purposes of this subsection for the fiscal year in which they are allocated, those unused funds must be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection ~~(14)~~—**(15)** for that fiscal year.

(8) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~—**2021-2022** an amount not to exceed \$5,150,000.00 for the state portion of the hearing and vision screenings as described in section 9301 of the public health code, 1978 PA 368, MCL 333.9301. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the screenings must be as required under R 325.13091 to R 325.13096 and R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule determined by the department.

(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall



1 ensure that districts are allowed to expend funds received under
2 this section on any activities that are permissible under this
3 section. If a district or public school academy does not comply
4 with this subsection, the department shall withhold an amount equal
5 to the August payment due under this section until the district or
6 public school academy complies with this subsection. If the
7 district or public school academy does not comply with this
8 subsection by the end of the fiscal year, the withheld funds are
9 forfeited to the school aid fund.

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

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

29 (12) A district or public school academy that receives funds



under this section may use up to 7.5% of those funds to provide research based professional development and to implement a coaching model that supports the multi-tiered system of supports framework. Professional development may be provided to district and school leadership and teachers and must be aligned to professional learning standards; integrated into district, school building, and classroom practices; and solely related to the following:

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

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

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

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

(15) ~~(14)~~ If necessary, and before any proration required under section 296, the department shall prorate payments under this section, except payments under subsection (7), (8), or ~~(16)~~, **(17)**, by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district.

(16) ~~(15)~~ If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to



1 which the dissolved district was constituent shall determine the
 2 estimated number of pupils that are economically disadvantaged and
 3 that are enrolled in each of the other districts within the
 4 intermediate district and provide that estimate to the department
 5 for the purposes of distributing funds under this section within 60
 6 days after the district is declared dissolved.

7 **(17)** ~~(16)~~ From the funds allocated under subsection (1), there
 8 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 9 \$12,000,000.00 for payments to districts and public school
 10 academies that otherwise received an allocation under this
 11 subsection for ~~2019-2020~~ **2020-2021** and whose allocation under this
 12 section for ~~2019-2020~~, **2020-2021**, excluding any payments under
 13 subsection (7) or (8), would have been more than the district's or
 14 public school academy's allocation under this section for ~~2020-2021~~
 15 **2021-2022** as calculated under subsection (4) only and as adjusted
 16 under subsection ~~(14)~~. **(15)**. The allocation for each district or
 17 public school academy under this subsection is an amount equal to
 18 its allocation under this section for ~~2019-2020~~ **2020-2021** minus its
 19 allocation as otherwise calculated under subsection (4) for ~~2020-~~
 20 ~~2021~~, **2021-2022** as adjusted by subsection ~~(14)~~, **(15)**, using in
 21 those calculations the 2017-2018 number of pupils determined to be
 22 economically disadvantaged. However, if the allocation as otherwise
 23 calculated under this subsection would have been less than \$0.00,
 24 the allocation under this subsection is \$0.00. If necessary, and
 25 before any proration required under section 296, the department
 26 shall prorate payments under this subsection by reducing the amount
 27 of the allocation as otherwise calculated under this subsection by
 28 an equal percentage per district or public school academy. Any
 29 unexpended funds under this subsection are to be distributed



1 through payments made under subsection (4) as provided under
 2 subsection (4), but those funds must not be factored into
 3 calculating payments under this subsection.

4 **(18)** ~~(17)~~—A district or public school academy that receives
 5 funds under this section may use funds received under this section
 6 to provide an anti-bullying or crisis intervention program.

7 **(19)** ~~(18)~~—The department shall collaborate with the department
 8 of health and human services to prioritize assigning Pathways to
 9 Potential Success coaches to elementary schools that have a high
 10 percentage of pupils in grades K to 3 who are not proficient in
 11 English language arts, based upon state assessments for pupils in
 12 those grades.

13 **(20)** ~~(19)~~—As used in this section:

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

17 (i) The pupil is economically disadvantaged.

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

19 (iii) The pupil is chronically absent as defined by and reported
 20 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,
 24 incarceration, or substance abuse.

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

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



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

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

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

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

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

Sec. 31d. (1) From the appropriations in section 11, there is allocated an amount not to exceed ~~\$23,144,000.00~~ **\$23,838,400.00** for



1 2020-2021 **and there is allocated an amount not to exceed**
2 **\$23,838,400.00 for 2021-2022** for the purpose of making payments to
3 districts and other eligible entities under this section.

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

12 (3) The payments made under this section include all state
13 payments made to districts so that each district receives at least
14 6.0127% of the necessary costs of operating the state mandated
15 portion of the lunch program in a fiscal year.

16 (4) The payments made under this section to districts and
17 other eligible entities that are not required under section 1272a
18 of the revised school code, MCL 380.1272a, to provide a lunch
19 program must, except for in 2020-2021, be in an amount not to
20 exceed \$10.00 per eligible pupil plus 5 cents for each free lunch
21 and 2 cents for each reduced price lunch provided, as determined by
22 the department. For 2020-2021 only, the amount described in this
23 subsection is not to exceed \$10.00 per eligible pupil plus 5 cents
24 for each lunch provided, as determined by the department.

25 (5) From the federal funds appropriated in section 11, there
26 is allocated for 2020-2021 all available federal funding, estimated
27 at \$545,000,000.00, **and there is allocated for 2021-2022 all**
28 **available federal funding, estimated at \$545,000,000.00** for child
29 nutrition programs and, **for 2020-2021**, all available federal



1 funding, estimated at \$5,000,000.00 **and, for 2021-2022, all**
 2 **available federal funding, estimated at \$11,000,000.00,** for food
 3 distribution programs.

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

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

11 Sec. 31f. (1) From the ~~appropriations~~ **state school aid fund**
 12 **money appropriated** in section 11, there is allocated an amount not
 13 to exceed ~~\$4,500,000.00~~ **\$11,900,000.00** for 2020-2021 **and there is**
 14 **allocated an amount not to exceed \$11,900,000.00 for 2021-2022** for
 15 the purpose of making payments to districts to reimburse for the
 16 cost of providing breakfast.

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

20 (a) The district participates in the federal school breakfast
 21 program and meets all standards as prescribed by 7 CFR parts 210,
 22 220, 225, 226, and 245.

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

25 (3) The payment for a district under this section is at a per
 26 meal rate equal to the lesser of the district's actual cost or 100%
 27 of the statewide average cost of a meal served, as determined and
 28 approved by the department, less federal reimbursement, participant
 29 payments, and other state reimbursement. The department shall



determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

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

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

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$200,000.00~~ **\$500,000.00** and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$1,800,000.00~~ **\$4,000,000.00** for ~~2020-2021~~ **2021-2022** for a program to support districts and sponsors of child care centers in the purchase of locally grown fruits and vegetables as described in this section.

(2) ~~Funding retained by districts and the sponsors of child care centers that administer the program must not exceed 10%, and funding retained by the department for administration must not exceed 6%. A district or the sponsor of a child care center may enter into a memorandum of understanding with the department or another district or sponsor of a child care center, or both, to administer the program. If the department administers the program for a district or the sponsor of a child care center, the department may retain up to 10% of that district's or sponsor's funding for administration or may distribute some or all of that 10% to project partners as appropriate.~~ **Funding under this section retained by the department for administration must not exceed 5%.**



1 **Funding under this section retained by project partners for data**
2 **collection outreach and training must not exceed 1% for each**
3 **partner.**

4 (3) The department shall develop and implement a competitive
5 grant program for districts and sponsors of child care centers to
6 assist in paying for the costs incurred by the district or the
7 sponsor of the child care center to purchase or increase purchases
8 of whole or minimally processed fruits, vegetables, and legumes
9 grown in this state. The maximum amount that may be drawn down on a
10 grant to a district or the sponsor of a child care center is based
11 on the number of meals served by the district during the previous
12 school year under the Richard B. Russell national school lunch act,
13 42 USC 1751 to 1769j, or meals served by the sponsor of the child
14 care center in the previous school year. The department shall
15 collaborate with the Michigan department of agriculture and rural
16 development to provide training to newly participating schools and
17 sponsors of child care centers and electronic information on
18 Michigan agriculture.

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

23 (5) A district or the sponsor of a child care center that
24 receives a grant under this section shall use those funds for the
25 costs incurred by the district or the sponsor to purchase whole or
26 minimally processed fruits, vegetables, and legumes that meet all
27 of the following:

28 (a) Were purchased for ~~the 2020-2021 fiscal year, including~~
29 ~~purchases to launch meals in August 2020 and September 2020.~~ **use in**



1 school meals served between September 1, 2021 through August 30,
2 2022.

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

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

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

13 (7) A district or the sponsor of a child care center that
14 receives a grant for reimbursement under this section shall use the
15 grant to purchase whole or minimally processed fruits, vegetables,
16 and legumes that are grown in this state and, if minimally
17 processed, are also processed in this state.

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

27 (9) The department shall give preference to districts or
28 sponsors of child care centers that propose educational activities
29 that meet 1 or more of the following: promote healthy food



activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

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

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

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

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

(11) As a condition of receiving a grant under this section, a district or the sponsor of a child care center shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or the sponsor of a child care center also shall provide to the department monthly ~~lunch~~ **United States Department of Agriculture child nutrition reimbursable meal** numbers and ~~lunch~~ participation rates and ~~calendars or~~ **must retain** monthly menus noting when and how Michigan-grown products were used in meals. The district or the sponsor of the child care center and



1 school or child care center food service director or directors also
2 shall agree to respond to brief online surveys and to provide a
3 report that shows the percentage relationship of Michigan spending
4 compared to total food spending. Not later than 60 days after the
5 end of the school year in which funds under this section were
6 received, each district or each sponsor of a child care center
7 shall submit a report to the department on outcomes and related
8 measurements for economic development and children's nutrition and
9 readiness to learn. The report must include at least both of the
10 following:

11 (a) The extent to which farmers and related businesses,
12 including distributors and processors, saw an increase in market
13 opportunities and income generation through sales of Michigan or
14 local products to districts and sponsors of child care centers. All
15 of the following apply for purposes of this subdivision:

16 (i) The data used to determine the amount of this increase are
17 the total dollar amount of Michigan or local fruits, vegetables,
18 and legumes purchased by schools and sponsors of child care
19 centers, along with the number of different types of products
20 purchased; school and child care center food purchasing trends
21 identified along with products that are of new and growing interest
22 among food service directors; the number of businesses impacted;
23 and the percentage of total food budget spent on Michigan-grown
24 fruits, vegetables, and legumes.

25 (ii) The district or the sponsor of a child care center shall
26 use purchasing data collected for the program and surveys of school
27 and child care food service directors on the impact and success of
28 the program as the source for the data described in subparagraph

29 (i) .



1 (b) The ability to which pupils can access a variety of
2 healthy Michigan-grown foods through schools and child care centers
3 and increase their consumption of those foods. All of the following
4 apply for purposes of this subdivision:

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

11 (ii) The district or the sponsor of a child care center shall
12 use purchasing data collected for the project, meal count and
13 enrollment numbers, school menu calendars, and surveys of school
14 and child care food service directors as the source for the data
15 described in subparagraph (i).

16 (12) The department shall compile the reports provided by
17 districts and sponsors of child care centers under subsection (11)
18 into 1 legislative report. The department shall provide this report
19 not later than November 1, ~~2021~~2022 to the house and senate
20 subcommittees responsible for state school aid, the house and
21 senate fiscal agencies, and the state budget director.

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

25 Sec. 31m. (1) The school mental health and support services
26 fund is created as a separate account within the state school aid
27 fund.

28 (2) The state treasurer may receive money or other assets from
29 any source for deposit into the school mental health and support



1 services fund. The state treasurer shall direct the investment of
 2 the school mental health and support services fund and shall credit
 3 to the school mental health and support services fund interest and
 4 earnings from the school mental health and support services fund.

5 (3) Money available in the school mental health and support
 6 services fund ~~shall~~**must** not be expended without a specific
 7 appropriation.

8 (4) Money in the school mental health and support services
 9 fund at the close of the fiscal year ~~shall remain in the school~~
 10 ~~mental health and support services fund and shall not lapse~~**lapses**
 11 to the state school aid fund. ~~or to the general fund.~~ The
 12 department of treasury shall be the administrator of the school
 13 mental health and support services fund for auditing purposes.

14 (5) For the fiscal year ending September 30, 2018,
 15 \$30,000,000.00 from the state school aid fund shall be deposited
 16 into the school mental health and support services fund to be used
 17 to support efforts to improve mental health and support services
 18 for K-12 pupils in this state, including, but not limited to,
 19 improved access to counseling services, educational awareness
 20 programs, and enhanced mental health and clinical services.

21 Sec. 31n. (1) From the state school aid fund money
 22 appropriated in section 11, there is allocated for ~~2020-2021~~**2021-**
 23 **2022** for the purposes of this section an amount not to exceed
 24 \$55,600,000.00 and from the general fund money appropriated in
 25 section 11, there is allocated for ~~2020-2021~~**2021-2022** for the
 26 purposes of this section an amount not to exceed \$1,300,000.00. The
 27 department and the department of health and human services shall
 28 continue a program to distribute this funding to add licensed
 29 behavioral health providers for general education pupils, and shall



1 continue to seek federal Medicaid match funding for all eligible
2 mental health and support services.

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

19 (3) The advisory council shall develop a fiduciary agent
20 checklist for intermediate districts to facilitate development of a
21 plan to submit to the department and to the department of health
22 and human services. The department and department of health and
23 human services shall determine the requirements and format for
24 intermediate districts to submit a plan for possible funding under
25 subsection (5). The department shall make applications for funding
26 for this program available to districts and intermediate districts
27 not later than December 1, ~~2020-2021~~ for the ~~2020-2021-2021-2022~~
28 fiscal year and shall award the funding not later than February 1,
29 ~~2021-2022~~ for the ~~2020-2021-2021-2022~~ fiscal year.



1 (4) The department of health and human services shall seek to
2 amend the state Medicaid plan or obtain appropriate Medicaid
3 waivers as necessary for the purpose of generating additional
4 Medicaid match funding for school mental health and support
5 services for general education pupils. The intent is that a
6 successful state plan amendment or other Medicaid match mechanisms
7 will result in additional federal Medicaid match funding for both
8 the new funding allocated under this section and for any expenses
9 already incurred by districts and intermediate districts for mental
10 health and support services for general education pupils.

11 (5) From the state school aid fund money allocated under
12 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
13 amount not to exceed \$9,300,000.00 to be distributed to the network
14 of child and adolescent health centers to, **except as otherwise**
15 **provided in this subsection**, place a licensed master's level
16 behavioral health provider in schools that do not currently have
17 services available to general education students. **If a child and**
18 **adolescent health center is not able to procure the services of a**
19 **licensed master's level behavioral health provider, the child and**
20 **adolescent health center shall notify the department and the**
21 **department of health and human services and, if the department and**
22 **department of health and human services verify that the child and**
23 **adolescent health center attempted to procure services from a**
24 **master's level behavioral health provider and was not able to do**
25 **so, then the child and adolescent health center may instead procure**
26 **services from a provider with less than a master's degree in**
27 **behavioral health. To be able to use the exemption in the**
28 **immediately preceding sentence, the child and adolescent health**
29 **center must submit evidence satisfactory to the department and**



1 department of health and human services demonstrating that the
2 child and adolescent health center took measures to procure the
3 services of a licensed master's level behavioral health provider
4 but was unable to do so, and the department and department of
5 health and human services must be able to verify this evidence.

6 Child and adolescent health centers that are part of the network
7 described in this subsection shall provide a commitment to maintain
8 services and implement all available federal Medicaid match
9 methodologies. The department of health and human services shall
10 use all existing or additional federal Medicaid match opportunities
11 to maximize funding allocated under this subsection. The department
12 shall provide funds under this subsection to child and adolescent
13 health centers that are part of the network described in this
14 subsection in the same proportion that funding under section 31a(7)
15 is provided to child and adolescent health centers that are part of
16 the network described in this subsection and that are located and
17 operating in those districts. A payment from funding allocated
18 under this subsection must not be paid to an entity that is not
19 part of the network described in this subsection.

20 (6) From the state school aid fund money allocated under
21 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
22 amount not to exceed \$45,800,000.00 to be distributed to
23 intermediate districts for the provision of mental health and
24 support services to general education students. From the funds
25 allocated under this subsection, the department shall distribute
26 \$817,800.00 for ~~2020-2021~~**2021-2022** to each intermediate district
27 that submits a plan approved by the department and the department
28 of health and human services. The department and department of
29 health and human services shall work cooperatively in providing



1 oversight and assistance to intermediate districts during the plan
2 submission process and shall monitor the program upon
3 implementation. An intermediate district shall use funds awarded
4 under this subsection to provide funding to its constituent
5 districts, including public school academies that are considered to
6 be constituent districts under section 705(7) of the revised school
7 code, MCL 380.705, for the provision of mental health and support
8 services to general education students. In addition to the criteria
9 identified under subsection (7), an intermediate district shall
10 consider geography, cost, or other challenges when awarding funding
11 to its constituent districts. ~~For 2020-2021 only, even if grants~~
12 ~~under this subsection have already been received by constituent~~
13 ~~districts of an intermediate district under this subsection, the~~
14 ~~intermediate district may award additional grants to its~~
15 ~~constituent districts from funding allocated through the amendatory~~
16 ~~act that added this sentence, based on applications as described in~~
17 ~~subsection (7) that have already been submitted for the fiscal~~
18 ~~year, and, if a constituent district did not apply for initial~~
19 ~~grants as described in subsection (7) before the effective date of~~
20 ~~the amendatory act that added this sentence and asks to apply for~~
21 ~~the additional grants described in this sentence, the intermediate~~
22 ~~district must allow the constituent district to submit an~~
23 ~~application for the additional grant funding.~~ If funding awarded to
24 an intermediate district remains after funds are provided by the
25 intermediate district to its constituent districts, the
26 intermediate district may hire or contract for experts to provide
27 mental health and support services to general education students
28 residing within the boundaries of the intermediate district,
29 including, but not limited to, expanding, hiring, or contracting



1 for staff and experts to provide those services directly or to
2 increase access to those services through coordination with outside
3 mental health agencies.

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

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

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

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

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

29 (e) The district's documentation of need, including gaps in



1 current mental health and support services for the general
2 education population.

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

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

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

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

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

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

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

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

22 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
23 \$1,000,000.00 for the purpose of upgrading technology and systems
24 infrastructure and other administrative requirements to support the
25 programs funded under this section.

26 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
27 \$300,000.00 for the purpose of administering the programs under
28 this section and working on generating additional Medicaid funds as
29 a result of programs funded under this section.



1 (10) From the state school aid fund money allocated under
2 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
3 amount not to exceed \$500,000.00 to intermediate districts on an
4 equal per intermediate district basis for the purpose of
5 administering programs funded under this section.

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

25 (12) ~~Beginning with 2018-2019, a~~ **A** district or intermediate
26 district that receives funding directly or indirectly under this
27 section may carry over any unexpended funds received under this
28 section for up to 2 fiscal years beyond the fiscal year in which
29 the funds were received.



1 Sec. 31p. (1) From the state school aid fund money
 2 appropriated under section 11, there is allocated for 2021-2022 an
 3 amount not to exceed \$1,368,000.00 for grants to intermediate
 4 districts to implement a TRAILS program as described in subsection
 5 (2).

6 (2) Intermediate districts receiving funding under this
 7 section must use the funding to implement a TRAILS program within
 8 the boundaries of the intermediate district. The TRAILS program
 9 described in this subsection must improve youth access to evidence-
 10 based mental health services by training school mental health
 11 professionals in effective practices, such as cognitive behavioral
 12 therapy and mindfulness.

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

15 (4) The department shall award, in an equal amount, grants
 16 under this section to each intermediate district that has an
 17 approved grant application for funding under this section.

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

21 Sec. 32d. (1) From the funds appropriated in section 11, there
 22 is allocated to eligible intermediate districts and consortia of
 23 intermediate districts for great start readiness programs an amount
 24 not to exceed ~~\$249,600,000.00~~ **\$281,800,000.00** for ~~2020-2021.~~ **2021-**
 25 **2022.** An intermediate district or consortium shall use funds
 26 allocated under this section for great start readiness programs to
 27 provide part-day, school-day, or GSRP/Head Start blended
 28 comprehensive free compensatory classroom programs designed to
 29 improve the readiness and subsequent achievement of educationally



disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and must meet those eligibility and prioritization guidelines. A child who is not 4 years of age as of September 1, but who will be 4 years of age not later than December 1, is eligible to participate if the child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district, if the program has capacity on or after September 1 of the school year, and if the child meets eligibility and prioritization guidelines.

(2) From the funds allocated under subsection (1), an amount not to exceed ~~\$247,600,000.00~~ **\$279,800,000.00** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$350,000.00~~ **\$600,000.00** for ~~2020-~~ **2021-2022** for a competitive grant to continue a longitudinal evaluation of children who have participated in great start



1 readiness programs. This evaluation must include ~~, to the extent,~~
2 ~~for 2020-2021, that data from the kindergarten readiness assessment~~
3 ~~are available,~~ a comparative analysis of the relationship between
4 great start readiness programs and performance on the kindergarten
5 readiness assessment funded under section 104. The evaluation must
6 use children wait-listed under this section for comparison, must
7 include a determination of the specific great start readiness
8 program in which the kindergarten students were enrolled and
9 attended in the previous school year, and must ~~, to the extent, for~~
10 ~~2020-2021, that data from the Michigan kindergarten entry~~
11 ~~observation tool are available,~~ analyze Michigan kindergarten entry
12 observation tool scores for students taking the Michigan
13 kindergarten entry observation tool each year and produce a report
14 as required under section 104. The performance data on the
15 kindergarten readiness assessment must be submitted to the center
16 at the same time as the fall Michigan student data system
17 collection. The responsibility for the analysis required under this
18 subsection may be added to the requirements that the department
19 currently has with its competitively designated current grantee.

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

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

29 (b) An age-appropriate educational curriculum that is in



1 compliance with the early childhood standards of quality for
2 prekindergarten children adopted by the state board, including, at
3 least, the Connect4Learning curriculum.

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

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

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

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

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

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

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

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



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

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

6 (b) Except as otherwise provided in this subdivision, ~~or~~
7 ~~section,~~ ensure that at least 90% of the children participating in
8 an eligible great start readiness program for whom the intermediate
9 district is receiving funds under this section are children who
10 live with families with a household income that is equal to or less
11 than 250% of the federal poverty guidelines. If the intermediate
12 district determines that all eligible children are being served and
13 that there are no children on the waiting list who live with
14 families with a household income that is equal to or less than 250%
15 of the federal poverty guidelines, the intermediate district may
16 then enroll children who live with families with a household income
17 that is equal to or less than 300% of the federal poverty
18 guidelines. The enrollment process must consider income and risk
19 factors, such that children determined with higher need are
20 enrolled before children with lesser need. For purposes of this
21 subdivision, ~~and subsection (27),~~ all age-eligible children served
22 in foster care or who are experiencing homelessness or who have
23 individualized education programs recommending placement in an
24 inclusive preschool setting are considered to live with families
25 with household income equal to or less than 250% of the federal
26 poverty guidelines regardless of actual family income and are
27 prioritized for enrollment within the lowest quintile.

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



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

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



1 60 clock hours of training per calendar year.

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

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

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

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

28 (9) An intermediate district or consortium of intermediate
29 districts may retain for administrative services provided by the



1 intermediate district or consortium of intermediate districts an
2 amount not to exceed 4% of the grant amount. Expenses incurred by
3 subrecipients engaged by the intermediate district or consortium of
4 intermediate districts for directly running portions of the program
5 are considered program costs or a contracted program fee for
6 service. Subrecipients operating with a federally approved indirect
7 rate for other early childhood programs may include indirect costs,
8 not to exceed the federal 10% de minimis.

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

12 (11) ~~Except as otherwise provided in this section, each~~ **Each**
13 grant recipient shall enroll children identified under subsection
14 (5) (b) according to how far the child's household income is below
15 250% of the federal poverty guidelines by ranking each applicant
16 child's household income from lowest to highest and dividing the
17 applicant children into quintiles based on how far the child's
18 household income is below 250% of the federal poverty guidelines,
19 and then enrolling children in the quintile with the lowest
20 household income before enrolling children in the quintile with the
21 next lowest household income until slots are completely filled. If
22 the grant recipient determines that all eligible children are being
23 served and that there are no children on the waiting list who live
24 with families with a household income that is equal to or less than
25 250% of the federal poverty guidelines, the grant recipient may
26 then enroll children who live with families with a household income
27 that is equal to or less than 300% of the federal poverty
28 guidelines. The enrollment process must consider income and risk
29 factors, such that children determined with higher need are



1 enrolled before children with lesser need. For purposes of this
2 subsection, ~~and subsection (27),~~ all age-eligible children served
3 in foster care or who are experiencing homelessness or who have
4 individualized education programs recommending placement in an
5 inclusive preschool setting are considered to live with families
6 with household income equal to or less than 250% of the federal
7 poverty guidelines regardless of actual family income and are
8 prioritized for enrollment within the lowest quintile.

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

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



1 community college or university, Head Start grantee or delegate,
2 and district or intermediate district, and the number and
3 proportion of its total allocation allocated to each provider as
4 subrecipient. If the intermediate district or consortium is not
5 able to contract for at least 30% of its total allocation, the
6 grant recipient shall notify the department and, if the department
7 verifies that the intermediate district or consortium attempted to
8 contract for at least 30% of its total allocation and was not able
9 to do so, then the intermediate district or consortium may retain
10 and use all of its allocation as provided under this section. To be
11 able to use this exemption, the intermediate district or consortium
12 shall demonstrate to the department that the intermediate district
13 or consortium increased the percentage of its total allocation for
14 which it contracts with a community-based provider and the
15 intermediate district or consortium shall submit evidence
16 satisfactory to the department, and the department must be able to
17 verify this evidence, demonstrating that the intermediate district
18 or consortium took measures to contract for at least 30% of its
19 total allocation as required under this subsection, including, but
20 not limited to, at least all of the following measures:

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

26 (b) The intermediate district or consortium provided to each
27 nonparticipating licensed child care center located in the service
28 area of the intermediate district or consortium information
29 regarding great start readiness program requirements and a



1 description of the application and selection process for community-
2 based providers.

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

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

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

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

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

29 (c) Ensure that all intermediate district, district, community



1 college or university, Head Start grantee or delegate, private for-
 2 profit, and private nonprofit providers are subject to a single
 3 great start to quality rating system. The rating system must ensure
 4 that regulators process all prospective providers at the same pace
 5 on a first-come, first-served basis and must not allow 1 type of
 6 provider to receive a great start to quality rating ahead of any
 7 other type of provider.

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

17 (16) A recipient of funds under this section shall report to
 18 the center in a form and manner prescribed by the center the
 19 information necessary to derive the number of children
 20 participating in the program who meet the program eligibility
 21 criteria under subsection (5) (b), ~~subject to subsection (27),~~ the
 22 number of eligible children not participating in the program and on
 23 a waitlist, and the total number of children participating in the
 24 program by various demographic groups and eligibility factors
 25 necessary to analyze equitable and priority access to services for
 26 the purposes of subsection (3).

27 (17) As used in this section:

28 (a) "GSRP/Head Start blended program" ~~, except as otherwise~~
 29 ~~provided in this section,~~ means a part-day program funded under



1 this section and a Head Start program, which are combined for a
2 school-day program.

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

7 (c) "Part-day program" ~~, except as otherwise provided in this~~
8 ~~section,~~ means a program that operates at least 4 days per week, 30
9 weeks per year, for at least 3 hours of teacher-child contact time
10 per day but for fewer hours of teacher-child contact time per day
11 than a school-day program.

12 (d) "School-day program" ~~, except as otherwise provided in~~
13 ~~this section,~~ means a program that operates for at least the same
14 length of day as a district's first grade program for a minimum of
15 4 days per week, 30 weeks per year. A classroom that offers a
16 school-day program must enroll all children for the school day to
17 be considered a school-day program.

18 (18) An intermediate district or consortium of intermediate
19 districts receiving funds under this section shall establish and
20 charge tuition according to a sliding scale of tuition rates based
21 upon household income for children participating in an eligible
22 great start readiness program who live with families with a
23 household income that is more than 250% ~~, but, for 2020-2021 only,~~
24 ~~who live with families with a household income that is more than~~
25 ~~400%~~ of the federal poverty guidelines to be used by all of its
26 providers, as approved by the department.

27 (19) From the amount allocated in subsection (2), there is
28 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
29 \$10,000,000.00 for reimbursement of transportation costs for



1 children attending great start readiness programs funded under this
2 section. To receive reimbursement under this subsection, not later
3 than November 1 of each year, a program funded under this section
4 that provides transportation shall submit to the intermediate
5 district that is the fiscal agent for the program a projected
6 transportation budget. The amount of the reimbursement for
7 transportation under this subsection is no more than the projected
8 transportation budget or \$300.00 multiplied by the number of
9 children funded for the program under this section. If the amount
10 allocated under this subsection is insufficient to fully reimburse
11 the transportation costs for all programs that provide
12 transportation and submit the required information, the department
13 shall prorate the reimbursement in an equal amount per child
14 funded. The department shall make payments to the intermediate
15 district that is the fiscal agent for each program, and the
16 intermediate district shall then reimburse the program provider for
17 transportation costs as prescribed under this subsection.

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

26 (a) The names of families provided with transportation support
27 along with a documented reason for the need for transportation
28 support and the type of transportation provided.

29 (b) Financial documentation of actual transportation costs



1 incurred by the program, including, but not limited to, receipts
2 and mileage reports, as determined by the department.

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

5 (21) The department shall implement a process to review and
6 approve age-appropriate comprehensive classroom level quality
7 assessments for GSRP grantees that support the early childhood
8 standards of quality for prekindergarten children adopted by the
9 state board. The department shall make available to intermediate
10 districts at least 2 classroom level quality assessments that were
11 approved in 2018.

12 (22) An intermediate district that is a GSRP grantee may
13 approve the use of a supplemental curriculum that aligns with and
14 enhances the age-appropriate educational curriculum in the
15 classroom. If the department objects to the use of a supplemental
16 curriculum approved by an intermediate district, the superintendent
17 shall establish a review committee independent of the department.
18 The review committee shall meet within 60 days of the department
19 registering its objection in writing and provide a final
20 determination on the validity of the objection within 60 days of
21 the review committee's first meeting.

22 (23) The department shall implement a process to evaluate and
23 approve age-appropriate educational curricula that are in
24 compliance with the early childhood standards of quality for
25 prekindergarten children adopted by the state board.

26 (24) From the funds allocated under subsection (1), there is
27 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
28 \$2,000,000.00 for payments to intermediate districts or consortia
29 of intermediate districts for professional development and training



1 materials for educators in programs implementing new curricula **or**
 2 **child assessment tools approved for use in the great start**
 3 **readiness program.**

4 (25) A great start readiness program or a GSRP/Head Start
 5 blended program funded under this section is permitted to utilize
 6 AmeriCorps Pre-K Reading Corps members in classrooms implementing
 7 research-based early literacy intervention strategies.

8 ~~(26) For the 2020-2021 program year only, the hours, days, and~~
 9 ~~weeks specified within the definitions under subsection (17) (a),~~
 10 ~~(c), and (d) do not apply to all grantees and subrecipients under~~
 11 ~~this section. However, for the 2020-2021 fiscal year only, grantees~~
 12 ~~and subrecipients shall, at a minimum, provide pandemic learning~~
 13 ~~and programming on-site, at a different location, in-person,~~
 14 ~~online, digitally, by other remote means, in a synchronous or~~
 15 ~~asynchronous format, or through any combination therein that~~
 16 ~~results in an amount of hours, days, and weeks necessary to deliver~~
 17 ~~the educational or course content that would have been delivered in~~
 18 ~~a year in which pandemic learning was not provided and that~~
 19 ~~complies with requirements developed by the department. The~~
 20 ~~department shall publish uniform guidance concerning requirements~~
 21 ~~under this subsection for age-appropriate instruction that is~~
 22 ~~provided online, digitally, or by other remote means as part of~~
 23 ~~pandemic learning and programming provided under this subsection.~~
 24 ~~As used in this subsection, "pandemic learning" means a mode of~~
 25 ~~instruction provided as a result of the COVID-19 pandemic.~~

26 ~~(27) For the 2020-2021 program year only, household income~~
 27 ~~eligibility thresholds requiring household incomes that are equal~~
 28 ~~to or less than 250% of the federal poverty guidelines under~~
 29 ~~subsections (5) (b) and (11) do not apply for all grantees and~~

~~subrecipients under this section. However, for the 2020-2021 program year, all grantees and subrecipients must continue to enroll children in the quintile with the lowest household income first before enrolling the next quintile and must implement the ranking process described in subsection (11) by first enrolling children from households with incomes that are equal to or less than 250% of the federal poverty guidelines, then enrolling children from households with incomes that are equal to an amount that is greater than 250% but less than or equal to 300% of the federal poverty guidelines, then enrolling children from households with incomes equal to an amount that is greater than 300% but less than or equal to 350% of the federal poverty guidelines, and then continuing enrollment in an order increasing in percentage from a percentage greater than 350% in relation to the federal poverty guidelines until all available slots are filled.~~

~~(28) For the 2020-2021 program year only, intermediate districts will be awarded funding based on the total allocation under subsection (1) and the funding must be allocated to intermediate districts as prescribed under section 39. To receive funding as described in this subsection, an intermediate district must complete the department's process for accepting funds and implement its existing local process for funding current subrecipients under this section, including, but not limited to, adding any necessary new subrecipients and implementation of the program. Intermediate districts described in this subsection must report the children served under this section to the center for data-tracking purposes. The data described in this subsection must not be used to determine funding for the 2020-2021 program year or hold harmless funding levels for 2021-2022. Hold harmless funding~~



~~for 2021-2022 must be determined based on the 2019-2020 final allocations under this section. Both of the following apply for the 2020-2021 program year:~~

~~(a) An intermediate district and its subrecipients under this section must conform to typical expenditures related to the operation of great start readiness programs to ensure the stability of the programs, including, but not limited to, ongoing program and staff costs.~~

~~(b) Funding remaining after serving all eligible children, in accordance with subsections (5) (b) and (11), subject to subsection (27), or remaining from other program savings due to pandemic learning must be used for the betterment of the program under this section and must be approved by the department. Intermediate districts and subrecipients under this section may only spend in accordance with the provisions of this subdivision if the intermediate district or subrecipient has demonstrated to the satisfaction of the department that no eligible children are on waitlists for the programs operated by the intermediate district or subrecipients under this section.~~

Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~ **2021-2022** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsection (2) and subsection (4), and to provide early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the department's office of great start to provide equitable funding



1 statewide. In order to receive funding under this section, each
2 intermediate district must provide an application to the office of
3 great start not later than September 15 of the immediately
4 preceding fiscal year indicating the strategies planned to be
5 provided.

6 (2) Each intermediate district or consortium of intermediate
7 districts that receives funding under this section shall convene a
8 local great start collaborative and a parent coalition. The goal of
9 each great start collaborative and parent coalition is to ensure
10 the coordination and expansion of local early childhood
11 infrastructure and programs that allow every child in the community
12 to achieve the following outcomes:

13 (a) Children born healthy.

14 (b) Children healthy, thriving, and developmentally on track
15 from birth to ~~third~~-grade 3.

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

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

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

25 (a) Physical health.

26 (b) Social-emotional health.

27 (c) Family supports and basic needs.

28 (d) Parent education.

29 (e) Early education, including the child's development of



1 skills linked to success in foundational literacy, and care.

2 (4) From the funds allocated in subsection (1), at least
3 \$2,500,000.00 must be used for the purpose of providing home visits
4 to at-risk children and their families. The home visits must be
5 conducted as part of a locally coordinated, family-centered,
6 evidence-based, data-driven home visit strategic plan that is
7 approved by the department. The goals of the home visits funded
8 under this subsection are to improve school readiness using
9 evidence-based methods, including a focus on developmentally
10 appropriate outcomes for early literacy, to improve positive
11 parenting practices, and to improve family economic self-
12 sufficiency while reducing the impact of high-risk factors through
13 community resources and referrals. The department shall coordinate
14 the goals of the home visit strategic plans approved under this
15 subsection with other state agency home visit programs in a way
16 that strengthens Michigan's home visiting infrastructure and
17 maximizes federal funds available for the purposes of at-risk
18 family home visits. The coordination among departments and agencies
19 is intended to avoid duplication of state services and spending,
20 and should emphasize efficient service delivery of home visiting
21 programs.

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



1 was improved, the degree to which positive parenting practices were
 2 improved, the degree to which there was improved family economic
 3 self-sufficiency, and the degree to which community resources and
 4 referrals were utilized. The department shall compile and summarize
 5 these reports and submit its summary to the house and senate
 6 appropriations subcommittees on school aid and to the house and
 7 senate fiscal agencies not later than February 15 of each year.

8 (6) An intermediate district or consortium of intermediate
 9 districts that receives funding under this section may carry over
 10 any unexpended funds received under this section into the next
 11 fiscal year and may expend those unused funds through June 30 of
 12 the next fiscal year. However, an intermediate district or
 13 consortium of intermediate districts that receives funding for the
 14 purposes described in subsection (2) in fiscal year ~~2020-2021-2021-~~
 15 ~~2022~~ shall not carry over into the next fiscal year any amount
 16 exceeding ~~30%-20%~~ of the amount awarded to the intermediate
 17 district or consortium in the ~~2020-2021-2021-2022~~ fiscal year. It
 18 is intended that the amount carried over from funding awarded for
 19 the purposes described in subsection (2) ~~in fiscal year 2021-2022~~
 20 ~~not exceed 20% of the amount awarded in that fiscal year and the~~
 21 ~~amount carried over from funding awarded for the purposes described~~
 22 ~~in subsection (2) in fiscal year 2022-2023~~ not exceed 15% of the
 23 amount awarded in that fiscal year. A recipient of a grant shall
 24 return any unexpended grant funds to the department in the manner
 25 prescribed by the department not later than September 30 of the
 26 next fiscal year after the fiscal year in which the funds are
 27 received.

28 Sec. 35a. (1) From the appropriations in section 11, there is
 29 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section



an amount not to exceed ~~\$55,400,000.00~~ **\$57,400,000.00** from the state school aid fund and there is allocated for ~~2020-2021~~ **2021-2022** for the purposes of subsection (8) an amount not to exceed ~~\$2,773,000.00~~ **\$3,500,000.00** from the general fund. ~~The~~ **Excluding staff or contracted employees funded under subsection (8), the** superintendent shall designate staff or contracted employees funded under this section as critical shortage. Programs funded under this section are intended to ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025 according to the National Assessment of Educational Progress (NAEP).

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

(2) ~~(3)~~ A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, **and risk factors for word-level reading difficulties** of pupils in grades pre-K to 3 and to support ~~research-based~~ **evidence-based** professional development **learning described in subsection (9)** for educators in administering **and using** screening, **progress monitoring**, and diagnostic ~~tools and in assessment data interpretation of the results obtained through the use of those tools for the purpose of implementing a multi-tiered~~



~~system of support to improve reading proficiency among pupils in grades pre-K to 3.~~ **to inform instruction through prevention and intervention in a multi-tiered system of supports framework.** A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, **rapid automatized naming (RAN)**, and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

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

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

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

(c) ~~(d)~~ Comprehension - making meaning of text.

(3) ~~(4)~~ From the allocation under subsection (1), there is allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~ **2021-2022** for the purpose of providing early literacy coaches at intermediate districts to **develop early literacy coaching capacity in districts and schools. The early literacy coaches must support district-identified staff such as teacher leaders who must provide peer-to-peer literacy coaching supports to assist pre-K to grade 3 teachers in developing and implementing instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3.** **implementing professional learning described in subsection (9).** All of the following apply to funding under this subsection:

(a) The department shall develop an application process consistent with the provisions of this subsection. An application must provide assurances that literacy coaches funded under this



subsection are knowledgeable about ~~at least the following:~~

~~(i) Current~~ **current** state literacy standards for pupils in grades pre-K to 3 -

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

~~(iii) The use of data from diagnostic tools to determine the necessary additional supports and interventions needed by individual pupils in grades pre-K to 3 in order to be reading at grade level.~~ **and the information described in subsection (9).**

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner:

(i) The department shall award each intermediate district grant funding to support the cost of 1 early literacy coach in an equal amount per early literacy coach, not to exceed \$112,500.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed \$112,500.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district.

(c) If an intermediate district that receives funding under



1 this subsection uses an assessment tool that screens for ~~signs~~
 2 **characteristics** of dyslexia, the intermediate district shall use
 3 the assessment results from that assessment tool to identify pupils
 4 who demonstrate ~~signs~~**characteristics** of dyslexia.

5 (4) From the allocation under subsection (1), there is
 6 allocated an amount not to exceed \$10,000,000.00 for 2021-2022 to
 7 districts to provide professional learning described in subsection
 8 (9), first to educators in pre-K, kindergarten, and grade 1 and
 9 then to educators in grade 2 and grade 3. All of the following
 10 apply to funding under this subsection:

11 (a) In order to be eligible to receive funding under this
 12 subsection, a district must do both of the following:

13 (i) Demonstrate to the satisfaction of the department that the
 14 district has used an approved professional learning provider for
 15 teachers to access training described in subsection (9).

16 (ii) Comply with the requirements under section 1280f of the
 17 revised school code, MCL 380.1280f.

18 (b) The department shall distribute funding allocated under
 19 this subsection to eligible districts on an equal per-first-grade-
 20 pupil basis.

21 (c) If the funds allocated under this subsection are
 22 insufficient to fully fund the payments under this subsection,
 23 payments under this subsection are prorated on an equal per-pupil
 24 basis based on grade 1 pupils.

25 (5) From the allocation under subsection (1), there is
 26 allocated an amount not to exceed ~~\$19,900,000.00~~ **\$9,900,000.00** for
 27 ~~2020-2021~~ **2021-2022** to districts that provide additional
 28 instructional time to those pupils in grades pre-K to 3 ~~or, for~~
 29 ~~2020-2021 only, those pupils in grades pre-K to 12, who have been~~



1 identified by using department-approved screening and diagnostic
2 tools as needing additional supports and interventions in order to
3 be reading at grade level by the end of grade 3. ~~, or, for 2020-~~
4 ~~2021 only, reading at the applicable grade level.~~ Additional
5 instructional time may be provided before, during, and after
6 regular school hours or as part of a year-round balanced school
7 calendar. All of the following apply to funding under this
8 subsection:

9 (a) In order to be eligible to receive funding, a district
10 ~~shall~~ **must** demonstrate to the satisfaction of the department that
11 the district has done all of the following:

12 (i) Implemented a multi-tiered system of support instructional
13 delivery model that is an evidence-based model that uses data-
14 driven problem solving to integrate academic and behavioral
15 instruction and that uses intervention delivered to all pupils in
16 varying intensities based on pupil needs. The multi-tiered system
17 of supports must provide at least all of the following essential
18 components:

19 (A) Team-based leadership.

20 (B) A tiered delivery system.

21 (C) Selection and implementation of instruction,
22 interventions, and supports.

23 (D) A comprehensive screening and assessment system.

24 (E) Continuous data-based decision making.

25 (ii) Used department-approved ~~research-based~~ **evidence-based**
26 **screening and** diagnostic tools to identify individual pupils in
27 need of additional instructional time.

28 (iii) Used a reading instruction method that focuses on the 5
29 fundamental building blocks of reading: phonics, phonemic

1 awareness, fluency, vocabulary, and comprehension and content
2 knowledge.

3 (iv) Provided teachers of pupils in grades pre-K to 3 with
4 ~~research-based~~ **evidence-based** professional development in **screening**
5 **and** diagnostic data interpretation.

6 (v) Complied with the requirements under section 1280f of the
7 revised school code, MCL 380.1280f.

8 (b) The department shall distribute funding allocated under
9 this subsection to eligible districts on an equal per-first-grade-
10 pupil basis.

11 (c) If the funds allocated under this subsection are
12 insufficient to fully fund the payments under this subsection,
13 payments under this subsection are prorated on an equal per-pupil
14 basis based on grade 1 pupils.

15 (6) Not later than September 1 of each year, a district that
16 receives funding under subsection **(4) or** (5) in conjunction with
17 the Michigan student data system, if possible, shall provide to the
18 department a report that includes at least both of the following,
19 in a form and manner prescribed by the department:

20 (a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
21 ~~applicable,~~ the **teachers**, pupils, schools, and grades served with
22 funds under this section and the categories of services provided.

23 (b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
24 ~~applicable,~~ pupil proficiency and growth data that allows analysis
25 both in the aggregate and by each of the following subgroups, as
26 applicable:

27 (i) School.

28 (ii) Grade level.

29 (iii) Gender.



(iv) Race.

(v) Ethnicity.

(vi) Economically disadvantaged status.

(vii) Disability.

(viii) Pupils identified as having reading deficiencies.

(7) From the allocation under subsection (1), there is allocated an amount not to exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for ~~2020-2021~~ **2021-2022** to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:

(a) ~~Funding~~ **Except as otherwise provided in this subsection, funding** under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:

(i) ~~Literacy essentials teacher and principal training modules.~~ **The development of literacy peer-to-peer coaching capacity in districts and schools.**

(ii) ~~Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.~~ **Support the individuals identified at schools or districts learning to be effective peer-to-peer coaches to implement the professional learning described in subsection (9).**

(iii) The placement of regional lead literacy coaches to facilitate professional learning for **intermediate district** early literacy coaches. These regional lead literacy coaches shall



1 provide support for new **intermediate district** literacy coaches. ~~7~~
 2 ~~building teachers, and administrators and shall facilitate regional~~
 3 ~~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 **pre-K and K**
 6 **to 3** literacy training, modeling, coaching, and feedback for
 7 district principals or chief administrators, as applicable. The
 8 ~~training described in this subparagraph must use the pre-K and K to~~
 9 ~~3 essential instructional practices in literacy created by the~~
 10 ~~general education leadership network as the framework for all~~
 11 ~~training provided under this subparagraph.~~

12 (b) Not later than September 1 of each year, the intermediate
 13 district described in this subsection, in consultation with grant
 14 recipients, shall submit a report to the chairs of the senate and
 15 house appropriations subcommittees on ~~state~~-school aid, the chairs
 16 of the senate and house standing committees responsible for
 17 education legislation, the house and senate fiscal agencies, and
 18 the state budget director. The report described under this
 19 subdivision must include ~~student achievement results in English~~
 20 ~~language arts and survey results with feedback from parents and~~
 21 ~~teachers regarding the initiatives implemented under this~~
 22 ~~subsection.~~ **all of the following:**

23 (i) **The percentage of schools within a region supported by an**
 24 **intermediate district that receive services from an early literacy**
 25 **coach. The intermediate district early literacy coach also may be**
 26 **identified as the district or school coach for purposes of this**
 27 **subparagraph.**

28 (ii) **The pre-K to grade 3 teacher-to-coach ratio. The report**
 29 **must provide for a recommendation as to whether the number of**

1 district or school early peer-to-peer literacy coaches supporting
2 pre-K to grade 3 teachers can be scaled across the state based on
3 the information described in the immediately preceding sentence.

4 (iii) The coaching skills taught to the district- or school-
5 identified early peer-to-peer literacy coaches who support teachers
6 and administrators in literacy.

7 (iv) Data indicating the effectiveness of professional learning
8 provided to literacy coaches and the impact on student outcomes.

9 (c) Up to 2% of funds allocated under this subsection may be
10 used by the association representing intermediate district
11 administrators that is in partnership with the intermediate
12 district specified in this subsection to administer this
13 subsection.

14 (d) The intermediate district receiving funds allocated under
15 this subsection must use \$2,000,000.00 of those funds for math
16 essentials teacher and principal training modules. Funding under
17 this subdivision must be used for professional learning for
18 coaches, professional developers, administrators, and teachers;
19 coaching for early mathematics educators; the development of
20 statewide and regional professional learning networks in
21 mathematics instructions; and the development and support of
22 digital professional learning modules.

23 (8) From the general fund money allocated in subsection (1),
24 the department shall allocate the amount of ~~\$2,773,000.00~~
25 **\$3,500,000.00** for ~~2020-2021-2021-2022~~ to the Michigan Education
26 Corps for the PreK Reading Corps, the K3 Reading Corps, and the
27 Math Corps. All of the following apply to funding under this
28 subsection:

29 (a) By September 1 of the current fiscal year, the Michigan



1 Education Corps shall provide a report concerning its use of the
2 funding to the senate and house appropriations subcommittees on
3 state school aid, the senate and house fiscal agencies, and the
4 senate and house caucus policy offices on outcomes and performance
5 measures of the Michigan Education Corps, including, but not
6 limited to, the degree to which the Michigan Education Corps'
7 replication of the PreK Reading Corps, the K3 Reading Corps, and
8 the Math Corps programs is demonstrating sufficient efficacy and
9 impact. The report must include data pertaining to at least all of
10 the following:

11 (i) The current impact of the programs on this state in terms
12 of numbers of children and schools receiving support. This portion
13 of the report must specify the number of children tutored,
14 including dosage and completion, and the demographics of those
15 children.

16 (ii) Whether the **evidence-based** assessments and interventions
17 are implemented with fidelity. This portion of the report must
18 include details on the total number of assessments and
19 interventions completed and the range, mean, and standard
20 deviation.

21 (iii) Whether the literacy or math improvement of children
22 participating in the programs is consistent with expectations. This
23 portion of the report must detail at least all of the following:

24 (A) Growth rate by grade or age level, in comparison to
25 targeted growth rate.

26 (B) Average linear growth rates.

27 (C) Exit rates.

28 (D) Percentage of children who exit who also meet or exceed
29 spring benchmarks.



1 (iv) The impact of the programs on organizations and
2 stakeholders, including, but not limited to, school administrators,
3 internal coaches, and AmeriCorps members.

4 (b) If the department determines that the Michigan Education
5 Corps has misused the funds allocated under this subsection, the
6 Michigan Education Corps shall reimburse this state for the amount
7 of state funding misused.

8 (c) The department may not reserve any portion of the
9 allocation provided under this subsection for an evaluation of the
10 Michigan Education Corps, the Michigan Education Corps' funding, or
11 the Michigan Education Corps' programming unless agreed to in
12 writing by the Michigan Education Corps. The department shall award
13 the entire ~~\$2,773,000.00~~ **\$3,500,000.00** allocated under this
14 subsection to the Michigan Education Corps and shall not condition
15 the awarding of this funding on the implementation of an
16 independent evaluation.

17 ~~(9) If a district or intermediate district expends any funding~~
18 ~~received under subsection (4) or (5) for professional development~~
19 ~~in research-based effective reading instruction, the district or~~
20 ~~intermediate district shall select a professional development~~
21 ~~program from the list described under subdivision (a). All of the~~
22 ~~following apply to the requirement under this subsection:~~

23 ~~(a) The department shall issue a request for proposals for~~
24 ~~professional development programs in research-based effective~~
25 ~~reading instruction to develop an initial approved list of~~
26 ~~professional development programs in research-based effective~~
27 ~~reading instruction. The department shall make the initial approved~~
28 ~~list public and shall determine if it will, on a rolling basis,~~
29 ~~approve any new proposals submitted for addition to its initial~~



1 approved list.

2 ~~(b) To be included as an approved professional development~~
3 ~~program in research-based effective reading instruction under~~
4 ~~subdivision (a), an applicant must demonstrate to the department in~~
5 ~~writing the program's competency in all of the following topics:~~

6 ~~(i) Understanding of phonemic awareness, phonics, fluency,~~
7 ~~vocabulary, and comprehension.~~

8 ~~(ii) Appropriate use of assessments and differentiated~~
9 ~~instruction.~~

10 ~~(iii) Selection of appropriate instructional materials.~~

11 ~~(iv) Application of research-based instructional practices.~~

12 ~~(c) As used in this subsection, "effective reading~~
13 ~~instruction" means reading instruction scientifically proven to~~
14 ~~result in improvement in pupil reading skills.~~ **The department shall**
15 **provide a list of 1 or more approved providers of professional**
16 **learning outlined in this subsection for pre-K to grade 3 teachers,**
17 **administrators, and early literacy coaches. In order to be**
18 **approved, a provider of professional learning must meet all of the**
19 **following:**

20 (a) Be offered through a system of training that provides
21 educators with the knowledge base to effectively implement any
22 class-wide, supplemental, or intervention reading approach and to
23 determine why some students struggle with reading, writing,
24 spelling, and language.

25 (b) Provide training activities that direct educators to
26 implement effective reading and spelling instruction supported by
27 scientifically based research and foster a direct explicit
28 instructional sequence that uses techniques to support teachers'
29 independence in using their newly-learned skills with students in



1 the classroom.

2 (c) Include integrated components for educators and
3 administrators in pre-K to grade 3 with embedded evaluation or
4 assessment of knowledge. Evaluation or assessment of knowledge
5 under this subdivision must incorporate evaluations of learning
6 throughout each unit and include a summative assessment that must
7 be completed to demonstrate successful course completion.

8 (d) Build teacher content knowledge and pedagogical knowledge
9 of the critical components of literacy including how the brain
10 learns to read, phonological and phonemic awareness; letter
11 knowledge; phonics; advanced phonics; vocabulary and oral language;
12 fluency; comprehension; spelling and writing; and the organization
13 of language.

14 (e) Support educators in understanding how to effectively use
15 screening, progress monitoring, and diagnostic assessment data to
16 improve literacy outcomes through prevention and intervention for
17 reading difficulties in a multi-tiered system of supports. The
18 multi-tiered system of supports must include at least all of the
19 following essential components:

20 (i) Team-based leadership.

21 (ii) A tiered delivery system.

22 (iii) Selection and implementation of instruction,
23 interventions, and supports.

24 (iv) A comprehensive screening and assessment system.

25 (v) Continuous data-based decision making.

26 (10) Notwithstanding section 17b, the department shall make
27 payments made under subsections (7) and (8) on a schedule
28 determined by the department.

29 (11) As used in this section:



1 (a) "Dyslexia" means both of the following:

2 (i) A specific learning disorder that is neurobiological in
3 origin and characterized by difficulties with accurate or fluent
4 word recognition and by poor spelling and decoding abilities that
5 typically result from a deficit in the phonological component of
6 language that is often unexpected in relation to other cognitive
7 abilities and the provision of effective classroom instruction.

8 (ii) A specific learning disorder that may include secondary
9 consequences, such as problems in reading comprehension and a
10 reduced reading experience that can impede the growth of vocabulary
11 and background knowledge and lead to social, emotional, and
12 behavioral difficulties.

13 (b) "Evidence-based" means an activity, program, process,
14 service, strategy, or intervention that demonstrates statistically
15 significant effects on improving pupil outcomes or other relevant
16 outcomes and that meets at least both of the following:

17 (i) At least 1 of the following:

18 (A) Is based on strong evidence from at least 1 well-designed
19 and well-implemented experimental study.

20 (B) Is based on moderate evidence from at least 1 well-
21 designed and well-implemented quasi-experimental study.

22 (C) Is based on promising evidence from at least 1 well-
23 designed and well-implemented correlational study with statistical
24 controls for selection bias.

25 (D) Demonstrates a rationale based on high-quality research
26 findings or positive evaluation that the activity, program,
27 process, service, strategy, or intervention is likely to improve
28 pupil outcomes or other relevant outcomes.

29 (ii) Includes ongoing efforts to examine the effects of the



1 activity, program, process, service, strategy, or intervention.

2 (c) "Explicit" means direct and deliberate instruction through
3 continuous pupil-teacher interaction that includes teacher
4 modeling, guided practice, and independent practice.

5 (d) "Fluency" means the ability to read with speed, accuracy,
6 and proper expression.

7 (e) "Multi-tiered system of supports" means a comprehensive
8 framework that includes 3 distinct tiers of instructional support
9 and is composed of a collection of evidence-based strategies
10 designed to meet the individual needs and assets of a whole pupil
11 at all achievement levels.

12 (f) "Phonemic awareness" means the conscious awareness of all
13 of the following:

14 (i) Individual speech sounds, including, but not limited to,
15 consonants and vowels, in spoken syllables.

16 (ii) The ability to consciously manipulate through, including,
17 but not limited to, matching, blending, segmenting, deleting, or
18 substituting, individual speech sounds described in subparagraph
19 (i).

20 (iii) All levels of the speech sound system, including, but not
21 limited to, word boundaries, rhyme recognition, stress patterns,
22 syllables, onset-rime units, and phonemes.

23 (g) "Phonological" means relating to the system of contrastive
24 relationships among the speech sounds that constitute the
25 fundamental components of a language.

26 (h) "Progress monitoring" means the assessing of students'
27 academic performance, quantifying students' rates of improvement or
28 progress toward goals, and determining how students are responding
29 to instruction.



1 (i) "Rapid automatized naming (RAN)" means a task that
2 measures how quickly individuals can name objects; pictures;
3 colors; or symbols, including letters and digits, aloud, which can
4 predict later reading abilities for preliterate children.

5 Sec. 35b. (1) From the general fund money appropriated in
6 section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount
7 not to exceed \$250,000.00 for a grant to be distributed by the
8 department to the Children's Choice Initiative for a program to use
9 a multisensory structured language education method to improve
10 reading proficiency rates and to comply with section 1280f of the
11 revised school code, MCL 380.1280f.

12 (2) Grant funds awarded under this section must be expended
13 for the following purposes:

14 (a) Professional development including training staff and
15 tutors in a multisensory, sequential, systematic education
16 approach.

17 (b) Additional instructional time before, during, or after
18 school for pupils in grades K to 3 identified as having an early
19 literacy delay or reading deficiency using a multisensory,
20 sequential, systematic education approach.

21 (3) Not later than December 1, 2021, an entity that receives
22 grant funds under this section shall report to the house and senate
23 appropriations subcommittees on school aid, the house and senate
24 fiscal agencies, and the state budget director on all of the
25 following for the grant funds awarded under this section:

26 (a) The number of staff and tutors trained.

27 (b) The number of pupils in grades K to 3 identified as having
28 an early literacy delay or reading deficiency served.

29 (c) The number of hours of added instructional time provided



1 to pupils served.

2 (d) Pupil reading proficiency and growth data of pupils served
3 necessary to evaluate the effectiveness of the program.

4 Sec. 35d. (1) From the general fund money appropriated under
5 section 11, for ~~2020-2021~~, **2021-2022**, there is allocated an amount
6 not to exceed \$500,000.00 for the department to provide grants to
7 districts and intermediate districts for the purchase of 1 or more
8 components or trainings through an eligible 1-on-1 tutoring program
9 for children with dyslexia from a provider of an eligible 1-on-1
10 tutoring program for children with dyslexia as provided under this
11 section.

12 (2) A provider that provides programming that meets all of the
13 following is considered to be a provider of an eligible 1-on-1
14 tutoring program for purposes of this section:

15 (a) Allows teachers to incorporate the 5 components essential
16 to an effective reading program into their daily lessons. The 5
17 components described in this subdivision are phonemic awareness,
18 phonics, vocabulary, fluency, and comprehension.

19 (b) Trains educators to teach reading using a proven,
20 multisensory approach.

21 (c) Educates teachers on how to explicitly and effectively
22 teach reading to beginning readers.

23 (d) Breaks reading and spelling down into smaller skills
24 involving letters and sounds, and then builds on these skills over
25 time.

26 (e) Uses multisensory teaching strategies to teach reading by
27 using sight, hearing, touch, and movement to help students connect
28 and learn the concepts being taught.

29 (3) Districts and intermediate districts may apply to the



1 department for grants to purchase components or training through an
2 eligible 1-on-1 tutoring program from a provider of an eligible 1-
3 on-1 tutoring program, and, upon receiving an application but
4 except as otherwise provided in this subsection, the department
5 shall make payments to districts and intermediate districts for
6 those purchases. The department shall make payments under this
7 section on a first-come, first-served basis until funds are
8 depleted.

9 Sec. 35e. (1) From the general fund money appropriated under
10 section 11, there is allocated an amount not to exceed
11 \$1,000,000.00 for ~~2020-2021~~**2021-2022** for a grant to be distributed
12 by the department to an organization to provide early literacy and
13 academic support to at-need youth in this state.

14 (2) To qualify for a grant under this section, an organization
15 must be exempt from federal income tax under section 501(c)(3) of
16 the internal revenue code, 26 USC 501, and must be affiliated and
17 in good standing with a national congressionally chartered
18 organization's standards under 36 USC 20101 to 240112, and must
19 meet both of the following:

20 (a) Is facility-based and provides proven and tested
21 recreational, educational, and character building programs for
22 children ages 6 to 18.

23 (b) Provides after-school and summer programs in at least 25
24 communities statewide, with youth development services available at
25 least 20 hours per week during the school year and 30 hours per
26 week during summer programming.

27 (3) A grant recipient under this section shall administer an
28 early learning literacy program targeted at students in grades K-3.
29 At least 60% of the participants in the program must qualify for



1 free or reduced-priced lunch. Each entity receiving funds to
2 implement the program shall report to the department on the number
3 of children served, the types of services, and the outcome of those
4 services.

5 (4) Notwithstanding section 17b, the department shall make
6 grant payments under this section on a schedule determined by the
7 department.

8 Sec. 35f. From the general fund money appropriated in section
9 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
10 exceed ~~\$500,000.00~~**\$750,000.00** for the department to award to the
11 Chaldean community foundation. The Chaldean community foundation
12 shall use funds received under this section to support and expand
13 early childhood learning opportunities, improve early literacy
14 achievement, increase high school graduation rates for new
15 Americans, and assist with diploma acquisition, skills training,
16 and postsecondary education.

17 Sec. 39. (1) An eligible applicant receiving funds under
18 section 32d shall submit an application, in a form and manner
19 prescribed by the department, by a date specified by the department
20 in the immediately preceding fiscal year. An eligible applicant is
21 not required to amend the applicant's current accounting cycle or
22 adopt this state's fiscal year accounting cycle in accounting for
23 financial transactions under this section. The application must
24 include all of the following:

25 (a) The estimated total number of children in the community
26 who meet the criteria of section 32d, as provided to the applicant
27 by the department utilizing the most recent population data
28 available from the American Community Survey conducted by the
29 United States Census Bureau. The department shall ensure that it



provides updated American Community Survey population data at least once every 3 years.

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

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

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

(3) The initial allocation to each eligible applicant under section 32d is the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by ~~\$7,250.00~~ **\$8,275.00** and the number of children served in a GSRP/Head Start blended program or a part-day program in the preceding school year multiplied by ~~\$3,625.00~~ **\$4,138.00**.

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day program multiplied by ~~\$7,250.00~~ **\$8,275.00** and the number of children served in a GSRP/Head Start blended program or a part-day program the applicant has the capacity to serve in the current school year multiplied by ~~\$3,625.00~~ **\$4,138.00**.

(4) If funds remain after the allocations under subsection (3), the department shall distribute the remaining funds to each



1 intermediate district or consortium of intermediate districts that
2 serves less than the state percentage benchmark determined under
3 subsection (5). The department shall distribute these remaining
4 funds to each eligible applicant based upon each applicant's
5 proportionate share of the remaining unserved children necessary to
6 meet the statewide percentage benchmark in intermediate districts
7 or consortia of intermediate districts serving less than the
8 statewide percentage benchmark. When all applicants have been given
9 the opportunity to reach the statewide percentage benchmark, the
10 statewide percentage benchmark may be reset, as determined by the
11 department, until greater equity of opportunity to serve eligible
12 children across all intermediate school districts has been
13 achieved.

14 (5) For the purposes of subsection (4), the department shall
15 calculate a percentage of children served by each intermediate
16 district or consortium of intermediate districts by adding the
17 number of children served in the immediately preceding year by that
18 intermediate district or consortium with the number of eligible
19 children under section 32d served exclusively by head start, as
20 reported in a form and manner prescribed by the department, within
21 the intermediate district or consortia service area and dividing
22 that total by the total number of children within the intermediate
23 district or consortium of intermediate districts who meet the
24 criteria of section 32d as determined by the department utilizing
25 the most recent population data available from the American
26 Community Survey conducted by the United States Census Bureau. The
27 department shall compare the resulting percentage of eligible
28 children served to a statewide percentage benchmark to determine if
29 the intermediate district or consortium is eligible for additional



1 funds under subsection (4). The statewide percentage benchmark is
2 60%.

3 (6) If, taking into account the total amount to be allocated
4 to the applicant as calculated under this section, an applicant
5 determines that it is able to include additional eligible children
6 in the great start readiness program without additional funds under
7 section 32d, the applicant may include additional eligible children
8 but does not receive additional funding under section 32d for those
9 children.

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

16 (8) **For the 2020-2021 program year only, the number of**
17 **children reported on the application described in subsection**
18 **(1)(a), (b), and (c) must not be used by the department for the**
19 **purpose of calculating hold harmless funding levels for 2021-2022.**
20 **Hold harmless funding for 2021-2022 must be determined based on the**
21 **2019-2020 final allocations calculated and paid under section 32d**
22 **in 2019-2020.**

23 (9) ~~(8) As used in this section, "GSRP/Head Start blended~~
24 ~~program", "part-day program", and "school-day program" mean those~~
25 ~~terms as defined in section 32d. as, for 2020-2021, impacted by~~
26 ~~section 32d(26).~~

27 Sec. 39a. (1) From the federal funds appropriated in section
28 11, there is allocated for 2020-2021 to districts, intermediate
29 districts, and other eligible entities all available federal



1 funding, estimated at ~~\$749,200,000.00~~ **\$750,300,000.00** and there is
 2 **allocated for 2021-2022 to districts, intermediate districts, and**
 3 **other eligible entities all available federal funding, estimated at**
 4 **\$752,300,000.00**, for the federal programs under the no child left
 5 behind act of 2001, Public Law 107-110, or the every student
 6 succeeds act, Public Law 114-95. These funds are allocated as
 7 follows:

8 (a) An amount estimated at \$1,200,000.00 for 2020-2021 **and**
 9 **estimated at \$1,200,000.00 for 2021-2022** to provide students with
 10 drug- and violence-prevention programs and to implement strategies
 11 to improve school safety, funded from DED-OESE, drug-free schools
 12 and communities funds.

13 (b) An amount estimated at \$100,000,000.00 for 2020-2021 **and**
 14 **estimated at \$100,000,000.00 for 2021-2022** for the purpose of
 15 preparing, training, and recruiting high-quality teachers and class
 16 size reduction, funded from DED-OESE, improving teacher quality
 17 funds.

18 (c) An amount estimated at \$11,000,000.00 for 2020-2021 **and**
 19 **estimated at \$13,000,000.00 for 2021-2022** for programs to teach
 20 English to limited English proficient (LEP) children, funded from
 21 DED-OESE, language acquisition state grant funds.

22 (d) An amount estimated at \$2,800,000.00 for 2020-2021 **and**
 23 **estimated at \$2,800,000.00 for 2021-2022** for rural and ~~low income~~
 24 **low-income** schools, funded from DED-OESE, rural and low income
 25 school funds.

26 (e) An amount estimated at \$535,000,000.00 for 2020-2021 **and**
 27 **estimated at \$535,000,000.00 for 2021-2022** to provide supplemental
 28 programs to enable educationally disadvantaged children to meet
 29 challenging academic standards, funded from DED-OESE, title I,



1 disadvantaged children funds.

2 (f) An amount estimated at \$9,200,000.00 for 2020-2021 **and**
 3 **estimated at \$9,200,000.00 for 2021-2022** for the purpose of
 4 identifying and serving migrant children, funded from DED-OESE,
 5 title I, migrant education funds.

6 (g) An amount estimated at \$39,000,000.00 for 2020-2021 **and**
 7 **estimated at \$39,000,000.00 for 2021-2022** for the purpose of
 8 providing high-quality extended learning opportunities, after
 9 school and during the summer, for children in low-performing
 10 schools, funded from DED-OESE, twenty-first century community
 11 learning center funds.

12 (h) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
 13 **estimated at \$14,000,000.00 for 2021-2022** to help support local
 14 school improvement efforts, funded from DED-OESE, title I, local
 15 school improvement grants.

16 (i) An amount estimated at \$35,000,000.00 for 2020-2021 **and**
 17 **estimated at \$35,000,000.00 for 2021-2022** to improve the academic
 18 achievement of students, funded from DED-OESE, title IV, student
 19 support and academic enrichment grants.

20 (j) **An amount estimated at \$3,100,000.00 for 2020-2021 and**
 21 **estimated at \$3,100,000.00 for 2021-2022 for literacy programs that**
 22 **advance literacy skills for students from birth through grade 12,**
 23 **including, but not limited to, English-proficient students and**
 24 **students with disabilities, funded from DED-OESE, striving readers**
 25 **comprehensive literacy program.**

26 (2) From the federal funds appropriated in section 11, there
 27 is allocated to districts, intermediate districts, and other
 28 eligible entities all available federal funding, estimated at
 29 ~~\$55,000,000.00~~ **\$56,500,000.00** for 2020-2021 **and estimated at**



1 **\$56,500,000.00 for 2021-2022** for the following programs that are
2 funded by federal grants:

3 (a) An amount estimated at \$3,000,000.00 for 2020-2021 **and**
4 **estimated at \$3,000,000.00 for 2021-2022** to provide services to
5 homeless children and youth, funded from DED-OVAE, homeless
6 children and youth funds.

7 (b) An amount estimated at \$24,000,000.00 for 2020-2021 **and**
8 **estimated at \$24,000,000.00 for 2021-2022** for providing career and
9 technical education services to pupils, funded from DED-OVAE, basic
10 grants to states.

11 (c) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
12 **estimated at \$14,000,000.00 for 2021-2022** for the Michigan charter
13 school subgrant program, funded from DED-OII, public charter
14 schools program funds.

15 (d) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
16 **estimated at \$14,000,000.00 for 2021-2022** for the purpose of
17 promoting and expanding high-quality preschool services, funded
18 from HHS-OCC, preschool development funds.

19 (e) **An amount estimated at \$1,500,000.00 for 2020-2021 and**
20 **estimated at \$1,500,000.00 for 2021-2022 for the purpose of**
21 **addressing priority substance abuse treatment, prevention, and**
22 **mental health needs, funded from HHS-SAMHSA.**

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



1 the department.

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

7 (5) For the purposes of funding federal title I grants under
8 this article, in addition to any other federal grants for which the
9 strict discipline academy is eligible, the department shall
10 allocate to a strict discipline academy out of title I, part A an
11 amount equal to what the strict discipline academy would have
12 received if included and calculated under title I, part D, or what
13 it would receive under the formula allocation under title I, part
14 A, whichever is greater.

15 (6) 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
18 Secondary Education.

19 (c) "DED-OII" means the DED Office of Innovation and
20 Improvement.

21 (d) "DED-OVAE" means the DED Office of Vocational and Adult
22 Education.

23 (e) "HHS" means the United States Department of Health and
24 Human Services.

25 (f) "HHS-OCC" means the HHS Office of Child Care.

26 (g) **"HHS-SAMHSA" means the HHS Substance Abuse and Mental**
27 **Health Services Project.**

28 Sec. 41. (1) For a district to be eligible to receive funding
29 under this section, the district must administer to English



language learners the English language proficiency assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate ACCESS". From the ~~appropriation~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed ~~\$13,000,000.00~~ **\$13,390,000.00** for ~~2020-2021~~ **2021-2022** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) \$900.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment.

(b) \$620.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment.

(c) \$100.00 per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment.

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis,



1 with the same percentage proration applied to all funding
2 categories.

3 (4) Each district receiving funds under subsection (1) shall
4 submit to the department by July 15 of each fiscal year a report,
5 not to exceed 10 pages, on the usage by the district of funds under
6 subsection (1) in a form and manner determined by the department,
7 including a brief description of each program conducted or services
8 performed by the district using funds under subsection (1) and the
9 amount of funds under subsection (1) allocated to each of those
10 programs or services. If a district does not comply with this
11 subsection, the department shall withhold an amount equal to the
12 August payment due under this section until the district complies
13 with this subsection. If the district does not comply with this
14 subsection by the end of the fiscal year, the withheld funds are
15 forfeited to the school aid fund.

16 (5) In order to receive funds under subsection (1), a district
17 must allow access for the department or the department's designee
18 to audit all records related to the program for which it receives
19 those funds. The district shall reimburse this state for all
20 disallowances found in the audit.

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

26 Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund**
27 **money** in section 11, there is allocated an amount not to exceed
28 ~~\$1,023,996,100.00~~ **\$1,075,896,100.00** for ~~2019-2020~~ **2020-2021** and
29 there is allocated an amount not to exceed ~~\$1,079,296,100.00~~



\$1,120,796,100.00 for ~~2020-2021~~ **2021-2022** from state sources and
 all available federal funding under sections ~~611-1411~~ to ~~619-1419~~
 of part B of the individuals with disabilities education act, 20
 USC 1411 to 1419, estimated at ~~\$370,000,000.00~~ **\$375,000,000.00** for
~~2019-2020~~ **2020-2021** and ~~\$375,000,000.00~~ **\$380,000,000.00** for ~~2020-~~
~~2021,~~ **2021-2022**, plus any carryover federal funds from previous
 year appropriations. The allocations under this subsection are for
 the purpose of reimbursing districts and intermediate districts for
 special education programs, services, and special education
 personnel as prescribed in article 3 of the revised school code,
 MCL 380.1701 to 380.1761; net tuition payments made by intermediate
 districts to the Michigan Schools for the Deaf and Blind; and
 special education programs and services for pupils who are eligible
 for special education programs and services according to statute or
 rule. For meeting the costs of special education programs and
 services not reimbursed under this article, a district or
 intermediate district may use money in general funds or special
 education funds, not otherwise restricted, or contributions from
 districts to intermediate districts, tuition payments, gifts and
 contributions from individuals or other entities, or federal funds
 that may be available for this purpose, as determined by the
 intermediate district plan prepared under article 3 of the revised
 school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b,
 the department shall make payments of federal funds to districts,
 intermediate districts, and other eligible entities under this
 section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is
 allocated the amount necessary, estimated at ~~\$286,900,000.00~~
\$316,100,000.00 for ~~2019-2020~~ **2020-2021** and estimated at



~~\$307,500,000.00~~ **\$329,900,000.00** for ~~2020-2021,~~ **2021-2022**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection are made as follows:

(a) The department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times the foundation allowance under section 20 of the pupil's district of residence, **plus the amount of the district's per-pupil allocation under section 20m**, not to exceed the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance for the current fiscal year, **and that district's per pupil allocation under section 20m.**

(b) After the allocations under subdivision (a), the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) do not fulfill the specified percentages the amount necessary to achieve the specified



1 percentages for the district or intermediate district.

2 (3) From the funds allocated under subsection (1), there is
3 allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
4 \$1,000,000.00 and there is allocated for ~~2020-2021-2021-2022~~ an
5 amount not to exceed \$1,000,000.00 to make payments to districts
6 and intermediate districts under this subsection. If the amount
7 allocated to a district or intermediate district for a fiscal year
8 under subsection (2)(b) is less than the sum of the amounts
9 allocated to the district or intermediate district for 1996-97
10 under sections 52 and 58, there is allocated to the district or
11 intermediate district for the fiscal year an amount equal to that
12 difference, adjusted by applying the same proration factor that was
13 used in the distribution of funds under section 52 in 1996-97 as
14 adjusted to the district's or intermediate district's necessary
15 costs of special education used in calculations for the fiscal
16 year. This adjustment is to reflect reductions in special education
17 program operations or services between 1996-97 and subsequent
18 fiscal years. The department shall make adjustments for reductions
19 in special education program operations or services in a manner
20 determined by the department and shall include adjustments for
21 program or service shifts.

22 (4) If the department determines that the sum of the amounts
23 allocated for a fiscal year to a district or intermediate district
24 under subsection (2)(a) and (b) is not sufficient to fulfill the
25 specified percentages in subsection (2), then the department shall
26 pay the shortfall to the district or intermediate district during
27 the fiscal year beginning on the October 1 following the
28 determination and shall adjust payments under subsection (3) as
29 necessary. If the department determines that the sum of the amounts



1 allocated for a fiscal year to a district or intermediate district
 2 under subsection (2)(a) and (b) exceeds the sum of the amount
 3 necessary to fulfill the specified percentages in subsection (2),
 4 then the department shall deduct the amount of the excess from the
 5 district's or intermediate district's payments under this article
 6 for the fiscal year beginning on the October 1 following the
 7 determination and shall adjust payments under subsection (3) as
 8 necessary. However, if the amount allocated under subsection (2)(a)
 9 in itself exceeds the amount necessary to fulfill the specified
 10 percentages in subsection (2), there is no deduction under this
 11 subsection.

12 (5) State funds are allocated on a total approved cost basis.
 13 Federal funds are allocated under applicable federal requirements.

14 (6) From the amount allocated in subsection (1), there is
 15 allocated an amount not to exceed \$2,200,000.00 for ~~2019-2020-2020-~~
 16 **2021** and there is allocated an amount not to exceed \$2,200,000.00
 17 for ~~2020-2021-~~**2021-2022** to reimburse 100% of the net increase in
 18 necessary costs incurred by a district or intermediate district in
 19 implementing the revisions in the administrative rules for special
 20 education that became effective on July 1, 1987. As used in this
 21 subsection, "net increase in necessary costs" means the necessary
 22 additional costs incurred solely because of new or revised
 23 requirements in the administrative rules minus cost savings
 24 permitted in implementing the revised rules. The department shall
 25 determine net increase in necessary costs in a manner specified by
 26 the department.

27 (7) For purposes of ~~sections 51a-~~**this section and sections 51b**
 28 to 58, all of the following apply:

29 (a) "Total approved costs of special education" are determined



1 in a manner specified by the department and may include indirect
2 costs, but must not exceed 115% of approved direct costs for
3 section 52 and section 53a programs. The total approved costs
4 include salary and other compensation for all approved special
5 education personnel for the program, including payments for Social
6 Security and Medicare and public school employee retirement system
7 contributions. The total approved costs do not include salaries or
8 other compensation paid to administrative personnel who are not
9 special education personnel as that term is defined in section 6 of
10 the revised school code, MCL 380.6. Costs reimbursed by federal
11 funds, other than those federal funds included in the allocation
12 made under this article, are not included. Special education
13 approved personnel not utilized full time in the evaluation of
14 students or in the delivery of special education programs,
15 ancillary, and other related services are reimbursed under this
16 section only for that portion of time actually spent providing
17 these programs and services, with the exception of special
18 education programs and services provided to youth placed in child
19 caring institutions or juvenile detention programs approved by the
20 department to provide an on-grounds education program.

21 (b) Beginning with the 2004-2005 fiscal year, a district or
22 intermediate district that employed special education support
23 services staff to provide special education support services in
24 2003-2004 or in a subsequent fiscal year and that in a fiscal year
25 after 2003-2004 receives the same type of support services from
26 another district or intermediate district shall report the cost of
27 those support services for special education reimbursement purposes
28 under this article. This subdivision does not prohibit the transfer
29 of special education classroom teachers and special education



1 classroom aides if the pupils counted in membership associated with
2 those special education classroom teachers and special education
3 classroom aides are transferred and counted in membership in the
4 other district or intermediate district in conjunction with the
5 transfer of those teachers and aides.

6 (c) If the department determines before bookclosing for a
7 fiscal year that the amounts allocated for that fiscal year under
8 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
9 will exceed expenditures for that fiscal year under subsections
10 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
11 district or intermediate district whose reimbursement for that
12 fiscal year would otherwise be affected by subdivision (b),
13 subdivision (b) does not apply to the calculation of the
14 reimbursement for that district or intermediate district and the
15 department shall calculate reimbursement for that district or
16 intermediate district in the same manner as it was for 2003-2004.
17 If the amount of the excess allocations under subsections (2), (3),
18 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
19 fully fund the calculation of reimbursement to those districts and
20 intermediate districts under this subdivision, then the department
21 shall prorate calculations and resulting reimbursement under this
22 subdivision on an equal percentage basis. Beginning in 2015-2016,
23 the amount of reimbursement under this subdivision for a fiscal
24 year must not exceed \$2,000,000.00 for any district or intermediate
25 district.

26 (d) Reimbursement for ancillary and other related services, as
27 **that term is** defined by R 340.1701c of the Michigan Administrative
28 Code, is not provided when those services are covered by and
29 available through private group health insurance carriers or



1 federal reimbursed program sources unless the department and
2 district or intermediate district agree otherwise and that
3 agreement is approved by the state budget director. Expenses, other
4 than the incidental expense of filing, must not be borne by the
5 parent. In addition, the filing of claims must not delay the
6 education of a pupil. A district or intermediate district is
7 responsible for payment of a deductible amount and for an advance
8 payment required until the time a claim is paid.

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

23 (8) A pupil who is enrolled in a full-time special education
24 program conducted or administered by an intermediate district or a
25 pupil who is enrolled in the Michigan Schools for the Deaf and
26 Blind is not included in the membership count of a district, but is
27 counted in membership in the intermediate district of residence.

28 (9) Special education personnel transferred from 1 district to
29 another to implement the revised school code are entitled to the



rights, benefits, and tenure to which the person would otherwise be entitled had that person been employed by the receiving district originally.

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

(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$3,100,000.00~~ **\$2,400,000.00** for ~~2019-2020-2020-2021~~ and estimated at ~~\$3,000,000.00~~ **\$2,500,000.00** for ~~2020-2021, 2021-2022~~, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, **plus the amount of the district's per-pupil allocation under section 20m**, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the



1 current fiscal year **and that district's per-pupil allocation under**
2 **section 20m.** This subsection applies to all of the following
3 pupils:

4 (a) Pupils described in section 53a.

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

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

12 (12) If it is determined that funds allocated under subsection
13 (2) or (11) or under section 51c will not be expended, funds up to
14 the amount necessary and available may be used to supplement the
15 allocations under subsection (2) or (11) or under section 51c in
16 order to fully fund those allocations. After payments under
17 subsections (2) and (11) and section 51c, the department shall
18 expend the remaining funds from the allocation in subsection (1) in
19 the following order:

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

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

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

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

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

25 (13) The allocations under subsections (2), (3), and (11) are
26 allocations to intermediate districts only and are not allocations
27 to districts, but instead are calculations used only to determine
28 the state payments under section 22b.

29 (14) If a public school academy that is not a cyber school, as



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

29 (15) For the purpose of receiving its federal allocation under



1 part B of the individuals with disabilities education act, Public
2 Law 108-446, a public school academy that is a cyber school, as
3 that term is defined in section 551 of the revised school code, MCL
4 380.551, and is in compliance with section 553a of the revised
5 school code, MCL 380.553a, directly receives the federal allocation
6 under part B of the individuals with disabilities education act,
7 Public Law 108-446, from the intermediate district in which the
8 cyber school is located, as the subrecipient. If the intermediate
9 district does not distribute the funds described in this subsection
10 to the cyber school by the part B application due date of July 1,
11 the department may distribute the funds described in this
12 subsection directly to the cyber school according to the formula
13 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

14 (16) For a public school academy that is a cyber school, as
15 that term is defined in section 551 of the revised school code, MCL
16 380.551, and is in compliance with section 553a of the revised
17 school code, MCL 380.553a, that enrolls a pupil under this section,
18 the intermediate district in which the cyber school is located
19 shall ensure that the cyber school complies with sections 1701a,
20 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
21 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
22 and 380.1757; applicable rules; and the individuals with
23 disabilities education act, Public Law 108-446.

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

28 Sec. 51c. As required by the court in the consolidated cases
29 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the



allocation under section 51a(1), there is allocated for ~~2019-2020~~
2020-2021 and for ~~2020-2021, 2021-2022~~, the amount necessary,
 estimated at ~~\$678,600,000.00~~ **\$702,000,000.00** for ~~2019-2020-2020-~~
2021 and ~~\$713,400,000.00~~ **\$733,000,000.00** for ~~2020-2021, 2021-2022~~,
 for payments to reimburse districts for 28.6138% of total approved
 costs of special education excluding costs reimbursed under section
 53a, and 70.4165% of total approved costs of special education
 transportation. Funds allocated under this section that are not
 expended in the fiscal year for which they were allocated, as
 determined by the department, may be used to supplement the
 allocations under sections 22a and 22b to fully fund those
 allocations for the same fiscal year. For each fund transfer as
 described in the immediately preceding sentence that occurs, the
 state budget director shall send notification of the transfer to
 the house and senate appropriations subcommittees on state school
 aid and the house and senate fiscal agencies by not later than 14
 calendar days after the transfer occurs.

Sec. 51d. (1) From the federal funds appropriated in section
 11, there is allocated for ~~2020-2021-2021-2022~~ all available
 federal funding, estimated at \$71,000,000.00 for special education
 programs and services that are funded by federal grants. The
 department shall distribute all federal funds allocated under this
 section in accordance with federal law. Notwithstanding section
 17b, the department shall make payments of federal funds to
 districts, intermediate districts, and other eligible entities
 under this section on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the
 following amounts are allocated for ~~2020-2021-2021-2022~~:

(a) An amount estimated at \$14,000,000.00 for handicapped



1 infants and toddlers, funded from DED-OSERS, handicapped infants
2 and toddlers funds.

3 (b) An amount estimated at \$14,000,000.00 for preschool grants
4 ~~(Public Law 94-142)~~, **under Public Law 94-142**, funded from DED-
5 OSERS, handicapped preschool incentive funds.

6 (c) An amount estimated at \$43,000,000.00 for special
7 education programs funded by DED-OSERS, handicapped program,
8 individuals with disabilities act funds.

9 (3) As used in this section, "DED-OSERS" means the United
10 States Department of Education Office of Special Education and
11 Rehabilitative Services.

12 Sec. 51f. (1) From the funds appropriated under section 11,
13 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
14 ~~\$60,207,000.00~~ **\$61,407,000.00** for payments to districts and
15 intermediate districts to increase the level of reimbursement of
16 costs associated with providing special education services required
17 under state and federal law.

18 (2) A district's or intermediate district's allocation under
19 this section is equal to the level percentage multiplied by each
20 district's or intermediate district's costs reported to the center
21 on the special education actual cost report, known as "SE-4096" as
22 referred to under section 18(6), as approved by the department.

23 (3) The total reimbursement under this section and under
24 section 51c must not exceed the total reported costs for a district
25 or intermediate district.

26 (4) For ~~2020-2021~~, **2021-2022**, the level percentage is
27 estimated at 2.0%.

28 (5) For the purposes of this section, "level percentage" means
29 the percentage calculated by dividing the allocation in subsection



(1) by the total of costs reported to the center on the special education actual cost report, known as "SE-4096" as referred to under section 18(6), as approved by the department.

Sec. 51g. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$450,000.00 to an eligible intermediate district as provided in this section. Funds awarded under this section are for the eligible intermediate district to support Project SEARCH, a program that provides high school students with disabilities the opportunity to train, gain, and maintain employment through businesses and organization opportunities across the nation.

(2) An intermediate district with a sum of pupils in membership in its constituent districts that equals at least 40,000 but less than 50,000 and that is located in prosperity region 7 is an eligible intermediate district under this section.

(3) The eligible intermediate district that receives funding under this section shall ensure that the program provides at least 1 year of training and education through internships while students are fully immersed in a large-host business, and that the program prepares young adults with disabilities to enter the workforce with marketable and transferable skills.

(4) The funds allocated under this section may be spent through September 30, 2024.

(5) Notwithstanding section 17b, the department shall make payments under this section not later than November 15, 2021.

Sec. 51h. (1) From the general fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$500,000.00 for the childhood resilience initiative program



1 operated by Kids Kicking Cancer to train educators to help children
2 address childhood trauma by empowering those children to transcend
3 adverse childhood experiences. The program funded under this
4 section shall use funds to expand training and supply Heroes Circle
5 tools and curriculum statewide.

6 (2) Notwithstanding section 17b, the department shall make
7 payments under this section by not later than November 15, 2021.

8 (3) The program that receives funding under this section shall
9 commit to expanding the program statewide and shall provide a
10 report to the senate and house appropriations subcommittees on
11 school aid not later than July 1, 2022 detailing the number of
12 districts and number of teachers that were provided training and
13 curriculum through the program, and children impacted by the
14 program.

15 Sec. 53a. (1) For districts, reimbursement for pupils
16 described in subsection (2) is 100% of the total approved costs of
17 operating special education programs and services approved by the
18 department and included in the intermediate district plan adopted
19 under article 3 of the revised school code, MCL 380.1701 to
20 380.1761, minus the district's foundation allowance calculated
21 under section 20 **and minus the district's per-pupil allocation**
22 **under section 20m.** For intermediate districts, the department shall
23 calculate reimbursement for pupils described in subsection (2) in
24 the same manner as for a district, using the foundation allowance
25 under section 20 of the pupil's district of residence, not to
26 exceed the target foundation allowance under section 20 for the
27 current fiscal year **plus the amount of the district's per pupil**
28 **allocation under section 20m.**

29 (2) Reimbursement under subsection (1) is for the following



1 special education pupils:

2 (a) Pupils assigned to a district or intermediate district
3 through the community placement program of the courts or a state
4 agency, if the pupil was a resident of another intermediate
5 district at the time the pupil came under the jurisdiction of the
6 court or a state agency.

7 (b) Pupils who are residents of institutions operated by the
8 department of health and human services.

9 (c) Pupils who are former residents of department of community
10 health institutions for the developmentally disabled who are placed
11 in community settings other than the pupil's home.

12 (d) Pupils enrolled in a department-approved on-grounds
13 educational program longer than 180 days, but not longer than 233
14 days, at a residential child care institution, if the child care
15 institution offered in 1991-92 an on-grounds educational program
16 longer than 180 days but not longer than 233 days.

17 (e) Pupils placed in a district by a parent for the purpose of
18 seeking a suitable home, if the parent does not reside in the same
19 intermediate district as the district in which the pupil is placed.

20 (3) Only those costs that are clearly and directly
21 attributable to educational programs for pupils described in
22 subsection (2), and that would not have been incurred if the pupils
23 were not being educated in a district or intermediate district, are
24 reimbursable under this section.

25 (4) The costs of transportation are funded under this section
26 and are not reimbursed under section 58.

27 (5) The department shall not allocate more than \$10,500,000.00
28 of the allocation for ~~2020-2021~~ **2021-2022** in section 51a(1) under
29 this section.



1 Sec. 54. Each intermediate district receives an amount per-
 2 pupil for each pupil in attendance at the Michigan Schools for the
 3 Deaf and Blind. The amount is proportionate to the total
 4 instructional cost at each school. The department shall not
 5 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~
 6 **2021-2022** in section 51a(1) under this section.

7 Sec. 54b. (1) From the general fund money appropriated in
 8 section 11, there is allocated an amount not to exceed
 9 \$1,600,000.00 for ~~2020-2021~~**2021-2022** to continue the
 10 implementation of the recommendations of the special education
 11 reform task force published in January 2016.

12 (2) The department shall use funds allocated under this
 13 section for the purpose of piloting statewide implementation of the
 14 Michigan Integrated Behavior and Learning Support Initiative
 15 (MiBLSI), a nationally recognized program that includes positive
 16 behavioral intervention and supports and provides a statewide
 17 structure to support local initiatives for an integrated behavior
 18 and reading program. With the assistance of the intermediate
 19 districts involved in MiBLSI, the department shall identify a
 20 number of intermediate districts to participate in the pilot that
 21 is sufficient to ensure that MiBLSI can be implemented statewide
 22 with fidelity and sustainability. In addition, the department shall
 23 identify an intermediate district to act as a fiscal agent for
 24 these funds.

25 Sec. 54d. (1) From the ~~appropriations~~**state school aid fund**
 26 **money appropriated** in section 11, there is allocated an amount not
 27 to exceed \$7,150,000.00 for ~~2020-2021~~**2021-2022** to intermediate
 28 districts for the purpose of providing state early on services
 29 programs for children from birth to 3 years of age with a



1 developmental delay or a disability, or both, and their families,
2 as described in the early on Michigan state plan, as approved by
3 the department.

4 (2) To be eligible to receive grant funding under this
5 section, each intermediate district must apply in a form and manner
6 determined by the department.

7 (3) The grant funding allocated under this section must be
8 used to increase early on services and resources available to
9 children that demonstrate developmental delays to help prepare them
10 for success as they enter school. State early on services include
11 evaluating and providing early intervention services for eligible
12 infants and toddlers and their families to address developmental
13 delays, including those affecting physical, cognitive,
14 communication, adaptive, social, or emotional development. Grant
15 funds must not be used to supplant existing services that are
16 currently being provided.

17 (4) The department shall distribute the funds allocated under
18 subsection (1) to intermediate districts according to the
19 department's early on funding formula utilized to distribute the
20 federal award to Michigan under part C of the individuals with
21 disabilities education act, **Public Law 108-446**. Funds received
22 under this section must not supplant existing funds or resources
23 allocated for early on early intervention services. An intermediate
24 district receiving funds under this section shall maximize the
25 capture of Medicaid funds to support early on early intervention
26 services to the extent possible.

27 (5) Each intermediate district that receives funds under this
28 section shall report data and other information to the department
29 in a form, manner, and frequency prescribed by the department to



1 allow for monitoring and evaluation of the program and to ensure
 2 that the children described in subsection (1) received appropriate
 3 levels and types of services delivered by qualified personnel,
 4 based on the individual needs of the children and their families.

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

8 (7) **Grant funds awarded and allocated to an intermediate**
 9 **district under this section must be expended by the grant recipient**
 10 **before June 30 of the fiscal year immediately following the fiscal**
 11 **year in which the funds were received.**

12 Sec. 55. (1) From the general fund money appropriated in
 13 section 11, there is allocated an amount not to exceed \$250,000.00
 14 for ~~2020-2021~~ **2021-2022** to the Conductive Learning Center located
 15 at Aquinas College. This funding must be used to support the
 16 operational costs of the conductive education model taught at the
 17 Conductive Learning Center to maximize the independence and
 18 mobility of children and adults with neuromotor disabilities. The
 19 conductive education model funded under this section must be based
 20 on the concept of neuroplasticity and the ability of people to
 21 learn and improve when they are motivated, regardless of the
 22 severity of their disability.

23 (2) Notwithstanding section 17b, the department shall
 24 distribute the funding allocated under this section to the
 25 Conductive Learning Center not later than December 1, ~~2020~~ **2021**.

26 Sec. 56. (1) For the purposes of this section:

27 (a) "Membership" means for a particular fiscal year the total
 28 membership ~~for the immediately preceding fiscal year~~ of the
 29 intermediate district and the districts constituent to the



1 intermediate district, **except that if a district has elected not to**
 2 **come under part 30 of the revised school code, MCL 380.1711 to**
 3 **380.1741, membership of the district is not included in the**
 4 **membership of the intermediate district.**

5 (b) "Millage levied" means the millage levied for special
 6 education under part 30 of the revised school code, MCL 380.1711 to
 7 380.1741, including a levy for debt service obligations.

8 (c) "Taxable value" means the total taxable value of the
 9 districts constituent to an intermediate district, except that if a
 10 district has elected not to come under part 30 of the revised
 11 school code, MCL 380.1711 to 380.1741, ~~membership and taxable value~~
 12 ~~of the district are~~ **is** not included in the ~~membership and taxable~~
 13 ~~value of the intermediate district.~~

14 (2) From the allocation under section 51a(1), there is
 15 allocated ~~\$40,008,100.00 for 2019-2020 and an amount not to exceed~~
 16 ~~\$40,008,100.00 for 2020-2021~~ **and an amount not to exceed**
 17 **\$40,008,100.00 for 2021-2022** to reimburse intermediate districts
 18 levying millages for special education under part 30 of the revised
 19 school code, MCL 380.1711 to 380.1741. The purpose, use, and
 20 expenditure of the reimbursement are limited as if the funds were
 21 generated by these millages and governed by the intermediate
 22 district plan adopted under article 3 of the revised school code,
 23 MCL 380.1701 to 380.1761. As a condition of receiving funds under
 24 this section, an intermediate district distributing any portion of
 25 special education millage funds to its constituent districts must
 26 submit for departmental approval and implement a distribution plan.

27 ~~(3) Except as otherwise provided in this subsection,~~
 28 ~~reimbursement for those millages levied in 2018-2019 is made in~~
 29 ~~2019-2020 at an amount per 2018-2019 membership pupil computed by~~



~~subtracting from \$201,700.00 the 2018-2019 taxable value behind each membership pupil and multiplying the resulting difference by the 2018-2019 millage levied, and then subtracting from that amount the 2018-2019 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2019-2020 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~

(3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those millages levied in 2019-2020 is made in 2020-2021 at an amount per 2019-2020 membership pupil computed by subtracting from ~~\$209,000.00~~ **\$208,800.00** the 2019-2020 taxable value behind each membership pupil and multiplying the resulting difference by the 2019-2020 millage levied, and then subtracting from that amount the 2019-2020 local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in 2020-2021 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2020-2021 is made in 2021-2022 at an amount per 2020-2021 membership pupil computed by subtracting from \$215,900.00 the 2020-2021 taxable value behind



1 each membership pupil and multiplying the resulting difference by
2 the 2020-2021 millage levied, and then subtracting from that amount
3 the 2020-2021 local community stabilization share revenue for
4 special education purposes behind each membership pupil for
5 reimbursement of personal property exemption loss under the local
6 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
7 123.1362. Reimbursement in 2021-2022 for an intermediate district
8 whose 2017-2018 allocation was affected by the operation of
9 subsection (5) is an amount equal to 102.5% of the 2017-2018
10 allocation to that intermediate district.

11 (5) The department shall ensure that the amount paid to a
12 single intermediate district under this section does not exceed
13 62.9% of the total amount allocated under subsection (2).

14 (6) The department shall ensure that the amount paid to a
15 single intermediate district under this section is not less than
16 75% of the amount allocated to the intermediate district under this
17 section for the immediately preceding fiscal year.

18 Sec. 61a. (1) From the state school aid fund money
19 appropriated in section 11, there is allocated an amount not to
20 exceed \$37,611,300.00 for ~~2020-2021~~**2021-2022** to reimburse on an
21 added cost basis districts, except for a district that served as
22 the fiscal agent for a vocational education consortium in the 1993-
23 94 school year and that has a foundation allowance as calculated
24 under section 20 greater than the minimum foundation allowance
25 under that section, and secondary area vocational-technical
26 education centers for secondary-level career and technical
27 education programs according to rules approved by the
28 superintendent. Applications for participation in the programs must
29 be submitted in the form prescribed by the department. The



1 department shall determine the added cost for each career and
2 technical education program area. The department shall prioritize
3 the allocation of added cost funds based on the capital and program
4 expenditures needed to operate the career and technical education
5 programs provided; the number of pupils enrolled; the advancement
6 of pupils through the instructional program; the existence of an
7 articulation agreement with at least 1 postsecondary institution
8 that provides pupils with opportunities to earn postsecondary
9 credit during the pupil's participation in the career and technical
10 education program and transfers those credits to the postsecondary
11 institution upon completion of the career and technical education
12 program; and the program rank in student placement, job openings,
13 and wages, and shall ensure that the allocation does not exceed 75%
14 of the added cost of any program. Notwithstanding any rule or
15 department determination to the contrary, when determining a
16 district's allocation or the formula for making allocations under
17 this section, the department shall include the participation of
18 pupils in grade 9 in all of those determinations and in all
19 portions of the formula. With the approval of the department, the
20 board of a district maintaining a secondary career and technical
21 education program may offer the program for the period from the
22 close of the school year until September 1. The program shall use
23 existing facilities and must be operated as prescribed by rules
24 promulgated by the superintendent.

25 (2) Except for a district that served as the fiscal agent for
26 a vocational education consortium in the 1993-94 school year, the
27 department shall reimburse districts and intermediate districts for
28 local career and technical education administration, shared time
29 career and technical education administration, and career education



1 planning district career and technical education administration.
2 The superintendent shall adopt guidelines for the definition of
3 what constitutes administration and shall make reimbursement
4 pursuant to those guidelines. The department shall not distribute
5 more than \$800,000.00 of the allocation in subsection (1) under
6 this subsection.

7 (3) A career and technical education program funded under this
8 section may provide an opportunity for participants who are
9 eligible to be funded under section 107 to enroll in the career and
10 technical education program funded under this section if the
11 participation does not occur during regular school hours.

12 (4) In addition to the funds allocated under subsection (1),
13 from the state school aid fund money appropriated under section 11,
14 there is allocated for 2021-2022 an amount not to exceed
15 \$500,000.00 to an eligible district as provided in this subsection.
16 An eligible district receiving funds under this subsection shall
17 only use those funds to support DRIVE One to upgrade its career and
18 technical education facilities so that it can fully offer
19 automotive performance technology programs to students. A district
20 to which all of the following apply is an eligible district under
21 this subsection:

22 (a) The district is located in a county with a population of
23 at least 750,000 but less than 1,000,000.

24 (b) The district has at least 1,500 but less than 1,700 pupils
25 in membership.

26 (c) The district partners with an organization that is exempt
27 from federal income tax under section 501(c)(3) of the internal
28 revenue code, 26 USC 501, that provides at-risk youth with
29 vocational training in automotive technology, machining, welding,



1 **woodworking, and transportation design.**

2 Sec. 61b. (1) From the funds appropriated under section 11,
3 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
4 \$8,000,000.00 from the state school aid fund appropriation for
5 **state-approved** CTE early/middle college and CTE dual enrollment
6 programs authorized under this section and for planning grants for
7 the development or expansion of **state-approved** CTE ~~early/middle~~
8 **early middle** college programs. The purpose of these programs is to
9 increase the number of Michigan residents with high-quality degrees
10 or credentials, and to increase the number of students who are
11 college and career ready upon high school graduation.

12 (2) From the funds allocated under subsection (1), the
13 department shall allocate an amount as determined under this
14 subsection to each intermediate district serving as a fiscal agent
15 for state-approved CTE ~~early/middle~~**early middle** college and CTE
16 dual enrollment programs in each of the career education planning
17 districts identified by the department. An intermediate district
18 shall not use more than 5% of the funds allocated under this
19 subsection for administrative costs for serving as the fiscal
20 agent.

21 (3) To be an eligible fiscal agent, an intermediate district
22 must agree to do all of the following in a form and manner
23 determined by the department:

24 (a) Distribute funds to eligible CTE ~~early/middle~~**early middle**
25 college and CTE dual enrollment programs in a career education
26 planning district as described in this section.

27 (b) Collaborate with the career and educational advisory
28 council in the workforce development board service delivery area to
29 develop 1 regional strategic plan under subsection (4) that aligns



CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE ~~early/middle~~**early middle** college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

- (i) An associate's degree.**
- (ii) 60 transferrable college credits.**
- (iii) Professional certification.**
- (iv) A Michigan Early Middle College Association certificate.**
- (v) Participation in a registered apprenticeship.**

(4) A regional strategic plan must be approved by the career

1 and educational advisory council before submission to the
 2 department. A regional strategic plan must include, but is not
 3 limited to, the following:

4 (a) An identification of regional employer need based on a
 5 ranking of all career clusters in the workforce development board
 6 service delivery area ranked by 10-year **projections of annual** job
 7 openings projections and median wage for each standard occupational
 8 code in each career cluster as obtained from the United States
 9 Bureau of Labor Statistics. Standard occupational codes within
 10 high-ranking clusters also may be further ranked by ~~median wage.~~
 11 **annual job openings**. The career and educational advisory council
 12 located in the workforce development board service delivery area
 13 shall review the rankings and modify them if necessary to
 14 accurately reflect employer demand for talent in the workforce
 15 development board service delivery area. A career and educational
 16 advisory council shall document that it has conducted this review
 17 and certify that it is accurate. These career cluster rankings must
 18 be determined and updated once every 4 years.

19 (b) An identification of educational entities in the workforce
 20 development board service delivery area that will provide eligible
 21 CTE ~~early/middle~~ **early middle** college and CTE dual enrollment
 22 programs including districts, intermediate districts, postsecondary
 23 institutions, and noncredit occupational training programs leading
 24 to an industry-recognized credential.

25 (c) A strategy to inform parents and students of CTE
 26 ~~early/middle~~ **early middle** college and CTE dual enrollment programs
 27 in the workforce development board service delivery area.

28 (d) Any other requirements as defined by the department.

29 (5) An eligible CTE program is a program that **is state-**



1 **approved and** meets all of the following:

2 (a) Has been identified in the highest 5 career cluster
3 rankings in any of the 16 workforce development board service
4 delivery area strategic plans jointly approved by the department of
5 labor and economic opportunity and the department.

6 (b) Has a coherent sequence of courses that will allow a
7 student to earn a high school diploma and achieve at least 1 of the
8 ~~following~~ **outcomes defined in subsection (3)(f)** in a specific
9 career cluster. ÷

10 ~~(i) An associate degree.~~

11 ~~(ii) An industry-recognized technical certification approved by~~
12 ~~the department of labor and economic opportunity.~~

13 ~~(iii) Up to 60 transferable college credits.~~

14 ~~(iv) Participation in a registered apprenticeship, pre-~~
15 ~~apprenticeship, or apprentice readiness program.~~

16 (c) Is aligned with the Michigan merit curriculum.

17 (d) Has ~~an articulation~~ **a college credit** agreement with at
18 least 1 postsecondary institution that provides students with
19 opportunities to receive postsecondary credits during the student's
20 participation in the CTE ~~early/middle~~ **early middle** college or CTE
21 dual enrollment program and transfers those credits to the
22 postsecondary institution upon completion of the CTE ~~early/middle~~
23 **early middle** college or CTE dual enrollment program.

24 (e) Provides instruction that is supervised, directed, or
25 coordinated by an appropriately certificated CTE teacher or, for
26 concurrent enrollment courses, a postsecondary faculty member.

27 (f) Provides for highly integrated student support services
28 that include at least the following:

29 (i) Teachers as academic advisors.



(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college faculty, or are courses taught in combination with online instruction.

(6) The department shall distribute funds to eligible CTE ~~early/middle~~**early middle** college and CTE dual enrollment programs as follows:

(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by calculating statewide average costs for each CIP code program for the 3 most recent fiscal years.

(b) The distribution to each eligible CTE ~~early/middle~~**early middle** college or CTE dual enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment of each eligible CTE ~~early/middle~~**early middle** college or CTE dual enrollment program in the immediately preceding school year.

(7) In order to receive funds under this section, a CTE ~~early/middle~~**early middle** college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (2), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the



1 program for which it receives funds; and shall reimburse the state
2 for all disallowances found in the review, as determined by the
3 department.

4 (8) There is allocated for ~~2020-2021~~**2021-2022** from the funds
5 under subsection (1) an amount not to exceed \$500,000.00 from the
6 state school aid fund allocation for grants to intermediate
7 districts or consortia of intermediate districts for the purpose of
8 planning for new or expanded ~~early/middle~~**early middle** college
9 programs. Applications for grants must be submitted in a form and
10 manner determined by the department. The amount of a grant under
11 this subsection must not exceed \$50,000.00. To be eligible for a
12 grant under this subsection, an intermediate district or consortia
13 of intermediate districts must provide matching funds equal to the
14 grant received under this subsection. Notwithstanding section 17b,
15 the department shall make payments under this subsection in the
16 manner determined by the department.

17 (9) Funds distributed under this section may be used to fund
18 program expenditures that would otherwise be paid from foundation
19 allowances. A program receiving funding under section 61a may
20 receive funding under this section for allowable costs that exceed
21 the reimbursement the program received under section 61a. The
22 combined payments received by a program under section 61a and this
23 section must not exceed the total allowable costs of the program. A
24 program provider shall not use more than 5% of the funds allocated
25 under this section to the program for administrative costs.

26 (10) If the allocation under subsection (1) is insufficient to
27 fully fund payments as otherwise calculated under this section, the
28 department shall prorate payments under this section on an equal
29 percentage basis.



(11) If pupils enrolled in a career cluster in an eligible CTE ~~early/middle~~ **early middle** college or CTE dual enrollment program qualify to be reimbursed under this section, those pupils continue to qualify for reimbursement until graduation, even if the career cluster is no longer identified as being in the highest 5 career cluster rankings.

(12) As used in this section:

(a) "Allowable costs" means those costs directly attributable to the program as jointly determined by the department of labor and economic opportunity and the department.

(b) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a workforce development board service delivery area consisting of educational, employer, labor, and parent representatives.

(c) "CIP" means classification of instructional programs.

(d) "CTE" means career and technical education programs.

(e) "CTE dual enrollment program" means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) "~~Early/middle~~ **Early middle** college program" means a 5-year high school program.

(g) "Eligible postsecondary educational institution" means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$5,000,000.00 from the state school aid fund for additional payments to districts for career and technical education programs



1 for the purpose of increasing the number of Michigan residents with
2 high-quality degrees or credentials, and to increase the number of
3 pupils who are college- and career-ready upon high school
4 graduation.

5 (2) The department shall calculate payments to districts under
6 this section in the following manner:

7 (a) A payment of \$35.00 multiplied by the number of pupils in
8 grades 9 to 12 who are counted in membership in the district and
9 are enrolled in at least 1 career and technical education program.

10 (b) An additional payment of \$35.00 multiplied by the number
11 of pupils in grades 9 to 12 who are counted in membership in the
12 district and are enrolled in at least 1 career and technical
13 education program that provides instruction in critical skills and
14 high-demand career fields.

15 (3) If the allocation under subsection (1) is insufficient to
16 fully fund payments under subsection (2), the department shall
17 prorate payments under this section on an equal per-pupil basis.

18 (4) As used in this section:

19 (a) "Career and technical education program" means a state-
20 approved career and technical education program, as determined by
21 the department.

22 (b) "Career and technical education program that provides
23 instruction in critical skills and high-demand career field" means
24 a career and technical education program classified under any of
25 the following 2-digit classification of instructional programs
26 (CIP) codes:

27 (i) 01, which refers to "agriculture, agriculture operations,
28 and related sciences".

29 (ii) 03, which refers to "natural resources and conservation".



(iii) 10 through 11, which refers to "communications technologies/technicians and support services" and "computer and information sciences and support services".

(iv) 14 through 15, which refers to "engineering" and "engineering technologies and engineering-related fields".

(v) 26, which refers to "biological and biomedical sciences".

(vi) 46 through 48, which refers to "construction trades", "mechanic and repair technologies/technicians", and "precision production".

(vii) 51, which refers to "health professions and related programs".

Sec. 61g. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 only an amount not to exceed \$2,499,800.00 to an intermediate district in which the combined total number of pupils in membership of all of its constituent districts is at least 6,500 but not more than 7,500 and the intermediate district is located in prosperity region 3.

(2) An intermediate district receiving funds under this section shall use the funds to support its career and technical education offerings. Funds must be used by the intermediate district for building retrofitting, equipment purchases, and other associated expenditures necessary to provide career and technical education programming and services.

(3) As used in this section, "constituent district" means a district, including a district that is a public school academy, that is located within the geographic boundaries of an intermediate district.

Sec. 62. (1) For the purposes of this section:



1 (a) "Membership" means for a particular fiscal year the total
2 membership ~~for the immediately preceding fiscal year~~ of the
3 intermediate district and the districts constituent to the
4 intermediate district or the total membership ~~for the immediately~~
5 ~~preceding fiscal year~~ of the area vocational-technical program,
6 except that if a district has elected not to come under sections
7 681 to 690 of the revised school code, MCL 380.681 to 380.690, the
8 membership of that district are not included in the membership of
9 the intermediate district. However, the membership of a district
10 that has elected not to come under sections 681 to 690 of the
11 revised school code, MCL 380.681 to 380.690, is included in the
12 membership of the intermediate district if the district meets both
13 of the following:

14 (i) The district operates the area vocational-technical
15 education program pursuant to a contract with the intermediate
16 district.

17 (ii) The district contributes an annual amount to the operation
18 of the program that is commensurate with the revenue that would
19 have been raised for operation of the program if millage were
20 levied in the district for the program under sections 681 to 690 of
21 the revised school code, MCL 380.681 to 380.690.

22 (b) "Millage levied" means the millage levied for area
23 vocational-technical education under sections 681 to 690 of the
24 revised school code, MCL 380.681 to 380.690, including a levy for
25 debt service obligations incurred as the result of borrowing for
26 capital outlay projects and in meeting capital projects fund
27 requirements of area vocational-technical education.

28 (c) "Taxable value" means the total taxable value of the
29 districts constituent to an intermediate district or area



1 vocational-technical education program, except that if a district
 2 has elected not to come under sections 681 to 690 of the revised
 3 school code, MCL 380.681 to 380.690, the ~~membership and~~ taxable
 4 value of that district ~~are~~ **is** not included in the ~~membership and~~
 5 taxable value of the intermediate district. However, the ~~membership~~
 6 ~~and~~ taxable value of a district that has elected not to come under
 7 sections 681 to 690 of the revised school code, MCL 380.681 to
 8 380.690, ~~are~~ **is** included in the ~~membership and~~ taxable value of the
 9 intermediate district if the district meets both of the following:

10 (i) The district operates the area vocational-technical
 11 education program pursuant to a contract with the intermediate
 12 district.

13 (ii) The district contributes an annual amount to the operation
 14 of the program that is commensurate with the revenue that would
 15 have been raised for operation of the program if millage were
 16 levied in the district for the program under sections 681 to 690 of
 17 the revised school code, MCL 380.681 to 380.690.

18 (2) From the appropriation in section 11, there is allocated
 19 an amount not to exceed \$9,190,000.00 ~~each fiscal year for 2019-~~
 20 ~~2020 and for 2020-2021~~ **2021-2022** to reimburse intermediate
 21 districts and area vocational-technical education programs
 22 established under section 690(3) of the revised school code, MCL
 23 380.690, levying millages for area vocational-technical education
 24 under sections 681 to 690 of the revised school code, MCL 380.681
 25 to 380.690. The purpose, use, and expenditure of the reimbursement
 26 are limited as if the funds were generated by those millages.

27 (3) Reimbursement for those millages levied in ~~2018-2019~~ **2019-**
 28 **2020** is made in ~~2019-2020~~ **2020-2021** at an amount per ~~2018-2019~~
 29 **2019-2020** membership pupil computed by subtracting from ~~\$210,800.00~~



1 **\$218,700.00** the ~~2018-2019~~ **2019-2020** taxable value behind each
 2 membership pupil and multiplying the resulting difference by the
 3 ~~2018-2019~~ **2019-2020** millage levied, and then subtracting from that
 4 amount the ~~2018-2019~~ **2019-2020** local community stabilization share
 5 revenue for area vocational technical education behind each
 6 membership pupil for reimbursement of personal property exemption
 7 loss under the local community stabilization authority act, 2014 PA
 8 86, MCL 123.1341 to 123.1362.

9 (4) Reimbursement for those millages levied in ~~2019-2020~~ **2020-**
 10 **2021** is made in ~~2020-2021~~ **2021-2022** at an amount per ~~2019-2020~~
 11 **2020-2021** membership pupil computed by subtracting from ~~\$218,800.00~~
 12 **\$224,800.00** the ~~2019-2020~~ **2020-2021** taxable value behind each
 13 membership pupil and multiplying the resulting difference by the
 14 ~~2019-2020~~ **2020-2021** millage levied, and then subtracting from that
 15 amount the ~~2019-2020~~ **2020-2021** local community stabilization share
 16 revenue for area vocational technical education behind each
 17 membership pupil for reimbursement of personal property exemption
 18 loss under the local community stabilization authority act, 2014 PA
 19 86, MCL 123.1341 to 123.1362.

20 (5) The department shall ensure that the amount paid to a
 21 single intermediate district under this section does not exceed
 22 38.4% of the total amount allocated under subsection (2).

23 (6) The department shall ensure that the amount paid to a
 24 single intermediate district under this section is not less than
 25 75% of the amount allocated to the intermediate district under this
 26 section for the immediately preceding fiscal year.

27 Sec. 65. (1) From the appropriation under section 11, there is
 28 allocated an amount not to exceed \$400,000.00 for ~~2020-2021~~ **2021-**
 29 **2022** for a pre-college engineering K-12 educational program that is



1 focused on the development of a diverse future Michigan workforce,
2 that serves multiple communities within southeast Michigan, that
3 enrolls pupils from multiple districts, and that received funds
4 appropriated for this purpose in the appropriations act that
5 provided the Michigan strategic fund budget for 2014-2015.

6 (2) To be eligible for funding under this section, a program
7 must have the ability to expose pupils to, and motivate and prepare
8 pupils for, science, technology, engineering, and mathematics
9 careers and postsecondary education with special attention given to
10 groups of pupils who are at-risk and underrepresented in technical
11 professions and careers.

12 Sec. 67. (1) From the general fund money appropriated in
13 section 11, there is allocated an amount not to exceed
14 \$3,000,000.00 for ~~2020-2021~~**2021-2022** for college access programs.
15 The programs funded under this section are intended to inform
16 students of college and career options and to provide resources
17 intended to increase the number of pupils who are adequately
18 prepared with the information needed to make informed decisions on
19 college and career. The funds appropriated under this section are
20 intended to be used to increase the number of Michigan residents
21 with high-quality degrees or credentials. Funds appropriated under
22 this section must not be used to supplant funding for counselors
23 already funded by districts.

24 (2) The department of labor and economic opportunity shall
25 administer funds allocated under this section in collaboration with
26 the Michigan college access network. These funds may be used for
27 any of the following purposes:

28 (a) Michigan college access network operations, programming,
29 and services to local college access networks.



1 (b) Local college access networks, which are community-based
2 college access/success partnerships committed to increasing the
3 college participation and completion rates within geographically
4 defined communities through a coordinated strategy.

5 (c) The Michigan college advising program, a program intended
6 to place trained, recently graduated college advisors in high
7 schools that serve significant numbers of low-income and first-
8 generation college-going pupils. State funds used for this purpose
9 may not exceed 33% of the total funds available under this
10 subsection.

11 (d) Subgrants of up to \$5,000.00 to districts with
12 comprehensive high schools that establish a college access team and
13 implement specific strategies to create a college-going culture in
14 a high school in a form and manner approved by the Michigan college
15 access network and the department of labor and economic
16 opportunity.

17 (e) The Michigan college access portal, an online one-stop
18 portal to help pupils and families plan and apply for college.

19 (f) Public awareness and outreach campaigns to encourage low-
20 income and first-generation college-going pupils to take necessary
21 steps toward college and to assist pupils and families in
22 completing a timely and accurate free application for federal
23 student aid.

24 (g) Subgrants to postsecondary institutions to recruit, hire,
25 and train college student mentors and college advisors to assist
26 high school pupils in navigating the postsecondary planning and
27 enrollment process.

28 (3) For the purposes of this section, "college" means any
29 postsecondary educational opportunity that leads to a career,



including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 67a. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$50,000.00 for ~~2020-2021~~ **2021-2022** for a grant to be distributed by the department to an organization to provide industrial and technological education and workforce preparation for students and professional development opportunities and support for teachers.

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

Sec. 74. (1) From the ~~amount appropriated~~ **state school aid fund money appropriated** in section 11, there is allocated an amount not to exceed ~~\$3,814,500.00~~ **\$3,805,800.00** for ~~2020-2021~~ **2021-2022** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.



(3) From the allocation in subsection (1), there is allocated for ~~2020-2021~~**2021-2022** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,789,500.00~~**\$1,780,800.00** for ~~2020-2021~~**2021-2022** for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section



1 17b, the department shall make payments to eligible entities under
 2 this subsection on a schedule prescribed by the department.

3 **Sec. 78. From the state school aid fund money appropriated**
 4 **under section 11, there is allocated for 2021-2022 an amount not to**
 5 **exceed \$100.00 for reimbursements to districts for transportation**
 6 **costs.**

7 Sec. 81. (1) From the ~~appropriation~~ **state school aid fund**
 8 **money appropriated** in section 11, there is allocated for 2020-2021
 9 to the intermediate districts the sum necessary, but not to exceed
 10 \$69,138,000.00, **and there is allocated for 2021-2022 to the**
 11 **intermediate districts the sum necessary, but not to exceed**
 12 **\$70,521,000.00** to provide state aid to intermediate districts under
 13 this section.

14 (2) The amount allocated under this section **for 2020-2021** to
 15 each intermediate district is an amount equal to 100% of the amount
 16 allocated to the intermediate district under this section for 2019-
 17 2020. **The amount allocated under this section for 2021-2022 to each**
 18 **intermediate district is an amount equal to 102% of the amount**
 19 **allocated to the intermediate district under this section for 2020-**
 20 **2021.** An intermediate district shall use funding provided under
 21 this section to comply with requirements of this article and the
 22 revised school code that are applicable to intermediate districts,
 23 and for which funding is not provided elsewhere in this article,
 24 and to provide technical assistance to districts as authorized by
 25 the intermediate school board.

26 (3) Intermediate districts receiving funds under this section
 27 shall collaborate with the department to develop expanded
 28 professional development opportunities for teachers to update and
 29 expand their knowledge and skills needed to support the Michigan



1 merit curriculum.

2 (4) From the allocation in subsection (1), there is allocated
3 to an intermediate district, formed by the consolidation or
4 annexation of 2 or more intermediate districts or the attachment of
5 a total intermediate district to another intermediate district or
6 the annexation of all of the constituent K-12 districts of a
7 previously existing intermediate district which has disorganized,
8 an additional allotment of \$3,500.00 each fiscal year for each
9 intermediate district included in the new intermediate district for
10 3 years following consolidation, annexation, or attachment.

11 (5) In order to receive funding under this section, an
12 intermediate district shall do all of the following:

13 (a) Demonstrate to the satisfaction of the department that the
14 intermediate district employs at least 1 person who is trained in
15 pupil accounting and auditing procedures, rules, and regulations.

16 (b) Demonstrate to the satisfaction of the department that the
17 intermediate district employs at least 1 person who is trained in
18 rules, regulations, and district reporting procedures for the
19 individual-level student data that serves as the basis for the
20 calculation of the district and high school graduation and dropout
21 rates.

22 (c) Comply with sections 1278a and 1278b of the revised school
23 code, MCL 380.1278a and 380.1278b.

24 (d) Furnish data and other information required by state and
25 federal law to the center and the department in the form and manner
26 specified by the center or the department, as applicable.

27 (e) Comply with section 1230g of the revised school code, MCL
28 380.1230g.

29 **(f) Provide advice, guidance, and leadership to assist all**



1 districts located within its geographic boundaries to assist in the
2 preparedness and response efforts toward addressing COVID-19. At a
3 minimum, this must include the coordination and collaboration with
4 any local public health agency that has jurisdiction within the
5 intermediate district's geographic boundaries and may include the
6 coordination of bulk purchasing of personal protective equipment,
7 technology, or other products or services necessary for students to
8 return to school. An intermediate district shall ensure that all
9 districts located within its geographic boundaries have equitable
10 access to the intermediate district's coordination activities and
11 services, intermediate district-wide or regional meetings,
12 regularly scheduled superintendent meetings, programming, events,
13 or other coordination or collaboration activities. In ensuring that
14 all districts located within the geographic boundaries of the
15 intermediate district have equitable access to services, meetings,
16 programming, events, or activities as described in the immediately
17 preceding sentence, the intermediate district shall ensure that
18 districts that are public school academies that are located within
19 its geographic boundaries are not excluded from said services,
20 meetings, programming, events, or activities if districts that are
21 not public school academies that are located within the geographic
22 boundaries of the intermediate district are not excluded.

23 Sec. 94. (1) From the general fund money appropriated in
24 section 11, there is allocated to the department for ~~2020-2021~~
25 **2021-2022** an amount not to exceed \$1,200,000.00 for efforts to
26 increase the number of pupils who participate and succeed in
27 advanced placement and international baccalaureate programs, and to
28 support the college-level examination program (CLEP).

29 (2) From the funds allocated under this section, the



1 department shall award funds to cover all or part of the costs of
2 advanced placement test fees or international baccalaureate test
3 fees and international baccalaureate registration fees for low-
4 income pupils who take an advanced placement or an international
5 baccalaureate test and CLEP fees for low-income pupils who take a
6 CLEP test.

7 (3) The department shall only award funds under this section
8 if the department determines that all of the following criteria are
9 met:

10 (a) Each pupil for whom payment is made meets eligibility
11 requirements of the federal advanced placement test fee program
12 under section 1701 of the no child left behind act of 2001, Public
13 Law 107-110, or under a corresponding provision of the every
14 student succeeds act, Public Law 114-95.

15 (b) The tests are administered by the college board, the
16 international baccalaureate organization, or another test provider
17 approved by the department.

18 (c) The pupil for whom payment is made pays at least \$5.00
19 toward the cost of each test for which payment is made.

20 (4) The department shall establish procedures for awarding
21 funds under this section.

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

25 Sec. 94a. (1) There is created within the state budget office
26 in the department of technology, management, and budget the center
27 for educational performance and information. The center shall do
28 all of the following:

29 (a) Coordinate the collection of all data required by state



1 and federal law from districts, intermediate districts, and
2 postsecondary institutions.

3 (b) Create, maintain, and enhance this state's P-20
4 longitudinal data system and ensure that it meets the requirements
5 of subsection (4).

6 (c) Collect data in the most efficient manner possible in
7 order to reduce the administrative burden on reporting entities,
8 including, but not limited to, electronic transcript services.

9 (d) Create, maintain, and enhance this state's web-based
10 educational portal to provide information to school leaders,
11 teachers, researchers, and the public in compliance with all
12 federal and state privacy laws. Data must include, but are not
13 limited to, all of the following:

14 (i) ~~Data~~ **As required under other state or federal law, data**
15 sets that link teachers to student information. ~~, allowing~~
16 ~~districts to assess individual teacher impact on student~~
17 ~~performance and consider student growth factors in teacher and~~
18 ~~principal evaluation systems.~~

19 (ii) Data access or, if practical, data sets, provided for
20 regional data hubs that, in combination with local data, can
21 improve teaching and learning in the classroom.

22 (iii) Research-ready data sets for researchers to perform
23 research that advances this state's educational performance.

24 (e) Provide data in a useful manner to allow state and local
25 policymakers to make informed policy decisions.

26 (f) Provide public reports to the residents of this state to
27 allow them to assess allocation of resources and the return on
28 their investment in the education system of this state.

29 (g) Other functions as assigned by the state budget director.



(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) ~~Enables~~ **As required under other state laws or federal law, enables** the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student **for programs and services specified in the complementary sections of law.**

(d) Enables the matching of individual teachers with



1 information about their certification and the institutions that
 2 prepared and recommended those teachers for state certification.

3 (e) Enables data to be easily generated for continuous
 4 improvement and decision-making, including timely reporting to
 5 parents, teachers, and school leaders on student achievement.

6 (f) Ensures the reasonable quality, validity, and reliability
 7 of data contained in the system.

8 (g) Provides this state with the ability to meet federal and
 9 state reporting requirements.

10 (h) For data elements related to preschool through grade 12
 11 and postsecondary, meets all of the following:

12 (i) Contains a unique statewide student identifier that does
 13 not permit a student to be individually identified by users of the
 14 system, except as allowed by federal and state law.

15 (ii) Contains student-level enrollment, demographic, and
 16 program participation information.

17 (iii) Contains student-level information about the points at
 18 which students exit, transfer in, transfer out, drop out, or
 19 complete education programs.

20 (iv) Has the capacity to communicate with higher education data
 21 systems.

22 (i) For data elements related to preschool through grade 12
 23 only, meets all of the following:

24 (i) Contains yearly test records of individual students for
 25 assessments approved by DED-OESE for accountability purposes under
 26 section 1111(b) of the elementary and secondary education act of
 27 1965, 20 USC 6311, including information on individual students not
 28 tested, by grade and subject.

29 (ii) ~~Contains~~ **As required under other state laws or federal**



1 **law, contains** student-level transcript information, including
 2 information on courses completed and grades earned **and for programs**
 3 **and services specified in the complementary sections of law.**

4 (iii) Contains student-level college readiness test scores.

5 (j) For data elements related to postsecondary education only:

6 (i) Contains data that provide information regarding the extent
 7 to which individual students transition successfully from secondary
 8 school to postsecondary education, including, but not limited to,
 9 all of the following:

10 (A) Enrollment in remedial coursework.

11 (B) Completion of 1 year's worth of college credit applicable
 12 to a degree within 2 years of enrollment.

13 (ii) Contains data that provide other information determined
 14 necessary to address alignment and adequate preparation for success
 15 in postsecondary education.

16 (5) From the general fund money appropriated in section 11,
 17 there is allocated an amount not to exceed ~~\$16,848,900.00~~
 18 **\$18,802,500.00** for ~~2020-2021~~**2021-2022** to the department of
 19 technology, management, and budget to support the operations of the
 20 center. In addition, from the federal funds appropriated in section
 21 11, there is allocated for ~~2020-2021~~**2021-2022** the amount
 22 necessary, estimated at \$193,500.00, to support the operations of
 23 the center and to establish a P-20 longitudinal data system
 24 necessary for state and federal reporting purposes. The center
 25 shall cooperate with the department to ensure that this state is in
 26 compliance with federal law and is maximizing opportunities for
 27 increased federal funding to improve education in this state.

28 (6) From the funds allocated in subsection (5), the center may
 29 use an amount determined by the center for competitive grants for



1 ~~2020-2021-2021-2022~~ to support collaborative efforts on the P-20
2 longitudinal data system. All of the following apply to grants
3 awarded under this subsection:

4 (a) The center shall award competitive grants to eligible
5 intermediate districts or a consortium of intermediate districts
6 based on criteria established by the center.

7 (b) Activities funded under the grant must support the P-20
8 longitudinal data system portal and may include portal hosting,
9 hardware and software acquisition, maintenance, enhancements, user
10 support and related materials, and professional learning tools and
11 activities aimed at improving the utility of the P-20 longitudinal
12 data system.

13 (c) An applicant that received a grant under this subsection
14 for the immediately preceding fiscal year has priority for funding
15 under this section. However, after 3 fiscal years of continuous
16 funding, an applicant is required to compete openly with new
17 applicants.

18 (7) Funds allocated under this section that are not expended
19 in the fiscal year in which they were allocated may be carried
20 forward to a subsequent fiscal year and are appropriated for the
21 purposes for which the funds were originally allocated.

22 (8) The center may bill departments as necessary in order to
23 fulfill reporting requirements of state and federal law. The center
24 may also enter into agreements to supply custom data, analysis, and
25 reporting to other principal executive departments, state agencies,
26 local units of government, and other individuals and organizations.
27 The center may receive and expend funds in addition to those
28 authorized in subsection (5) to cover the costs associated with
29 salaries, benefits, supplies, materials, and equipment necessary to



1 provide such data, analysis, and reporting services.

2 (9) As used in this section, ÷

3 ~~(a) "DED-OESE" means the United States Department of Education~~
 4 ~~Office of Elementary and Secondary Education.~~

5 ~~(b) "State education agency" means the department.~~

6 **Sec. 94c. From the general fund money appropriated under**
 7 **section 11, there is allocated an amount not to exceed \$100.00 for**
 8 **the Michigan Center for Education Research and Implementation for a**
 9 **partnership between government and nongovernmental organizations**
 10 **that will lead the replication and scaling of best practices in**
 11 **instruction, administration, and student support, beginning first**
 12 **with the recommendations of this state's COVID-19 student recovery**
 13 **advisory council, to enable this state to be among the fastest**
 14 **improving states in the nation in academic gains for all student**
 15 **groups, to close the achievement gap, and to prepare every student**
 16 **for success after high school.**

17 Sec. 95b. (1) From the general fund money appropriated under
 18 section 11, there is allocated an amount not to exceed
 19 \$2,000,000.00 for **2021-2022 for** the model value-added growth and
 20 projection analytics system. The department shall continue the
 21 model value-added growth and projection analytics system and
 22 incorporate that model into its reporting requirements under the
 23 every student succeeds act, Public Law 114-95. ~~It is the intent of~~
 24 ~~the legislature to fund the model under this section for 2021-2022~~
 25 ~~only if at least 50% of districts that are not public school~~
 26 ~~academies opt in to student-teacher linkages provided by the model~~
 27 ~~value-added growth and projection analytics system and there is~~
 28 ~~verification that the value-added reporting platform continued~~
 29 ~~hosting and delivery of historical reporting as determined based on~~



~~the report under subsection (5).~~ The model described in this subsection must do at least all of the following:

(a) Utilize existing assessments and any future assessments that are suitable for measuring student growth.

(b) Report student growth measures at the district, school, teacher, and subgroup levels.

(c) Recognize the growth of tested students, including those who may have missing assessment data.

(d) Include all available prior standardized assessment data that meet inclusion criteria across grades, subjects, and state and local assessments.

(e) Allow student growth results to be disaggregated.

(f) Provide individual student projections showing the probability of a student reaching specific performance levels on future assessments. Given school closures and extended cancellations related to COVID-19, the data under this subdivision may be used to inform decisions about student placement or students that could benefit from additional supports or interventions.

(g) Demonstrate any prior success with this state's assessments through the Michigan council of educator effectiveness teacher evaluation pilot.

(h) Demonstrate prior statewide implementation in at least 2 other states for at least 10 years.

(i) Have a native roster verification system built into the value-added reporting platform that has been implemented statewide in at least 2 other states.

(j) Have a "help/contact us" ticketing system built into the value-added reporting platform.

(k) Given school closures that have occurred pursuant to an



1 executive order issued by the governor, the value-added reporting
2 platform must provide continued hosting and delivery of reporting
3 and offer the department additional supports in the areas of
4 research, analysis, web reporting, and training.

5 (l) The department and the platform vendor shall provide
6 statewide training for educators to understand the reporting that
7 details the impact to student learning and growth.

8 (2) The department shall provide internet-based electronic
9 student growth and projection reporting based on the model under
10 subsection (1) to educators at the school, district, and state
11 levels. The model must include role-based permissions that allow
12 educators to access information about the performance of the
13 students within their immediate responsibility in accordance with
14 applicable privacy laws.

15 (3) The model under subsection (1) must not be a mandatory
16 part of teacher evaluation or educator pay-for-performance systems.

17 (4) The model under subsection (1) must be a model that
18 received funding under this section in 2018-2019.

19 (5) By March 31, ~~2021~~, **2022**, the department shall work with
20 the center to provide a report to the senate and house
21 appropriations subcommittees on ~~state~~ school aid and the senate and
22 house fiscal agencies regarding the number of districts that are
23 not public school academies that opted in to student-teacher
24 linkages in their use of the model value-added growth and
25 projection analytics system under this section. The report under
26 this subsection must also include verification that the value-added
27 reporting platform continued hosting and delivery of historical
28 reporting and specify any additional research and analysis offered
29 to the department.



1 Sec. 98. (1) From the general fund money appropriated in
 2 section 11, there is allocated an amount not to exceed
 3 ~~\$7,500,000.00~~ **\$8,447,000.00** for ~~2020-2021~~ **2021-2022** for the
 4 purposes described in this section. The Michigan Virtual University
 5 shall provide a report to the legislature not later than November 1
 6 of each year that includes its mission, its plans, and proposed
 7 benchmarks it must meet, including a plan to achieve the
 8 organizational priorities identified in this section, in order to
 9 receive full funding for ~~2021-2022.~~ **2022-2023**. Not later than March
 10 1 of each year, the Michigan Virtual University shall provide an
 11 update to the house and senate appropriations subcommittees on
 12 school aid to show the progress being made to meet the benchmarks
 13 identified.

14 (2) The Michigan Virtual University shall operate the Michigan
 15 Virtual Learning Research Institute. The Michigan Virtual Learning
 16 Research Institute shall do all of the following:

17 (a) Support and accelerate innovation in education through the
 18 following activities:

19 (i) Test, evaluate, and recommend as appropriate new
 20 technology-based instructional tools and resources.

21 (ii) Research, design, and recommend virtual education delivery
 22 models for use by pupils and teachers that include age-appropriate
 23 multimedia instructional content.

24 (iii) Research, develop, and recommend annually to the
 25 department criteria by which cyber schools and virtual course
 26 providers should be monitored and evaluated to ensure a quality
 27 education for their pupils.

28 (iv) Based on pupil completion and performance data reported to
 29 the department or the center from cyber schools and other virtual



1 course providers operating in this state, analyze the effectiveness
2 of virtual learning delivery models in preparing pupils to be
3 college- and career-ready and publish a report that highlights
4 enrollment totals, completion rates, and the overall impact on
5 pupils. The Michigan Virtual Learning Research Institute shall
6 submit the report to the house and senate appropriations
7 subcommittees on ~~state~~-school aid, the state budget director, the
8 house and senate fiscal agencies, the department, districts, and
9 intermediate districts not later than March 31 of each year.

10 (v) Provide an extensive professional development program to
11 at least 30,000 educational personnel, including teachers, school
12 administrators, and school board members, that focuses on the
13 effective integration of virtual learning into curricula and
14 instruction. The Michigan Virtual Learning Research Institute is
15 encouraged to work with the MiSTEM ~~advisory council created under~~
16 **described in** section 99s to coordinate professional development of
17 teachers in applicable fields. In addition, the Michigan Virtual
18 Learning Research Institute and external stakeholders are
19 encouraged to coordinate with the department for professional
20 development in this state. Not later than December 1 of each year,
21 the Michigan Virtual Learning Research Institute shall submit a
22 report to the house and senate appropriations subcommittees on
23 ~~state~~-school aid, the state budget director, the house and senate
24 fiscal agencies, and the department on the number of teachers,
25 school administrators, and school board members who have received
26 professional development services from the Michigan Virtual
27 University. The report must also identify barriers and other
28 opportunities to encourage the adoption of virtual learning in the
29 public education system.



(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(ii) Provide a clearinghouse for research reports, academic studies, evaluations, and other information related to virtual learning.

(iii) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(iv) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(v) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(vi) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(vii) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify



1 barriers and opportunities related to virtual learning.

2 (viii) Produce an annual consumer awareness report for schools
3 and parents about effective virtual education providers and
4 education delivery models, performance data, cost structures, and
5 research trends.

6 (ix) Provide an internet-based platform that educators can use
7 to create student-centric learning tools and resources for sharing
8 in the state's open educational resource repository and facilitate
9 a user network that assists educators in using the content creation
10 platform and state repository for open educational resources. As
11 part of this initiative, the Michigan Virtual University shall work
12 collaboratively with districts and intermediate districts to
13 establish a plan to make available virtual resources that align to
14 Michigan's K-12 curriculum standards for use by students,
15 educators, and parents.

16 (x) Create and maintain a public statewide catalog of virtual
17 learning courses being offered by all public schools and community
18 colleges in this state. The Michigan Virtual Learning Research
19 Institute shall identify and develop a list of nationally
20 recognized best practices for virtual learning and use this list to
21 support reviews of virtual course vendors, courses, and
22 instructional practices. The Michigan Virtual Learning Research
23 Institute shall also provide a mechanism for intermediate districts
24 to use the identified best practices to review content offered by
25 constituent districts. The Michigan Virtual Learning Research
26 Institute shall review the virtual course offerings of the Michigan
27 Virtual University, and make the results from these reviews
28 available to the public as part of the statewide catalog. The
29 Michigan Virtual Learning Research Institute shall ensure that the



1 statewide catalog is made available to the public on the Michigan
2 Virtual University website and shall allow the ability to link it
3 to each district's website as provided for in section 21f. The
4 statewide catalog must also contain all of the following:

5 (A) The number of enrollments in each virtual course in the
6 immediately preceding school year.

7 (B) The number of enrollments that earned 60% or more of the
8 total course points for each virtual course in the immediately
9 preceding school year.

10 (C) The pass rate for each virtual course.

11 (xi) Support registration, payment services, and transcript
12 functionality for the statewide catalog and train key stakeholders
13 on how to use new features.

14 (xii) Collaborate with key stakeholders to examine district
15 level accountability and teacher effectiveness issues related to
16 virtual learning under section 21f and make findings and
17 recommendations publicly available.

18 (xiii) Provide a report on the activities of the Michigan
19 Virtual Learning Research Institute.

20 (3) To further enhance its expertise and leadership in virtual
21 learning, the Michigan Virtual University shall continue to operate
22 the Michigan Virtual School as a statewide laboratory and quality
23 model of instruction by implementing virtual and blended learning
24 solutions for Michigan schools in accordance with the following
25 parameters:

26 (a) The Michigan Virtual School must maintain its
27 accreditation status from recognized national and international
28 accrediting entities.

29 (b) The Michigan Virtual University shall use no more than



1 \$1,000,000.00 of the amount allocated under this section to
2 subsidize the cost paid by districts for virtual courses.

3 (c) In providing educators responsible for the teaching of
4 virtual courses as provided for in this section, the Michigan
5 Virtual School shall follow the requirements to request and assess,
6 and the department of state police shall provide, a criminal
7 history check and criminal records check under sections 1230 and
8 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
9 the same manner as if the Michigan Virtual School were a school
10 district under those sections.

11 (4) From the funds allocated under subsection (1), the
12 Michigan Virtual University shall allocate up to \$500,000.00 to
13 support the expansion of new online and blended educator
14 professional development programs.

15 (5) If the course offerings are included in the statewide
16 catalog of virtual courses under subsection (2)(b)(x), the Michigan
17 Virtual School operated by the Michigan Virtual University may
18 offer virtual course offerings, including, but not limited to, all
19 of the following:

20 (a) Information technology courses.

21 (b) College level equivalent courses, as **that term is** defined
22 in section 1471 of the revised school code, MCL 380.1471.

23 (c) Courses and dual enrollment opportunities.

24 (d) Programs and services for at-risk pupils.

25 (e) High school equivalency test preparation courses for
26 adjudicated youth.

27 (f) Special interest courses.

28 (g) Professional development programs for teachers, school
29 administrators, other school employees, and school board members.



1 (6) If a home-schooled or nonpublic school student is a
2 resident of a district that subscribes to services provided by the
3 Michigan Virtual School, the student may use the services provided
4 by the Michigan Virtual School to the district without charge to
5 the student beyond what is charged to a district pupil using the
6 same services.

7 (7) Not later than December 1 of each fiscal year, the
8 Michigan Virtual University shall provide a report to the house and
9 senate appropriations subcommittees on ~~state~~-school aid, the state
10 budget director, the house and senate fiscal agencies, and the
11 department that includes at least all of the following information
12 related to the Michigan Virtual School for the preceding state
13 fiscal year:

14 (a) A list of the districts served by the Michigan Virtual
15 School.

16 (b) A list of virtual course titles available to districts.

17 (c) The total number of virtual course enrollments and
18 information on registrations and completions by course.

19 (d) The overall course completion rate percentage.

20 (8) In addition to the information listed in subsection (7),
21 the report under subsection (7) must also include a plan to serve
22 at least 600 schools with courses from the Michigan Virtual School
23 or with content available through the internet-based platform
24 identified in subsection (2) (b) (ix).

25 (9) The governor may appoint an advisory group for the
26 Michigan Virtual Learning Research Institute established under
27 subsection (2). The members of the advisory group serve at the
28 pleasure of the governor and without compensation. The purpose of
29 the advisory group is to make recommendations to the governor, the



1 legislature, and the president and board of the Michigan Virtual
 2 University that will accelerate innovation in this state's
 3 education system in a manner that will prepare elementary and
 4 secondary students to be career and college ready and that will
 5 promote the goal of increasing the percentage of residents of this
 6 state with high-quality degrees and credentials to at least 60% by
 7 2025.

8 (10) Not later than November 1 of each year, the Michigan
 9 Virtual University shall submit to the house and senate
 10 appropriations subcommittees on ~~state~~-school aid, the state budget
 11 director, and the house and senate fiscal agencies a detailed
 12 budget for that fiscal year that includes a breakdown on its
 13 projected costs to deliver virtual educational services to
 14 districts and a summary of the anticipated fees to be paid by
 15 districts for those services. Not later than March 1 each year, the
 16 Michigan Virtual University shall submit to the house and senate
 17 appropriations subcommittees on ~~state~~-school aid, the state budget
 18 director, and the house and senate fiscal agencies a breakdown on
 19 its actual costs to deliver virtual educational services to
 20 districts and a summary of the actual fees paid by districts for
 21 those services based on audited financial statements for the
 22 immediately preceding fiscal year.

23 **(11) From the funds allocated under subsection (1), the**
 24 **Michigan Virtual University shall allocate \$1,947,000.00 for 2021-**
 25 **2022 to support Navigate 360.**

26 **(12) ~~(11)~~**As used in this section:

27 (a) "Blended learning" means a hybrid instructional delivery
 28 model where pupils are provided content, instruction, and
 29 assessment, in part at a supervised educational facility away from



1 home where the pupil and a teacher with a valid Michigan teaching
2 certificate are in the same physical location and in part through
3 internet-connected learning environments with some degree of pupil
4 control over time, location, and pace of instruction.

5 (b) "Cyber school" means a full-time instructional program of
6 virtual courses for pupils that may or may not require attendance
7 at a physical school location.

8 (c) "Virtual course" means a course of study that is capable
9 of generating a credit or a grade and that is provided in an
10 interactive learning environment in which the majority of the
11 curriculum is delivered using the internet and in which pupils are
12 separated from their instructor or teacher of record by time or
13 location, or both.

14 **Sec. 98e. (1) From the state school aid fund money**
15 **appropriated under section 11, there is allocated for 2021-2022**
16 **only an amount not to exceed \$200,000.00 to Michigan State**
17 **University for the HEROES Tech Program as described under this**
18 **section.**

19 **(2) Michigan State University shall use funds allocated under**
20 **this section to support the HEROES Tech Program and shall ensure**
21 **that the program provides participants with professional training**
22 **and certification in science, technology, engineering, arts, and**
23 **music, with a specific focus on music and film technology**
24 **production.**

25 **(3) In order for the HEROES Tech Program to be supported by**
26 **Michigan State University, it must fund the participation of at**
27 **least 100 students during 2021-2022 and provide each student with**
28 **training and hands-on experience in a diverse array of technical**
29 **skills in music and film production technology from industry**



1 professionals, with an added opportunity to earn certification from
2 the Berklee College of Music.

3 (4) Funding for the program funded under this section must not
4 continue past 2021-2022.

5 (5) Notwithstanding section 17b, the department shall make
6 grant payments under this section to Michigan State University to
7 support the HEROES Tech Program by not later than November 15,
8 2021.

9 Sec. 99h. (1) From the state school aid fund money
10 appropriated in section 11, there is allocated an amount not to
11 exceed ~~\$4,400,000.00~~ **\$4,600,000.00** for ~~2020-2021~~ **2021-2022** for
12 competitive grants to districts and intermediate districts, and
13 from the general fund money appropriated in section 11, there is
14 allocated \$300,000.00 for ~~2020-2021~~ **2021-2022** for competitive
15 grants to nonpublic schools, that provide pupils in grades pre-K to
16 12 with expanded opportunities to improve mathematics, science, and
17 technology skills by participating in events hosted by a science
18 and technology development program known as FIRST (for inspiration
19 and recognition of science and technology) Robotics, including JR
20 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and
21 FIRST Robotics competition, or other competitive robotics programs,
22 including VEX, **Square One**, and those hosted by the Robotics
23 Education and Competition (REC) Foundation. Programs funded under
24 this section are intended to increase the number of pupils
25 demonstrating proficiency in science and mathematics on the state
26 assessments and to increase the number of pupils who are college-
27 and career-ready upon high school graduation. Notwithstanding
28 section 17b, the department shall make grant payments to districts,
29 nonpublic schools, and intermediate districts under this section on



1 a schedule determined by the department. The department shall set
2 maximum grant awards for each different level of programming and
3 competition in a manner that both maximizes the number of teams
4 that will be able to receive funds and expands the geographical
5 distribution of teams.

6 (2) A district, nonpublic school, or intermediate district
7 applying for a grant under this section shall submit an application
8 in a form and manner prescribed by the department. To be eligible
9 for a grant, a district, nonpublic school, or intermediate district
10 must demonstrate in its application that the district, nonpublic
11 school, or intermediate district has established a partnership for
12 the purposes of the robotics program with at least 1 sponsor,
13 business entity, higher education institution, or technical school,
14 shall submit a spending plan, and shall provide a local in-kind or
15 cash match from other private or local funds of at least 25% of the
16 cost of the robotics program award.

17 (3) The department shall distribute the grant funding under
18 this section for the following purposes:

19 (a) Grants to districts, nonpublic schools, or intermediate
20 districts to pay for stipends not to exceed \$1,500.00 per building
21 for coaching.

22 (b) Grants to districts, nonpublic schools, or intermediate
23 districts for event registrations, materials, travel costs, and
24 other expenses associated with the preparation for and attendance
25 at robotics events and competitions.

26 (c) Grants to districts, nonpublic schools, or intermediate
27 districts for awards to teams that advance to the next levels of
28 competition as determined by the department. The department shall
29 determine an equal amount per team for those teams that advance.



~~(4) The funds allocated under this section for 2020-2021 are a work project appropriation, and any unexpended funds for 2020-2021 are carried forward into 2021-2022. The purpose of the work project is to continue support of FIRST Robotics and must not be used to support other robotics competitions. The estimated completion date of the work project is September 30, 2023.~~

~~(4)~~ (5) A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.

~~(5)~~ (6) To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.

Sec. 99i. From the general fund money appropriated in section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$150,000.00 to support the Michigan council of women in technology foundation. The funds awarded under this section must be used to support the girls-exploring-together-information-technology clubs for middle and high school girls that provide structured hands-on learning activities through a comprehensive technology-focused curriculum.

Sec. 99s. (1) From the funds appropriated under section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$7,634,300.00 from the state school aid fund appropriation and an amount not to exceed \$300,000.00 from the general fund appropriation for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. In addition, from the federal funds appropriated in section 11, there is allocated to the department for ~~2020-2021~~ **2021-2022** an amount estimated at \$235,000.00 from



1 DED-OESE, title II, mathematics and science partnership grants. The
2 MiSTEM network may receive funds from private sources. If the
3 MiSTEM network receives funds from private sources, the MiSTEM
4 network shall expend those funds in alignment with the statewide
5 STEM strategy. Programs funded under this section are intended to
6 increase the number of pupils demonstrating proficiency in science
7 and mathematics on the state assessments, to increase the number of
8 pupils who are college- and career-ready upon high school
9 graduation, and to promote certificate and degree attainment in
10 STEM fields. Notwithstanding section 17b, the department shall make
11 payments under this section on a schedule determined by the
12 department.

13 ~~(2) All of the following apply to the MiSTEM advisory council:~~

14 ~~(a) The MiSTEM advisory council is created. The MiSTEM~~
15 ~~advisory council shall provide to the governor, legislature,~~
16 ~~department of labor and economic opportunity, and department~~
17 ~~recommendations designed to improve and promote innovation in STEM~~
18 ~~education and to prepare students for careers in science,~~
19 ~~technology, engineering, and mathematics.~~

20 ~~(b) The MiSTEM advisory council created under subdivision (a)~~
21 ~~consists of the following members:~~

22 ~~(i) The governor shall appoint 11 voting members who are~~
23 ~~representative of business sectors that are important to Michigan's~~
24 ~~economy and rely on a STEM-educated workforce, nonprofit~~
25 ~~organizations and associations that promote STEM education, K-12~~
26 ~~and postsecondary education entities involved in STEM-related~~
27 ~~career education, or other sectors as considered appropriate by the~~
28 ~~governor. Each of these members serves at the pleasure of the~~
29 ~~governor and for a term determined by the governor.~~



~~(ii) The senate majority leader shall appoint 2 members of the senate to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.~~

~~(iii) The speaker of the house of representatives shall appoint 2 members of the house of representatives to serve as nonvoting, ex-officio members of the MiSTEM advisory council, including 1 majority party member and 1 minority party member.~~

~~(iv) The governor shall appoint 1 state officer or employee to serve as a nonvoting, ex-officio member of the MiSTEM advisory council.~~

~~(c) Each member of the MiSTEM advisory council serves without compensation.~~

~~(2) (d)~~ The MiSTEM ~~advisory~~ council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM ~~advisory~~ council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

(3) The MiSTEM ~~advisory~~ council shall make specific funding recommendations for the funds allocated under subsection (4) by December 15 of each fiscal year. Each specific funding recommendation must be for a program approved by the MiSTEM ~~advisory~~ council. All of the following apply:

(a) To be eligible for MiSTEM ~~advisory~~ council approval as described in this subsection, a program must satisfy all of the following:



(i) Align with this state's academic standards.

(ii) Have STEMworks certification.

(iii) Provide project-based experiential learning, student programming, or educator professional learning experiences.

(iv) Focus predominantly on classroom-based STEM experiences or professional learning experiences.

(b) The MiSTEM ~~advisory~~ council shall approve programs that represent all network regions and include a diverse array of options for students and educators and at least 1 program in each of the following areas:

(i) Robotics.

(ii) Computer science or coding.

(iii) Engineering or bioscience.

(c) The MiSTEM ~~advisory~~ council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs and professional learning experiences for the programs on the list of approved programs.

(d) If the MiSTEM ~~advisory~~ council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM ~~advisory~~ council. Each grant must provide STEM education-related opportunities for pupils.

(e) The MiSTEM ~~advisory~~ council shall work with the ~~executive director of the MiSTEM network~~ **department of labor and economic opportunity** to implement the statewide STEM strategy adopted by the MiSTEM ~~advisory~~ council.

(4) From the state school aid fund money allocated under



subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed \$3,050,000.00 for the purpose of funding programs under this section for ~~2020-2021~~**2021-2022** as recommended by the MiSTEM ~~advisory~~ council.

(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed \$3,834,300.00 for ~~2020-2021~~**2021-2022** to support the activities and programs of the MiSTEM network regions. In addition, from the federal funds allocated under subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from DED-OESE, title II, mathematics and science partnership grants, for the purposes of this subsection. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region \$200,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.

(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or



externships, apprenticeships, and other experiential engagements for pupils.

(iii) Identify educator professional development opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM ~~advisory council and its executive director.~~ **the department of labor and economic opportunity.**

(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.

(e) Work with districts to provide STEM programming and professional learning.

(f) Coordinate recurring discussions and work with the career and educational advisory council to ensure that feedback and best practices are being shared, including funding, program, professional learning opportunities, and regional strategic plans.

(7) From the state school aid fund money allocated under subsection (1), the department shall distribute for ~~2020-2021-2021-~~ **2022** an amount not to exceed \$750,000.00, in a form and manner determined by the department, to those network regions able to ~~provide curriculum and professional development support to assist districts in implementing the Michigan merit curriculum components for mathematics and science.~~ **further the statewide STEM strategy**



1 **recommended by the MiSTEM council.**

2 (8) In order to receive state or federal funds under
3 subsection (5) or (7), or to receive funds from private sources as
4 authorized under subsection (1), a grant recipient must allow
5 access for the department or the department's designee to audit all
6 records related to the program for which it receives those funds.
7 The grant recipient shall reimburse the state for all disallowances
8 found in the audit.

9 (9) In order to receive state funds under subsection (5) or
10 (7), a grant recipient must provide at least a 10% local match from
11 local public or private resources for the funds received under this
12 subsection.

13 (10) Not later than July 1 of each year, a MiSTEM network
14 region that receives funds under subsection (5) shall report to the
15 executive director of the MiSTEM network in a form and manner
16 prescribed by the executive director on performance measures
17 developed by the MiSTEM network regions and approved by the
18 executive director. The performance measures must be designed to
19 ensure that the activities of the MiSTEM network are improving
20 student academic outcomes.

21 (11) Not more than 5% of a MiSTEM network region grant under
22 subsection (5) or (7) may be retained by a fiscal agent for serving
23 as the fiscal agent of a MiSTEM network region.

24 (12) From the general fund money allocated under subsection
25 (1), there is allocated an amount not to exceed \$300,000.00 to the
26 department of labor and economic opportunity to support the
27 ~~functions of the executive director and executive assistant~~ **staff**
28 for the MiSTEM network, and for administrative, training, and
29 travel costs related to the MiSTEM ~~advisory~~ council. The ~~executive~~



~~director and executive assistant~~ **staff** for the MiSTEM network shall do all of the following:

(a) Serve as a liaison among and between the department, the department of labor and economic opportunity, the MiSTEM ~~advisory~~ council, the governor's ~~future talent council~~, **workforce development board**, the MiSTEM regions, and any other relevant organization or entity in a manner that creates a robust statewide STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils.

(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.

(c) Work with the department and the MiSTEM ~~advisory~~ council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.

(d) Report to the governor, the legislature, the department, and the MiSTEM ~~advisory~~ council annually on the activities and performance of the MiSTEM network regions.

(e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.

(f) Coordinate major grant application efforts with the MiSTEM



~~advisory~~ council to assist regional staff with grant applications on a local level. The MiSTEM ~~advisory~~ council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.

(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM ~~advisory~~ council and the department.

(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.

(13) As used in this section:

(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

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

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

(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-13, MCL 125.1998.

(e) ~~(d)~~"STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2020-2021~~**2021-2022** to purchase statewide access



1 to an online algebra tool that meets all of the following:

2 (a) Provides students statewide with complete access to videos
3 aligned with state standards including study guides and workbooks
4 that are aligned with the videos.

5 (b) Provides students statewide with access to a personalized
6 online algebra learning tool including adaptive diagnostics.

7 (c) Provides students statewide with dynamic algebra practice
8 assessments that emulate the state assessment with immediate
9 feedback and help solving problems.

10 (d) Provides students statewide with online access to algebra
11 help 24 hours a day and 7 days a week from study experts, teachers,
12 and peers on a moderated social networking platform.

13 (e) Provides an online algebra professional development
14 network for teachers.

15 (f) Is already provided under a statewide contract in at least
16 1 other state that has a population of at least 18,000,000 but not
17 more than 19,000,000 according to the most recent decennial census
18 and is offered in that state in partnership with a public
19 university.

20 (2) The department shall purchase the online algebra tool that
21 was chosen under this section in 2016-2017.

22 (3) A grantee receiving funding under this section shall
23 comply with the requirements of section 19b.

24 Sec. 99u. (1) ~~From~~ **Subject to subsection (2), from** the general
25 fund money appropriated under section 11, there is allocated for
26 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$1,500,000.00~~
27 **\$3,500,000.00** to a provider that is a provider of both of the
28 following:

29 (a) An online mathematics tool that meets all of the



1 following:

2 (i) Provides students statewide with complete access to
3 mathematics support aligned with state standards through a program
4 that has all of the following elements:

5 (A) Student motivation.

6 (B) Valid and reliable assessments.

7 (C) Personalized learning pathways.

8 (D) Highly qualified, live teachers available all day and all
9 year.

10 (E) Twenty-four-hour reporting.

11 (F) Content built for rigorous mathematics.

12 (ii) Has a record of improving student mathematics scores in at
13 least 5 other states.

14 (iii) Received funding under this section in 2017-2018.

15 (b) A program that provides explicit, targeted literacy
16 instruction within an individualized learning path that continually
17 adjusts to a pupil's needs. A program described in this subdivision
18 that is funded under this subsection must be funded through a grant
19 to a provider described in this subsection that also promotes
20 literacy through the teaching of critical language and literacy
21 concepts, such as reading and listening comprehension, basic
22 vocabulary, academic language, grammar, phonological awareness,
23 phonics, and fluency.

24 **(2) A grantee that receives funding under this section shall**
25 **allocate \$2,500,000.00 of the funding for the purposes of an online**
26 **mathematics tool described in subsection (1)(a) and shall allocate**
27 **\$1,000,000.00 of the funding for the purposes of targeted literacy**
28 **instruction described in subsection (1)(b).**

29 **(3) ~~(2)~~—A grantee that receives funding under this section**



1 shall comply with the requirements of section 19b.

2 **(4)** ~~(3)~~ Notwithstanding section 17b, the department shall make
3 payments under this section by not later than December 1,
4 ~~2020.~~**2021.**

5 Sec. 99w. (1) From the general fund money appropriated under
6 section 11, there is allocated an amount not to exceed \$400,000.00
7 for ~~2020-2021~~**2021-2022** to facilitate a culture of health and
8 physical activity as part of daily life. Funding under this section
9 must be a grant to the Michigan Fitness Foundation to work with the
10 department to invest in a physical education curriculum. Funding
11 under this section may support staff, evaluation, assessment,
12 technology, meetings, training, travel, materials, and other
13 administrative expenses in support of an updated physical education
14 curriculum. Funding under this section may be used as matching
15 dollars to qualify for federal and private resources to support
16 physical education.

17 ~~(2) An entity that received funding under this section for~~
18 ~~2018-2019 may expend those funds through September 30, 2021.~~

19 **(2)** ~~(3)~~ Notwithstanding section 17b, the department shall make
20 payments under this section by not later than December 1,
21 ~~2020.~~**2021.**

22 Sec. 99x. (1) From the general fund money appropriated under
23 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
24 not to exceed \$1,000,000.00 for Teach for America to host a summer
25 training institute in the city of Detroit, recruit teachers into a
26 master teacher fellowship, and retain a committed alumni community.
27 A program funded under this section must provide coaching and
28 professional development, with the goal to produce highly effective
29 teachers that move pupils beyond their growth benchmarks.



(2) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, ~~2020-2021~~.

Sec. 99z. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$5,000,000.00 for ~~2020-2021-2021-2022~~ for payments to eligible districts described in subsection (3) to be used in the manner described in subsection (4).

(2) A district seeking funding under this section shall apply for the funding in a form and manner prescribed by the department.

(3) A district that meets all of the following is an eligible district under this section:

(a) In its application described in subsection (2), the district confirms its approval of a department-generated list that includes the full name and personnel identification code for each eligible teacher employed by the district in an assignment as described in subsection ~~(8) (b) (i)~~ **(7) (b) (i)** and (ii) to whom it will provide a payment under subsection (4) with the funding received under this section.

(b) The district agrees to provide to each eligible teacher whose name is included on the list described in subdivision (a) a payment of \$500.00, in addition to the payment it will provide those eligible teachers under subsection (4).

(c) The district agrees to pay each eligible teacher the payment described in subdivision (b) and subsection (4) by not later than 45 days after receiving the disbursement of funds under this section from the department.

(4) An eligible district that receives funding under this section shall use that funding only as follows:



(a) If the eligible district is a district in which at least 70% of the pupils in membership in the district for the immediately preceding fiscal year were economically disadvantaged, to provide a payment of \$1,000.00 to each eligible teacher whose name is included on the list described in subsection (3) (a).

(b) If the eligible district is not a district described in subdivision (a), to provide a payment of \$500.00 to each eligible teacher whose name is included on the list described in subsection (3) (a).

~~(5) It is the intent of the legislature to provide for funding so that an eligible teacher who receives a payment under this section from the district to which he or she is assigned as described in this section receives payments under this section through that eligible teacher's third year of teaching at that district if that teacher remains continuously employed full time at that district during those 3 years. For purposes of this subsection, an eligible teacher is considered continuously employed at a district during a period for which he or she is on approved medical, parental, or military leave.~~

(5) ~~(6)~~ The funds allocated under this section for ~~2020-2021~~ **2021-2022** are a work project appropriation, and any unexpended funds for ~~2020-2021~~ **2021-2022** are carried forward into ~~2021-2022~~ **2022-2023**. The purpose of the work project is to continue providing payments to eligible teachers as described in this section. The estimated completion date of the work project is September 30, ~~2023-2024~~.

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



(7) ~~(8)~~ As used in this section:

(a) "Economically disadvantaged" means that term as defined in section 31a.

(b) "Eligible teacher" means an individual who meets all of the following:

(i) Is assigned a teacher assignment code in the registry of educational personnel for the first time in the ~~2020-2021~~ **2021-2022** school year.

(ii) Is assigned to a district in the registry of educational personnel in the ~~2020-2021~~ **2021-2022** school year.

(iii) Has completed a full school year as a full-time teacher at the district to which he or she is assigned as described in subparagraph (ii) or, through a cooperative agreement, at multiple districts, **and who commits to teach for a second school year.**

(iv) Holds a valid Michigan teaching certificate or holds a full-year permit.

(v) Is employed by the district or districts described in subparagraph (iii) on or before November 1, ~~2020~~ **2021**.

(vi) Has not been subject to any recorded disciplinary action during the school year.

(c) "Registry of educational personnel" means the data collected biannually by the center on June 30 and the first business day of December.

Sec. 101. (1) To be eligible to receive state aid under this article, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent shall submit and certify to the center and the intermediate superintendent, in the form and manner prescribed by the center,



1 the number of pupils enrolled and in regular daily attendance, ~~or,~~
 2 ~~for 2020-2021 only, the number of pupils engaged in pandemic~~
 3 ~~learning for fall 2020 or the number of pupils engaged in pandemic~~
 4 ~~learning for spring 2021, as applicable, or, for a district that~~
 5 ~~operates as a cyber school, as that term is defined in section 551~~
 6 ~~of the revised school code, MCL 380.551, the number of pupils~~
 7 ~~enrolled and in regular daily attendance, including identification~~
 8 ~~of tuition-paying pupils, in the district as of the pupil~~
 9 ~~membership count day and as of the supplemental count day, as~~
 10 ~~applicable, for the current school year. In addition, a district~~
 11 ~~maintaining school during the entire year shall submit and certify~~
 12 ~~to the center and the intermediate superintendent, in the form and~~
 13 ~~manner prescribed by the center, the number of pupils enrolled and~~
 14 ~~in regular daily attendance in the district or, for 2020-2021 only,~~
 15 ~~the number of pupils engaged in pandemic learning for fall 2020 or~~
 16 ~~the number of pupils engaged in pandemic learning for spring 2021,~~
 17 ~~as applicable, or, for a district that operates as a cyber school,~~
 18 ~~as that term is defined in section 551 of the revised school code,~~
 19 ~~MCL 380.551, the number of pupils enrolled and in regular daily~~
 20 ~~attendance, for the current school year pursuant to rules~~
 21 ~~promulgated by the superintendent. Not later than the sixth~~
 22 ~~Wednesday after the pupil membership count day and not later than~~
 23 ~~the sixth Wednesday after the supplemental count day, the district~~
 24 ~~shall resolve any pupil membership conflicts with another district,~~
 25 ~~correct any data issues, and recertify the data in a form and~~
 26 ~~manner prescribed by the center and file the certified data with~~
 27 ~~the intermediate superintendent. If a district fails to submit and~~
 28 ~~certify the attendance data, as required under this subsection, the~~
 29 ~~center shall notify the department and the department shall~~



1 withhold state aid due to be distributed under this article from
 2 the defaulting district immediately, beginning with the next
 3 payment after the failure and continuing with each payment until
 4 the district complies with this subsection. If a district does not
 5 comply with this subsection by the end of the fiscal year, the
 6 district forfeits the amount withheld. A person who willfully
 7 falsifies a figure or statement in the certified and sworn copy of
 8 enrollment is subject to penalty as prescribed by section 161. ~~As~~
 9 ~~used in this subsection, "pupils engaged in pandemic learning for~~
 10 ~~spring 2021" means that term as defined in section 6a.~~

11 (2) To be eligible to receive state aid under this article,
 12 not later than the twenty-fourth Wednesday after the pupil
 13 membership count day and not later than the twenty-fourth Wednesday
 14 after the supplemental count day, an intermediate district shall
 15 submit to the center, in a form and manner prescribed by the
 16 center, the audited enrollment and attendance data as described in
 17 subsection (1) for the pupils of its constituent districts and of
 18 the intermediate district. If an intermediate district fails to
 19 submit the audited data as required under this subsection, the
 20 department shall withhold state aid due to be distributed under
 21 this article from the defaulting intermediate district immediately,
 22 beginning with the next payment after the failure and continuing
 23 with each payment until the intermediate district complies with
 24 this subsection. If an intermediate district does not comply with
 25 this subsection by the end of the fiscal year, the intermediate
 26 district forfeits the amount withheld.

27 (3) Except as otherwise provided in subsections (11) ~~, and~~
 28 (12) ~~, and (13),~~ all of the following apply to the provision of
 29 pupil instruction:



1 (a) Except as otherwise provided in this section, each
2 district shall provide at least 1,098 hours and 180 days of pupil
3 instruction. If a collective bargaining agreement that provides a
4 complete school calendar was in effect for employees of a district
5 as of June 24, 2014, and if that school calendar is not in
6 compliance with this subdivision, then this subdivision does not
7 apply to that district until after the expiration of that
8 collective bargaining agreement. A district may apply for a waiver
9 under subsection (9) from the requirements of this subdivision.

10 (b) Except as otherwise provided in this article, a district
11 failing to comply with the required minimum hours and days of pupil
12 instruction under this subsection forfeits from its total state aid
13 allocation an amount determined by applying a ratio of the number
14 of hours or days the district was in noncompliance in relation to
15 the required minimum number of hours and days under this
16 subsection. Not later than **the first business day in** August, ~~1,~~ the
17 board of each district shall either certify to the department that
18 the district was in full compliance with this section regarding the
19 number of hours and days of pupil instruction in the previous
20 school year, or report to the department, in a form and manner
21 prescribed by the center, each instance of noncompliance. If the
22 district did not provide at least the required minimum number of
23 hours and days of pupil instruction under this subsection, the
24 department shall make the deduction of state aid in the following
25 fiscal year from the first payment of state school aid. A district
26 is not subject to forfeiture of funds under this subsection for a
27 fiscal year in which a forfeiture was already imposed under
28 subsection (6).

29 (c) Hours or days lost because of strikes or teachers'



1 conferences are not counted as hours or days of pupil instruction.

2 (d) Except as otherwise provided in subdivisions (e), (f), and
3 (h), if a district does not have at least 75% of the district's
4 membership in attendance on any day of pupil instruction, the
5 department shall pay the district state aid in that proportion of
6 $1/180$ that the actual percent of attendance bears to 75%.

7 (e) If a district adds 1 or more days of pupil instruction to
8 the end of its instructional calendar for a school year to comply
9 with subdivision (a) because the district otherwise would fail to
10 provide the required minimum number of days of pupil instruction
11 even after the operation of subsection (4) due to conditions not
12 within the control of school authorities, then subdivision (d) does
13 not apply for any day of pupil instruction that is added to the end
14 of the instructional calendar. Instead, for any of those days, if
15 the district does not have at least 60% of the district's
16 membership in attendance on that day, the department shall pay the
17 district state aid in that proportion of $1/180$ that the actual
18 percentage of attendance bears to 60%. For any day of pupil
19 instruction added to the instructional calendar as described in
20 this subdivision, the district shall report to the department the
21 percentage of the district's membership that is in attendance, in
22 the form and manner prescribed by the department.

23 (f) At the request of a district that operates a department-
24 approved alternative education program and that does not provide
25 instruction for pupils in all of grades K to 12, the superintendent
26 shall grant a waiver from the requirements of subdivision (d). The
27 waiver must provide that an eligible district is subject to the
28 proration provisions of subdivision (d) only if the district does
29 not have at least 50% of the district's membership in attendance on



1 any day of pupil instruction. In order to be eligible for this
2 waiver, a district must maintain records to substantiate its
3 compliance with the following requirements:

4 (i) The district offers the minimum hours of pupil instruction
5 as required under this section.

6 (ii) For each enrolled pupil, the district uses appropriate
7 academic assessments to develop an individual education plan that
8 leads to a high school diploma.

9 (iii) The district tests each pupil to determine academic
10 progress at regular intervals and records the results of those
11 tests in that pupil's individual education plan.

12 (g) All of the following apply to a waiver granted under
13 subdivision (f):

14 (i) If the waiver is for a blended model of delivery, a waiver
15 that is granted for the 2011-2012 fiscal year or a subsequent
16 fiscal year remains in effect unless it is revoked by the
17 superintendent.

18 (ii) If the waiver is for a 100% online model of delivery and
19 the educational program for which the waiver is granted makes
20 educational services available to pupils for a minimum of at least
21 1,098 hours during a school year and ensures that each pupil
22 participates in the educational program for at least 1,098 hours
23 during a school year, a waiver that is granted for the 2011-2012
24 fiscal year or a subsequent fiscal year remains in effect unless it
25 is revoked by the superintendent.

26 (iii) A waiver that is not a waiver described in subparagraph
27 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
28 superintendent, and must be renewed at the end of the 3-year period
29 to remain in effect.



(h) For the 2020-2021 school year only, subdivision (d) does not apply for any day of pupil instruction. However, for the 2020-2021 school year only, a district shall ensure that 1 2-way interaction occurs between a pupil enrolled in the district and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress during each month of the school year for at least 75% of pupils enrolled in the district. As used in the immediately preceding sentence, "school year" means a period comprising at least 9 calendar months that are chosen by a district and that are designated as part of the district's 2020-2021 school year. If a district does not ensure that the interactions required under this subdivision occur for at least 75% of pupils enrolled in the district as required under this subdivision, the department shall pay the district state aid in that proportion of 1/9 that the actual percentage of interaction during each month bears to 75%. As used in this subdivision, "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, where 1 party initiates communication and a response from the other party follows that communication, and that is relevant to course progress or course content for at least 1 of the courses in which the pupil is enrolled or relevant to the pupil's overall academic progress or grade progression. Responses, as described in this subdivision, must be to communication initiated by the teacher, by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil, and not



1 some other action taken. The communication described in this
2 subdivision may occur through, but is not limited to, any of the
3 following means:

4 (i) ~~Electronic mail.~~**Email.**

5 (ii) Telephone.

6 (iii) Instant messaging.

7 (iv) Face-to-face conversation.

8 (i) The superintendent shall promulgate rules for the
9 implementation of this subsection.

10 (4) Except as otherwise provided in this subsection, the first
11 6 days or the equivalent number of hours for which pupil
12 instruction is not provided because of conditions not within the
13 control of school authorities, such as severe storms, fires,
14 epidemics, utility power unavailability, water or sewer failure, or
15 health conditions as defined by the city, county, or state health
16 authorities, are counted as hours and days of pupil instruction.
17 With the approval of the superintendent of public instruction, the
18 department shall count as hours and days of pupil instruction for a
19 fiscal year not more than 3 additional days or the equivalent
20 number of additional hours for which pupil instruction is not
21 provided in a district due to unusual and extenuating occurrences
22 resulting from conditions not within the control of school
23 authorities such as those conditions described in this subsection.
24 Subsequent such hours or days are not counted as hours or days of
25 pupil instruction.

26 (5) A district does not forfeit part of its state aid
27 appropriation because it adopts or has in existence an alternative
28 scheduling program for pupils in kindergarten if the program
29 provides at least the number of hours required under subsection (3)



1 for a full-time equated membership for a pupil in kindergarten as
2 provided under section 6(4).

3 (6) In addition to any other penalty or forfeiture under this
4 section, if at any time the department determines that 1 or more of
5 the following have occurred in a district, the district forfeits in
6 the current fiscal year beginning in the next payment to be
7 calculated by the department a proportion of the funds due to the
8 district under this article that is equal to the proportion below
9 the required minimum number of hours and days of pupil instruction
10 under subsection (3), as specified in the following:

11 (a) The district fails to operate its schools for at least the
12 required minimum number of hours and days of pupil instruction
13 under subsection (3) in a school year, including hours and days
14 counted under subsection (4).

15 (b) The board of the district takes formal action not to
16 operate its schools for at least the required minimum number of
17 hours and days of pupil instruction under subsection (3) in a
18 school year, including hours and days counted under subsection (4).

19 (7) In providing the minimum number of hours and days of pupil
20 instruction required under subsection (3), a district shall use the
21 following guidelines, and a district shall maintain records to
22 substantiate its compliance with the following guidelines:

23 (a) Except as otherwise provided in this subsection, a pupil
24 must be scheduled for at least the required minimum number of hours
25 of instruction, excluding study halls, or at least the sum of 90
26 hours plus the required minimum number of hours of instruction,
27 including up to 2 study halls.

28 (b) The time a pupil is assigned to any tutorial activity in a
29 block schedule may be considered instructional time, unless that



1 time is determined in an audit to be a study hall period.

2 (c) Except as otherwise provided in this subdivision, a pupil
3 in grades 9 to 12 for whom a reduced schedule is determined to be
4 in the individual pupil's best educational interest must be
5 scheduled for a number of hours equal to at least 80% of the
6 required minimum number of hours of pupil instruction to be
7 considered a full-time equivalent pupil. A pupil in grades 9 to 12
8 who is scheduled in a 4-block schedule may receive a reduced
9 schedule under this subsection if the pupil is scheduled for a
10 number of hours equal to at least 75% of the required minimum
11 number of hours of pupil instruction to be considered a full-time
12 equivalent pupil.

13 (d) If a pupil in grades 9 to 12 who is enrolled in a
14 cooperative education program or a special education pupil cannot
15 receive the required minimum number of hours of pupil instruction
16 solely because of travel time between instructional sites during
17 the school day, that travel time, up to a maximum of 3 hours per
18 school week, is considered to be pupil instruction time for the
19 purpose of determining whether the pupil is receiving the required
20 minimum number of hours of pupil instruction. However, if a
21 district demonstrates to the satisfaction of the department that
22 the travel time limitation under this subdivision would create
23 undue costs or hardship to the district, the department may
24 consider more travel time to be pupil instruction time for this
25 purpose.

26 (e) In grades 7 through 12, instructional time that is part of
27 a Junior Reserve Officer Training Corps (JROTC) program is
28 considered to be pupil instruction time regardless of whether the
29 instructor is a certificated teacher if all of the following are



1 met:

2 (i) The instructor has met all of the requirements established
3 by the United States Department of Defense and the applicable
4 branch of the armed services for serving as an instructor in the
5 Junior Reserve Officer Training Corps program.

6 (ii) The board of the district or intermediate district
7 employing or assigning the instructor complies with the
8 requirements of sections 1230 and 1230a of the revised school code,
9 MCL 380.1230 and 380.1230a, with respect to the instructor to the
10 same extent as if employing the instructor as a regular classroom
11 teacher.

12 (8) Except as otherwise provided in subsections (11) ~~and~~
13 (12), ~~and (13),~~ the department shall apply the guidelines under
14 subsection (7) in calculating the full-time equivalency of pupils.

15 (9) Upon application by the district for a particular fiscal
16 year, the superintendent shall waive for a district the minimum
17 number of hours and days of pupil instruction requirement of
18 subsection (3) for a department-approved alternative education
19 program or another innovative program approved by the department,
20 including a 4-day school week. If a district applies for and
21 receives a waiver under this subsection and complies with the terms
22 of the waiver, the district is not subject to forfeiture under this
23 section for the specific program covered by the waiver. If the
24 district does not comply with the terms of the waiver, the amount
25 of the forfeiture is calculated based upon a comparison of the
26 number of hours and days of pupil instruction actually provided to
27 the minimum number of hours and days of pupil instruction required
28 under subsection (3). A district shall report pupils enrolled in a
29 department-approved alternative education program under this



1 subsection to the center in a form and manner determined by the
2 center. All of the following apply to a waiver granted under this
3 subsection:

4 (a) If the waiver is for a blended model of delivery, a waiver
5 that is granted for the 2011-2012 fiscal year or a subsequent
6 fiscal year remains in effect unless it is revoked by the
7 superintendent.

8 (b) If the waiver is for a 100% online model of delivery and
9 the educational program for which the waiver is granted makes
10 educational services available to pupils for a minimum of at least
11 1,098 hours during a school year and ensures that each pupil is on
12 track for course completion at proficiency level, a waiver that is
13 granted for the 2011-2012 fiscal year or a subsequent fiscal year
14 remains in effect unless it is revoked by the superintendent.

15 (c) A waiver that is not a waiver described in subdivision (a)
16 or (b) is valid for 3 fiscal years, unless it is revoked by the
17 superintendent, and must be renewed at the end of the 3-year period
18 to remain in effect.

19 (10) A district may count up to 38 hours of professional
20 development for teachers as hours of pupil instruction. All of the
21 following apply to the counting of professional development as
22 pupil instruction under this subsection:

23 (a) If the professional development exceeds 5 hours in a
24 single day, that day may be counted as a day of pupil instruction.

25 (b) At least 8 hours of the professional development counted
26 as hours of pupil instruction under this subsection must be
27 recommended by a districtwide professional development advisory
28 committee appointed by the district board. The advisory committee
29 must be composed of teachers employed by the district who represent



1 a variety of grades and subject matter specializations, including
2 special education; nonteaching staff; parents; and administrators.
3 The majority membership of the committee must be composed of
4 teaching staff.

5 (c) Professional development provided online is allowable and
6 encouraged, as long as the instruction has been approved by the
7 district. The department shall issue a list of approved online
8 professional development providers that must include the Michigan
9 Virtual School.

10 (d) Professional development may only be counted as hours of
11 pupil instruction under this subsection for the pupils of those
12 teachers scheduled to participate in the professional development.

13 (e) The professional development must meet all of the
14 following to be counted as pupil instruction under this subsection:

15 (i) Be aligned to the school or district improvement plan for
16 the school or district in which the professional development is
17 being provided.

18 (ii) Be linked to 1 or more criteria in the evaluation tool
19 developed or adopted by the district or intermediate district under
20 section 1249 of the revised school code, MCL 380.1249.

21 (iii) Has been approved by the department as counting for state
22 continuing education clock hours. The number of hours of
23 professional development counted as hours of pupil instruction
24 under this subsection may not exceed the number of state continuing
25 education clock hours for which the professional development was
26 approved.

27 (iv) Not more than a combined total of 10 hours of the
28 professional development takes place before the first scheduled day
29 of school for the school year ending in the fiscal year and after



1 the last scheduled day of school for that school year.

2 (v) Not more than 10 hours of the professional development
3 takes place in a single month.

4 (vi) At least 75% of teachers scheduled to participate in the
5 professional development are in attendance.

6 (11) Subsections (3) and (8) do not apply to a school of
7 excellence that is a cyber school, as that term is defined in
8 section 551 of the revised school code, MCL 380.551, and is in
9 compliance with section 553a of the revised school code, MCL
10 380.553a.

11 (12) Subsections (3) and (8) do not apply to eligible pupils
12 enrolled in a dropout recovery program that meets the requirements
13 of section 23a. As used in this subsection, "eligible pupil" means
14 that term as defined in section 23a.

15 ~~(13) For the 2020-2021 school year only, the minimum number of~~
16 ~~hours and days of pupil instruction requirement under subsection~~
17 ~~(3) is waived for each district that, at a minimum, provides pupil~~
18 ~~instruction for the 2020-2021 school year at school, at a different~~
19 ~~location, in person, online, digitally, by other remote means, in a~~
20 ~~synchronous or asynchronous format, or through any combination~~
21 ~~therein that results in an amount of hours and days necessary to~~
22 ~~deliver the educational or course content that would have been~~
23 ~~delivered in 180 days and 1,098 hours in a school year in which~~
24 ~~pandemic learning was not provided and that would have led to~~
25 ~~course completion. As used in this subsection, "pandemic learning"~~
26 ~~means a mode of pupil instruction provided as a result of the~~
27 ~~COVID-19 pandemic.~~

28 (13) ~~(14)~~ At least every 2 years the superintendent shall
29 review the waiver standards set forth in the pupil accounting and



auditing manuals to ensure that the waiver standards and waiver process continue to be appropriate and responsive to changing trends in online learning. The superintendent shall solicit and consider input from stakeholders as part of this review.

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed \$31,009,400.00 for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount estimated at \$6,250,000.00 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, ~~section 504 of part B of the individuals with disabilities education act, Public Law 94-142,~~**20 USC 1411 to 1419** plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, must include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response. The department shall work with the center to identify the number of students enrolled at the time assessments are given by each district. In calculating the percentage of pupils assessed for



1 a district's scorecard, the department shall use only the number of
2 pupils enrolled in the district at the time the district
3 administers the assessments and shall exclude pupils who enroll in
4 the district after the district administers the assessments.

5 (3) The department shall distribute federal funds allocated
6 under this section in accordance with federal law and with
7 flexibility provisions outlined in Public Law 107-116, and in the
8 education flexibility partnership act of 1999, Public Law 106-25.

9 (4) From the funds allocated in subsection (1), there is
10 allocated an amount not to exceed \$1,500,000.00 to an intermediate
11 district described in this subsection for, except as otherwise
12 provided in this subsection, statewide implementation of the
13 Michigan kindergarten entry observation tool (MKEO), utilizing the
14 Maryland-Ohio observational tool, also referred to as the
15 Kindergarten Readiness Assessment, as piloted under this subsection
16 in 2017-2018 and implemented in 2018-2019 and 2019-2020. The
17 funding in this subsection is allocated to an intermediate district
18 in prosperity region 9 with at least 3,000 kindergarten pupils
19 enrolled in its constituent districts. ~~An intermediate district~~
20 ~~described in this subsection is not required to carry out the~~
21 ~~statewide implementation of the Michigan kindergarten entry~~
22 ~~observation tool (MKEO), as described in this subsection, for the~~
23 ~~fall of 2020. It is the intent of the legislature to account for~~
24 ~~health, safety, and welfare concerns related to the COVID-19~~
25 ~~pandemic by temporarily suspending the requirement for statewide~~
26 ~~implementation of the Michigan kindergarten entry observation tool~~
27 ~~(MKEO) under this subsection for the fall of 2020. All of the~~
28 following apply to the implementation of the kindergarten entry
29 observation tool under this subsection:



1 (a) The department, in collaboration with all intermediate
2 districts, shall ensure that the Michigan kindergarten entry
3 observation tool is administered in each kindergarten classroom to
4 either the full census of kindergarten pupils enrolled in the
5 classroom or to a representative sample of not less than 35% of the
6 total kindergarten pupils enrolled in each classroom. If a district
7 elects to administer the Michigan kindergarten entry observation
8 tool to a random sample of pupils within each classroom, the
9 district's intermediate district shall select the pupils who will
10 receive the assessment based on the same random method. Beginning
11 in 2021, the observation tool must be administered within 45 days
12 after the start of the school year.

13 (b) The intermediate district that receives funding under this
14 subsection, in collaboration with all other intermediate districts,
15 shall implement a "train the trainer" professional development
16 model on the usage of the Michigan kindergarten entry observation
17 tool. This training model must provide training to intermediate
18 district staff so that they may provide similar training for staff
19 of their constituent districts. This training model must also
20 ensure that the tool produces reliable data and that there are a
21 sufficient number of trainers to train all kindergarten teachers
22 statewide.

23 (c) By March 1, 2022, and each year thereafter, the department
24 and the intermediate district that receives funding under this
25 subsection shall report to the house and senate appropriations
26 subcommittees on ~~state~~-school aid, the house and senate fiscal
27 agencies, and the state budget director on the results of the
28 statewide implementation, including, but not limited to, an
29 evaluation of the demonstrated readiness of kindergarten pupils



1 statewide and the effectiveness of state and federal early
2 childhood programs that are designed for school readiness under
3 this state's authority, including the great start readiness program
4 and the great start readiness/Head Start blended program, as
5 referenced under section 32d. By September 1, 2022, and each year
6 thereafter, the department and the center shall provide a method
7 for districts and public school academies with kindergarten
8 enrollment to look up and verify their student enrollment data for
9 pupils who were enrolled in a publicly funded early childhood
10 program in the year before kindergarten, including the individual
11 great start readiness program, individual great start
12 readiness/Head Start blended program, individual title I preschool
13 program, individual section 31a preschool program, individual early
14 childhood special education program, or individual developmental
15 kindergarten or program for young 5-year-olds in which each tested
16 child was enrolled. A participating district shall analyze the data
17 to determine whether high-performing children were enrolled in any
18 specific early childhood program and, if so, report that finding to
19 the department and to the intermediate district that receives
20 funding under this subsection.

21 (d) The department shall approve the language and literacy
22 domain within the Kindergarten Readiness Assessment for use by
23 districts as an initial assessment that may be delivered to all
24 kindergarten pupils to assist with identifying any possible area of
25 concern for a pupil in English language arts.

26 (e) As used in this subsection:

27 (i) "Kindergarten" includes a classroom for young 5-year-olds,
28 commonly referred to as "young 5s" or "developmental kindergarten".

29 (ii) "Representative sample" means a sample capable of



1 producing valid and reliable assessment information on all or major
2 subgroups of kindergarten pupils in a district.

3 (5) The department may recommend, but may not require,
4 districts to allow pupils to use an external keyboard with tablet
5 devices for online M-STEP testing, including, but not limited to,
6 open-ended test items such as constructed response or equation
7 builder items.

8 (6) Notwithstanding section 17b, the department shall make
9 payments on behalf of districts, intermediate districts, and other
10 eligible entities under this section on a schedule determined by
11 the department.

12 (7) From the allocation in subsection (1), there is allocated
13 an amount not to exceed \$500,000.00 for ~~2020-2021~~**2021-2022** for the
14 operation of an online reporting tool to provide student-level
15 assessment data in a secure environment to educators, parents, and
16 pupils immediately after assessments are scored. The department and
17 the center shall ensure that any data collected by the online
18 reporting tool do not provide individually identifiable student
19 data to the federal government.

20 (8) In order to receive state aid under this article for 2020-
21 2021, a district shall meet both of the following requirements:

22 (a) Within the first 9 weeks of the 2020-2021 school year, the
23 district shall administer 1 or more benchmark assessments provided
24 by a provider approved under subsection (9), benchmark assessments
25 described in subsection (10), or local benchmark assessments, or
26 any combination thereof, to all pupils in grades K to 8 to measure
27 proficiency in reading and mathematics.

28 (b) In addition to the benchmark assessment or benchmark
29 assessments administered under subdivision (a), by not later than



1 the last day of the 2020-2021 school year, the district shall
2 administer 1 or more benchmark assessments provided by a provider
3 approved under subsection (9), benchmark assessments described in
4 subsection (10), or local benchmark assessments, or any combination
5 thereof, to all pupils in grades K to 8 to measure proficiency in
6 reading and mathematics.

7 (9) The department shall approve at least 4 but not more than
8 5 providers of benchmark assessments for the purposes of subsection
9 (8). The department shall inform districts of all of the providers
10 approved under this subsection in an equitable manner. The
11 benchmark assessments provided for the purposes of subsection (8)
12 by approved providers under this subsection, with the exclusion of
13 the benchmark assessment described in subsection (14), must meet
14 all of the following:

15 (a) Be 1 of the most commonly administered benchmark
16 assessments in this state.

17 (b) Be aligned to the content standards of this state.

18 (c) Complement the state's summative assessment system.

19 (d) Be internet-delivered and include a standards-based
20 remote, in-person, or both remote and in-person assessment using a
21 computer-adaptive model to target the instructional level of each
22 pupil.

23 (e) Provide information on pupil achievement with regard to
24 learning content required in a given year or grade span.

25 (f) Provide immediate feedback to pupils and teachers.

26 (g) Be nationally normed.

27 (h) Provide multiple measures of growth and provide for
28 multiple testing opportunities.

29 (10) A district may administer 1 or more of the following



1 benchmark assessments toward meeting the requirement under
2 subsection (8):

3 (a) A benchmark assessment in reading for students in grades K
4 to 9 that contains progress monitoring tools and enhanced
5 diagnostic assessments.

6 (b) A benchmark assessment in math for students in grades K to
7 8 that contains progress monitoring tools.

8 (11) To the extent practicable, if a district administers a
9 benchmark assessment or benchmark assessments under this section,
10 the district shall administer the same benchmark assessment or
11 benchmark assessments provided by a provider approved under
12 subsection (9), benchmark assessment or benchmark assessments
13 described in subsection (10), or local benchmark assessment or
14 local benchmark assessments that it administered to pupils in
15 previous school years, as applicable.

16 (12) By not later than June 30, 2021, a district shall send
17 the aggregate district-level data from a benchmark assessment or
18 benchmark assessments, excluding data from a local benchmark
19 assessment or local benchmark assessments, administered under this
20 section to a regional data hub that is part of the Michigan data
21 hub network that shall compile the data and send it to the center.
22 Not later than September 1, 2021, the department and the center
23 shall provide a report to the governor and the senate and house
24 standing committees responsible for education legislation
25 identifying the number and percentage of pupils in this state who
26 are significantly behind grade level as determined by the
27 department and the center based on the data provided to the center
28 under this subsection. The benchmark assessment data under this
29 subsection may also be used to measure pupils' growth based on



1 their performance on state summative assessments to identify
2 districts and schools where pupil achievement has increased or
3 decreased. However, the benchmark assessment data under this
4 subsection must not be utilized for the state accountability
5 system. It is the intent of the legislature that the benchmark
6 assessment data under this subsection be primarily utilized to
7 determine the loss of learning, if any, resulting from the COVID-19
8 pandemic. After the administration of statewide assessments
9 resumes, the department shall also provide a report to the governor
10 and the senate and house standing committees responsible for
11 education legislation identifying the specific pupil groups whose
12 expected trajectory toward grade-level proficiency were most
13 impacted by school closures that occurred pursuant to the COVID-19
14 pandemic.

15 (13) If a district administers a benchmark assessment or
16 benchmark assessments under this section, the district shall
17 provide each pupil's data from the benchmark assessment or
18 benchmark assessments, as available, to the pupil's parent or legal
19 guardian within 30 days of administering the benchmark assessment
20 or benchmark assessments.

21 (14) The department shall make 1 of the benchmark assessments
22 provided by a provider approved under subsection (9) available to
23 districts at no cost to the districts. The benchmark assessment
24 described in this subsection must meet all of the following:

- 25 (a) Be aligned to the content standards of this state.
26 (b) Complement the state's summative assessment system.
27 (c) Be internet-delivered and include a standards-based
28 assessment.
29 (d) Provide information on pupil achievement with regard to



1 learning content required in a given year or grade span.

2 (e) Provide timely feedback to pupils and teachers.

3 (f) Be nationally normed.

4 (g) Provide information to educators about student growth and
5 allow for multiple testing opportunities.

6 (15) If a local benchmark assessment or local benchmark
7 assessments are administered under subsection (8), the district
8 shall report to the department and the center, in a form and manner
9 prescribed by the center, the local benchmark assessment or local
10 benchmark assessments that were administered and how that
11 assessment or those assessments measure changes, including any
12 losses, as applicable, in learning, and the district's plan for
13 addressing any losses in learning.

14 ~~(16) From the general fund money appropriated in section 11,~~
15 ~~there is allocated for 2020-2021 an amount not to exceed~~
16 ~~\$150,000.00 to a higher education institution or other entity that~~
17 ~~is not a state governmental entity that has expertise in conducting~~
18 ~~a study described in this subsection to conduct a study that, at a~~
19 ~~minimum, accomplishes all of the following:~~

20 ~~(a) Provides for an assessment of the distance-learning~~
21 ~~programs utilized in this state that were effective at meeting~~
22 ~~educational goals and attainment.~~

23 ~~(b) Provides for an assessment of how the programs described~~
24 ~~in subdivision (a) operated.~~

25 ~~(c) Provides for an assessment of the best practices~~
26 ~~implemented by the programs described in subdivision (a) that~~
27 ~~should be replicated by schools engaged in distance learning.~~

28 ~~(d) Notes distance-learning models that were ineffective in~~
29 ~~achieving educational goals.~~



(16) ~~(17)~~ As used in this section:

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

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

(c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative Services.

Sec. 104a. (1) From the federal fund money allocated under section 11n awarded to this state from the governor's emergency education relief (GEER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, there is allocated for 2020-2021 an amount not to exceed \$2,572,000.00, and from the federal fund money allocated under section 11n awarded to this state from the elementary and secondary school emergency relief (ESSER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, there is allocated for 2020-2021 an amount not to exceed \$4,949,300.00, and from the state school aid fund money appropriated under section 11, there is allocated for 2020-2021 an amount not to exceed \$4,197,900.00 to districts to begin implementation of a benchmark assessment system for the 2021-2022 school year. All of the following apply to the benchmark assessment system described in this subsection:

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the 2021-2022 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.



1 (ii) That, in addition to the benchmark assessment or benchmark
2 assessments administered under subparagraph (i), by not later than
3 the last day of the 2021-2022 school year, the district shall
4 administer 1 or more benchmark assessments provided by a provider
5 approved under ~~section 104(9)~~, **subsection (4)**, benchmark
6 assessments described in subdivision (b), or local benchmark
7 assessments, or any combination thereof, to all pupils in grades K
8 to 8 to measure proficiency in reading and mathematics.

9 (b) A district may administer 1 or more of the following
10 benchmark assessments toward meeting the requirements under
11 subdivision (a):

12 (i) A benchmark assessment in reading for students in grades K
13 to 9 that contains progress monitoring tools and enhanced
14 diagnostic assessments.

15 (ii) A benchmark assessment in math for students in grades K to
16 8 that contains progress monitoring tools.

17 (c) The system must provide that, to the extent practicable,
18 if a district administers a benchmark assessment or benchmark
19 assessments under this section, the district shall administer the
20 same benchmark assessment or benchmark assessments provided by a
21 provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark
22 assessment or benchmark assessments described in subdivision (b),
23 or local benchmark assessment or local benchmark assessments that
24 it administered to pupils in previous school years, as applicable.

25 (d) The system must provide that, if a district administers a
26 benchmark assessment or benchmark assessments under this section,
27 the district shall provide each pupil's data from the benchmark
28 assessment or benchmark assessments, as available, to the pupil's
29 parent or legal guardian within 30 days of administering the



1 benchmark assessment or benchmark assessments.

2 (e) The system must provide that, if a local benchmark
3 assessment or local benchmark assessments are administered under
4 subdivision (a), the district shall report to the department and
5 the center, in a form and manner prescribed by the center, the
6 local benchmark assessment or local benchmark assessments that were
7 administered and how that assessment or those assessments measure
8 changes, including any losses, as applicable, in learning, and the
9 district's plan for addressing any losses in learning.

10 (f) The system must provide that, by not later than 30 days
11 after a benchmark assessment or benchmark assessments are
12 administered as described in this subsection, the district shall
13 send benchmark assessment data, excluding data from a local
14 benchmark assessment, as applicable, aggregated by grade level to
15 the department. If available, the data described in this
16 subdivision must include information concerning pupil growth from
17 fall 2020 to fall 2021.

18 (2) To receive funding under this section, a district must
19 apply for the funding in a form and manner prescribed by the
20 department.

21 (3) The department shall pay an amount equal to \$12.50 per
22 membership pupil in grades K to 8 in the district to each district
23 that applies for funding under this section.

24 (4) **The department shall approve at least 5 but not more than**
25 **6 providers of benchmark assessments for the purposes of this**
26 **section. The department shall inform districts of all of the**
27 **providers approved under this subsection in an equitable manner.**
28 **The benchmark assessments provided for the purposes of this section**
29 **by approved providers under this subsection, with the exclusion of**



1 the benchmark assessment described in subsection (5), must meet all
2 of the following:

3 (a) Be aligned to the content standards of this state.

4 (b) Complement the state's summative assessment system.

5 (c) Be internet-delivered and include a standards-based
6 remote, in-person, or both remote and in-person assessment using a
7 computer-adaptive model to target the instructional level of each
8 pupil.

9 (d) Provide information on pupil achievement with regard to
10 learning content required in a given year or grade span.

11 (e) Provide immediate feedback to pupils and teachers.

12 (f) Be nationally normed.

13 (g) Provide multiple measures of growth and provide for
14 multiple testing opportunities.

15 (5) ~~+(4)~~—The department shall make 1 of the benchmark
16 assessments provided by a provider approved under ~~section 104(9)~~
17 **subsection (4)** available to districts at no cost to the districts
18 for purposes of meeting the requirements under this section. The
19 benchmark assessment described in this subsection must meet all of
20 the following:

21 (a) Be aligned to the content standards of this state.

22 (b) Complement the state's summative assessment system.

23 (c) Be internet-delivered and include a standards-based
24 assessment.

25 (d) Provide information on pupil achievement with regard to
26 learning content required in a given year or grade span.

27 (e) Provide timely feedback to pupils and teachers.

28 (f) Be nationally normed.

29 (g) Provide information to educators about student growth and



1 allow for multiple testing opportunities.

2 **(6)** ~~(5)~~ By not later than December 31, 2021, the department
3 shall submit a report to the house and senate appropriations
4 committees, the house and senate appropriations subcommittees on
5 school aid, and the house and senate fiscal agencies regarding the
6 benchmark assessment data received under this section,
7 disaggregated by grade level for each district. If information
8 concerning pupil growth is included in the data described in this
9 subsection, it must be incorporated in the report described in this
10 subsection.

11 Sec. 104f. (1) From the ~~general~~**state school aid** fund money
12 appropriated under section 11, there is allocated an amount not to
13 exceed \$500,000.00 **to a district** for the implementation of an
14 assessment digital literacy preparation program for pupils enrolled
15 in grades K to 8 for ~~2020-2021.~~**2021-2022**. The department shall
16 ensure that a program funded under this subsection satisfies all of
17 the following:

18 (a) Is available to districts in the ~~2020-2021~~**2021-2022**
19 school year.

20 (b) Focuses on ensuring pupils have the necessary skills
21 required for state online assessments by assessing pupil digital
22 literacy skill levels and providing teachers with a digital
23 curriculum targeted at areas of determined weakness.

24 (c) Allows pupils to engage with the digital curriculum in an
25 independent or teacher-facilitated modality.

26 (d) Includes training and professional development for
27 teachers.

28 (e) Is implemented in at least 100 districts that operate
29 grades K to 8 and that represent a diverse geography and socio-



1 economic demographic.

2 (2) Funding under subsection (1) must be allocated to a
3 district that did not receive funding under former section 104e for
4 2017-2018 and that operates at least grades K to 8 and has a
5 partnership with a third party that is experienced in the
6 assessment of digital literacy and the preparation of digital
7 literacy skills and has demonstrable experience serving districts
8 in this state and local education agencies in 10 other states. The
9 district, along with its third-party partner, shall provide a
10 report to the house and senate appropriations subcommittees on
11 ~~state~~-school aid and the house and senate fiscal agencies on the
12 efficacy and usefulness of the assessment digital literacy
13 preparation program no later than July 1, ~~2021~~-2022.

14 (3) Notwithstanding section 17b, the department shall make
15 payments under subsection (1) by not later than December 1,
16 ~~2020~~-2021.

17 Sec. 105. (1) In order to avoid a penalty under this section,
18 and in order to count a nonresident pupil residing within the same
19 intermediate district in membership without the approval of the
20 pupil's district of residence, a district must comply with this
21 section.

22 (2) Except as otherwise provided in this section, a district
23 shall determine whether or not it will accept applications for
24 enrollment by nonresident applicants residing within the same
25 intermediate district for the next school year. If the district
26 determines to accept applications for enrollment of a number of
27 nonresidents, beyond those entitled to preference under this
28 section, the district shall use the following procedures for
29 accepting applications from and enrolling nonresidents:



(a) The district shall publish the grades, schools, and special programs, if any, for which enrollment may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) If the district has a limited number of positions available for nonresidents residing within the same intermediate district in a grade, school, or program, all of the following apply to accepting applications for and enrollment of nonresidents in that grade, school, or program:

(i) The district shall do all of the following not later than the second Friday in August:

(A) Provide notice to the general public that applications will be taken for a period of at least 15 calendar days but not more than 30 calendar days from nonresidents residing within the same intermediate district for enrollment in that grade, school, or program. The notice must identify the dates of the application period and the place and manner for submitting applications.

(B) During the application period under sub-subparagraph (A), accept applications from nonresidents residing within the same intermediate district for enrollment in that grade, school, or program.

(C) Within 15 calendar days after the end of the application period under sub-subparagraph (A), ~~or, for 2020-2021 only, not later than October 13, 2020,~~ using the procedures and preferences required under this section, determine which nonresident applicants will be allowed to enroll in that grade, school, or program, using the random draw system required under subsection ~~(14)~~ **(13)** as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in



1 the district. The notification to parents or legal guardians of
 2 nonresident applicants accepted for enrollment must contain
 3 notification of the date by which the applicant must enroll in the
 4 district and procedures for enrollment. The date for enrollment
 5 must be no later than the end of the first week of school. ~~, or,~~
 6 ~~for 2020-2021 only, not later than October 13, 2020.~~

7 (ii) Beginning on the third Monday in August and not later than
 8 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 9 ~~later than October 13, 2020,~~ if any positions become available in a
 10 grade, school, or program due to accepted applicants failing to
 11 enroll or to more positions being added, the district may enroll
 12 nonresident applicants from the waiting list maintained under
 13 subsection ~~(14),~~ **(13)**, offering enrollment in the order that
 14 applicants appear on the waiting list. If there are still positions
 15 available after enrolling all applicants from the waiting list who
 16 desire to enroll, the district may not fill those positions until
 17 the second semester or trimester enrollment under subsection (3),
 18 as provided under that subsection, or until the next school year.

19 (c) For a grade, school, or program that has an unlimited
 20 number of positions available for nonresidents residing within the
 21 same intermediate district, all of the following apply to
 22 enrollment of nonresidents in that grade, school, or program:

23 (i) The district may accept applications for enrollment in that
 24 grade, school, or program, and may enroll nonresidents residing
 25 within the same intermediate district in that grade, school, or
 26 program until the end of the first week of school. ~~or, for 2020-~~
 27 ~~2021 only, the district may enroll nonresidents residing within the~~
 28 ~~same intermediate district in that grade, school, or program until~~
 29 ~~October 13, 2020 if the application was received by the end of the~~



~~first week of school.~~ The district shall provide notice to the general public of the place and manner for submitting applications and, if the district has a limited application period, the notice must include the dates of the application period. The application period shall be at least a 15-calendar-day period.

(ii) Not later than the end of the first week of school, ~~or, for 2020-2021 only, not later than October 13, 2020,~~ the district shall notify the parent or legal guardian of each nonresident applicant who is accepted for enrollment that the applicant has been accepted for enrollment in the grade, school, or program and of the procedures for enrollment. The date for enrollment must be no later than the end of the first week of school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

(3) If a district determines during the first semester or trimester of a school year that it has positions available for enrollment of a number of nonresidents residing within the same intermediate district, beyond those entitled to preference under this section, for the second semester or trimester of the school year, the district may accept applications from and enroll nonresidents residing within the same intermediate district for the second semester or trimester using the following procedures:

(a) Not later than 2 weeks before the end of the first semester or trimester, the district shall publish the grades, schools, and special programs, if any, for which enrollment for the second semester or trimester may be available to, and for which applications will be accepted from, nonresident applicants residing within the same intermediate district.

(b) During the last 2 weeks of the first semester or trimester, the district shall accept applications from nonresidents



1 residing within the same intermediate district for enrollment for
2 the second semester or trimester in the available grades, schools,
3 and programs.

4 (c) By the beginning of the second semester or trimester,
5 using the procedures and preferences required under this section,
6 the district shall determine which nonresident applicants will be
7 allowed to enroll in the district for the second semester or
8 trimester and notify the parent or legal guardian of each
9 nonresident applicant residing within the same intermediate
10 district of whether or not the applicant may enroll in the
11 district. The notification to parents or legal guardians of
12 nonresident applicants accepted for enrollment must contain
13 notification of the date by which the applicant must enroll in the
14 district and procedures for enrollment. The date for enrollment
15 must be no later than the end of the first week of school.

16 (4) If deadlines similar to those described in subsection (2)
17 or (3) have been established in an intermediate district, and if
18 those deadlines are not later than the deadlines under subsection
19 (2) or (3), the districts within the intermediate district may use
20 those deadlines.

21 (5) A district offering to enroll nonresident applicants
22 residing within the same intermediate district may limit the number
23 of nonresident pupils it accepts in a grade, school, or program, at
24 its discretion, and may use that limit as the reason for refusal to
25 enroll an applicant.

26 (6) A nonresident applicant residing within the same
27 intermediate district must not be granted or refused enrollment
28 based on intellectual, academic, artistic, or other ability,
29 talent, or accomplishment, or lack thereof, or based on a mental or



1 physical disability, except that a district may refuse to admit a
2 nonresident applicant if the applicant does not meet the same
3 criteria, other than residence, that an applicant who is a resident
4 of the district must meet to be accepted for enrollment in a grade
5 or a specialized, magnet, or intra-district choice school or
6 program to which the applicant applies.

7 (7) A nonresident applicant residing within the same
8 intermediate district must not be granted or refused enrollment
9 based on age, except that a district may refuse to admit a
10 nonresident applicant applying for a program that is not
11 appropriate for the age of the applicant.

12 (8) A nonresident applicant residing within the same
13 intermediate district must not be granted or refused enrollment
14 based upon religion, race, color, national origin, sex, height,
15 weight, marital status, or athletic ability, or, generally, in
16 violation of any state or federal law prohibiting discrimination.

17 (9) Subject to subsection (10), a district may refuse to
18 enroll a nonresident applicant if any of the following are met:

19 (a) The applicant is, or has been within the preceding 2
20 years, suspended from another school.

21 (b) The applicant, at any time before enrolling under this
22 section, has been expelled from another school.

23 (c) The applicant, at any time before enrolling under this
24 section, has been convicted of a felony.

25 (10) If a district has counted a pupil in membership on either
26 the pupil membership count day or the supplemental count day, the
27 district shall not refuse to enroll or refuse to continue to enroll
28 that pupil for a reason specified in subsection (9). This
29 subsection does not prohibit a district from expelling a pupil



1 described in this subsection for disciplinary reasons.

2 (11) A district shall continue to allow a pupil who was
3 enrolled in and attended the district under this section in the
4 school year or semester or trimester immediately preceding the
5 school year or semester or trimester in question to enroll in the
6 district until the pupil graduates from high school. This
7 subsection does not prohibit a district from expelling a pupil
8 described in this subsection for disciplinary reasons.

9 (12) A district shall give preference for enrollment under
10 this section over all other nonresident applicants residing within
11 the same intermediate district to other school-age children who
12 reside in the same household as a pupil described in subsection
13 (11).

14 ~~(13) If a nonresident pupil was enrolled in and attending~~
15 ~~school in a district as a nonresident pupil in the 1995-96 school~~
16 ~~year and continues to be enrolled continuously each school year in~~
17 ~~that district, the district shall allow that nonresident pupil to~~
18 ~~continue to enroll in and attend school in the district until high~~
19 ~~school graduation, without requiring the nonresident pupil to apply~~
20 ~~for enrollment under this section. This subsection does not~~
21 ~~prohibit a district from expelling a pupil described in this~~
22 ~~subsection for disciplinary reasons.~~

23 (13) ~~(14)~~ If the number of qualified nonresident applicants
24 eligible for acceptance in a school, grade, or program does not
25 exceed the positions available for nonresident pupils in the
26 school, grade, or program, the school district shall accept for
27 enrollment all of the qualified nonresident applicants eligible for
28 acceptance. If the number of qualified nonresident applicants
29 residing within the same intermediate district eligible for



1 acceptance exceeds the positions available in a grade, school, or
 2 program in a district for nonresident pupils, the district shall
 3 use a random draw system, subject to the need to abide by state and
 4 federal antidiscrimination laws and court orders and subject to
 5 preferences allowed by this section. The district shall develop and
 6 maintain a waiting list based on the order in which nonresident
 7 applicants were drawn under this random draw system.

8 **(14)** ~~(15)~~—If a district, or the nonresident applicant,
 9 requests the district in which a nonresident applicant resides to
 10 supply information needed by the district for evaluating the
 11 applicant's application for enrollment or for enrolling the
 12 applicant, the district of residence shall provide that information
 13 on a timely basis.

14 **(15)** ~~(16)~~—If a district is subject to a court-ordered
 15 desegregation plan, and if the court issues an order prohibiting
 16 pupils residing in that district from enrolling in another district
 17 or prohibiting pupils residing in another district from enrolling
 18 in that district, this section is subject to the court order.

19 **(16)** ~~(17)~~—This section does not require a district to provide
 20 transportation for a nonresident pupil enrolled in the district
 21 under this section or for a resident pupil enrolled in another
 22 district under this section. However, at the time a nonresident
 23 pupil enrolls in the district, a district shall provide to the
 24 pupil's parent or legal guardian information on available
 25 transportation to and from the school in which the pupil enrolls.

26 **(17)** ~~(18)~~—A district may participate in a cooperative
 27 education program with 1 or more other districts or intermediate
 28 districts whether or not the district enrolls any nonresidents
 29 under this section.



1 **(18)** ~~(19)~~—A district that, under this section, enrolls a
 2 nonresident pupil who is eligible for special education programs
 3 and services according to statute or rule, or who is a child with
 4 ~~disabilities,~~ **a disability**, as **that term is** defined under the
 5 individuals with disabilities education act, Public Law 108-446, is
 6 considered to be the resident district of the pupil for the purpose
 7 of providing the pupil with a free appropriate public education.
 8 Consistent with state and federal law, that district is responsible
 9 for developing and implementing an individualized education program
 10 annually for a nonresident pupil described in this subsection.

11 **(19)** ~~(20)~~—If a district does not comply with this section, the
 12 district forfeits 5% of the total state school aid allocation to
 13 the district under this act.

14 **(20)** ~~(21)~~—Upon application by a district, the superintendent
 15 may grant a waiver for the district from a specific requirement
 16 under this section for not more than 1 year.

17 Sec. 105c. (1) In order to avoid a penalty under this section,
 18 and in order to count a nonresident pupil residing in a district
 19 located in a contiguous intermediate district in membership without
 20 the approval of the pupil's district of residence, a district must
 21 comply with this section.

22 (2) Except as otherwise provided in this section, a district
 23 shall determine whether or not it will accept applications for
 24 enrollment by nonresident applicants residing in a district located
 25 in a contiguous intermediate district for the next school year. If
 26 the district determines to accept applications for enrollment of a
 27 number of nonresidents under this section, beyond those entitled to
 28 preference under this section, the district shall use the following
 29 procedures for accepting applications from and enrolling



1 nonresidents under this section:

2 (a) The district shall publish the grades, schools, and
3 special programs, if any, for which enrollment may be available to,
4 and for which applications will be accepted from, nonresident
5 applicants residing in a district located in a contiguous
6 intermediate district.

7 (b) If the district has a limited number of positions
8 available for nonresidents residing in a district located in a
9 contiguous intermediate district in a grade, school, or program,
10 all of the following apply to accepting applications for and
11 enrollment of nonresidents under this section in that grade,
12 school, or program:

13 (i) The district shall do all of the following not later than
14 the second Friday in August:

15 (A) Provide notice to the general public that applications
16 will be taken for a period of at least 15 calendar days but not
17 more than 30 calendar days from nonresidents residing in a district
18 located in a contiguous intermediate district for enrollment in
19 that grade, school, or program. The notice must identify the dates
20 of the application period and the place and manner for submitting
21 applications.

22 (B) During the application period under sub-subparagraph (A),
23 accept applications from nonresidents residing in a district
24 located in a contiguous intermediate district for enrollment in
25 that grade, school, or program.

26 (C) Within 15 calendar days after the end of the application
27 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
28 ~~later than October 13, 2020,~~ using the procedures and preferences
29 required under this section, determine which nonresident applicants



will be allowed to enroll under this section in that grade, school, or program, using the random draw system required under subsection (14) as necessary, and notify the parent or legal guardian of each nonresident applicant of whether or not the applicant may enroll in the district. The notification to parents or legal guardians of nonresident applicants accepted for enrollment under this section must contain notification of the date by which the applicant must enroll in the district and procedures for enrollment. The date for enrollment must be no later than the end of the first week of school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

(ii) Beginning on the third Monday in August and not later than the end of the first week of school, ~~or, for 2020-2021 only, not later than October 13, 2020,~~ if any positions become available in a grade, school, or program due to accepted applicants failing to enroll or to more positions being added, the district may enroll nonresident applicants from the waiting list maintained under subsection (14), offering enrollment in the order that applicants appear on the waiting list. If there are still positions available after enrolling all applicants from the waiting list who desire to enroll, the district may not fill those positions until the second semester or trimester enrollment under subsection (3), as provided under that subsection, or until the next school year.

(c) For a grade, school, or program that has an unlimited number of positions available for nonresidents residing in a district located in a contiguous intermediate district, all of the following apply to enrollment of nonresidents in that grade, school, or program under this section:

(i) The district may accept applications for enrollment in that grade, school, or program, and may enroll nonresidents residing in



1 a district located in a contiguous intermediate district in that
 2 grade, school, or program until the end of the first week of
 3 school. ~~or, for 2020-2021 only, the district may enroll~~
 4 ~~nonresidents residing in a district located in a contiguous~~
 5 ~~intermediate district in that grade, school, or program until~~
 6 ~~October 13, 2020 if the application was received by the end of the~~
 7 ~~first week of school.~~ The district shall provide notice to the
 8 general public of the place and manner for submitting applications
 9 and, if the district has a limited application period, the notice
 10 must include the dates of the application period. The application
 11 period must be at least a 15-calendar-day period.

12 (ii) Not later than the end of the first week of school, ~~or,~~
 13 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 14 shall notify the parent or legal guardian of each nonresident
 15 applicant who is accepted for enrollment under this section that
 16 the applicant has been accepted for enrollment in the grade,
 17 school, or program and of the date by which the applicant must
 18 enroll in the district and the procedures for enrollment. The date
 19 for enrollment must be no later than the end of the first week of
 20 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

21 (3) If a district determines during the first semester or
 22 trimester of a school year that it has positions available for
 23 enrollment of a number of nonresidents residing in a district
 24 located in a contiguous intermediate district, beyond those
 25 entitled to preference under this section, for the second semester
 26 or trimester of the school year, the district may accept
 27 applications from and enroll nonresidents residing in a district
 28 located in a contiguous intermediate district for the second
 29 semester or trimester using the following procedures:



1 (a) Not later than 2 weeks before the end of the first
2 semester or trimester, the district shall publish the grades,
3 schools, and special programs, if any, for which enrollment for the
4 second semester or trimester may be available to, and for which
5 applications will be accepted from, nonresident applicants residing
6 in a district located in a contiguous intermediate district.

7 (b) During the last 2 weeks of the first semester or
8 trimester, the district shall accept applications from nonresidents
9 residing in a district located in a contiguous intermediate
10 district for enrollment for the second semester or trimester in the
11 available grades, schools, and programs.

12 (c) By the beginning of the second semester or trimester,
13 using the procedures and preferences required under this section,
14 the district shall determine which nonresident applicants will be
15 allowed to enroll under this section in the district for the second
16 semester or trimester and notify the parent or legal guardian of
17 each nonresident applicant residing in a district located in a
18 contiguous intermediate district of whether or not the applicant
19 may enroll in the district. The notification to parents or legal
20 guardians of nonresident applicants accepted for enrollment must
21 contain notification of the date by which the applicant must enroll
22 in the district and procedures for enrollment. The date for
23 enrollment must be no later than the end of the first week of
24 school.

25 (4) If deadlines similar to those described in subsection (2)
26 or (3) have been established in an intermediate district, and if
27 those deadlines are not later than the deadlines under subsection
28 (2) or (3), the districts within the intermediate district may use
29 those deadlines.



1 (5) A district offering to enroll nonresident applicants
2 residing in a district located in a contiguous intermediate
3 district may limit the number of those nonresident pupils it
4 accepts in a grade, school, or program, at its discretion, and may
5 use that limit as the reason for refusal to enroll an applicant
6 under this section.

7 (6) A nonresident applicant residing in a district located in
8 a contiguous intermediate district must not be granted or refused
9 enrollment based on intellectual, academic, artistic, or other
10 ability, talent, or accomplishment, or lack thereof, or based on a
11 mental or physical disability, except that a district may refuse to
12 admit a nonresident applicant under this section if the applicant
13 does not meet the same criteria, other than residence, that an
14 applicant who is a resident of the district must meet to be
15 accepted for enrollment in a grade or a specialized, magnet, or
16 intra-district choice school or program to which the applicant
17 applies.

18 (7) A nonresident applicant residing in a district located in
19 a contiguous intermediate district must not be granted or refused
20 enrollment under this section based on age, except that a district
21 may refuse to admit a nonresident applicant applying for a program
22 that is not appropriate for the age of the applicant.

23 (8) A nonresident applicant residing in a district located in
24 a contiguous intermediate district must not be granted or refused
25 enrollment under this section based upon religion, race, color,
26 national origin, sex, height, weight, marital status, or athletic
27 ability, or, generally, in violation of any state or federal law
28 prohibiting discrimination.

29 (9) Subject to subsection (10), a district may refuse to



1 enroll a nonresident applicant under this section if any of the
2 following are met:

3 (a) The applicant is, or has been within the preceding 2
4 years, suspended from another school.

5 (b) The applicant, at any time before enrolling under this
6 section, has been expelled from another school.

7 (c) The applicant, at any time before enrolling under this
8 section, has been convicted of a felony.

9 (10) If a district has counted a pupil in membership on either
10 the pupil membership count day or the supplemental count day, the
11 district shall not refuse to enroll or refuse to continue to enroll
12 that pupil for a reason specified in subsection (9). This
13 subsection does not prohibit a district from expelling a pupil
14 described in this subsection for disciplinary reasons.

15 (11) A district shall continue to allow a pupil who was
16 enrolled in and attended the district under this section in the
17 school year or semester or trimester immediately preceding the
18 school year or semester or trimester in question to enroll in the
19 district until the pupil graduates from high school. This
20 subsection does not prohibit a district from expelling a pupil
21 described in this subsection for disciplinary reasons.

22 (12) A district shall give preference for enrollment under
23 this section over all other nonresident applicants residing in a
24 district located in a contiguous intermediate district to other
25 school-age children who reside in the same household as a pupil
26 described in subsection (11).

27 (13) If a nonresident pupil was enrolled in and attending
28 school in a district as a nonresident pupil in the 1995-96 school
29 year and continues to be enrolled continuously each school year in



1 that district, the district shall allow that nonresident pupil to
2 continue to enroll in and attend school in the district until high
3 school graduation, without requiring the nonresident pupil to apply
4 for enrollment under this section. This subsection does not
5 prohibit a district from expelling a pupil described in this
6 subsection for disciplinary reasons.

7 (14) If the number of qualified nonresident applicants
8 eligible for acceptance under this section in a school, grade, or
9 program does not exceed the positions available for nonresident
10 pupils under this section in the school, grade, or program, the
11 school district shall accept for enrollment all of the qualified
12 nonresident applicants eligible for acceptance. If the number of
13 qualified nonresident applicants residing in a district located in
14 a contiguous intermediate district eligible for acceptance under
15 this section exceeds the positions available in a grade, school, or
16 program in a district for nonresident pupils, the district shall
17 use a random draw system, subject to the need to abide by state and
18 federal antidiscrimination laws and court orders and subject to
19 preferences allowed by this section. The district shall develop and
20 maintain a waiting list based on the order in which nonresident
21 applicants were drawn under this random draw system.

22 (15) If a district, or the nonresident applicant, requests the
23 district in which a nonresident applicant resides to supply
24 information needed by the district for evaluating the applicant's
25 application for enrollment or for enrolling the applicant under
26 this section, the district of residence shall provide that
27 information on a timely basis.

28 (16) If a district is subject to a court-ordered desegregation
29 plan, and if the court issues an order prohibiting pupils residing



1 in that district from enrolling in another district or prohibiting
2 pupils residing in another district from enrolling in that
3 district, this section is subject to the court order.

4 (17) This section does not require a district to provide
5 transportation for a nonresident pupil enrolled in the district
6 under this section or for a resident pupil enrolled in another
7 district under this section. However, at the time a nonresident
8 pupil enrolls in the district, a district shall provide to the
9 pupil's parent or legal guardian information on available
10 transportation to and from the school in which the pupil enrolls.

11 (18) A district may participate in a cooperative education
12 program with 1 or more other districts or intermediate districts
13 whether or not the district enrolls any nonresidents pursuant to
14 this section.

15 (19) In order for a district or intermediate district to
16 enroll under this section a nonresident pupil who resides in a
17 district located in a contiguous intermediate district and who is
18 eligible for special education programs and services according to
19 statute or rule, or who is a child with disabilities, as defined
20 under the individuals with disabilities education act, Public Law
21 108-446, the enrolling district shall have a written agreement with
22 the resident district of the pupil for the purpose of providing the
23 pupil with a free appropriate public education. The written
24 agreement must include, but is not limited to, an agreement on the
25 responsibility for the payment of the added costs of special
26 education programs and services for the pupil. The written
27 agreement must address how the agreement must be amended in the
28 event of significant changes in the costs or level of special
29 education programs or services required by the pupil.



1 (20) If a district does not comply with this section, the
2 district forfeits 5% of the total state school aid allocation to
3 the district under this act.

4 (21) Upon application by a district, the superintendent may
5 grant a waiver for the district from a specific requirement under
6 this section for not more than 1 year.

7 (22) This section is repealed if the final decision of a court
8 of competent jurisdiction holds that any portion of this section is
9 unconstitutional, ineffective, invalid, or in violation of federal
10 law.

11 (23) As used in this section, "district located in a
12 contiguous intermediate district" means a district located in an
13 intermediate district that is contiguous to the intermediate
14 district in which a pupil's district of residence is located.

15 Sec. 107. (1) From the appropriation in section 11, there is
16 allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~
17 **2021-2022** for adult education programs authorized under this
18 section. Except as otherwise provided under subsections (14) and
19 (15), funds allocated under this section are restricted for adult
20 education programs as authorized under this section only. A
21 recipient of funds under this section shall not use those funds for
22 any other purpose.

23 (2) To be eligible for funding under this section, an eligible
24 adult education provider shall employ certificated teachers and
25 qualified administrative staff and shall offer continuing education
26 opportunities for teachers to allow them to maintain certification.

27 (3) To be eligible to be a participant funded under this
28 section, an individual must be enrolled in an adult basic education
29 program, an adult secondary education program, an adult English as



1 a second language program, a high school equivalency test
 2 preparation program, or a high school completion program, that
 3 meets the requirements of this section, and for which instruction
 4 is provided, and the individual must be at least 18 years of age **by**
 5 **July 1 of the program year** and the individual's graduating class
 6 must have graduated.

7 (4) By April 1 of each fiscal year, the intermediate districts
 8 within a prosperity region or subregion shall determine which
 9 intermediate district will serve as the prosperity region's or
 10 subregion's fiscal agent for the next fiscal year and shall notify
 11 the department in a form and manner determined by the department.
 12 The department shall approve or disapprove of the prosperity
 13 region's or subregion's selected fiscal agent. From the funds
 14 allocated under subsection (1), an amount as determined under this
 15 subsection is allocated to each intermediate district serving as a
 16 fiscal agent for adult education programs in each of the prosperity
 17 regions or subregions identified by the department. An intermediate
 18 district shall not use more than 5% of the funds allocated under
 19 this subsection for administration costs for serving as the fiscal
 20 agent. The allocation provided to each intermediate district
 21 serving as a fiscal agent ~~is an amount equal to what the~~
 22 ~~intermediate district received in 2018-2019.~~ **must be calculated as**
 23 **follows:**

24 (a) **Sixty percent of this portion of the funding must be**
 25 **distributed based upon the proportion of the state population of**
 26 **individuals between the ages of 18 and 24 that are not high school**
 27 **graduates that resides in each of the prosperity regions or**
 28 **subregions located within the intermediate district, as reported by**
 29 **the most recent 5-year estimates from the American Community Survey**



1 (ACS) from the United States Census Bureau.

2 (b) Thirty-five percent of this portion of the funding must be
3 distributed based upon the proportion of the state population of
4 individuals age 25 or older who are not high school graduates that
5 resides in each of the prosperity regions or subregions located
6 within the intermediate district, as reported by the most recent 5-
7 year estimates from the American Community Survey (ACS) from the
8 United States Census Bureau.

9 (c) Five percent of this portion of the funding must be
10 distributed based upon the proportion of the state population of
11 individuals age 18 or older who lack basic English language
12 proficiency that resides in each of the prosperity regions or
13 subregions located within the intermediate district, as reported by
14 the most recent 5-year estimates from the American Community Survey
15 (ACS) from the United States Census Bureau.

16 (5) To be an eligible fiscal agent, an intermediate district
17 must agree to do the following in a form and manner determined by
18 the department:

19 (a) Distribute funds to adult education programs in a
20 prosperity region or subregion as described in this section.

21 (b) Collaborate with the career and educational advisory
22 council, which is an advisory council of the workforce development
23 boards located in the prosperity region or subregion, or its
24 successor, to develop a regional strategy that aligns adult
25 education programs and services into an efficient and effective
26 delivery system for adult education learners, with special
27 consideration for providing contextualized learning and career
28 pathways and addressing barriers to education and employment.

29 (c) Collaborate with the career and educational advisory



1 council, which is an advisory council of the workforce development
2 boards located in the prosperity region or subregion, or its
3 successor, to create a local process and criteria that will
4 identify eligible adult education providers to receive funds
5 allocated under this section based on location, demand for
6 services, past performance, quality indicators as identified by the
7 department, and cost to provide instructional services. The fiscal
8 agent shall determine all local processes, criteria, and provider
9 determinations. However, the local processes, criteria, and
10 provider services must be approved by the department before funds
11 may be distributed to the fiscal agent.

12 (d) Provide oversight to its adult education providers
13 throughout the program year to ensure compliance with the
14 requirements of this section.

15 (e) Report adult education program and participant data and
16 information as prescribed by the department.

17 (6) An adult basic education program, an adult secondary
18 education program, or an adult English as a second language program
19 operated on a year-round or school year basis may be funded under
20 this section, subject to all of the following:

21 (a) The program enrolls adults who are determined by a
22 department-approved assessment, in a form and manner prescribed by
23 the department, to be below twelfth grade level in reading or
24 mathematics, or both, or to lack basic English proficiency.

25 (b) The program tests individuals for eligibility under
26 subdivision (a) before enrollment and upon completion of the
27 program in compliance with the state-approved assessment policy.

28 (c) A participant in an adult basic education program is
29 eligible for reimbursement until 1 of the following occurs:



1 (i) The participant's reading and mathematics proficiency are
2 assessed at or above the ninth grade level.

3 (ii) The participant fails to show progress on 2 successive
4 assessments after having completed at least 450 hours of
5 instruction.

6 (d) A participant in an adult secondary education program is
7 eligible for reimbursement until 1 of the following occurs:

8 (i) The participant's reading and mathematics proficiency are
9 assessed above the twelfth grade level.

10 (ii) The participant fails to show progress on 2 successive
11 assessments after having at least 450 hours of instruction.

12 (e) A funding recipient enrolling a participant in an English
13 as a second language program is eligible for funding according to
14 subsection (9) until the participant meets 1 of the following:

15 (i) The participant is assessed as having attained basic
16 English proficiency as determined by a department-approved
17 assessment.

18 (ii) The participant fails to show progress on 2 successive
19 department-approved assessments after having completed at least 450
20 hours of instruction. The department shall provide information to a
21 funding recipient regarding appropriate assessment instruments for
22 this program.

23 (7) A high school equivalency test preparation program
24 operated on a year-round or school year basis may be funded under
25 this section, subject to all of the following:

26 (a) The program enrolls adults who do not have a high school
27 diploma or a high school equivalency certificate.

28 (b) The program administers a pre-test approved by the
29 department before enrolling an individual to determine the



1 individual's literacy levels, administers a high school equivalency
2 practice test to determine the individual's potential for success
3 on the high school equivalency test, and administers a post-test
4 upon completion of the program in compliance with the state-
5 approved assessment policy.

6 (c) A funding recipient receives funding according to
7 subsection (9) for a participant, and a participant may be enrolled
8 in the program until 1 of the following occurs:

9 (i) The participant achieves a high school equivalency
10 certificate.

11 (ii) The participant fails to show progress on 2 successive
12 department-approved assessments used to determine readiness to take
13 a high school equivalency test after having completed at least 450
14 hours of instruction.

15 (8) A high school completion program operated on a year-round
16 or school year basis may be funded under this section, subject to
17 all of the following:

18 (a) The program enrolls adults who do not have a high school
19 diploma.

20 (b) The program tests participants described in subdivision
21 (a) before enrollment and upon completion of the program in
22 compliance with the state-approved assessment policy.

23 (c) A funding recipient receives funding according to
24 subsection (9) for a participant in a course offered under this
25 subsection until 1 of the following occurs:

26 (i) The participant passes the course and earns a high school
27 diploma.

28 (ii) The participant fails to earn credit in 2 successive
29 semesters or terms in which the participant is enrolled after



1 having completed at least 900 hours of instruction.

2 (9) The department shall make payments to a funding recipient
3 under this section in accordance with all of the following:

4 (a) Statewide allocation criteria, including 3-year average
5 enrollments, census data, and local needs.

6 (b) Participant completion of the adult basic education
7 objectives by achieving an educational gain as determined by the
8 national reporting system levels; for achieving basic English
9 proficiency, as determined by the department; for achieving a high
10 school equivalency certificate or passage of 1 or more individual
11 high school equivalency tests; for attainment of a high school
12 diploma or passage of a course required for a participant to attain
13 a high school diploma; for enrollment in a postsecondary
14 institution, or for entry into or retention of employment, as
15 applicable.

16 (c) Participant completion of core indicators as identified in
17 the innovation and opportunity act.

18 (d) Allowable expenditures.

19 (10) A person who is not eligible to be a participant funded
20 under this section may receive adult education services upon the
21 payment of tuition. In addition, a person who is not eligible to be
22 served in a program under this section due to the program
23 limitations specified in subsection (6), (7), or (8) may continue
24 to receive adult education services in that program upon the
25 payment of tuition. The local or intermediate district conducting
26 the program shall determine the tuition amount.

27 (11) An individual who is an inmate in a state correctional
28 facility is not counted as a participant under this section.

29 (12) A funding recipient shall not commingle money received



1 under this section or from another source for adult education
2 purposes with any other funds and shall establish a separate ledger
3 account for funds received under this section. This subsection does
4 not prohibit a district from using general funds of the district to
5 support an adult education or community education program.

6 (13) A funding recipient receiving funds under this section
7 may establish a sliding scale of tuition rates based upon a
8 participant's family income. A funding recipient may charge a
9 participant tuition to receive adult education services under this
10 section from that sliding scale of tuition rates on a uniform
11 basis. The amount of tuition charged per participant must not
12 exceed the actual operating cost per participant minus any funds
13 received under this section per participant. A funding recipient
14 may not charge a participant tuition under this section if the
15 participant's income is at or below 200% of the federal poverty
16 guidelines published by the United States Department of Health and
17 Human Services.

18 (14) In order to receive funds under this section, a funding
19 recipient shall furnish to the department, in a form and manner
20 determined by the department, all information needed to administer
21 this program and meet federal reporting requirements; shall allow
22 the department or the department's designee to review all records
23 related to the program for which it receives funds; and shall
24 reimburse the state for all disallowances found in the review, as
25 determined by the department. In addition, a funding recipient
26 shall agree to pay to a career and technical education program
27 under section 61a the amount of funding received under this section
28 in the proportion of career and technical education coursework used
29 to satisfy adult basic education programming, as billed to the



1 funding recipient by programs operating under section 61a. In
 2 addition to the funding allocated under subsection (1), there is
 3 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 4 \$500,000.00 to reimburse funding recipients for administrative and
 5 instructional expenses associated with commingling programming
 6 under this section and section 61a. The department shall make
 7 payments under this subsection to each funding recipient in the
 8 same proportion as funding calculated and allocated under
 9 subsection (4).

10 (15) From the amount appropriated in subsection (1), an amount
 11 not to exceed \$4,000,000.00 is allocated for ~~2020-2021~~**2021-2022**
 12 for grants to adult education or state-approved career technical
 13 center programs that connect adult education participants with
 14 employers as provided under this subsection. The department shall
 15 determine the amount of the grant to each program under this
 16 subsection, not to exceed \$350,000.00. To be eligible for funding
 17 under this subsection, a program must provide a collaboration
 18 linking adult education programs within the county, the area career
 19 technical center, **a state-approved Michigan Training Connect**
 20 **program**, and local employers. ~~To~~**Subject to subsection (18), to**
 21 receive funding under this subsection, an eligible program must
 22 satisfy all of the following:

23 (a) Connect adult education participants directly with
 24 employers by linking adult education, career and technical skills,
 25 and workforce development.

26 (b) Require adult education staff to work with Michigan Works!
 27 agency to identify a cohort of participants who are most prepared
 28 to successfully enter the workforce. Except as otherwise provided
 29 under this subdivision, participants identified under this



1 subsection must be dually enrolled in adult education programming
2 and in at least 1 state-approved **high-demand** technical course at
3 the area career and technical center ~~. A program that links~~
4 ~~participants identified under this subsection with adult education~~
5 ~~programming and commercial driver license courses does not need to~~
6 ~~enroll the participants in at least 1 state-approved technical~~
7 ~~course at the area career and technical center to be considered an~~
8 ~~eligible program under this subsection.~~ **or in a high-demand state-**
9 **approved Michigan Training Connect program.**

10 (c) Employ an individual staffed as an adult education
11 navigator who will serve as a caseworker for each participant
12 identified under subdivision (b). The navigator shall work with
13 adult education staff and potential employers to design an
14 educational program best suited to the personal and employment
15 needs of the participant and shall work with human service agencies
16 or other entities to address any barrier in the way of participant
17 access.

18 (16) Each program funded under subsection (15) will receive
19 funding for 3 years. After 3 years of operations and funding, a
20 program must reapply for funding.

21 (17) Not later than December 1 of each year, a program funded
22 under subsection (15) shall provide a report to the senate and
23 house appropriations subcommittees on school aid, to the senate and
24 house fiscal agencies, and to the state budget director identifying
25 the number of participants, graduation rates, and a measure of
26 transition to employment.

27 ~~(18) It is the intent of the legislature to implement a~~
28 ~~phased-in cap on the percentage of adult education participants~~
29 ~~under subsection (15) that may already have a high school diploma~~



~~or a high school equivalency certificate at the time of~~
~~enrollment.~~ Except as otherwise provided in this subsection,
 participants under subsection (15) must be concurrently enrolled
 and actively working toward obtaining a high school diploma or a
 high school equivalency certificate. Concurrent enrollment is not
 required under this subsection for a participant that was enrolled
 in adult education during the same program year and obtained a high
 school diploma or a high school equivalency certificate prior to
 enrollment in an eligible career and technical skills program under
 subsection (15). Up to 25% of adult education participants served
 under subsection (15) may already have a high school diploma or a
 high school equivalency certificate at the time of enrollment in an
 eligible career and technical skills program under subsection (15)
 and receive remediation services. It is intended that the cap
 described in the immediately preceding sentence is continually
 lowered on an annual basis until it eventually is 0%.

(19) The department shall approve at least 3 high school
 equivalency tests and determine whether a high school equivalency
 certificate meets the requisite standards for high school
 equivalency in this state.

(20) As used in this section:

(a) "Career and educational advisory council" means an
 advisory council to the local workforce development boards located
 in a prosperity region consisting of educational, employer, labor,
 and parent representatives.

(b) "Career pathway" means a combination of rigorous and high-
 quality education, training, and other services that comply with
 all of the following:

(i) Aligns with the skill needs of industries in the economy of



1 this state or in the regional economy involved.

2 (ii) Prepares an individual to be successful in any of a full
3 range of secondary or postsecondary education options, including
4 apprenticeships registered under the act of August 16, 1937,
5 ~~(commonly known as the "national apprenticeship act")~~, **commonly**
6 **referred to as the national apprenticeship act**, 29 USC 50 et seq.

7 (iii) Includes counseling to support an individual in achieving
8 the individual's education and career goals.

9 (iv) Includes, as appropriate, education offered concurrently
10 with and in the same context as workforce preparation activities
11 and training for a specific occupation or occupational cluster.

12 (v) Organizes education, training, and other services to meet
13 the particular needs of an individual in a manner that accelerates
14 the educational and career advancement of the individual to the
15 extent practicable.

16 (vi) Enables an individual to attain a secondary school diploma
17 or its recognized equivalent, and at least 1 recognized
18 postsecondary credential.

19 (vii) Helps an individual enter or advance within a specific
20 occupation or occupational cluster.

21 (c) "Department" means the department of labor and economic
22 opportunity.

23 (d) "Eligible adult education provider" means a district,
24 intermediate district, a consortium of districts, a consortium of
25 intermediate districts, or a consortium of districts and
26 intermediate districts that is identified as part of the local
27 process described in subsection (5)(c) and approved by the
28 department.

29 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the



public school employees' retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age normal cost method of valuation and risk assumptions adopted by the public school employees retirement board and the department of technology, management, and budget.

(2) The annual level percentage of payroll contribution rates for the ~~2020-2021~~**-2021-2022** fiscal year, as determined by the retirement system, are estimated as follows:

(a) For public school employees who first worked for a public school reporting unit before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%** paid directly by the employer.

(b) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~39.76%~~**40.36%** with ~~25.25%~~**25.31%** paid directly by the employer.

(c) For public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~38.90%~~**39.50%** with ~~24.39%~~**24.45%** paid directly by the employer.

(d) For public school employees who first worked for a public school reporting unit on or after September 4, 2012, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at ~~35.47%~~**36.01%** with 20.96% paid



1 directly by the employer.

2 (e) For public school employees who first worked for a public
3 school reporting unit before July 1, 2010, who elect defined
4 contribution, and who are enrolled in the health premium subsidy,
5 the annual level percentage of payroll contribution rate is
6 estimated at ~~36.33%~~ **36.87%** with 21.82% paid directly by the
7 employer.

8 (f) For public school employees who first worked for a public
9 school reporting unit before July 1, 2010, who elect defined
10 contribution, and who participate in the personal healthcare fund,
11 the annual level percentage of payroll contribution rate is
12 estimated at ~~35.47%~~ **36.01%** with 20.96% paid directly by the
13 employer.

14 (g) For public school employees who first worked for a public
15 school reporting unit before July 1, 2010 and who participate in
16 the personal healthcare fund, the annual level percentage of
17 payroll contribution rate is estimated at ~~41.86%~~ **42.42%** with ~~27.35%~~
18 **27.37%** paid directly by the employer.

19 (h) For public school employees who first worked for a public
20 school reporting unit after January 31, 2018 and who elect to
21 become members of the MPSERS plan, the annual level percentage of
22 payroll contribution rate is estimated at ~~41.67%~~ **42.21%** with 27.16%
23 paid directly by the employer.

24 (3) In addition to the employer payments described in
25 subsection (2), the employer shall pay the applicable contributions
26 to the Tier 2 plan, as determined by the public school employees
27 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

28 (4) The contribution rates in subsection (2) reflect an
29 amortization period of ~~18~~ **17** years for ~~2020-2021.~~ **2021-2022.** The



public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~**-2021-2022** an amount not to exceed \$100,000,000.00 for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection is based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$155,136,000.00~~
\$177,400,000.00 for ~~2020-2021~~**-2021-2022** for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$70,000.00~~**\$60,000.00** for ~~2020-2021~~**-2021-2022** for payments to participating district libraries. The amount allocated to each participating entity under this subsection is based on each participating entity's reported



1 quarterly payroll for members that became tier 1 prior to February
2 1, 2018 for the current fiscal year. A participating entity that
3 receives money under this subsection shall use that money solely
4 for the purpose of offsetting a portion of the normal cost
5 contribution rate. As used in this subsection:

6 (a) "District library" means a district library established
7 under the district library establishment act, 1989 PA 24, MCL
8 397.171 to 397.196.

9 (b) "Participating entity" means a district, intermediate
10 district, or district library that is a reporting unit of the
11 Michigan public school employees' retirement system under the
12 public school employees retirement act of 1979, 1980 PA 300, MCL
13 38.1301 to 38.1437, and that reports employees to the Michigan
14 public school employees' retirement system for the applicable
15 fiscal year.

16 Sec. 147b. (1) The MPSEERS retirement obligation reform reserve
17 fund is created as a separate account within the state school aid
18 fund.

19 (2) The state treasurer may receive money or other assets from
20 any source for deposit into the MPSEERS retirement obligation reform
21 reserve fund. The state treasurer shall direct the investment of
22 the MPSEERS retirement obligation reform reserve fund. The state
23 treasurer shall credit to the MPSEERS retirement obligation reform
24 reserve fund interest and earnings from the MPSEERS retirement
25 obligation reform reserve fund.

26 (3) Money available in the MPSEERS retirement obligation reform
27 reserve fund shall not be expended without a specific
28 appropriation.

29 (4) Money in the MPSEERS retirement obligation reform reserve



fund at the close of the fiscal year ~~shall remain in the MPSERS retirement obligation reform reserve fund and shall not lapse~~ **lapses** to the state school aid fund. ~~or to the general fund.~~ The department of treasury shall be the administrator of the MPSERS retirement obligation reform reserve fund for auditing purposes.

Sec. 147c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$1,219,300,000.00~~ **\$1,328,500,000.00** for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed \$500,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. All of the following apply to funding under this subsection:

(a) For ~~2020-2021,~~ **2021-2022**, the amounts allocated under this subsection are estimated to provide an average MPSERS rate cap per pupil amount of ~~\$827.00~~ **\$911.00** and are estimated to provide a rate cap per pupil for districts ranging between \$5.00 and ~~\$4,000.00.~~ **\$4,200.00.**

(b) Payments made under this subsection are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the



1 public school employees retirement act of 1979, 1980 PA 300, MCL
2 38.1341.

3 (c) The amount allocated to each participating entity under
4 this subsection is based on each participating entity's proportion
5 of the total covered payroll for the immediately preceding fiscal
6 year for the same type of participating entities. A participating
7 entity that receives funds under this subsection shall use the
8 funds solely for the purpose of retirement contributions as
9 specified in subdivision (d).

10 (d) Each participating entity receiving funds under this
11 subsection shall forward an amount equal to the amount allocated
12 under subdivision (c) to the retirement system in a form, manner,
13 and time frame determined by the retirement system.

14 (e) Funds allocated under this subsection should be considered
15 when comparing a district's growth in total state aid funding from
16 1 fiscal year to the next.

17 (f) Not later than December 20, ~~2020~~, **2021**, the department
18 shall publish and post on its website an estimated MPSERS rate cap
19 per pupil for each district.

20 (g) The office of retirement services shall first apply funds
21 allocated under this subsection to pension contributions and, if
22 any funds remain after that payment, shall apply those remaining
23 funds to other postemployment benefit contributions.

24 (h) As used in this section:

25 (i) "District library" means a district library established
26 under the district library establishment act, 1989 PA 24, MCL
27 397.171 to 397.196.

28 (ii) "MPSERS rate cap per pupil" means an amount equal to the
29 quotient of the district's payment under this subsection divided by



1 the district's pupils in membership.

2 (iii) "Participating entity" means a district, intermediate
3 district, or district library that is a reporting unit of the
4 Michigan public school employees' retirement system under the
5 public school employees retirement act of 1979, 1980 PA 300, MCL
6 38.1301 to 38.1437, and that reports employees to the Michigan
7 public school employees' retirement system for the applicable
8 fiscal year.

9 (iv) "Retirement board" means the board that administers the
10 retirement system under the public school employees retirement act
11 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

12 (v) "Retirement system" means the Michigan public school
13 employees' retirement system under the public school employees
14 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

15 Sec. 147e. (1) From the appropriation in section 11, there is
16 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
17 ~~\$51,400,000.00~~**\$65,300,000.00** from the state school aid fund for
18 payments to participating entities.

19 (2) The payment to each participating entity under this
20 section is the sum of the amounts under this subsection as follows:

21 (a) An amount equal to the contributions made by a
22 participating entity for the additional contribution made to a
23 qualified participant's Tier 2 account in an amount equal to the
24 contribution made by the qualified participant not to exceed 3% of
25 the qualified participant's compensation as provided for under
26 section 131(6) of the public school employees retirement act of
27 1979, 1980 PA 300, MCL 38.1431.

28 (b) Beginning October 1, 2017, an amount equal to the
29 contributions made by a participating entity for a qualified



1 participant who is only a Tier 2 qualified participant under
2 section 81d of the public school employees retirement act of 1979,
3 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
4 February 1, 2018, not to exceed 1%, of the qualified participant's
5 compensation.

6 (c) An amount equal to the increase in employer normal cost
7 contributions under section 41b(2) of the public school employees
8 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
9 that was hired after February 1, 2018 and chose to participate in
10 Tier 1, compared to the employer normal cost contribution for a
11 member under section 41b(1) of the public school employees
12 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

13 (3) As used in this section:

14 (a) "Member" means that term as defined under the public
15 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
16 to 38.1437.

17 (b) "Participating entity" means a district, intermediate
18 district, or community college that is a reporting unit of the
19 Michigan public school employees' retirement system under the
20 public school employees retirement act of 1979, 1980 PA 300, MCL
21 38.1301 to 38.1437, and that reports employees to the Michigan
22 public school employees' retirement system for the applicable
23 fiscal year.

24 (c) "Qualified participant" means that term as defined under
25 section 124 of the public school employees retirement act of 1979,
26 1980 PA 300, MCL 38.1424.

27 Sec. 152a. (1) As required by the court in the consolidated
28 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
29 the state school aid fund money appropriated in section 11, there



1 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 2 \$38,000,500.00 to be used solely for the purpose of paying
 3 necessary costs related to the state-mandated collection,
 4 maintenance, and reporting of data to this state.

5 (2) From the allocation in subsection (1), the department
 6 shall make payments to districts and intermediate districts in an
 7 equal amount per-pupil based on the total number of pupils in
 8 membership in each district and intermediate district. The
 9 department shall not make any adjustment to these payments after
 10 the final installment payment under section 17b is made.

11 Sec. 152b. (1) From the general fund money appropriated under
 12 section 11, there is allocated ~~an amount not to exceed~~
 13 ~~\$2,500,000.00 for 2017-2018 and~~ an amount not to exceed \$250,000.00
 14 for ~~2018-2019~~ **2021-2022** to reimburse actual costs incurred by
 15 nonpublic schools in complying with a health, safety, or welfare
 16 requirement mandated by a law or administrative rule of this state.

17 (2) By January 1 of each applicable fiscal year, the
 18 department shall publish a form for reporting actual costs incurred
 19 by a nonpublic school in complying with a health, safety, or
 20 welfare requirement mandated under state law containing each
 21 health, safety, or welfare requirement mandated by a law or
 22 administrative rule of this state applicable to a nonpublic school
 23 and with a reference to each relevant provision of law or
 24 administrative rule for the requirement. The form shall be posted
 25 on the department's website in electronic form.

26 (3) By June 30 of each applicable fiscal year, a nonpublic
 27 school seeking reimbursement for actual costs incurred in complying
 28 with a health, safety, or welfare requirement under a law or
 29 administrative rule of this state during each applicable school



1 year shall submit a completed form described in subsection (2) to
2 the department. This section does not require a nonpublic school to
3 submit a form described in subsection (2). A nonpublic school is
4 not eligible for reimbursement under this section if the nonpublic
5 school does not submit the form described in subsection (2) in a
6 timely manner.

7 (4) By August 15 of each applicable fiscal year, the
8 department shall distribute funds to each nonpublic school that
9 submits a completed form described under subsection (2) in a timely
10 manner. The superintendent shall determine the amount of funds to
11 be paid to each nonpublic school in an amount that does not exceed
12 the nonpublic school's actual costs in complying with a health,
13 safety, or welfare requirement under a law or administrative rule
14 of this state. The superintendent shall calculate a nonpublic
15 school's actual cost in accordance with this section.

16 (5) If the funds allocated under this section are insufficient
17 to fully fund payments as otherwise calculated under this section,
18 the department shall distribute funds under this section on a
19 prorated or other equitable basis as determined by the
20 superintendent.

21 (6) The department may review the records of a nonpublic
22 school submitting a form described in subsection (2) only for the
23 limited purpose of verifying the nonpublic school's compliance with
24 this section. If a nonpublic school does not allow the department
25 to review records under this subsection, the nonpublic school is
26 not eligible for reimbursement under this section.

27 (7) The funds appropriated under this section are for purposes
28 related to education, are considered to be incidental to the
29 operation of a nonpublic school, are noninstructional in character,



1 and are intended for the public purpose of ensuring the health,
2 safety, and welfare of the children in nonpublic schools and to
3 reimburse nonpublic schools for costs described in this section.

4 (8) Funds allocated under this section are not intended to aid
5 or maintain any nonpublic school, support the attendance of any
6 student at a nonpublic school, employ any person at a nonpublic
7 school, support the attendance of any student at any location where
8 instruction is offered to a nonpublic school student, or support
9 the employment of any person at any location where instruction is
10 offered to a nonpublic school student.

11 (9) For purposes of this section, "actual cost" means the
12 hourly wage for the employee or employees performing a task or
13 tasks required to comply with a health, safety, or welfare
14 requirement under a law or administrative rule of this state
15 identified by the department under subsection (2) and is to be
16 calculated in accordance with the form published by the department
17 under subsection (2), which shall include a detailed itemization of
18 costs. The nonpublic school shall not charge more than the hourly
19 wage of its lowest-paid employee capable of performing a specific
20 task regardless of whether that individual is available and
21 regardless of who actually performs a specific task. Labor costs
22 under this subsection shall be estimated and charged in increments
23 of 15 minutes or more, with all partial time increments rounded
24 down. When calculating costs under subsection (4), fee components
25 shall be itemized in a manner that expresses both the hourly wage
26 and the number of hours charged. The nonpublic school may not
27 charge any applicable labor charge amount to cover or partially
28 cover the cost of health or fringe benefits. A nonpublic school
29 shall not charge any overtime wages in the calculation of labor



1 costs.

2 (10) For the purposes of this section, the actual cost
3 incurred by a nonpublic school for taking daily student attendance
4 shall be considered an actual cost in complying with a health,
5 safety, or welfare requirement under a law or administrative rule
6 of this state. Training fees, inspection fees, and criminal
7 background check fees are considered actual costs in complying with
8 a health, safety, or welfare requirement under a law or
9 administrative rule of this state.

10 (11) The funds allocated under this section for 2017-2018 are
11 a work project appropriation, and any unexpended funds for 2017-
12 2018 are carried forward into 2018-2019. The purpose of the work
13 project is to continue to reimburse nonpublic schools for actual
14 costs incurred in complying with a health, safety, or welfare
15 requirement mandated by a law or administrative rule of this state.
16 The estimated completion date of the work project is September 30,
17 ~~2020-2023~~.

18 (12) The funds allocated under this section for 2018-2019 are
19 a work project appropriation, and any unexpended funds for 2018-
20 2019 are carried forward into 2019-2020. The purpose of the work
21 project is to continue to reimburse nonpublic schools for actual
22 costs incurred in complying with a health, safety, or welfare
23 requirement mandated by a law or administrative rule of this state.
24 The estimated completion date of the work project is September 30,
25 ~~2020-2023~~.

26 (13) **The funds allocated under this section for 2021-2022 are**
27 **a work project appropriation, and any unexpended funds for 2021-**
28 **2022 are carried forward into 2022-2023. The purpose of the work**
29 **project is to continue to reimburse nonpublic schools for actual**



1 costs incurred in complying with a health, safety, or welfare
2 requirement mandated by a law or administrative rule of this state.
3 The estimated completion date of the work project is September 30,
4 2024.

5 Sec. 167c. (1) From the state school aid fund money
6 appropriated under section 11, there is allocated for 2021-2022 an
7 amount not to exceed \$25,000.00 for drowning-prevention education
8 as provided under this section.

9 (2) The department shall award funds allocated under this
10 section to districts to support presentations by the Great Lakes
11 Surf Rescue Project. The amount of a grant to a district under this
12 section must not exceed \$500.00 for each day of presentations and
13 education as described in this subsection, with not more than a
14 total of \$1,500.00 provided to each district for drowning-
15 prevention education under this section.

16 (3) The department shall make grant awards under this section
17 on a first-come, first-served basis until funds are depleted.

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

21 Enacting section 1. In accordance with section 30 of article
22 IX of the state constitution of 1963, total state spending on
23 school aid under article I of the state school aid act of 1979,
24 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 165,
25 2021 PA 3, and this amendatory act, from state sources for fiscal
26 year 2020-2021 is estimated at \$13,819,578,600.00 and state
27 appropriations for school aid to be paid to local units of
28 government for fiscal year 2020-2021 are estimated at
29 \$13,504,281,500.00. In accordance with section 30 of article IX of



1 the state constitution of 1963, total state spending on school aid
2 under article I of the state school aid act of 1979, 1979 PA 94,
3 MCL 388.1601 to 388.1772, as amended by this amendatory act, from
4 state sources for fiscal year 2021-2022 is estimated at
5 \$13,951,354,600.00 and state appropriations for school aid to be
6 paid to local units of government for fiscal year 2021-2022 are
7 estimated at \$13,773,029,800.00.

8 Enacting section 2. Sections 11d, 11p, 11q, 25j, 29a, 31k,
9 61c, 91a, 91c, 104d, 105b, and 166 of the state school aid act of
10 1979, 1979 PA 94, MCL 388.1611d, 388.1611p, 388.1611q, 388.1625j,
11 388.1629a, 388.1631k, 388.1661c, 388.1691a, 388.1691c, 388.1704d,
12 388.1705b, and 388.1766, are repealed effective October 1, 2021.

13 Enacting section 3. (1) Except as otherwise provided in
14 subsection (2), this amendatory act takes effect October 1, 2021.

15 (2) Sections 6, 6a, 11, 11m, 22a, 22b, 24, 26c, 29a, 31d, 31f,
16 39, 39a, 51a, 56, 62, 81, and 104a, as amended by this amendatory
17 act, take effect upon enactment of this amendatory act.

