



**SCHOOL AID  
S.B. 146**

04/25/2019

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FULL-TIME EQUATED (FTE) POSITIONS FUNDING SOURCE	FY 2018-19	FY 2019-20 GOV'S REC.	FY 2019-20	CHANGES FROM FY 2018-19 YEAR-TO-DATE			
	YEAR-TO-DATE		SENATE	GOVERNOR		SENATE	
	AS OF 3-5-19		SUB-COMM.	AMOUNT	PERCENT	AMOUNT	PERCENT
FTE Positions.....	0.0	0.0	0.0	N/A	N/A	N/A	N/A
<b>GROSS.....</b>	<b>14,844,588,800</b>	<b>15,371,238,900</b>	<b>15,240,157,900</b>	<b>526,650,100</b>	<b>3.5</b>	<b>395,569,100</b>	<b>2.7</b>
Less:							
Interdepartmental Grants Received.....	0	0	0	0	0.0	0	0.0
<b>ADJUSTED GROSS.....</b>	<b>14,844,588,800</b>	<b>15,371,238,900</b>	<b>15,240,157,900</b>	<b>526,650,100</b>	<b>3.5</b>	<b>395,569,100</b>	<b>2.7</b>
Less:							
Federal Funds.....	1,745,943,500	1,749,578,500	1,749,578,500	3,635,000	0.2	3,635,000	0.2
Local and Private.....	0	0	0	0	0.0	0	0.0
<b>TOTAL STATE SPENDING.....</b>	<b>13,098,645,300</b>	<b>13,621,660,400</b>	<b>13,490,579,400</b>	<b>523,015,100</b>	<b>4.0</b>	<b>391,934,100</b>	<b>3.0</b>
Less:							
Other State Restricted Funds.....	13,010,725,300	13,576,660,400	13,222,579,400	565,935,100	4.3	211,854,100	1.6
<b>GENERAL FUND/GENERAL PURPOSE</b>	<b>87,920,000</b>	<b>45,000,000</b>	<b>268,000,000</b>	<b>(42,920,000)</b>	<b>(48.8)</b>	<b>180,080,000</b>	<b>204.8</b>
<b>PAYMENTS TO LOCALS.....</b>	<b>12,900,901,000</b>	<b>13,406,340,600</b>	<b>13,261,779,600</b>	<b>505,439,600</b>	<b>3.9</b>	<b>360,878,600</b>	<b>2.8</b>

Includes ongoing and one-time appropriations.



SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS  
 Current Law (FY 2018-19), Gov's Rec. (FY 2019-20), Senate (Subc. Rec), House, Conference

SFA Analyst:  
 Kathryn Summers

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
Sec. 4 Definitions	Provides definitions.  (1) Provides definition of an elementary pupil to mean a pupil in grades K to 8, or K to 6 in a district not maintaining classes above the eighth grade. For the purpose of calculating e-rate discounts, 'elementary pupil' includes children enrolled in a preschool program operated by a district in its facilities.	(1) Strikes reference to e-rate discounts, and adds, "or is enrolled and in regular attendance in a publicly funded pre-k setting".	Concurs with Governor.		
Sec. 6 Definitions	Provides definitions including those for pupils in membership.  (4) Provides definitions for pupils in membership.	(4) Strikes a phrase pertaining to the Education Achievement System (which is no longer in existence).  (4) (dd) Strikes references to the calculation of membership for pupils in dropout recovery programs under Sec. 25g (since the Governor is proposing to eliminate that categorical).	(4) Concurs with Governor.  (4)(dd) Does not concur with Governor and retains current language, because Sec. 25g is retained.  (4)(mm) Strikes this subsection that, beginning in FY 2019-20, prohibits a district that charges tuition for a pupil that resided out-of-state in the prior year from also counting the student in membership.		
Sec. 8b Charter School Codes	(1) Requires the Department to assign a district code to a new charter school within 30	(1) Requires the Department to work with the Center (i.e., the Center for Educational Performance and	(1) Concurs with Governor.		

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	<p>days after a contract is submitted.</p> <p>(2) Prescribes the charter school's district code if the department does not assign it within 30 days.</p>	<p>Information, or CEPI) to assign a code, and requires CEPI to make the code available within 30 days.</p> <p>(2) Strikes this subsection.</p>	<p>(2) Does not concur. Instead, requires MDE and CEPI to continue assigning district codes (using a "5" as the third digit when more than 200 PSAs in one county).</p>		
<p>Sec. 11 Total Appropriations</p>	<p>Provides a summation of the total School Aid Fund, General Fund, and Federal funding in the Act. Includes a method for proration if revenue is not sufficient to support spending.</p>	<p>School Aid Fund revenue totals \$13,504,660,300 and GF/GP revenue totals \$45,000,000 for FY 2019-20 (a reduction from \$87.9 million GF/GP in FY 2018-19).</p> <p>In addition, the Governor is continuing \$72,000,000 to be appropriated from the Detroit Public Schools Trust Fund and \$100 from the Water Emergency Reserve Fund.</p> <p>The Governor is recommending an FY 2018-19 supplemental that would increase expenditures by \$10.7 million gross (comprising \$61.5 million for hydration stations along with technical cost adjustments) and include a fund shift with a MPERS Reforms Fund reduction of \$31.9 million (replaced with SAF).</p>	<p>School Aid Fund revenue totals \$13,148,679,300 and GF/GP revenue totals \$268,000,000 for FY 2019-20 (an increase of \$180.1 million GF/GP in FY 2019-20).</p> <p>In addition, \$72,000,000 is appropriated from the DPS Trust Fund. (The \$100 Water Emergency Reserve Fund appropriation is not included.)</p> <p>The budget includes technical cost adjustments for FY 2018-19, but does not include funding for hydration stations or the SAF/MPERS Reforms Reserve Fund fund shift. The FY 2018-19 supplemental does include \$500,000 for Mi Bright Future (Sec. 67a).</p>		
<p>Sec. 11a School Aid Stabilization Fund</p>	<p>Establishes the School Aid Stabilization Fund.</p>	<p>Updates fiscal year reference.</p>	<p>Adds language requiring that one-half of year-end lapses remain in the Fund and not be expended at the beginning of the next fiscal year.</p>		

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Sec. 11j Debt Service on School Bond Loan Fund	FY 2018-19 appropriation of \$125,500,000 for debt service payments on school bond loan revolving fund obligations.	FY 2019-20 appropriation is maintained at \$125,500,000.	Concurs with Governor.		
Sec. 11k School Loan Revolving Fund	Appropriates from the General Fund to the School Loan Revolving Fund an amount equal to the repayments.	Updates reference for fiscal year.	Concurs with Governor.		
Sec. 11m School Aid Fund Cash Flow Borrowing Costs	FY 2018-19 appropriation of \$24,000,000 to pay for cash flow borrowing costs at the State level.	FY 2019-20 appropriation is increased to \$56,000,000.	Concurs with Governor.		
Sec. 11s Flint Water Emergency	<p>Appropriates \$3,230,000 for FY 2018-19 as follows:</p> <p>(2) \$2,625,000 for school nurses, classroom aides, and school social workers.</p> <p>(3) \$0 to augment staff at Genesee ISD to provide additional early childhood services (including early literacy services and State early intervention services similar to Early On (including ensuring that all children less than 4 years of age as of September, 1, 2016 are assessed and evaluated at least twice annually), and nutritional services.</p>	<p>Appropriates \$8,075,000 for FY 2019-20 as follows:</p> <p>(2) \$2,425,000 for school nurses, classroom aides, and school social workers.</p> <p>(3) \$4,000,000 for Genesee ISD to provide early intervention services to children between 3 and 5 years of age.</p> <p>(4) \$1,000,000 to Genesee ISD to enroll children in school-day great start readiness programs, regardless of household income eligibility requirements</p>	Concurs with Governor.		

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	<p>(4) \$605,000 for nutritional services.</p> <p>(5) \$15,000,000 in state restricted contingency funds available for transfer if needed.</p> <p>\$100 is appropriated from the Water Emergency Reserve Fund which can be used to facilitate contingency fund transfers as necessary.</p>	<p>under Sec. 39.</p> <p><del>(4)</del> (5) \$650,000 for nutritional services.</p> <p><del>(5)</del> (6) No change.</p> <p>No change.</p>			
<p>Sec. 15 Audits and Apportionments</p>	<p>Allows the Department to make adjustments to State aid based on audits of current or prior-year programs and funding.</p> <p>(2) Provides that if a district's membership is adjusted due to an audit, payments are adjusted in the current fiscal year. However, MDE may spread deductions over an additional nine years if the deduction would otherwise cause a financial hardship.</p> <p>(4) The Department may conduct audits, or may</p>	<p>Updates reference for fiscal year.</p> <p>(2) Reduces the number of years allowed for adjustments to be repaid (when a hardship is determined) from 9 to 4.</p> <p>(4) Adds language allowing the Department to prorate according to the period of noncompliance with certification requirements, for any adjustments based on a finding that an educator was employed in violation of certification requirements.</p> <p><del>(4)</del> (5) Adds language allowing audits to occur for</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor, but grandfathers in districts already in a hardship repayment plan based on their original agreement.</p> <p>Concurs with Governor.</p> <p>Retains current law.</p>		

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	direct audits by designee of the Department, of all records for the current fiscal year and the immediately preceding fiscal year related to a program for which a district or ISD received funds.	the current year and the immediately preceding three fiscal years.			
Sec. 17c Grant Process Timeline	<p>(1) Requires MDE to do all of the following for grants distributed by the Department for funds appropriated under this article, unless otherwise specified:</p> <p>(a) Open grant application or bid process and provide lists of grants and schedules to districts and ISDs and on MDE website for grants available in the next fiscal year by September 1.</p> <p>(b) Publish grant or contract awards by December 1.</p> <p>(2) Requires grant and contract information to be placed on the August State Board agenda.</p>	Repeals the section.	<p>Does not concur with Governor and instead retains the section.</p> <p>(Because there are no changes to the section, it is removed from the bill, but remains in effect.)</p>		
Sec. 18 Spending and Audit Requirements	<p>Specifies allowable uses of funds and requires yearly financial and pupil audits.</p> <p>(16) Requires that MDE, beginning October 1, 2018, and annually thereafter, to the legislature including itemized lists of School Aid</p>	(16) Strikes this reporting requirement.	Concurs with Governor.		

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	allocations to any association or consortium consisting of association including recipient, amount, and funding purpose.				
Sec. 20 Foundation Allowance Calculation	<p>Basic foundation allowance for FY 2018-19 is \$8,409 and the minimum foundation is \$7,871.</p> <p>Unless otherwise stipulated, in years of increases in the foundation allowance, uses the "2x" equity formula, which doubles the increase in the basic foundation for those at the minimum foundation and provides an increase somewhere in between for districts with foundations in between.</p>	<p>Basic foundation allowance for FY 2019-20 is \$8,529, and the minimum is \$8,051.</p> <p>The Governor proposes a \$120 increase for districts at or above the basic, and up to \$180 for districts below the basic (with \$180 provided to those districts at the minimum), using a "1.5x" formula. This costs roughly \$235,000,000, which is paid under Section 22b.</p> <p>Technical language changes are included to remove references to Sec. 20m, as those payments were rolled into districts' foundation allowances and the language is now unnecessary.</p> <p>(6) Reduces cyber schools' foundation allowances by 20%, which would save the State an estimated \$22.0 million, reflected in Sec. 22b.</p>	<p>"Basic" is changed to "target"; the target foundation allowance for FY 2019-20 is \$8,544, and the minimum is \$8,141.</p> <p>The Senate bill proposes a \$135 increase for districts at or above the target, and up to \$270 for districts below the target (with \$270 provided to those districts at the minimum), using a "2x" formula. This costs roughly \$342,000,000, which is paid under Section 22b.</p> <p>Technical language changes are included to remove references to Sec. 20m, as those payments were rolled into districts' foundation allowances and the language is now unnecessary.</p> <p>(6) Does not concur with the Governor's proposal to reduce cyber schools' foundation allowances.</p>		
Sec. 20f Categorical Offset Payments	<p>Appropriates \$18,000,000 for FY 2018-19 to ensure districts received the same per-pupil funding as in FY 2016-17.</p> <p>This section originally</p>	<p>Maintains the \$18,000,000 appropriation for FY 2019-20 and the per-pupil funding at the same levels as in FY 2017-18.</p>	<p>Concurs with Governor.</p>		

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	<p>ensured that all districts received at least a \$5 increase in per-pupil funding in FY 2013-14 when comparing foundation allowance, equity, and MPSERS offset payments from FY 2012-13 to FY 2013-14, and to ensure that no district received less than a \$25 per pupil increase when adding together increases in the foundation allowance and At Risk, along with the elimination of Best Practices and District Pupil Performance grants that occurred between FY 2014-15 and FY 2015-16.</p>				
<p>Sec. 20m Additional Calculation for Hold Harmless Districts</p>	<p>Provides a calculation for districts above the hold-harmless cap reflecting the difference between inflationary increases (where such districts are capped) and actual dollar increases given in the basic foundation allowance.</p>	<p>Governor proposes to repeal the section since any payments under this section were rolled into affected districts' base foundation allowances.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 21h Partnership Model Districts</p>	<p>Appropriates \$7,000,000 in FY 2018-19 to assist eligible districts assigned by the State Superintendent to participate in a partnership to improve student achievement.</p> <p>The purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and non-profit organizations to coordinate resources and</p>	<p>Maintains the \$7,000,000 appropriation in FY 2019-20.</p>	<p>Concurs with Governor.</p>		



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	<p>improve student achievement, where the assignment to a partnership is made at the sole discretion of the Superintendent. The partnership agreement must include the crafting of goals that put students on track to meet or exceed grade level proficiency.</p> <p>A district assigned to a partnership is eligible for funding if the district contains at least one school receiving an F grade, and if it meets the following:</p> <p>(a) the district has completed a comprehensive needs evaluation in collaboration with an ISD, community members, and education and higher education organizations.</p> <p>(b) the district has an intervention plan that addresses needs and that has been approved by the Superintendent.</p> <p>After approval of the intervention plan, the Department would assign a team to partner with the district to review the district's use of existing resources.</p> <p>Funds allocated may be used to pay for district expenses including professional development, increased instructional time, teacher mentors, or other items, with funding to an</p>				

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	individual district not to exceed three years.				
Sec. 22a Proposal A Obligation Payment (The Constitutionally-required portion of the foundation allowance.)	FY 2018-19 appropriation of \$5,107,000,000.  This section provides funding equal to the FY 1994-95 Proposal A foundation allowance levels multiplied by pupils.	FY 2019-20 appropriation of \$4,953,000,000.  (6) Removes reference to Sec. 25g (dropout recovery) since that section is proposed to be repealed.	FY 2019-20 appropriation of \$4,953,000,000.  (6) Does not concur since Section 25g is retained.  Removes language allowing for the transfer of funds between Sections 22a, 22b, and 51c.		
Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)	FY 2018-19 appropriation of \$4,252,000,000 from SAF/GF and \$72,000,000 from the Detroit Public Schools Trust Fund.  This funding provides roughly the difference between the current foundation allowance and the 1994-95 foundation allowance, multiplied by general education pupils.  Special education funding is paid under Section 51a.	FY 2019-20 appropriation of \$4,401,000,000 from the School Aid Fund and GF/GP, and \$72,000,000 from the Detroit Public Schools Trust Fund.  This funding level pays for the proposed \$120-\$180 per-pupil increase in the foundation allowance (\$235,000,000), and continues the \$72,000,000 cost associated with splitting Detroit Public Schools into two entities - one that redirects the 18-mill property tax levy that was previously used to pay for the cost of the foundation allowance to instead pay down debt, and the other entity that is 100% funded by the State.  Reflects the 20% reduction to cyber schools' foundation allowances, or \$22 million.  (2) Removes technical reference to Sec. 20m.  (3)(f) Removes the requirement that partnership	FY 2019-20 appropriation of \$4,530,000,000 from the School Aid Fund and GF/GP, and \$72,000,000 from the Detroit Public Schools Trust Fund.  This funding level pays for the proposed \$135-\$270 per-pupil increase in the foundation allowance (\$342,000,000), and continues the \$72,000,000 cost associated with splitting Detroit Public Schools into two entities - one that redirects the 18-mill property tax levy that was previously used to pay for the cost of the foundation allowance to instead pay down debt, and the other entity that is 100% funded by the State.  Does not reflect a reduction to cyber schools' foundation allowances.  (2) Removes technical reference to Sec. 20m.  (3)(f) Concurs with Governor to remove the requirement		

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		districts comply with Sec. 22p to receive their discretionary payment.	that partnership districts comply with Sec. 22p to receive their discretionary payment.  Removes language allowing for the transfer of funds between Sections 22a, 22b, and 51c.		
Sec. 22d Isolated Districts/ Transportation Funding	Appropriates \$957,300 for supplemental payments to isolated districts and \$5,042,700 for payments to eligible districts with 7.7 or fewer pupils per square mile, for a total appropriation of \$6,000,000.	Continues the \$6,000,000 total appropriation into FY 2019-20.  Current per-pupil funding under subsection (2) is roughly \$50.	Increases the appropriation to \$7,000,000 in FY 2019-20 and broadens eligibility to include districts with 9.7 or fewer pupils per square mile.		
Sec. 22m Data Hub Network	Appropriates \$2,200,000 for FY 2018-19 for integrating local data systems based on common standards and applications that comply with Section 19(6) into the Michigan Data Hub Network.	Continues the \$2,200,000 appropriation into FY 2019-20.	Concurs with Governor.		
Sec. 22n High School Per- Pupil Bonus	Appropriates \$11,000,000 SAF in FY 2018-19 for a \$25 per high school pupil payment.	Continues the \$11,000,000 appropriation into FY 2019-20, providing \$25 per high school pupil.	Repeals the section.		
Sec. 22p Conditions for Partnership Districts	Specifies conditions for partnership districts to receive Section 22b funding, including:  -have a signed partnership agreement -amend the agreement to include measureable academic outcomes within 18 and 36 months -amend the agreement to define the next level of accountability, which	Proposes to repeal the section.	Does not concur with the Governor. Retains the section, with the following change:		

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	<p>would be school closure or reconstitution.</p> <p>The section includes provisions related to reconstitution as follows:            -the district makes significant changes to the instructional and non-instructional programming of the school;            -at least 25% of the faculty and staff are replaced;</p> <p>-the principal is replaced, unless in place for less than three years and the board determines it is in the best interests to retain current school leadership.</p>		<p>- deletes this requirement, that at least 25% of the faculty and staff are replaced.</p>		
Sec. 24 Court-Placed Pupils	Appropriates \$7,150,000 in FY 2018-19 to reimburse districts for the additional costs of educating students placed in the district by the court system.	Continues the \$7,150,000 appropriation into FY 2019-20.	Concurs with Governor.		
Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$1,355,700 in FY 2018-19 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Continues the \$1,355,700 appropriation in FY 2019-20.	Concurs with Governor.		
Sec. 24c Youth Challenge Program	Appropriates \$1,625,400 in FY 2018-19 for the Youth Challenge Program. Payment goes through Marshall Public Schools, which contracts with Department of Military and Veterans' Affairs (DMVA) for the program.	Transfers this program back to DMVA and repeals the section from the School Aid Act.	Concurs with Governor.		

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Sec. 25e Pupil Membership Transfer Process	Provides for the calculation of counting pupils who transfer in or out of a district after the fall count date and before the spring count date.	Removes intent language for CEPI to determine the number of pupils who newly enrolled from out-of-state, and who left the state before the supplemental count day.	Concurs with Governor.		
Sec. 25f Strict Discipline Academy Supplemental Payments	<p>Allocates \$1,6000,000 in FY 2018-19 for strict discipline academies to provide added cost reimbursements for court placed pupils.</p> <p>Caps added cost reimbursement to not more the foundation allowance, and directs the Department to include all costs in the calculation for reimbursement. Provides that after initial distributions are made, funds left over shall be distributed on an equal per pupil basis not to exceed an SDA's added costs.</p> <p>Proration language is in place if funding is insufficient.</p>	Repeals the section.	Does not concur with the Governor; instead, retains the section with \$1,600,000 continued in FY 2019-20.		
Sec. 25g Dropout Recovery	<p>Appropriates \$750,000 in FY 2018-19 to pay for any additional FTE beyond 1.0 in eligible dropout recovery programs.</p> <p>Proration language is included if funding is not sufficient.</p>	Repeals the section.	Does not concur with the Governor; instead, retains the section with \$750,000 continued for FY 2019-20.		
Sec. 25h Reduce High School Dropouts	Allocates \$100,000 in FY 2018-19 to Grand Rapids Schools for dropout prevention.	Repeals the section.	Concurs with Governor.		

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Sec. 26a Renaissance Zone Reimbursement	In FY 2018-19, appropriates \$15,000,000 from the School Aid Fund to reimburse districts for lost local revenue due to taxes not collected in Renaissance Zones.	Increases the FY 2019-20 appropriation by \$300,000, to \$15,300,000, to reflect newer estimates of costs.	Concurs with Governor.		
Sec. 26b PILT Reimbursement	Appropriates \$4,405,100 in FY 2018-19 to reimburse districts for lost local revenue due to taxes not collected on State-owned land.	Maintains the \$4,405,100 appropriation into FY 2019-20.	Concurs with Governor.		
Sec. 26c Promise Zone Reimbursement	This categorical is necessary to reimburse local districts and ISDs for Promise Zone reimbursements. FY 2018-19 reimbursement is \$3,000,000.	Increases the appropriation by \$5,400,000 to \$8,400,000 for FY 2019-20.	Concurs with Governor.		
Sec. 28 - NEW Weighted Per- Pupil Education Funding Model	N/A	Appropriates \$794,000,000 in FY 2019-20 as follows:  (3) \$120,000,000 to reimburse an estimated 4% of special education costs (in addition to standard reimbursements under Section 51a)  (4) \$619,000,000 (or, an additional \$102,000,000 over the current \$517,000,000 in Sec. 31a) to pay districts 11% multiplied by the minimum foundation allowance for each economically-disadvantaged pupil. Districts are required to comply with Section 31a, and use funds to show progress toward meeting the	Does not include this section. However, the following language from the Governor's Recommendation is added to Sec. 31a:  (3) Not included.  Language included in <u>Sec. 31a</u> ): Districts are required to use funds to show progress toward meeting the following		

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		<p>following goals:</p> <p>a) providing at least 1 tutor per every 100 economically disadvantaged pupils</p> <p>b) providing at least 1 pupil support position, including behavior specialists, reading support experts, and counselors, per every 125 economically-disadvantaged pupils.</p> <p>c) providing at least 1 summer school teaching position per every 120 economically-disadvantaged pupils.</p> <p>d) expanding professional development for teachers.</p> <p>e) providing additional supports for students on the completion of the FAFSFA.</p> <p>(5) \$55,000,000 (or an increase of \$50,000,000 over FY 2018-19 funding in Sec. 61d) for career and technical education (CTE) payments to districts equal to roughly 6% of the minimum foundation allowance for each high school pupil enrolled in at least 1 CTE program in the career pathway identified by the student on the student's educational development plan (excluding shared time). Payments are intended to support the hiring of additional CTE staff and career counselors; to update and maintain facilities, equipment, and materials; and to expand CTE programs available.</p>	<p>goals:</p> <p>a) providing at least 1 tutor per every 100 economically disadvantaged pupils</p> <p>b) providing at least 1 pupil support position, including behavior specialists, reading support experts, and counselors, per every 125 economically-disadvantaged pupils.</p> <p>c) providing at least 1 summer school teaching position per every 120 economically-disadvantaged pupils.</p> <p>d) expanding professional development for teachers.</p> <p>e) providing additional supports for students on the completion of the FAFSFA.</p> <p>(5) Not included.</p>		

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<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings</p>	<p>Appropriates standard at-risk funding of \$517,000,000. In addition, vision and hearing is funded at \$5,150,000, and child and adolescent health services is funded at \$6,057,300. Total funding under this section is \$528,207,300.</p> <p>Payments to non-hold harmless districts are calculated at 11.5% of the pupil-weighted average foundation allowance (capped at the basic); hold harmless districts receive 30% of that amount. Proration occurs because full funding would cost roughly \$120 million more.</p> <p>Requires districts to comply with Section 1280f of the School Code and implement a multi-tiered system of supports model to qualify for any at risk funding, and provides detail on an eligible MTSS model.</p> <p>Allows funds to be used for the purposes of ensuring 3<sup>rd</sup> graders are proficient in reading by the end of the 3<sup>rd</sup> grade and that high school graduates are career and college ready.</p> <p>Eligibility includes students not meeting</p>	<p>Proposes to move At Risk funding to Section 28(4). Continues to fund vision and hearing screen at \$5,150,000 and child and adolescent health services at \$6,057,300 in this section.</p> <p>Proposes that payments to non-hold harmless districts be 11% of the minimum foundation allowance; payments to hold harmless districts would be 50% of that amount.</p> <p>(2) stipulates that districts using 20% of at risk funds for school security must ensure that school security aligns to the needs assessment and MTSS model.</p>	<p>Funding is retained under the existing Section 31a. Baseline At Risk funding is at \$504,000,000, with another \$16,000,000 in At Risk Hold Harmless funding, for a total of \$520,000,00. In addition, vision and hearing is funded at \$5,150,000, and child and adolescent health services is funded at \$6,057,300.</p> <p>Formula is not changed: per-pupil payment remains at 11.5% of the statewide average foundation allowance (capped at the target), with proration if insufficient funding. Language is added clarifying that this is a weighted pupil funding model.</p> <p>Districts with State and local funding above the target receive 30% of what is received by a district below the target.</p> <p>(2) Concurs with Governor.</p> <p>(4) Language is added stating that there is allocated \$504,000,000 to continue a weighted foundation per-pupil payment for the enrollment of economically disadvantaged pupils. (This is the standard payment and calculation subsection; the</p>		



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	<p>proficiency requirements in any grade, and not meeting requirements on local assessments, and those eligible for free or reduced lunch.</p> <p>Districts must allocate 50% of their at risk funds on a proportionate basis for 3<sup>rd</sup> grade reading or career- and college-ready activities, if, after three years, improvement has not been demonstrated.</p> <p>"Hold-harmless" districts receive funds equal to 30% of what non-hold harmless districts are eligible to receive.</p> <p>Includes definitions of 'at-risk pupil'.</p>	<p>(8) stipulates that districts using funds for schoolwide reforms must implement Tier 1, evidence-based practices, which mean research-based instruction and classroom interventions that are available to all learners and effectively meet the needs of most students.</p> <p>(9) increases from 5% to 10% the amount of at risk funds that may be used for research-based professional development and</p>	<p>hold harmless piece is added later in (17).)</p> <p>(5) The following language is added:</p> <p>Districts must use funds to show progress toward meeting the following goals:</p> <ul style="list-style-type: none"> <li>a) providing at least 1 tutor per every 100 economically disadvantaged pupils</li> <li>b) providing at least 1 pupil support position, including behavior specialists, reading support experts, and counselors, per every 125 economically-disadvantaged pupils.</li> <li>c) providing at least 1 summer school teaching position per every 120 economically-disadvantaged pupils.</li> <li>d) expanding professional development for teachers.</li> <li>e) providing additional supports for students on the completion of the FAFSFA.</li> </ul> <p>(8) Concurs with Governor (but renumbered to (11)).</p> <p>(9) Concurs with Governor (but renumbered to (12)).</p>		

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		<p>implementing a coaching model that supports MTSS.</p> <p>(12) removes the ability for a district to demonstrate proficiency by achieving at least one year's growth (in ELA and math) as measured by a local benchmark assessment.</p> <p>(a), (b), (c) - replaces 'tutoring' with 'interventions'.</p> <p>Changes "at risk pupils" to "economically disadvantaged" pupils.</p> <p>(17) Hold harmless provision is eliminated.</p>	<p>(12) Concurs with Governor, with the exception of the change from "at risk" to "economically disadvantaged" in the calculations for proficiency relative to at risk spending.</p> <p>(17) Hold Harmless provision is retained at \$16,000,000 with a change to the reimbursement that incorporates changes in enrollment.</p> <p>(20) Includes \$35,000,000 for FY 2019-20 only to provide one-time payments for capital purchases associated with at risk programs and curriculum.</p>		
Sec. 31b Year-Round School Grants	Appropriates \$750,000 in FY 2018-19 for grants to at-risk districts for implementing a year-round instructional program for at least one of its schools. A district may apply for grants if it is eligible for the community eligibility option for free and reduced price lunch or at least 50% of pupils in membership met	Proposes to repeal the section.	Does not concur with Governor. Instead, retains the section with \$750,000 continued for FY 2019-20.		

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	<p>the income criteria for free breakfast, lunch, or milk, and if the board of the district has adopted a resolution stating that the district will implement year-round schooling beginning in 2019-20, for a period of at least three years.</p> <p>Priority for grants would be given to districts with lower fund balance percentages and for districts that operate at least one priority or focus school.</p>				
<p>Sec. 31d School Lunch Program</p>	<p>Appropriates \$23,144,000 SAF for FY 2018-19 to fund the State share of the school lunch programs as required by the <i>Durant</i> settlement and includes \$523,200,000 Federal.</p>	<p>Continues the \$23,144,000 in State funding and increases Federal funding to \$537,200,000 for FY 2019-20.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 31f School Breakfast</p>	<p>Appropriates \$4,500,000 in FY 2018-19 to provide reimbursement for the State school breakfast program.</p>	<p>Maintains the appropriation at \$4,500,000 in FY 2019-20.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 31j Locally-Grown Produce in Schools</p>	<p>Allocates \$575,000 GF/GP for FY 2017-18 for a pilot project to support districts in the purchase of locally-grown fruits and vegetables for use in school lunches.</p> <p>Funding was distributed to prosperity regions 2, 4, 6, 8, and 9 under the pilot project, with meal reimbursements up to 10 cents a meal. Grants to districts would be related to meals served and priority would be given to districts with high percentages of</p>	<p>Maintains the appropriation at \$575,000 for FY 2019-20.</p> <p>(2) adds language allowing the Department to distribute administration funding to project partners as appropriate.</p> <p>(13) adds language allowing payments to be made on a schedule determined by the Department (instead of on</p>	<p>Increases the appropriation to \$2,000,000 for FY 2019-20, and adds prosperity region 1 to eligible applicants. Regions 1, 2, 4, 6, and 9 would each receive \$375,000; Region 8 would receive \$125,000.</p> <p>(2) Concurs with Governor.</p> <p>(13) Concurs with Governor.</p>		

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	students eligible for free lunch, with reimbursement up to 10 cents a meal.	the 11 monthly payment schedule).			
Sec. 31n School Mental Health and Support Services	<p>Appropriates \$30,000,000 from the School Mental Health and Support Services Fund and \$1,300,000 from the GF/GP to support licensed behavioral health providers for general education students. Funding is distributed as follows:</p> <p>(5) \$5,000,000 to child and adolescent health centers to place a licensed Master's level behavioral health provider in schools without services available to general education students.</p> <p>(6) \$16,500,000 for grants to intermediate school districts (ISDs) for the provision of mental health and support services to general education students.</p> <p>(9) \$1,300,000 GF/GP for upgrading IT systems and for State administration of the programs.</p> <p>(10) \$500,000 to ISDs for administration at the local level.</p> <p>(12) \$8,000,000 for a 'train-the-trainer' behavioral health pilot program.</p>	Continues the program except for eliminating the behavioral health team pilot program. The program would be appropriated at \$22,000,000 from the School Aid Fund and \$1,300,000 from GF/GP for FY 2019-20.	<p>Appropriates \$30,000,000 from the School Aid Fund and \$1,300,000 from GF/GP in FY 2019-20 to support licensed behavioral health providers for general education students. Funding is distributed as follows:</p> <p>(5) \$5,000,000 to child and adolescent health centers to place a licensed Master's level behavioral health provider in schools without services available to general education students.</p> <p>(6) \$24,500,000 for grants to intermediate school districts (ISDs) for the provision of mental health and support services to general education students.</p> <p>(9) \$1,300,000 GF/GP for upgrading IT systems and for State administration of the programs.</p> <p>(10) \$500,000 to ISDs for administration at the local level.</p> <p>(12) Deletes.</p>		
Sec. 32d Great Start Readiness Program (GSRP)	Appropriates \$244,600,000 from the School Aid Fund for FY 2018-19 to operate the district Great Start Readiness Program (GSRP)	Increases the SAF appropriation by \$84,000,000, to \$328,000,000 and \$300,000 GF/GP (for an evaluation)	Increases the SAF appropriation by \$5,000,000, to \$249,600,000 and \$300,000 GF/GP (for an evaluation) appropriation in		

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	<p>and \$300,000 GF/GP to continue a longitudinal study of the GSRP.</p> <p>An ISD or grant recipient that determines that all children at or below 250% of the Federal poverty level (FPL) are being served and none are on the waiting list may then enroll children in families at or below 300% of the FPL. The enrollment process shall consider income and risk factors, such that higher-need children are enrolled prior to those with lesser need. For enrollment across ISD boundaries, the ISDs must enter into a written agreement for payment, in a manner prescribed by the Department.</p> <p>All age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in inclusive preschool are considered to be at 250% FPL regardless of family income.</p> <p>An ISD or consortium may retain 4% for administration and expenses incurred by subrecipients are considered program costs or a contracted program fee for service.</p> <p>(19) \$10,000,000 of the total is earmarked for</p>	<p>appropriation in FY 2019-20.</p> <p>(4)(b) removes language designating the Connect4Learning curriculum as an age-appropriate educational curriculum complying with the early childhood standards of quality for prekindergarten children.</p> <p>(5)(b) increases from 250% FPL to 300% FPL the eligibility thresholds, and from 300% FPL to 350% FPL if there are no children on an ISD's waiting list at 300% FPL, which is estimated to add 5,000 eligible children to the program.</p>	<p>FY 2019-20.</p> <p>(4)(b) Does not remove this language.</p> <p>(5)(b) Does not include these changes.</p>		

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	<p>reimbursement for transportation costs, up to \$300 per slot.</p> <p>(20) Requires the Department to reimburse transportation costs for community based providers.</p> <p>(23) Requires MDE to implement a process to evaluate and approve age-appropriate educational curricula that comply with the early childhood standards of quality for Pre-K children.</p> <p>(24) Earmarks \$2,000,000 out of the total appropriation for professional development and training materials for educators implementing new curricula in FY 2019-20.</p>	<p>(24) Deletes this subsection.</p>	<p>(24) Retains this subsection.</p>		
<p>Sec. 32p Early Childhood Block Grant Program</p>	<p>Appropriates \$13,400,000 for an early childhood block grant program. FY 2018-19 funding for each intermediate district is determined by a distribution formula established by the Department's Office of Great Start in order to provide equitable funding statewide.</p> <p>(4) Of the total, \$2,500,000 is earmarked for home visits to at-risk children and their families, to improve school readiness, reduce pupils retained in grade level,</p>	<p>Continues the \$13,400,000 appropriation into FY 2019-20.</p>	<p>Concurs with Governor.</p>		

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	<p>reduce the need for special education services, improve positive parenting practices, and improve family economic self-sufficiency.</p> <p>(5) ISDs are required to submit reports after the end of the fiscal year indicating actual programs offered and children served.</p>	<p>(5) Changes the ISD reporting requirement by deleting from the report any change in the number of pupils retained at grade level and any change in the number of pupils receiving special education services, and adding to the report the degrees to which positive parenting practices were improved, family economic self-sufficiency was improved, and community resources and referrals were utilized.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 32q Early Learning Collaborative Partnership</p>	<p>Appropriates \$175,000 GF in FY 2018-19 (3<sup>rd</sup> year) for a partnership between a district or intermediate district and an early learning collaborative, which is a pilot project for three years evaluating the relative impact on vulnerable children of one vs. two years of preschool education. This would fund a pilot project for early childhood education of at-risk three-year-olds.</p>	<p>Proposes to repeal the section.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 35a Early Literacy Programs</p>	<p>(1) A total of \$27,900,000 from SAF and \$3,500,000 GF is appropriated for FY 2018-19.</p> <p>Requires the Superintendent to designate staff funded</p>	<p>(1) A total of \$52,400,000 SAF and \$3,000,000 GF/GP is appropriated for FY 2019-20.</p> <p>Removes language related to being in the top 10 most improved states by the 2019</p>	<p>(1) A total of \$41,900,000 SAF and \$3,500,000 GF/GP is appropriated for FY 2019-20.</p> <p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>under this section as critical shortage. Language states that programs funded are intended to ensure that Michigan will be in the top 10 most improved states in grade 4 reading by the 2019 NAEP and top 10 overall reading proficiency by 2025.</p> <p>2) allows 5% of funding for the purpose of professional development for educators related to current State literacy standards for K-3 pupils. The Department is required to approve the PD and to work with MVU to provide the training online to all K-3 educators.</p> <p>(3) Allows 5% of funding to be used for grants to districts to administer diagnostic tools to monitor the development of early literacy and early reading skills of pupils in grades K-3 and to support professional development for educators in data interpretation (again provided online through MVU).</p> <p>(4) Allocates \$7,000,000 to ISDs for early literacy coaches Each ISD would be provided at least one coach, with funding for remaining coaches distributed based on each ISD's K-3 free lunch percentage compared to the total. Each ISD must</p>	<p>NAEP.</p> <p>(2) No change.</p> <p>(3) No change.</p> <p>(4) Increases the allocation to \$31,500,000, removes the requirement that ISDs provide at least 50% in matching funds, and increases the grant amount to \$112,500 per literacy coach.</p>	<p>(2) Concurs with Governor.</p> <p>(3) Concurs with Governor.</p> <p>(4) Increases the allocation to \$21,000,000, but does not remove the requirement that ISDs provide at least 50% in matching funds. (This provides for a tripling of the number of literacy coaches, with ISDs still contributing at least 50% in matching funds, or at least \$37,500 per</p>		



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	<p>provide at least 50% matching funds for the cost of the coach, with reimbursement up to \$75,000 per coach.</p> <p>(5) allocates \$19,900,000 to districts that provide additional instruction time to pupils in grades K to 3, with grants on an equal per-first grade pupil basis. Districts must employ MTSS that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. Districts also must use a reading instruction method that focuses on the five fundamental building blocks of reading including phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge to qualify.</p> <p>(6) allocates \$3,000,000 GF/GP to the Michigan Education Corps, to provide literacy services and tutors for students in grades K-3 who are at risk of reading failure, and for the Math Corps.</p> <p>(7)(c) Prohibits the Department from reserving any portion of the allocation for the Michigan Education Corps, and prohibits the</p>	<p>(5) No change.</p> <p>(6) retains the \$3,000,000 for Michigan Education Corps funding but removes the Math Corps.</p> <p>(7)(c) deletes this language.</p>	<p>\$75,000 State grant per coach.)</p> <p>(5) Concurs with Governor.</p> <p>(6) Concurs with Governor to retain the funding, but also retains Math Corps.</p> <p>(7)(c) Does not delete this language.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>Department from conditioning the awarding of the funding on the implementation of an independent evaluation.</p> <p>(8) allocates \$500,000 GF/GP for a summer reading program designed to stop or slow the K-4 summer reading slide.</p> <p>(9) allocates \$1,000,000 to an ISD (working with MASA) for literacy essentials.</p>	<p>(8) deletes the funding.</p> <p><del>(9)</del> (8) continues the appropriation and adds a requirement that the program implement adult literacy essentials training and work with TED to connect adults to adult literacy opportunities.</p>	<p>(8) Retains this subsection and funding of \$500,000 for a summer reading project. Adds some language changes to the section and indicates this is one-time funding.</p> <p>(9) Concurs with Governor to retain \$1,000,000 for literacy essentials. Earmarks \$300,000 for principal training in early literacy.</p>		
Sec. 35b Dyslexia Center	Appropriates \$250,000 GF/GP for 2018-2019 to the Children's Choice Initiative to create a pilot program to use a multisensory structured language education method to improve reading proficiency rates.	Repeals the section.	Concurs with Governor.		
Sec. 39 GSRP Formula	Provides the formula by which slot allocations for ISDs are calculated.	<p>Increases full-day payments from \$7,250 to \$8,500 per child, and part-day from \$3,625 to \$4,250 per child.</p> <p>Updates to fiscal years are included.</p>	<p>Does not increase the full-day or part-day payments.</p> <p>Concurs with Governor to update fiscal years.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
Sec. 39a Federal Funds	(1) Appropriates \$730,600,000 for FY 2018-19 in Federal No Child Left Behind (NCLB) funds.  (2) Appropriates \$51,200,000 in other Federal funds.	(1) Appropriates \$725,600,000 for FY 2019-20 in Federal NCLB funds.  (2) Appropriates \$49,100,000 in other Federal funds in education.	Concurs with Governor.		
Sec. 41 Bilingual Education	Appropriates \$6,000,000 for bilingual education grants in FY 2018-19.	Continues the \$6,000,000 appropriation for bilingual education in FY 2019-20.	Concurs with Governor.		
Sec. 51a(1) Total Special Education Funding  Includes Sections 54 and 56, which are paid out of the appropriation in Section 51a.	Appropriation of \$983,196,100 from SAF, \$500,000 GF/GP, and \$431,000,000 in Federal funding for special education programs for FY 2018-19.	Appropriation of \$1,045,996,100 from SAF and \$431,000,000 in Federal funding for special education programs for FY 2019-20.	Concurs with Governor.		
Sec. 51a(18) Special Education - One Time Capital Purchases	N/A	Not included.	Includes \$30,000,000 in FY 2019-20 only for one-time capital purchases to support special education programming and instruction.		
Sec. 51c Special Education - <i>Durant</i> Payment	Appropriates \$651,000,000 from the appropriation in Sec. 51a(1) for FY 2018-19 to provide funding for costs associated with <i>Durant</i> settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	FY 2019-20 appropriation of \$689,500,000 to reflect updated cost estimates.	Concurs with Governor on funding levels. Removes language allowing for the transfer of funds between Sections 22a, 22b, and 51c.		
Sec. 51d Federal Special Education Funds	Appropriates \$61,000,000 in Federal grants to special education for FY 2018-19.	Maintains the Federal appropriation at \$61,000,000 for FY 2019-20.	Concurs with Governor.		

<b>SECTION</b>	<b>CURRENT LAW</b>	<b>GOVERNOR</b>	<b>SENATE (SB 146) Subc's Recommendation</b>	<b>HOUSE (HB 4242)</b>	<b>CONFERENCE</b>
Sec. 53a Special Education Court Placed Pupils	Appropriates \$10,500,000 for FY 2018-19.	Continues the appropriation of \$10,500,000 for FY 2019-20.	Concurs with Governor.		
Sec. 54b Integrated Behavior and Learning Supports (MiBLISi)	Appropriates \$1,600,000 GF/GP for FY 2018-19 to continue MiBLSi, a program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program.	Maintains the appropriation at \$1,600,000 in FY 2019-20, but changes the fund source to School Aid Fund.	Concurs with Governor.		
Sec. 54d State Early On	Appropriates \$5,000,000 in FY 2018-19 for formulaic grants to ISDs to provide State Early On pilot programs for children birth to 3 years of age with development delays or disabilities.	Continues the \$5,000,000 in FY 2019-20.	Increases standard Early On grant funding to \$7,150,000 in FY 2019-20. In addition, \$350,000 is allocated for training of early on providers in the components of parent implemented models of intervention for the treatment of autism.		
Sec. 55 Conductive Learning	Appropriates \$250,000 GF/GP to the Conductive Learning Center at Aquinas College for operational costs of the conductive education model taught to maximize the independence and mobility for people with neuromotor disabilities.	Proposes to repeal the section.	Does not concur with the Governor; instead, maintains funding of \$250,000 for the Conductive Learning Center.		
Sec. 56 ISD Special Education Millage Equalization	Appropriates \$40,008,100 to ensure that the millage levied by ISDs for special education brings in a minimum amount per mill. Freezes Wayne RESA at no more than 62.9% of the total appropriation (and to a 2.5% increase in FY 2018-19) and adjusts	Continues the \$40,008,100 appropriation into FY 2019-20, and maintains the existing formulas and language (including the 2.5% cap on an annual increase for Wayne RESA).	Concurs with Governor, with technical language changes included that affect the calculation for Wayne RESA.		

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	<p>taxable value equalization amounts accordingly. Additional language ensures no ISD loses more than 25% funding compared to the prior year.</p>				
<p>Sec. 61a Career and Technical Education</p>	<p>Appropriates \$36,611,300 for FY 2018-19 to support career and technical education programs, plus \$100,000 for a non-profit organization to teach or train students in restaurant management and culinary arts.</p> <p>In addition, appropriates another \$1,000,000 for grants to three ISDs to hire CTE counselors.</p> <p>Allows a CTE program to provide Adult Education participants under Sec. 107 with an opportunity to enroll in the CTE program.</p> <p>Reimbursement for the traditional CTE program is prioritized based on capital and program expenditures, the CTE programs provided, pupils enrolled, advancement in the program, existence of an articulation agreement with at least one postsecondary institution that provides credit, and program rank in student placement, job openings, and wages, and the length of training period provided.</p>	<p>Continues the standard CTE appropriation of \$36,611,300 into FY 2019-20. Removes the \$100,000 grant for culinary arts, and the \$1,000,000 for CTE counselors.</p>	<p>Increases the standard CTE appropriation by \$1,500,000 to \$38,111,300 for FY 2019-20 and continues the \$100,000 grant for culinary arts.</p> <p>Removes the \$1,000,000 for CTE counselors.</p>		

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Sec. 61b CTE Early/Middle Colleges	<p>Appropriates \$8,000,000 in FY 2018-19 for Career and Technical Education (CTE) early/middle college programs, to increase the number of residents with high quality degrees or credentials, and increase the number of students who are college and career ready upon high school graduation. Of the total, \$500,000 is earmarked for planning grants, capped at \$50,000 each.</p> <p>ISDs may use up to 5% for administration.</p>	Continues the \$8,000,000 appropriation into FY 2019-20. Technical name change from "talent district career council" to "career and educational advisory council", and provides a definition for that Council.	Concurs with Governor.		
Sec. 61c CTE Skilled Trades Equipment Upgrades	<p>Appropriates \$2,500,000 in FY 2018-19 for a categorical to improve the capital infrastructure needed to ensure that CTE programs can deliver educational programs in high-wage, high-skill, and high-demand occupations.</p> <p>Funding is awarded to career education planning districts (CEPDs) with at least 50% of their service area located in an ISD without a CTE millage.</p>	Proposes to repeal the program.	Does not concur; instead, retains this section and funding at \$2,500,00 for FY 2019-20.		
Sec. 61d Payments for CTE Pupils	<p>Appropriates \$5,000,000 for FY 2018-19 for additional payments to districts for pupils enrolled in CTE programs.</p> <p>Districts are paid \$25 per pupil in Grades 9 to 12 enrolled in at least 1 CTE program.</p>	Repeals the section - uses this funding, plus another \$50,000,000 in proposed Sec. 28 to fund CTE payments, estimated at 6% of the minimum foundation allowance per high school pupil in an CTE program.	Does not concur; instead, retains this section and funding at \$5,000,000 for FY 2019-20.		

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	<p>Districts are paid another \$25 per pupil in grades 9 to 12 enrolled in at least 1 CTE program that provides instruction in critical skills and high-demand career fields.</p> <p>High-demand career fields are defined in the bill as those with CIP codes 01, 03, 10, 11, 14, 15, 26, 46-38, and 51.</p>				
Sec. 61f Pipeline 2 Promise	Appropriates \$200,000 SAF in FY 2018-19 to Mott Community College for a program that creates a pipeline from kindergarten to college.	Proposes to repeal the section.	Retains the section with \$200,000 for FY 2019-20 only.		
Sec. 61g St. Clair ISD High Demand Jobs	Appropriates \$50,000 SAF in FY 2018-19 to St. Clair RESA for the expansion of programs for high-demand jobs in energy technology and cyber security.	Proposes to repeal the section.	Concurs with Governor.		
Sec. 61h Shiawassee ISD Virtual CTE	Appropriates \$1,200,000 SAF in FY 2018-19 to Shiawassee ISD for a virtual reality CTE program including skilled trades, nursing, law enforcement, and life skills.	Proposes to repeal the section.	Concurs with Governor.		
Sec. 62 Vocational/CTE Education Millage Equalization	<p>Appropriates \$9,190,000 for FY 2018-19 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal amount received per mill levied, on a per-pupil basis.</p> <p>Freezes Genesee ISD allocation at no more than</p>	Continues the \$9,190,000 appropriation into FY 2019-20 with the same caps and guarantees, but updated equalization values based on newer taxable value data.	Concurs with Governor.		

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	<p>38.4% of the total appropriation and adjusts taxable value equalization amounts accordingly.</p> <p>Further includes a guarantee that no ISD shall lose more than 25% of funding from one year to the next.</p>				
<p>Sec. 64b Dual Enrollment Incentive Payments to Districts</p>	<p>Appropriates \$1,750,000 for FY 2018-19 for a program to provide supplemental payments to districts that support dual enrollment and concurrent enrollment. Eligible districts are required to provide information on dual and concurrent enrollment to their students, enter into a written agreement with a postsecondary institution prior to the enrollment of pupils; agree to pay all eligible charges; and award high school credit if the pupil successfully completes the course.</p> <p>Payment is \$10 for each credit, up to three credits, for each pupil that enrolls in a credit-bearing course, plus \$30 per pupil per course if the pupil successfully completes and is awarded both high school and postsecondary credit for the course. Therefore, total payments could equal \$60 per successfully completed three-credit course.</p>	<p>Proposes to repeal the section.</p>	<p>Concurs with Governor.</p>		



SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
Sec. 64d Information Technology Education	Appropriates \$2,300,000 GF/GP in FY 2018-19 for the second of three years of funding for a competitive grant to provide information technology opportunities to students. The provider would be required to make instruction available on IT skills and competencies and provide certificates upon completion.	Proposes to repeal the section.	Concurs with Governor.		
Sec. 65 Detroit Pre-College Engineering Program (DAPCEP)	Appropriates \$400,000 for the Detroit Area Pre-College Engineering Program (DAPCEP).	Proposes to repeal the section.	Retains the section, funded at \$400,000 for FY 2019-20.		
Sec. 67 MCAN and Outreach	Appropriates a total of \$3,000,000 GF/GP in this section for FY 2018-19.  Funding is for Michigan College Access Network operations, local college access networks, the Michigan college advising program, subgrants to districts with comprehensive high schools that establish a college access team, the Michigan college access portal, public awareness and outreach campaigns, and subgrants to postsecondary institutions for mentors and college advisors.	Maintains the \$3,000,000 GF/GP for MCAN in FY 2019-20.	Maintains the \$3,000,000 GF/GP for MCAN in FY 2019-20.  In addition, another \$80,000 GF/GP is allocated for the College Board Career Finder district pilot.		
Sec. 67a Mi Bright Future	Most recently: was allocated \$4.0 million under the Marshall Plan for Talent, but the contract was not signed.	Not included.	Provides \$500,000 GF/GP in FY 2018-19 and \$1,500,000 GF/GP in FY 2019-20 for continuation of this career preparation and readiness platform. Language is included that states that FY 2019-20 is the last year of funding for the program.		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
Sec. 74 Bus Driver Safety	<p>Appropriates \$3,754,900 for FY 2018-19.</p> <p>Of the total appropriation, \$2,025,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>The remaining \$1,729,900 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>	<p>Appropriates \$3,772,900 for FY 2019-20, an \$18,000 economics for MSP.</p> <p>Of the total appropriation, \$2,025,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>The remaining \$1,747,900 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>	Concurs with Governor.		
Sec. 74a A.L.I.C.E. Bus Safety	Appropriates \$810,000 to an eligible ISD to implement a bus driver safety program that provides transportation staff training on how to respond to acts of violence. (West Shore)	Proposes to repeal the section.	Concurs with Governor.		
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	Appropriates \$68,453,000 for basic operational funding in FY 2018-19.	Appropriates \$70,849,000 in FY 2019-20, an increase of \$2,396,000 over FY 2018-19 funding. This represents a 3.5% increase.	Appropriates \$69,138,000 to provide a 1% increase in ISD operations for FY 2019-20.		
Sec. 94 AP and IB Scholarships	\$1,000,000 GF/GP is appropriated for FY 2018-19 for efforts to increase the number of pupils who participate and succeed in Advanced Placement (AP) and International Baccalaureate (IB) programs, and to support the college-level examination program (CLEP). Funds would be used to cover part or all of the costs of tests for low	Continues the \$1,000,000 appropriation into FY 2019-20.	Concurs with Governor.		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>income pupils, with payments estimated at \$20 per test completed, or \$150 per IB registration. Students pay at least \$5 toward each test or registration paid for under this section.</p>				
<p>Sec. 94a Center for Educational Performance and Information (CEPI)</p>	<p>Appropriates \$16,356,700 GF/GP and \$193,500 in Federal funds in FY 2018-19 to support the operations of the CEPI and the development and implementation of a comprehensive P-20 data management and student tracking system.</p> <p>A portion of the funding is to support collaborative efforts on the P-20 longitudinal data system. Grants will be awarded to eligible ISDs or a consortium of ISDs, and activities funded under the grant may include portal hosting, hardware and software acquisition, maintenance, enhancements, and other items.</p>	<p>Increases GF/GP appropriation by \$100,500 to \$16,457,200 to cover economic adjustments in FY 2019-20 and continues appropriation of \$193,500 in Federal funds.</p> <p>Changes 'citizens' to 'residents' in (1)(f).</p>	<p>Concurs with Governor.</p>		
<p>Sec. 95a Educator Evaluation Reserve Fund</p>	<p>In FY 2014-15, \$14,800,000 was deposited into this fund. Language stipulates that money in the Fund shall remain there and not lapse to the SAF or to the GF.</p>	<p>Proposes to lapse remaining funds to the School Aid Fund. Remaining funds are estimated at just over \$3,000.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 95b Value Added Growth and Analytics System</p>	<p>Appropriates \$2,500,000 GF/GP in FY 2018-19 for a value-added growth and analytics system (EVAAS). The department is</p>	<p>Proposes to repeal the section.</p>	<p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>required to incorporate the model into its reporting requirements. The model reports student growth measures at the district, school, teacher, and subgroup levels; recognizes the growth of tested students; includes all available prior standardized assessment data; allows for the disaggregation of student growth results; provides individual student projections to the probability of reaching performance levels on future assessments; and, demonstrates prior success with Michigan assessments.</p> <p>The department is required to provide web-based electronic student growth and projection reporting based on the adopted State model.</p> <p>Language stipulates that the model adopted must not be a mandatory part of teacher evaluation or educator pay-for-performance systems.</p>				
Sec. 97 Panic Button	N/A	Not included.	Allocates \$5,000,000 GF/GP in FY 2019-20 only to fund the Panic Button app. Language is included allowing grantees to carry a portion of this funding into FY 2020-21, and that grantees must support all of the costs after that time.		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
<p>Sec. 98 Michigan Virtual University (MVU)</p>	<p>Appropriates \$7,387,500 GF/GP to MVU in FY 2018-19 for operations of the Virtual High School and the Michigan Virtual Learning Research Institute.</p> <p>The Institute is charged with collaborating to examine the need and process for incorporating registration, payment services, and transcript functionality to the statewide catalog, and collaborating to examine district level accountability and teacher effectiveness issues related to online learning under Section 21f.</p> <p>The MVU is required to provide extensive professional development to at least 30,000 educational personnel.</p>	<p>Continues the GF/GP appropriation of \$7,387,500 for FY 2019-20.</p> <p>Changes 'MiSTEM' to 'MiSTEAM' as it relates to the MiSTEAM Advisory Council.</p> <p>Changes 'citizens' to 'residents' in (9), and extends from 2025 to 2030 the goal of having at least 60% of residents with high-quality degrees and credentials.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 99h Robotics</p>	<p>Appropriates \$4,500,000 SAF (for public schools) and \$300,000 GF/GP (for nonpublic schools) in FY 2018-19 for competitive grants to districts and ISDs that provide pupils in grades K to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in events hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) robotics, or other competitive robotics</p>	<p>Reduces the funding by \$1,500,000 to \$3,000,000 SAF in FY 2019-20 for public schools and removes the \$300,000 for nonpublic schools along with their eligibility for funding in the program.</p>	<p>Appropriates \$5,000,000 for public schools and \$300,000 GF/GP for nonpublic schools for robotics programs in FY 2019-20.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>programs.</p> <p>Districts are required to pay at least 25% of the cost of the program.</p>				
<p>Sec. 99s Michigan Science Technology Engineering and Math (MiSTEM) Council, Network, and Initiatives</p>	<p>(1) Appropriates a total of \$7,634,300 SAF, \$300,000 GF/GP, and \$3,500,000 Federal for this section, as follows:</p> <p>(2) Provides for creation and structure of the MiSTEM Advisory Council.</p> <p>(3) \$3,050,000 SAF for MiSTEM council grants to districts.</p> <p>(4) \$3,834,300 SAF to support the MiSTEM Network Regions and \$3,500,000 Federal for FY 2018-19. Minimum base</p>	<p>(1) Continues the \$7,634,000 SAF and \$300,000 GF/GP appropriations, but reduces Federal to \$235,000 to reflect actual Federal funds received for this program. Adds language allowing the MiSTEM network to receive private funds and to expend those funds in alignment with the statewide STEAM strategy.</p> <p>Throughout the section, STEM is changed to STEAM (i.e., adding Arts).</p> <p>(2) MiSTEM Advisory Council is changed from 11 voting members to nine, and language is adding stating the Governor must appoint two voting members from the membership of the Michigan Council for Arts and Cultural Affairs, and that the Governor must appoint one ex-officio member to the Council.</p> <p>(3) \$3,050,000 SAF is continued for programs recommended by the MiSTEM Council</p> <p>(4) \$3,834,300 SAF to support the MiSTEM Network Regions and \$2350,000 Federal for FY 2019-20. Minimum base</p>	<p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>funding of \$200,000 for each Region; remaining dollars distributed on an equal amount per pupil based on pupils within each region.</p> <p>(6) \$750,000 SAF to those network regions able to provide curriculum and professional development to assist districts in implementing Merit Curriculum components for math and science.</p> <p>(11) Allocates \$300,000 to DTMB for the MiSTEM executive director and assistant, and for administrative training, and travel costs for the Council.</p>	<p>funding of \$200,000 remains for each Region; remaining dollars distributed on an equal amount per pupil based on pupils within each region.</p> <p>(6) \$750,000 SAF is continued to those network regions able to provide curriculum and professional development to assist districts in implementing Merit Curriculum components for math and science.</p> <p>(11) \$300,000 is allocated to the Department of Talent and Economic Development (TED) for the MiSTEAM executive director and assistant, and for administrative training, and travel costs for the Council.</p>			
Sec. 99t Online Algebra Tool (Algebra Nation)	Allocates \$1,500,000 GF/GP for FY 2018-19 for an online tool that would provide students with videos, diagnostics, practice assessments, and assistance in algebra, along with a professional development network for teachers.	Proposes to repeal the section.	Retains the section, funded at \$1,500,000 GF/GP for FY 2019-20 only.		
Sec. 99u Imagine Learning	In FY 2018-19, appropriates \$1,500,000 for an online mathematics tool from Imagine Learning, \$500,000 for Imagine Español, and \$1,000,000 for Imagine Learning Literacy.	Proposes to repeal the section.	Retains the section, funded at \$1,500,000 for FY 2019-20.		

<b>SECTION</b>	<b>CURRENT LAW</b>	<b>GOVERNOR</b>	<b>SENATE (SB 146) Subc's Recommendation</b>	<b>HOUSE (HB 4242)</b>	<b>CONFERENCE</b>
Sec. 99v Dana Center	Appropriates \$25,000 GF/GP in FY 2018-19 for the Dana Center to work on partnerships between K-12 and postsecondary regarding remedial education.	Proposes to repeal the section.	Retains the section, funded at \$25,000 GF/GP for FY 2019-20 only.		
Sec. 99w Michigan Fitness Foundation	Appropriates \$500,000 GF/GP in FY 2018-19 to the Michigan Fitness Foundation to work with the Department to invest in a physical education curriculum.	Proposes to repeal the section.	Concurs with Governor.		
Sec. 99x Teach for America	Appropriates \$300,000 GF/GP in FY 2018-19 to Teach for America to host a summer training institute in Detroit, recruit teachers into a master teacher fellowship, and retain an alumni community.	Proposes to repeal the section.	Retains the section, funded at \$300,000 in FY 2019-20 only.		
Sec. 99y STEM and Entrepreneurship	Appropriates \$60,000 SAF in FY 2018-19 to Detroit Schools to provide grades 4-8 with a STEM and entrepreneurship program.	Proposes to repeal the section.	Concurs with Governor.		
Sec. 99z	N/A	Not included.	Includes \$300,000 GF/GP for FY 2019-20 for Square One, a STEM program that provides teacher professional development and robotics challenges for students.		
Sec. 101 Days and Hours	Provides guidelines for days and hours of instruction.	(1) requires a district superintendent to submit AND CERTIFY data related to pupils enrolled and in regular daily attendance. Adds a requirement for districts to resolve any pupil membership conflicts with other districts, correct any data issues, and recertify the data, not later than the six Wednesday after the	Concurs with Governor.		



SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
		<p>count days.</p> <p>(9)(d) removes language pertaining to FY 2018-19 only, requiring the Department to grant a waiver to a district that applied for a blended model of delivery after the application deadline.</p> <p>(10) Restores the ability for a district to count up to 38 hours of qualifying professional development as hours of pupil instruction.</p> <p>Adds language stating that qualifying professional development exceeding five hours in one day may be counted as a day of pupil instruction, and that eight hours of qualifying professional development counted as hours of pupil instruction must be recommended by a districtwide professional development advisory committee.</p> <p>Adds language stating that the advisory committee must be appointed by the district board and composed of teachers in the teacher representing a variety of grades and subject matter specializations, including special education, and non-teaching staff, including parents and administrators. The majority membership of the advisory committee must be composed of teaching staff.</p> <p>The definition for 'qualifying</p>			

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
		<p>professional development' is changed to meet the following:</p> <p>a) is aligned to the school or district improvement plan.</p> <p>b) is linked to one or more criteria in the evaluation tool developed or adopted by the district.</p> <p>c) has been approved by the Department as counting for state continuing education clock hours (the number of hours of professional development counted as instruction may not exceed the number of state continuing education clock hours for which the professional development was approved).</p> <p>d) takes place after school starts and before school ends (no more than 10 hours may be delivered in one month).</p> <p>e) at least 75% of teachers scheduled to attend the professional development must attend (professional development may only be counted as instructional hours for the students of those teachers scheduled to participate in the professional development).</p>			
Sec. 102d Data Analytical Tools	<p>Appropriates \$1,500,000 for FY 2018-19 for the purchase of school data analytical tools (Munetrix, Eidex, or Forecast 5).</p> <p>Adds language allowing an ISD to be reimbursed for</p>	Proposes to repeal the section.	<p>Retains the section; funding remains at \$1,500,000 for FY 2019-20.</p> <p>Changes the payment calculation to be equal to \$52 multiplied by the square root of a district's membership (or</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>both an ISD-specific school data tool as well as a tool purchased by the ISD for any of its constituent districts who opt in.</p> <p>Adds language clarifying that a district whose ISD provides a data analytics tool is not eligible for reimbursement of a separately-purchased tool if the district opted into that tool purchased by the ISD.</p>		<p>multiplied by the sum of constituent district pupils for an ISD, or the sum of pupils in PSAs covered by the tool purchased by the same authorizing body).</p> <p>Adds language allowing a district or PSA to choose an analytics tool other than the one chosen by the ISD or authorizing body.</p> <p>Remaining funds would be paid to partnership districts.</p>		
<p>Sec. 104 Assessment Funding</p>	<p>Appropriates \$32,509,400 for FY 2018-19 from the SAF for reimbursement of costs associated with State student assessment requirements. Also appropriates \$6,250,000 in Federal assessment funding for the purposes of complying with Federal NCLB Act.</p> <p>(4) Of the total funding, \$1,500,000 is earmarked for the kindergarten entry observation tool that would be conducted in all kindergarten classrooms in Prosperity Regions 2, 3, 4, 5, 6, 7, 8, and 9 starting in August 2019.</p>	<p>Reduces the appropriation by \$1,500,000 to \$31,009,400 for FY 2019-20. Federal funds of \$6,250,000 are maintained.</p> <p>(4)(a) Earmarks \$2,500,000 for the Department to implement, on a sample basis statewide, a Michigan kindergarten entry observation tool, as piloted in FY 2018-19.</p> <p>(b) Requires the Department to ensure that the KEO is administered to a representative sample of not less than 35% of total kindergarten pupils statewide.</p> <p>(c) Requires the Department to implement a 'train-the-</p>	<p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	(7) Earmarks \$500,000 for the development or selection of an online reporting tool to provide student-level assessment data in a secure environment to educators, parents, and pupils immediately after assessments are scored.	<p>trainer' professional development model on the usage of the KEO.</p> <p>(d) Requires the Department to report on the results of the statewide sample not later than March 1 every year. The report must include demonstrated readiness of kindergarten pupils and effectiveness of GSRP and other early childhood programs.</p> <p>(e) Defines 'representative sample'.</p> <p>(7) Maintains the \$500,000 earmark for the operation of an online reporting tool.</p>			
Sec. 104b Michigan Merit Exam	<p>Provides that districts must comply with this section and administer the Michigan Merit Exam. Provides conditions and criteria for the Exam.</p> <p>(16) Requires the Department to include scores for a consortium pupil in the scores of the school building in which the pupil is enrolled or would otherwise attend.</p>	<p>Includes technical striking of No Child Left Behind references.</p> <p>(16) Deletes this subsection.</p>	Does not concur with the Governor. The section is maintained as found in current law and removed from the bill.		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
<p>Sec. 104c M-STEP</p>	<p>Requires the Department to develop and administer the Michigan Student Test of Educational Progress (M-STEP) assessments in English Language Arts and Mathematics.</p> <p>The summative assessment would have to measure student proficiency on current State standards and measure student growth. ELA and math tests are for grades 3-11. Science tests are administered to grades 5 and 5; social studies tests are administered to grades 5 and 8.</p> <p>Reports on student growth and proficiency are provided to students, parents, and teachers. The exam's time could not exceed the time spent on the previous statewide assessment system.</p> <p>The summative assessment is prohibited from exceeding three hours in duration, on average, for a pupil to complete the combined administration of the math and ELA portions of the assessment for any one grade level.</p> <p>(4) Requires the Department to offer benchmark assessments in the fall and spring of</p>	<p>Continues the section, except deletes (4), which currently requires the Department to offer benchmark assessments in the fall and spring for ELA and math for students in grades K-2.</p> <p>(4) Strikes this subsection.</p>	<p>Does not concur with the Governor. The section is maintained as found in current law and removed from the bill.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	each year to measure ELA and math in grades K-2.				
Sec. 104d Computer-Adaptive Test	<p>Appropriates \$9,200,000 SAF in FY 2018-19 for reimbursement to districts that purchase a computer-adaptive test, or that purchase one or more diagnostic tools or screening tools for pupils in grades K-3, or that purchase benchmark assessments for pupils in grades K-8.</p> <p>Reimbursement is made on an equal per pupil basis, based on the number of pupils for whom assessments were purchased, to districts that demonstrated to the satisfaction of the Department their eligible purchase by December 1, 2018.</p>	Proposes to repeal the section.	Retains this section, funded at \$9,200,000 for FY 2019-20.		
Sec. 104f Digital Literacy Preparation	Allocates \$500,000 GF/GP in FY 2018-19 for a pilot assessment of digital literacy preparation to ensure students have the skills required to take State online assessments.	Proposes to repeal the section.	Concurs with Governor.		
Sec. 107 Adult Education	Appropriates \$26,000,000 in FY 2018-19 for standard Adult Education programs, \$4,000,000 for grants to adult education or CTE programs that connect adult education participants with employers under (15), and \$500,000 to reimburse funding recipients for administrative and instructional expenses	<p>Continues the \$26,000,000 appropriation for standard adult education programs, \$4,000,000 for adult ed/CTE programs, and \$500,000 for administrative expenses into FY 2019-20.</p> <p>(15)(a) Adds a modifier that eligible program shall connect adult education participants 'actively working toward</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>associated with commingling adult education and CTE programs.</p> <p>In FY 2019-20, the allocation to each ISD serving as a fiscal agent will be what was received in FY 2018-19.</p> <p>ISDs are not allowed to spend more than 5% on administration and the Department is required to ensure that the same number of participants are served under the new provider system as under the previous year.</p> <p>Adult Education program providers are required to pay to CTE programs any billing that occurs for basic education programming provided by the CTE program under Sec. 61a.</p>	<p>obtaining a high school diploma or a high school equivalency certificate' directly with employers by linking adult education, career and technical skills, and workforce development.</p> <p>(b) similar modifier is added to this subdivision.</p>	<p>Concurs with Governor.</p>		
<p>Sec. 147 Retirement Contribution Rate</p>	<p>For FY 2018-19, the employer rates vary between 20.96% and 27.16% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.</p> <p>The total uncapped rate varies between 33.17% and 39.37%.</p> <p>The amount under Section 147c represents State support of 12.21% of the unfunded accrued liability costs.</p>	<p>For FY 2019-20, the employer rates vary between 20.96% and 27.50% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.</p> <p>The total uncapped rate varies between 33.37% and 39.91%.</p> <p>The amount under Section 147c represents State support of 12.41% of the unfunded accrued liability costs.</p>	<p>Concurs with Governor.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	Years left in the amortization schedule decline to 20.	Years left in the amortization schedule decline to 19.			
Sec. 147a MPSERS Payment to Districts	<p>(1) Appropriates \$100,000,000 from the FY 2018-19 SAF for payments to districts (not ISDs) to assist with their current-year MPSERS liabilities.</p> <p>Distributions are calculated based on share of MPSERS payroll. On a statewide basis, this averages to \$66 per pupil for eligible districts, but varies based on share of MPSERS payroll.</p> <p>(2) Appropriates a further \$88,0910,000 SAF and \$48,000 GF/GP to hold districts, intermediate districts, and libraries harmless from the increased normal cost due to the proposal to reduce the assumed rate of return from 8% to 7.5% over two years.</p>	<p>(1) Continues the \$100,000,000 appropriation into FY 2019-20.</p> <p>(2) Increases the funding to \$171,986,000 SAF and \$83,000 GF/GP to hold districts, intermediate districts, and libraries harmless from the increased normal cost due to reducing the assumed rate of return (AROR) due to State policy and dedicated gains policy (new AROR of 7.05%).</p>	<p>Concurs with Governor.</p> <p>Concurs with Governor.</p>		
Sec. 147b MPSERS Retirement Obligation Reform Reserve Fund	Creates the MPSERS Retirement Obligation Reform Reserve Fund within the SAF.	Proposes to deposit \$40,000,000 SAF into the MPSERS reserve fund in anticipation of future costs from amortization study.	Does not make this deposit into MPSERS reserve fund. The section is removed from the bill.		
Sec. 147c MPSERS Rate Cap	(1) Appropriates \$1,032,000,000 SAF and \$700,000 GF/GP for FY 2018-19 to districts, intermediate districts, and libraries to pay for the costs of unfunded accrued liabilities above the statutory rate cap of 20.96%, pursuant to	Appropriates \$1,030,400,000 SAF and \$500,000 GF/GP for FY 2019-20 to districts, intermediate districts, and libraries to pay for the costs of unfunded accrued liabilities above the statutory rate cap of 20.96%, pursuant to Section 41 of the MPSERS Act.	Concurs with Governor.		



SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	<p>Section 41 of the MPSERS Act.</p> <p>The Department is required to calculate estimated MPSERS rate cap per pupil amounts by district and publish those amounts.</p> <p>Includes intent language that the State payments for the rate cap are used first for required pension contributions and then for OPEB contributions.</p>	<p>Removes language stating that funds allocated under this section should be considered when comparing a district's growth in total state aid funding from one year to the next.</p> <p>No change.</p> <p>Changes this from intent language to a requirement: that funds allocated shall first be applied to pension, and then to OPEB if funds remain.</p>			
Sec. 147e Reimbursement to Schools for Additional MPSERS Costs	Allocates \$39,100,000 from the MPSERS Reserve Fund and \$5,700,000 SAF in FY 2018-19 to pay for increased school employer costs associated with PA 92 of 2017.	Increases the allocation to \$42,571,000 in FY 2019-20 and uses only SAF to pay for the costs.	Concurs with Governor, but changes the fund sourcing to reflect no deposit into the MPSERS reforms fund, and the reduction in FY 19 costs.		
Sec. 152a Adair Lawsuit: Data Collection Costs	FY 2018-19 appropriation of \$38,000,500 to pay the necessary costs related to the State-mandated collection, maintenance, and reporting of data.	FY 2019-20 appropriation remains at \$38,000,500.	Concurs with Governor.		
Sec. 152b Reimbursement for Nonpublic School Mandates	Includes \$250,000 GF/GP for FY 2018-19 to reimburse nonpublic schools for mandated costs.	Proposes to repeal the section.	Retains the section, funded at \$250,000 for FY 2019-20. Language changes are also included.		
Sec. 153 Reports to Fiscal Agencies	Requires each district and ISD to furnish to the fiscal agencies information the agencies require on forms	Proposes to repeal the section.	Concurs with Governor.		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	prepared and furnished by the agencies, relative to the expenditure of funds appropriated.				
Sec. 160 Pre-Labor Day Waiver Public Hearing	Requires a district seeking a waiver to start school before Labor Day to hold a public hearing in the district with the State Superintendent.	Removes the requirement for the meeting to be a joint meeting with the Department.	Retains the section as found in current law. Since the section has no changes, it is removed from the bill.		
Sec. 164g Legal Action Against the State	Provides for a penalty in an amount equal to the amount spent if a district or ISD uses State funding to pay for an expense related to a legal action initiated by the district or ISD against the State.	Proposes to repeal the section.	Retains the section as found in current law. Since the section has no changes, it is removed from the bill.		
Sec. 164h Collective Bargaining Agreement Penalty	Provides for a penalty in an amount equal to 5% of a district or ISD's total State aid if it enters into a collective bargaining agreement that does any of the following: a) establishes racial or religious preferences b) automatically deducts union dues from paychecks c) is in conflict with any State or Federal transparency laws d) uses a method of compensation that does not comply with MCL 380.1250.	Proposes to repeal the section.	Retains the section as found in current law. Since the section has no changes, it is removed from the bill.		
Sec. 166	Requires the board of a district or ISD to implement a disciplinary policy to provide penalties for violations of Section 1507 of the School Code (sex education), and penalties	No change.	Repeals the section.		

SECTION	CURRENT LAW	GOVERNOR	SENATE (SB 146) Subc's Recommendation	HOUSE (HB 4242)	CONFERENCE
	for a school official, board member, district employee, or other person who refers a pupil for an abortion or assists a pupil in obtaining an abortion.				