



**SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS**

Fiscal Year 2017-18

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SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Secs. 3 and 4 Definitions		Deletes definitions for the "Achievement Authority", "Achievement School", and "Education Achievement System" as well as references to them throughout the School Aid Act to reflect the dissolution of the Education Achievement Authority as of June 30, 2017.			
Sec. 6 Pupil Membership Definitions	<p>(4) Defines pupil membership and calculates a district's pupil membership blend equal to 90% of pupils counted on October count day plus 10% of pupils counted on the prior February count day.</p> <p>(6) Defines "pupil" and establishes conditions under which a district can enroll a nonresident pupil without the resident district's approval.</p> <p>(7) Defines "Pupil Membership Count Day" as first Wednesday in October with exceptions for year-round schools.</p>	<p>(4) Includes technical revisions to strike language pertaining to the Detroit Community District's first year of operation and to reflect the proposed repeal of Section 25g related to additional payments for dropout recovery programs.</p> <p>(6) No Change.</p> <p>(7) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 8b District Codes for Public School Academies	Provides for the assignment of district codes to newly authorized public school academies.	Revises to provide that for a cyber school that does not provide instruction in a specific location and is authorized by a non-statewide entity, the ISD of assignment is the ISD that would normally provide programs and services to the school district in which the cyber administrative office is. Provides that the ISD required to provide programs and services remains the same for as long as the cyber school is in operation.			
Sec. 11 Total Appropriations	<p><b><u>FY 2016-17</u></b></p> <p><b>Gross Appropriation:</b> \$14,161,842,100  <b>School Aid Fund (SAF):</b> \$12,052,309,300  <b>Other State Restricted Funds:</b> \$72,000,100  <b>General Fund (GF/GP):</b> \$218,900,000  <b>Federal Funds:</b> \$1,818,632,700</p>	<p><b><u>FY 2016-17</u></b> <i>Supplemental Request 2017-2:</i></p> <p><b>Gross Appropriation:</b> \$14,058,442,100  <b>School Aid Fund (SAF):</b> \$12,036,809,300  <b>Other State Restricted Funds:</b> \$72,000,100  <b>General Fund (GF/GP):</b> \$ 218,900,000  <b>Federal Funds:</b> \$1,730,732,700</p> <p><b><u>FY 2017-18</u></b>  <b>Gross Appropriation:</b> \$14,302,088,800  <b>School Aid Fund (SAF):</b> \$12,288,145,200  <b>Other State Restricted Funds:</b> \$72,000,100  <b>General Fund (GF/GP):</b> \$215,000,000  <b>Federal Funds:</b> \$1,726,943,500</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 11j School Bond Redemption Fund	Appropriates \$126,500,000 SAF for debt service in FY 2016-17 for the school bond loan program.	Reduces to \$125,500,000 SAF for FY 2017-18 to reflect the estimated cost of required debt service payments.			
Sec. 11m Cash-Flow Borrowing	Appropriates \$3,000,000 SAF in FY 2016-17 to pay for costs associated with cash-flow borrowing related to the SAF.	<i>Supplemental Request 2017-2</i> increases to \$5,500,000 SAF for FY 2016-17 to reflect increasing interest rates.  Increases appropriation to \$6,500,000 SAF for FY 2017-18 to recognize anticipated interest rate increases.			
Sec. 11o FY 2016 Flint Supplemental	Mid-year supplemental appropriation of \$9,200,000 GF/GP for 2015-16 to provide early intervention services and summer great start readiness programs.	Repeals section that was an FY 2015-16 supplemental appropriation.			
Sec. 11r Distressed District Emergency Grant Fund	Appropriated \$4,000,000 into the fund in FY 2014-15 for distressed districts. Provides that funds remaining at the end of the fiscal year remain in the fund rather than lapsing to the School Aid fund. However, provides that for FY 2015-2016 \$2,800,000 shall lapse to the School Aid Fund, leaving an estimated \$1,000,000 remaining in the Distressed District Emergency Grant Fund.	<i>Supplemental Request 2017-2</i> provides for the remaining work project funds, estimated at \$1,000,000, be lapsed at the end of FY 2016-17.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 11s Flint Emergency Declaration</p>	<p>(1) Appropriates \$10,142,500 GF/GP and \$100 Water Emergency Reserve Funds for FY 2016-17.</p> <p>(2) Allocates \$1,292,500 to Flint School District for additional school district nurses and social workers.</p> <p>(3) Allocates \$1,195,000 to Genesee ISD to augment staff to provide additional early childhood services and nutrition services</p> <p>(4) Allocates \$6,155,000 for Genesee ISD to provide early intervention services to all Flint resident children 0-3.</p> <p>(5) Allocates \$1,500,000 to Genesee ISD for universal preschool for Flint children regardless of income.</p> <p>(6) In addition to (1), appropriates \$15,000,000 in state restricted contingency funds, which are not available for expenditure until transferred by the Legislature.</p>	<p>(1) Decreases appropriation to \$8,730,000 GF/GP and \$100 Water Emergency Reserve Funds for FY 2017-18</p> <p>(2) Increases allocation to \$2,625,000 and revises pupil threshold to reflect reduction in Flint pupil membership.</p> <p>(3) Increases allocation to \$2,500,000. Adds ensuring all children under 4 as of September 1, 2016 are assessed and evaluated as least twice annually.</p> <p><del>(4)</del> Deletes</p> <p><del>(5)</del> (4) Increases allocation to \$3,000,000.</p> <p>(5) Adds \$605,000 for nutritional services for eligible children.</p> <p>(6) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 20 Foundation Allowance Calculation</p>	<p>Basic foundation allowance for FY 2016-17 is \$8,229 and the Minimum foundation is \$7,511.</p>	<p>Increases Basic foundation by \$50 to \$8,279 for FY 2017-18.</p> <p>Rolls in the FY 2016-17 adjustments made under Sec. 20m due to an inflationary cap on Hold Harmless foundation allowances because there is sufficient room between the \$50 increase proposed for the Basic for FY 2017-18 and 2016 inflation which was 1.26%. Sec. 20m adjustments would be eliminated.</p> <p>Increases the Minimum foundation by \$100 to bring it to \$7,611 for FY 2017-18</p> <p>Total cost of the \$50 to \$100 increase in Section 22b is \$128,000,000.</p> <p>(6) Reduces the foundation allowance for cyber school public school academies (PSAs) to 80% of the PSA Max (which is equal to the minimum foundation allowance) beginning with the 2<sup>nd</sup> year of operation. Total savings reflected in Sec. 22b is \$16,000,000.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 20f Categorical Offset Payments	<p>Appropriates \$18,000,000 SAF for FY 2016-17 for the following two guarantees:</p> <p>(2) No district received less than \$5 increase in FY 2013-14 compared to FY 2012-13, when adding together the increases in the foundation allowances, equity payments and Sec. 147a MPSERS offset reductions.</p> <p>(4) No district received less than a \$25 increase in FY 2015-16 compared to FY 2014-15, when adding together the increases in the foundation allowances and at-risk funding and reductions in Best Practices and District Performance Grants.</p>	<p>Maintains appropriation of \$18,000,000 SAF for FY 2017-18.</p> <p>Maintains payment allocation formula.</p> <p>Maintains payment allocation formula</p>			
Sec. 20g Dissolved District Transition Grant	<p>Appropriates \$1,200,000 SAF for FY 2016-17 for grants to districts that received portions of the dissolved districts of Buena Vista and Inkster. Intended to be 4<sup>th</sup> of 4 years of funding.</p> <p>Adds \$660,000 SAF for FY 2016-17 to pay off the remaining Buena Vista debt so that receiving districts may begin collecting school operating taxes on former Buena Vista territory.</p>	Eliminates funding and repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 20m(20j) Additional Calculation for Hold Harmless Districts	Calculates per pupil allocations for Hold Harmless districts reflecting the difference between inflationary increases in foundation allowances (at which HH districts are capped under MCL 380.1211) and the \$60 increase in the Basic foundation allowance provided under Section 20. (Includes \$9,000,000 under Sec. 22b.)	Adjustments made under this section for FY 2016-17 would be rolled into hold harmless district foundation allowances under Sec. 20 for FY 2017-18.			
Sec. 21 State School Reform/Redesign	<p>(1) Appropriates \$5,000,000 SAF for FY 2016-17 for eligible districts with schools taken control of by the School Reform/Redesign Office (SRO).</p> <p>(2) Eligible districts may receive funding for 3 years.</p> <p>(3) Requires SRO to provide annual report to House and Senate School Aid subcommittees in person on yearly progress of schools under a CEO and quarterly reports on the CEO's use of funds to increase pupil achievement.</p> <p>(4) Provides supplemental payments to districts equal to 20% of district's foundation allowance for each pupil in high school.</p> <p>(5) Allocates from funds in (1) an amount sufficient to pay for the CEOs appointed by the SRO to take control of low performing schools.</p>	<p>(1) Maintains appropriation of \$5,000,000 SAF for FY 2017-18 for eligible districts with schools taken control of by the SRO.</p> <p>(2) No Change.</p> <p>(3) No Change.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 21g Competency Based Funding Pilot	Appropriates \$500,000 GF/GP for FY 2016-17 to pilot a competency-based transcript and market place to establish a framework for academic, technical, and global competencies and to establish assessment criteria for measuring competencies and awarding universally recognized credentials.	Eliminates funding and repeals this section.			
<b>NEW</b> Sec. 21h Partnership Model Districts		<p>(1) Appropriates \$3,000,000 SAF for FY 2017-18 to assist eligible districts in a partnership to improve student achievement. Partnership under discretion of State Superintendent.</p> <p>(2) Districts eligible if at least one school receives F grade, or comparable rating, in state accountability system and is not under SRO oversight. Districts must complete a comprehensive needs evaluation and an intervention plan.</p> <p>(3) MDE assigns a team to review the district's use of financial resources to improve academic achievement.</p> <p>(4) Funds may be used for professional development, increased instructional time, teacher mentors, or other expenditures with a direct impact on student achievement and for which existing financial resources may not be used. District may receive funding for up to 3 years.</p>			



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 22a Proposal A Obligation Payment (The Constitutionally required part of the foundation)</p>	<p>Appropriates \$5,205,000,000 SAF for FY 2016-17.</p>	<p><i>Supplemental Request</i> 2017-2 reduces appropriation to \$5,199,000,000 SAF for FY 2016-17 to reflect consensus cost adjustments.</p> <p>Reduces appropriation to \$5,107,000,000 SAF for FY 2017-18 to reflect consensus cost estimates for taxable value and pupil.</p> <p>Provides technical revisions to shift the reimbursement for the Detroit Community School District's absence of local school operating revenue with revenue from the Community District Education Trust Fund from Sec. 22a to Sec. 22b to align with the requirements of PA 193 of 2016.</p> <p>Transfers payments for nonpublic pupils enrolled pursuant to Section 166b from foundation allowances in Secs. 22a and 22b to a categorical program in Sec. 23f.</p>			
<p>Sec. 22b Foundation - Discretionary Payment (The discretionary portion of the foundation allowance.)</p>	<p>Appropriates \$3,900,000,000 for FY 2016-17 including \$3,655,597,200 SAF, \$72,000,000 Community District Trust fund, and \$172,402,800 GF/GP.</p>	<p><i>Supplemental Request</i> 2017-2 reduces appropriation to \$3,916,000,000 (\$3,743,597,200 SAF and \$172,402,800 GF/GP) for FY 2016-17 to reflect consensus cost adjustments.</p> <p>Increases to \$3,950,000,000 (\$3,777,395,500 SAF and \$172,604,500 GF/GP) for FY 2017-18.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 22b Foundation - Discretionary Payment (The discretionary portion of the foundation allowance.) (cont.)</p>		<p>Includes \$128,000,000 for 2x formula increases of \$50 to \$100 proposed under Sec. 20.</p> <p>Includes \$16,000,000 in savings due to reduction in cyber PSA foundation allowances in Sec. 20. Provides technical revisions to shift the reimbursement for the Detroit Community School District's absence of local school operating revenue with revenue from the Community District Education Trust Fund from Sec. 22a to Sec. 22b to align with the requirements of PA 193 of 2016.</p> <p>Transfers payments for nonpublic pupils enrolled pursuant to Section 166b from foundation allowances in Secs. 22a and 22b to a categorical program in Sec. 23f.</p>			
<p>Sec. 22d Supplemental funding to Small, Isolated Districts</p>	<p>Appropriates \$5,000,000 SAF for FY 2016-17.</p> <p>(2) \$957,300 to small, isolated districts.</p> <p>(4) \$4,042,700 to districts with 7.3 or fewer pupils per square mile.</p>	<p>Maintains appropriation at \$5,000,000 SAF for FY 2017-18.</p> <p>(2) Maintains \$957,300.</p> <p>(4) Maintains \$4,042,700.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 22g Consolidation Innovation Grants	<p>(1) Appropriates \$500,000 SAF for FY 2016-17 for competitive grants to districts and ISDs for transition costs associated with the annexation, consolidation, or dissolution of districts or ISDs.</p> <p>(3) Appropriates \$2,500,000 for FY 2016-17 for a district that received a grant and whose voters approved an annexation in 2015-2016. (Marshall)</p>	Eliminates funding and repeals this section.			
<b>NEW</b> Sec. 22m Technology Regional Data Hubs		<p>(1) Appropriates \$2,200,000 SAF for FY 2017-18 to support integration of local school data systems into the Michigan Data Hub Network.</p> <p>(2) Eligible recipients are fiscal agents for no more than 5 consortia of ISDs that previously received Technology Readiness Infrastructure Grant (TRIG) funding for establishing regional data hubs.</p> <p>(3) CEPI will determine activities and distribute funds for the Michigan Data Hub Network, with assistance of an ISD advisory committee.</p> <p>(4) Regional data hubs shall ensure local control of data, data security and student privacy. Data integration shall provide for actionable use of data through common reports and dashboards and for efficient provision of data to meet state and federal reporting purposes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p><b>NEW</b> Sec. 22n High School Per Pupil Bonus</p>		<p>(1) Appropriates \$22,000,000 for FY 2017-18 for additional payments to districts for the higher instructional costs of educating high school pupils.</p> <p>(2) A district is eligible for a payment under this section if it educates pupils in one or more of grades 9 to 12.</p> <p>(3) Provides an additional \$50 per pupil for each pupil in grades 9 to 12. If the allocation under subsection (1) is insufficient to fully fund payments under this subsection, payments are subject to proration on an equal per pupil basis.</p>			
<p><b>NEW</b> Sec. 23f Shared Time Pupils</p>		<p>(1) Appropriates \$60,000,000 for FY 2017-18 for state foundation allowance payments to districts for nonpublic part-time pupils enrolled in grades K to 12 in accordance with Sec. 166b and counted in pupil membership in Sec. 6.</p> <p>(2) Prorates payments under this section on an equal per pupil basis if total costs exceed the appropriation. Total costs are estimated at \$115,000,000 so funded payments would be approximately 52%.</p>			

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Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 SAF in FY 2016-17 to reimburse districts for added costs of educating court-placed pupils in a local juvenile detention facility institution.	Maintains appropriation of \$8,000,000 SAF for FY 2017-18.			
Sec. 24a Educating Pupils in DHS Facilities	Appropriates \$1,328,100 SAF for FY 2016-17 for payments to ISDs for pupils who are placed in Department of Health & Human Services (DHHS) juvenile justice facilities.	Increases to \$1,339,000 SAF for FY 2017-18 to reflect statewide negotiated salary and wage increases (3.0% ongoing after removing the FY 2016-17 one-time 1.5% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.			
Sec. 24c Youth Challenge Program	Appropriates \$1,632,400 SAF in FY 2016-17 for the Youth Challenge Program. Payment goes through Marshall Public Schools to the Department of Military and Veterans' Affairs for the program.	Increases the appropriation to \$1,528,400 SAF for FY 2017-18 to reflect statewide negotiated salary and wage increases (3.0% ongoing after removing the FY 2016-17 one-time 1.5% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.			
Sec. 25f Strict Discipline Academy (SDA) Membership	Appropriates \$750,000 SAF for FY 2016-17 for payments to strict discipline academies based on total added costs of educating SDA pupils. Caps added payment to amount equal to SDA's foundation allowance.	Eliminates funding and repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 25g Dropout Recovery Programs	Appropriates \$750,000 SAF for FY 2016-17 to districts for the cost of dropout recovery programs.	Eliminates funding and repeals this section.			
Sec. 26a Renaissance Zone Reimburse- ment	Appropriates \$20,000,000 SAF for FY 2016-17 to reimburse districts and ISDs for lost local revenue due to renaissance zones.	<i>Supplemental Request 2017-2</i> reduces appropriation to \$18,000,000 SAF for FY 2016-17 based on actual prior year reimbursement costs.  Appropriates \$18,000,000 SAF for FY 2017-18.			
Sec. 26b PILT Reimburse- ment	Appropriates \$4,405,100 SAF for FY 2016-17 to reimburse districts, intermediate districts, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Increases appropriation to \$4,405,100 SAF for FY 2017-18 to fully fund reimbursements.			
Sec. 26c Promise Zones	Appropriates \$1,000,000 SAF for FY 2016-17 to districts and ISDs with an approved promise zone development plan for the purposes of Promise Zone Authorities.	Increases appropriation to \$1,500,000 SAF for FY 2017-18 to reflect an additional zone reaching State Education Tax payment phase.			

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<p><b>NEW</b> Sec. 29 Declining Enrollment</p>		<p>(1) Adds \$7.0 million SAF for FY 2017-18 for additional payments to eligible districts for declining enrollment assistance.</p> <p>(2) A district is eligible for payment if all of the following apply:</p> <ul style="list-style-type: none"> <li>- the district's pupil membership is less than in the prior year and has declined more than 5% over the last two years;</li> <li>- the district's 2-year average pupil membership is greater than the pupil membership in the current year;</li> <li>- and the district is not eligible to receiving Isolated District funding under Sec. 22d(2) or Declining Enrollment funding under Sec. 6(4)(w).</li> </ul> <p>(3) Payments to districts would equal 1/3 of a district's foundation allowance multiplied by the difference between a 2-year average pupil membership and the district's current membership. A district would be eligible for 2 years of funding.</p> <p>(4) The average pupil membership used in (2) and (3) is equal to the average of the membership in the immediately preceding year and the membership in the current year.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings</p>	<p>(1) Appropriates \$389,695,500 SAF in FY 2016-17 to districts for the purposes of ensuring pupils are proficient in reading by end of 3<sup>rd</sup> grade and that high school graduates are career and college ready.</p> <p>At-Risk program funding equals \$378,988,200. (Total appropriation minus funds earmarked under (6) and (7) for other purposes.)</p> <p>(2) Excludes Hold Harmless and Out-of-Formula districts.</p> <p>(3) Requires eligible districts to implement a multi-tiered system of supports (MTSS) model of instruction and intervention in grades K to 3.</p> <p>(4) Allocates funding based on 11.5% of a district's foundation times the number of pupils qualifying for free breakfast, lunch, or milk in the preceding fiscal year.</p>	<p>(1) Increases appropriation to \$539,695,500 SAF for FY 2017-18.</p> <p>Revises proficient in reading to proficient in English Language Arts (ELA). Adds two additional purposes including proficiency in math by end of grade 8 and pupils attending school regularly.</p> <p>At-Risk program funding equals \$528,988,200. (Total appropriation minus funds earmarked under (8) and (9) for other purposes.)</p> <p>(2) Deletes.</p> <p><del>(3)</del> (2) Revises to expand MTSS as a requirement for grades to K to 8 or all grades offered if less than K to 8.</p> <p>(4) (3) Revises the at-risk formula to 11.5% of the statewide weighted average foundation allowance times the number of economically disadvantaged pupils in the preceding fiscal year.</p> <p>(4) District must ensure: (a) the chronic absenteeism rate for economically disadvantaged and English Language Learners (ELL) pupils is not more than the rate for non-economically disadvantaged pupils.</p>			



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>	<p>(5) Requires funding be used for instructional programs and direct non-instructional services.</p> <p>(6) Allows funds to be used for school breakfast.</p>	<p>(b) the proportion of economically disadvantaged pupils and ELLs in the bottom 30% does not exceed the proportion of non-economically disadvantaged pupils in the bottom 30% of a districts performance on the ELA assessment for grade 3.</p> <p>(c) the proportion of economically disadvantaged pupils and ELLs in the bottom 30% does not exceed the proportion of non-economically disadvantage pupils in the bottom 30% of a districts performance on the Math assessment for Grade 8.</p> <p>(d) At least 65% of pupils in grades 9-12 enroll in CTE, advanced placement, international baccalaureate, or dual-enrollment programs and at least 80% of those pupils have successfully completed the courses.</p> <p>(5) No Change.</p> <p>(6) Allows a district to use up to 5% of its funds for research-based professional development related to implementing MTSS or improving the district's performance metrics in (4).</p> <p>(6) (7) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>	<p>(7) Allocates \$5,557,300 for school-based health centers.</p> <p>(8) Allocates \$5,150,000 for hearing/vision screenings.</p> <p>(9) Requires a report on activities performed with at-risk funds</p> <p>(10) Requires district to allow the department to audit funds</p> <p>(11) Allows district with 40% or more at-risk pupils to use funds for schoolwide reform.</p> <p>(12) Provides for proration if appropriated funds are not sufficient to fully fund calculated allocations.</p> <p>(13) Determines eligible number pupils to be counted in the case of a district consolidation if one district was not eligible or a district dissolution.</p>	<p><del>(7)</del> (8) Maintains allocation of \$5,557,300 for school-based health centers.</p> <p><del>(8)</del> (9) Maintains allocation of \$5,150,000 for hearing/vision screenings.</p> <p>(10) Requires that MDE calculate and publish the top 30-bottom 30 analysis report annually in order to determine each district's performance under (4). Requires that MDE publish each district's performance under (4) no later than December 30 each year or 1 month after audited state assessment is received by MDE.</p> <p><del>(9)</del> (11) Adds that MDE publish a summary of programs performed by districts demonstrating significant improvements on metrics in (4).</p> <p><del>(10)</del> (12) No Change.</p> <p>(11) Deletes.</p> <p><del>(12)</del> (13) No change.</p> <p><del>(13)</del> (14) Deletes provision on consolidation if one districts was not eligible.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>	<p>(14) Defines “at-risk pupil” (for provision of services, not for funding eligibility).</p> <p>(15) If at least 50% of at-risk pupils after 3 years are not proficient in English language arts by end of 3<sup>rd</sup> grade or are not demonstrating improvement on state summative assessment, requires district to use a portion of funds for improving reading and improving scores on state summative assessment.</p> <p>(16) Defines “total at risk pupils”</p> <p>(18) Requires the MDE work with DHHS to assign Pathways to Potential Success coaches to schools with high percentage of pupils in K to 3 not reading on grade level.</p>	<p>(14) Deletes this section. Replaces with definition in (18).</p> <p>(15) Deletes.</p> <p>(15) Requires that by 2020-2021, if a district has not achieved or made satisfactory progress, the State Superintendent shall assign a team to partner with the district and to conduct an evaluation of the district's implementation of MTSS, to conduct an academic performance audit, a review of the district's use of financial resources. Evaluation costs to be paid from at-risk funds after an agreement specifying roles and responsibilities of the partners and establishing 18-month benchmarks has been signed by partners and approved by State Superintendent.</p> <p>(16) Deletes this section.</p> <p><del>(18)</del> (17) Updates "reading on grade level" to "proficient in English language arts" on state assessments."</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings (cont.)</p>		<p>(18) Defines:</p> <p>(a) "At-risk pupil" means a pupil that is economically disadvantaged or an English language learner that did not achieve proficiency on the English Language Arts state assessment for grade 3 or the Match assessment for grade 8 or is at-risk of not achieving proficiency, or is chronically absent.</p> <p>(c) "Economically disadvantaged" means pupils eligible for free or reduced-price meals or are in households receiving supplemental nutrition assistance program (SNAP) or temporary assistance for need families assistance (TANF), or are homeless, Migrant, or are in Foster Care.</p> <p>(d) 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.</p> <p>(e) Statewide weighted average foundation allowance means the sum of each district's foundation allowance (capped at the Basic foundation) multiplied by the number of pupils in membership in that district, divided by the total number of pupils in membership.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 31b Year-round (Balanced Calendar) Instructional Program</p>	<p>Appropriates \$1,500,000 SAF for FY 2016-17 for grants to districts that qualify for the community eligibility option for free and reduced lunch and are implement for the first time a year-round instructional calendar in 2017-2018 in at least 1 school for at least 3 years.</p> <p>(4) Department shall award grants on a competitive basis but give priority based solely on consideration of: (a) Priority to districts with lower general fund balances as a percent of revenues. (b) Priority to districts that have at least 1 school identified as either a priority school or a focus school. (c) Ensuring that grant funding goes to both rural and urban districts.</p> <p>(5) Caps the maximum grant at \$750,000 per district.</p> <p>(6) Funding may be used for building modifications and other nonrecurring costs.</p>	<p>Increases to \$3,000,000 SAF for FY 2017-18.</p> <p>Updates to 2018-2019 school year.</p> <p>(4) No Change.</p> <p>(5) No Change.</p> <p>(6) No Change.</p>			
<p>Sec. 31c Gang Prevention/ Intervention</p>	<p>Appropriates \$3,000,000 SAF for FY 2016-17 for grants to districts in partnerships with nonprofits, law enforcement, and other community groups to improve public safety, reduce youth gang-related activity, and increase high school graduation rates.</p>	<p>Eliminates funding and repeals this section.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2016-17 for the State share of school lunch programs as required by <i>Durant</i> settlement.  Includes \$513,200,000 in Federal funding.	Maintains appropriation of \$22,495,100 SAF for FY 2017-18.  Increases the Federal grant to \$523,200,000.			
Sec. 31f School Breakfast	Appropriates \$2,500,000 SAF for FY 2016-17 to reimburse districts for the cost of providing breakfast.	<i>Supplemental Request 2017-2</i> increases the appropriation to \$4,500,000 SAF for FY 2016-17 based on prior year actual costs.  Appropriates \$4,500,000 SAF for FY 2017-18.			
Sec. 31h Cooperative Education Grant	Appropriates \$300,000 SAF for FY 2016-17 for a district that educates high school students for a district that voluntarily closed its high school in 2013 (Marshall/Albion). Specifies it is the 2 <sup>nd</sup> of two years of funding.	Eliminates funding and repeals this section.			
Sec. 31j Locally Grown Produce in Schools	Appropriates \$250,000 GF/GP for FY 2016-17 for a pilot project to support districts in the purchase of locally grown fruits and vegetables for use in school lunches.  Distributed to districts in Prosperity regions 2 (Northwest) and 4 (West Michigan), at a reimbursement of 10 cents per meal. Priority to districts with high percentage of kids eligible for free lunch.	Eliminates funding and repeals this section.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP)</p>	<p>Appropriates \$243,600,000 SAF for FY 2016-17 for GSRP preschool programs and \$300,000 GF/GP to continue a longitudinal study of the GSRP.</p> <p>(2) Funds distributed based on formula in Sec. 39.</p> <p>(3) Allocates \$300,000 for the longitudinal evaluation.</p> <p>(4) Provides required program components.</p> <p>(5)(b) Requires that at least 90% of participating children live in families with income less than 250% of federal poverty level. Allows an ISD to serve children in families with income up to 300% of the federal poverty level, if they have served all eligible children and have no children with a family income less than 250% of the federal poverty level on a waiting list. Prioritizes any child who is in foster care, homeless, or has an IEP requiring preschool as if they were within the lowest income quintile.</p> <p>(9) Caps ISD admin expenses at 4%. Subrecipient costs are considered program costs or contracted program fee for service.</p>	<p>Maintains appropriation of \$243,600,000 SAF for programs and \$300,000 GF/GP for the longitudinal study for FY 2017-18.</p> <p>(2) No Change.</p> <p>(3) No Change.</p> <p>(4) No Change.</p> <p>(5)(b) Requires that all children live in families with income less than 250% of federal poverty level, unless in foster care, homeless or has an IEP requiring preschool.</p> <p>(9) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP) (cont.)</p>	<p>(11) Requires each provider to rank children based on income and enroll children in the lowest quintile first before moving to the next quintile until all children are served. If all are served then ISD can enroll up children in families with income up to 300% of federal poverty level. Prioritizes any child who is in foster care, homeless, or has an IEP requiring preschool as if they were within the lowest income quintile.</p> <p>(12) Requires that an ISD must allow a parent to pick a GSRP program offered by another ISD and enter into a written agreement for payment in a manner described by MDE.</p> <p>(13) Requires an ISD to contract with interested and eligible public and private for-profit and nonprofit community-based providers for at least 30% of its total allocated slots. Allows a head start grantee or delegate in a blended Head Start GSRP program to count toward 30%. Excludes children in a pure Head Start program from counting toward 30%.</p> <p>Requires ISDs to notify each nonparticipating licensed child care center located in its service area regarding the center's eligibility to participate.</p>	<p>(11) Strikes language expanding to 300% of federal poverty level if there is no waiting list of children below 250%.</p> <p>(12) No Change.</p> <p>(13) No Change.</p>			



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP) (cont.)</p>	<p>(14) Requires MDE to reduce ISD allocation if the ISD fails to submit evidence demonstrating its effort to contract for 30% of its slots.</p> <p>(15) Requires MDE to report to Legislature by December 1 on ISD use of community-based providers.</p> <p>(18) Requires ISDs to establish a tuition sliding scale for families with income greater than 250% of federal poverty level.</p> <p>(19) Allocates \$10,000,000 for transportation costs no more than either a program's transportation budget or \$150 per half-day slot.</p>	<p>(14) No Change.</p> <p>(15) No Change.</p> <p>(18) Requires ISD to charge tuition according to the sliding scale for families with income greater than 250% of federal poverty level.</p> <p>(19) Revises "slot" to "child" to reflect changes in Sec. 39. Reduces funding to \$150 per child if a program was previously receiving \$300 per child in a school day program using 2 half-day slots.</p>			
<p>Sec. 32p Early Childhood Block Grants</p>	<p>(1) Appropriates \$13,400,000 SAF for FY 2016-17 for early childhood funding block grants to ISDs.</p> <p>(2) Requires ISDs to convene great start collaboratives and parent coalitions with goal of ensuring coordination and expansion of local early childhood infrastructure to achieve the following outcomes for children:</p> <p>(a) Born healthy.</p> <p>(b) Healthy, thriving, and developmentally on track from birth to 3<sup>rd</sup> grade.</p> <p>(c) Developmentally ready to succeed upon school entry.</p> <p>(d) Reading proficiently by end of 3<sup>rd</sup> grade.</p>	<p>(1) Maintains appropriation of \$13,400,000 SAF of FY 2017-18.</p> <p>(2) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 32p Early Childhood Block Grants (cont.)</p>	<p>(3) Collaborative shall make recommendations to ensure local systems support physical, and social-emotional health, family supports and basic needs, parent education, early education and care, and a child's vocabulary development.</p> <p>(4) Allocates \$2,500,000 to provide home visits to at-risk children and their families. The goals of the home visits are to improve school readiness, reduce the number of pupils retained in grade level, reduce the number of pupils requiring special education services, and improve vocabulary development.</p>	<p>(3) No Change.</p> <p>(4) Maintains \$2,500,000 allocation for home visits.</p>			
<p>Sec. 32q Early Learning Collaborative Partnership</p>	<p>Appropriates \$175,000 GF/GP for FY 2016-17 for a district partnering with an early childhood collaborative on a pilot program to evaluate the benefits of 2 years of preschool for vulnerable children.</p> <p>Directs funding to an ISD working with a collaborative. Defines eligible ISD as being in a county with a population between 500,000 and 800,000 with an early learning collaborative within its boundaries.</p> <p>Intent that the funding would be the 1<sup>st</sup> of 3 years of funding.</p>	<p>Eliminates funding and repeals this section.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 35 Early Literacy- Implementation	Appropriates \$1,000,000 GF/GP for FY 2016-17 for implementing Sec. 35a to ensure children are reading on grade level by end of 3 <sup>rd</sup> Grade.	Maintains \$1,000,000 GF/GP for FY 2017-18 for implementing Sec. 35a.			
Sec. 35a Early Literacy	<p>Appropriates a total of \$22,900,000 SAF and \$1,000,000 GF/GP for FY 2016-17 for the following early literacy initiatives:</p> <p>(2) \$950,000 SAF for professional development. 2<sup>nd</sup> of 2 years of funding.</p> <p>(3) \$1,450,000 SAF for diagnostic tools to monitor development of early literacy skills. 2<sup>nd</sup> of 2 years of funding.</p> <p>(4) \$3,000,000 SAF in matching grants for literacy coaches to assist teachers.</p> <p>(5) \$17,500,000 SAF for added instructional time for pupils in grades K to 3.</p> <p>(6) \$1,000,000 GF/GP for the Michigan Education Corps.</p>	<p>Appropriates a total of \$25,900,000 SAF for FY 2017-18.</p> <p>(2) Maintains \$950,000 SAF.</p> <p>(3) Maintains \$1,450,000 SAF.</p> <p>(4) Increases to \$6,000,000 SAF. Maintains the number of coaches but doubles the potential state reimbursement from \$37,500 per coach to \$75,000. Maintains ISD 50% match requirement.</p> <p>(5) Maintains \$17,500,000 SAF.</p> <p>(6) Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 39 GSRP Per Pupil Allocation Formula</p>	<p>(1) Requires ISD or consortia to submit application for GSRP funds using a comprehensive needs assessment (CNA) that includes the following:</p> <ul style="list-style-type: none"> <li>- the number of children in the community who meet the eligibility requirements in Sec. 32d as estimated locally,</li> <li>- the estimated number of eligible children who are being served by other preschool programs in the community,</li> <li>- the number of slots the program can fill with eligible children, and</li> <li>- number of children that will remain unserved.</li> </ul> <p>(3) Calculates the number of children construed to be in need of GSRP as follows: ½ of the percentage of pupils in grades 1 to 5 who are eligible for free lunch in the prior year, multiplied by the average kindergarten enrollment for the last 2 fiscal years. Each child construed to be in need constitutes 1 slot.</p>	<p>(1) Revises as follows:</p> <p>Deletes the CNA. Application will include the following:</p> <ul style="list-style-type: none"> <li>- the number of children in the community who meet the eligibility requirements as provided by MDE using American Community Survey population data, updated every 3 years.</li> <li>- the estimated number of children being served exclusively by Head Start.</li> <li>- the number of children the program has the capacity to serve.</li> <li>- Deleted.</li> </ul> <p>(3) Deleted.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 39 GSRP Per Pupil Allocation Formula (cont.)</p>	<p>(4) Initial allocation is \$3,625 times the number of slots calculated under (3).</p> <p>(5) If funds remain after allocation in (4), then allocations under (5) are distributed in decreasing order of concentration of eligible children calculated under (3). Allocation is lesser of prior year allocation or number of slots able to fill in current year times \$3,625 minus the amount received under (4).</p>	<p><del>(4)</del> (3) Revises the formula to the lesser of either:</p> <ul style="list-style-type: none"> <li>- the sum of the number of children served in a school-day program in the preceding year multiplied by \$7,250 plus the number of children served in a GSRP/Head Start blended program in the previous year multiplied by \$3,625</li> <li>- the sum of the number of children the program has the capacity to serve multiplied by \$7,250 plus the number of children the program has the capacity to serve in a GSRP/Head Start blended program multiplied by \$3,625.</li> </ul> <p><del>(5)</del> Deleted.</p> <p>(4) Calculates the percentage of eligible children served by each ISD or consortium by dividing the number of children served in the prior year by the total number of children who meet the eligibility criteria as determined by MDE using the American Community Survey data. Uses the resulting percentage to compare to a statewide percentage benchmark to determine if the ISD or consortium is eligible for additional funds. For 2017-2018, the statewide percentage benchmark is 60%.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 39 GSRP Per Pupil Allocation Formula (cont.)</p>	<p>(6) If funds remain after both (4) and (5), then allocations under (6) are distributed in decreasing order of concentration of eligible children calculated under (3) for slots the applicant indicates it can fill exceeding funding received under (4) and (5).</p>	<p><del>(6)</del> Deleted.</p> <p>(5) If funds remain after the allocation in (3), additional funds distributed to ISDs serving less than the state percentage benchmark as determined under (4). Remaining funds distributed to each eligible applicant based on its proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in ISDs or consortia serving less than the statewide percentage benchmark. After all applicants have been given opportunity to reach the statewide percentage benchmark, the benchmark may be reset as determined by MDE until greater equity of opportunity to serve eligible children has been achieved.</p> <p>(7) Requires MDE to review Sec. 32d and 39 biennially, and convene a committee of internal and external stakeholders at least every 5 years.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 39a Federal Funds	<p>(1) Appropriates \$821,939,900 for FY 2016-17 in Federal No Child Left Behind (NCLB) or Every Student Succeeds Act (ESSA) funds including the following:</p> <p>(a) \$2,000,000 in Drug-Free schools and Communities funds.</p> <p>(b) \$111,111,900 in Improving Teacher Quality funds.</p> <p>(c) \$12,200,000 in Language Acquisition funds.</p> <p>(d) \$250,000 in Charter School funds.</p> <p>(e) \$3,000,000 in Rural and Low Income School funds.</p> <p>(f) \$565,000,000 in Title I, Disadvantaged Children funds.</p> <p>(g) \$8,878,000 in Migrant Education funds.</p> <p>(h) \$39,000,000 in 21<sup>st</sup> Century Community Learning Center funds.</p> <p>(i) \$24,600,000 in Title I, School Improvement Grants.</p>	<p>(1) <i>Supplemental Request 2017-2</i> reduces Federal grants to \$744,039,900 for FY 2016-17.</p> <p>Decreases Federal grants to \$731,600,000 for the Every Student Succeeds Act (ESSA) for FY 2017-18.</p> <p>(a) Decreases to \$1,200,000 for both FY 2016-17 and FY 2017-18.</p> <p>(b) No Change for FY 2016-17. Decreases to \$100,000,000 for FY 2017-18.</p> <p>(c) No Change for FY 2016-17. Decreases to \$11,000,000 for FY 2017-18.</p> <p>(d) No Change for FY 2016-17. Deletes for FY 2017-18.</p> <p><del>(e)</del> (d) No Change for FY 2016-17. Decreases to \$2,800,000 for FY 2017-18.</p> <p><del>(f)</del> (e) Reduces to \$535,000,000 for both FY 2016-17 and FY 2017-18.</p> <p><del>(g)</del> (f) No Change for FY 2016-17. Increases to \$9,200,000 for FY 2017-18.</p> <p><del>(h)</del> (g) No Change.</p> <p><del>(i)</del> (h) Reduces to \$18,000,000 for both FY 2016-17 and FY 2017-18.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 39a Federal Funds (cont.)	<p>(j) Adds \$55,900,000 in Student Support and Academic Enrichment Grants.</p> <p>(2) Appropriates \$30,800,000 in other Federal funds for education including the following:</p> <p>(a) \$200,000 in CDC-AIDS education grants.</p> <p>(b) \$2,600,000 in Homeless Children and Youth funds.</p> <p>(c) \$4,000,000 for mental health, substance abuse, or violence prevention services.</p> <p>(d) \$24,000,000 in Career &amp; Technical Education funds.</p> <p>(5) Adds that for the purposes of funding Title I grants, MDE shall allocate an amount of Title I, Part A funds to a strict discipline academy equal to what it would have received if it were included under Part D or what it would receive under Part A, whichever is greater.</p>	<p>(j) (i) Reduces to \$15,400,000 for both FY 2016-17 and FY 2017-18.</p> <p>(2) No change for FY 2016-17. Decreases to \$30,000,000 for other Federal funds for education for FY 2017-18.</p> <p>(a) Decreases to \$100,000 for FY 2017-18.</p> <p>(b) Decreases to \$1,900,000 for FY 2017-18.</p> <p>(c) No Change.</p> <p>(d) No Change.</p> <p>(5) No Change.</p>			
Sec. 41 Bilingual Education	Appropriates \$1,200,000 for FY 2016-17 for instruction to pupils with limited English-speaking ability.	Maintains appropriation of \$1,200,000 SAF for FY 2017-18.			



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 51a (1) Total Special Education Funding</p> <p>(2) Special Ed -ISD Foundations and Costs</p> <p>(3) Special Ed -ISD Hold Harmless Payments</p> <p>(6) Special Ed Administrative Rule Changes</p> <p>(7)(c) Itinerant Staffing</p> <p>(11) Special Ed - ISD Foundations - Non Sec. 52</p> <p>(15) Special Education Penalty</p>	<p>(1) Appropriates a total of \$973,046,100 SAF and \$370,000,000 Federal funding for FY 2016-17.</p> <p>Allocations of the total are below in Sec. 51a (2)(3)(6)(11), Sec. 51c, Sec. 53a, Sec. 54, and Sec. 56</p> <p>(2) Allocates \$271,600,000 for FY 2016-17.</p> <p>(3) Allocates \$1,100,000 for FY 2016-17.</p> <p>(6) Allocates \$2,200,000 for FY 2016-17.</p> <p>(7)(c) Allows unspent Sec. 51a funds at end of fiscal year to be allocated as additional reimbursements to ISDs based on the transfer of special education staff under certain situations since 2003-2004. Caps an ISD's allocation at \$2,000,000.</p> <p>(11) Allocates \$3,700,000 for FY 2016-17.</p> <p>(15) Penalty equal to 10% of state aid for a district or ISD that does not comply with this section or federal regulations regarding provision of special education in 2016-2017.</p>	<p>(1) <i>Supplemental Request 2017-2</i> decreases appropriation for FY 2016-17 to \$945,046,100 SAF and \$370,000,000 Federal funding based on consensus costs.</p> <p>Appropriates \$963,146,100 SAF and \$370,000,000 federal for FY 2017-18.</p> <p>(2) Decreases allocation to \$261,400,000 for FY 2016-17 and to \$266,000,000 for FY 2017-18.</p> <p>(3) Decreases allocation to \$1,000,000 for FY 2016-17 and FY 2017-18.</p> <p>(6) Maintains allocation at \$2,200,000 for FY 2016-17 and FY 2017-18.</p> <p>(7)(c) No Change.</p> <p>(11) Decreases allocation to \$3,600,000 for FY 2016-17 and FY 2017-18.</p> <p>(15) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 51c Special Ed - <i>Durant</i> Payment	Allocates \$644,500,000 from the appropriation in Sec. 51a(1) for FY 2016-17 to provide funding for costs associated with <i>Durant</i> settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	Decreases allocation to \$626,900,000 for FY 2016-17 and to \$640,400,000 for FY 2017-18.			
Sec. 51d Other Federal Special Education	Appropriates \$71,000,000 in other Federal special education grants for FY 2016-17.	Decreases the appropriation to \$61,000,000 for FY 2017-18 to better reflect actual federal funding.			
Sec. 53a Special Ed - Court Placed Pupils	Allocates \$10,500,000 from the appropriation in Sec. 51a(1) for FY 2016-17.	Maintains the \$10,500,000 allocation for FY 2017-18.			
Sec. 54 Special Ed - Schools for the Deaf and Blind	Allocates \$1,688,000 from the appropriation in Sec. 51a(1) for FY 2016-17.	Maintains the \$1,688,000 allocation for FY 2017-18.			
Sec. 54b Special Ed – Task Force Reforms	(1) Appropriates a total of \$1,125,000 GF/GP for FY 2016-17 to implement Special Ed Task Force Recommendations.  (2) Allocates \$625,000 for pilot of Michigan Integrated Behavior and Learning Support Initiative (MiBLSI).  (3) Allocates \$500,000 for providing training in districts and ISDs related to the safe implementation of emergency restraints and seclusion.	(1) Increases appropriation to \$1,600,000 GF/GP for FY 2017-18.  Maintains the purposes but eliminates individual allocations for subsections (2) and (3).			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 55 Conductive Learning	Appropriates \$150,000 SAF for FY 2016-17 to MSU Department of Epidemiology in conjunction with Aquinas College to evaluate conductive learning for children with cerebral palsy. 2 <sup>nd</sup> of 2 years of funding.	Eliminates funding and repeals this section.			
Sec. 56 Special Education - Millage Equalization	<p>(2) Allocates \$37,758,100 from Sec. 51a(1) for FY 2016-17. Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education mill levied.</p> <p>(3) Per-pupil equalization amount equal to \$179,600.</p> <p>(4) Caps maximum ISD allocation at 62.9% of the total appropriation.</p> <p>(5) Provides that no ISD shall receive less than 75% of its prior year allocation.</p>	<p>(2) Maintains the \$37,758,100 allocation for FY 2016-17 and FY 2017-18.</p> <p>(3) <i>Supplemental Request 2017-2</i> revises the per-pupil equalization amount equal to \$180,700 for FY 2016-17 to better reflect updated taxable values.</p> <p>Increases to \$182,800 for FY 2017-18.</p> <p>Adjusts FY 2017-18 calculation to subtract any reimbursement an ISD receives from the Local Community Stabilization Authority for personal property tax (PPT) loss, so that the formula doesn't make up for the PPT loss a second time under this section.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 61a Career and Technical Education (CTE)	<p>(1) Appropriates \$36,611,300 SAF for FY 2016-17 for reimbursements to districts and intermediate districts for vocational education programs.</p> <p>Reimburses districts for up to 75% of added costs prioritized on:</p> <ul style="list-style-type: none"> <li>- Capital and program expenditures needed to operate the program</li> <li>- Number of pupils enrolled</li> <li>- The advancement of pupils through the instructional program.</li> <li>- The existence of an articulation agreement with at least 1 postsecondary institution for transfer of credit.</li> <li>- Program rank in student placement.</li> <li>- Program rank in job openings and wages.</li> </ul> <p>(4) In addition to (1), appropriates \$79,000 GF/GP to a non-profit organization that provides curriculum and training to CTE programs in restaurant management and culinary arts.</p>	<p>(1) Maintains appropriation of \$36,611,300 SAF for FY 2017-18.</p> <p>No Change.</p> <p>(4) Deletes.</p>			
Sec. 61b CTE Education Early/Middle Colleges	<p>(1) Appropriates \$9,000,000 SAF for CTE early middle colleges for FY 2016-17.</p> <p>(2) Funding for ISDs in 10 prosperity regions and subregions. Caps administrative costs at 5%.</p>	<p>(1) Maintains appropriation of \$9,000,000 SAF for FY 2017-18 for CTE early middle colleges.</p> <p>(2) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 61b CTE Education Early/Middle Colleges (cont.)	<p>(4) Provides requirements for regional plan and ranking of career clusters.</p> <p>(6) Funding equal to 50% of statewide average CTE cost by CIP code program per pupil.</p> <p>(8) Allows up to \$500,000 from funds appropriated in (1) to be used for planning new or expanded programs. Caps grants to \$50,000 per program.</p> <p>(9) Allows funds to pay for expenditures that would be paid from foundation allowance funding. A program that receives funding under Section 61a may receive funding under this section for allowable costs that exceed the reimbursement under Section 61a, as long as combined payments from 61a and 61b do not exceed the total allowable costs of the program. Caps administrative funds at 5%.</p> <p>(12) Provides legislative intent to provide funds in 2017-2018 to reimburse districts with early/middle college programs for the added costs of providing a high school diploma and an associate's degree, certification, 60 college credits, or apprenticeship in less than 5 years.</p>	<p>(4) No Change.</p> <p>(6) Revises the statewide average cost per CIP code program from a 1-year average to a 3-year average.</p> <p>(8) No Change.</p> <p>(9) No Change.</p> <p>(12) Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 61c CTE Equipment Upgrades</p>	<p>(1) Appropriates \$3,000,000 GF/GP for FY 2016-17 for grants to cooperating education policy districts (CEPDs) for a skilled trades initiative.</p> <p>(2) Allocates funds equally among all applying CEPDs.</p> <p>(3) Requires that funding shall be used to update CTE equipment in current CTE programs driving economic development in their individual communities to build a more qualified workforce.</p> <p>(4) Award allocations locally shall be determined by CEPD administrators using state, regional, and local data to ensure programs are high-wage, high-skill, and high-demand occupations.</p> <p>(5) Requires annual report by September 15.</p> <p>(6) Appropriates \$200,000 SAF for FY 2016-17 for a district with at least 1,200 pupils to support a mechatronics program that operated in at least 2 sites in 2015-16 to update program equipment.</p>	<p>(1) Increases appropriation to \$20,000,000 SAF for FY 2017-18 to districts or ISDs for CTE equipment and innovation competitive grants.</p> <p>(2) Provides for a competitive grant program in which grants may vary from \$250,000 to \$1,000,000 per application. Allows funds to be used for the purchase of equipment and related capacity building activities. Caps use of funds for administrative costs at 5%.</p> <p><del>(3)</del> Deleted.</p> <p>(3) Requires that MDE work with the Department of Talent and Economic Development to evaluate grant applications.</p> <p><del>(4)</del> Deleted.</p> <p><del>(5)</del> (4) Revises report date to December 15.</p> <p><del>(6)</del> Deleted.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 62 CTE/ Vocational Education Millage Equalization</p>	<p>(2) Appropriates \$9,190,000 SAF for FY 2016-17. Funding for ISDs to guarantee a minimum level of revenue per pupil for each special education mill levied.</p> <p>(3) Per-pupil equalization amount equal to \$189,400.</p> <p>(4) Caps maximum ISD allocation at 38.4% of the total appropriation.</p> <p>(5) Provides that no ISD shall receive less than 75% of its prior year allocation.</p>	<p>(2) Maintains appropriation of \$9,190,000 SAF for FY 2016-17 and FY 2017-18.</p> <p>(3) <i>Supplemental Request 2017-2</i> revises the per-pupil equalization amount equal to \$198,400 for FY 2016-17 to better reflect updated taxable values.</p> <p>Decreases to \$198,100 for FY 2017-18.</p> <p>Adjusts FY 2017-18 calculation to subtract any reimbursement an ISD receives from the Local Community Stabilization Authority for personal property tax (PPT) loss, so that the formula doesn't make up for the PPT loss a second time under this section.</p> <p>(4) No Change.</p> <p>(5) No Change.</p>			
<p>Sec. 63 CTE (ISD/Health Dept.) Partnership</p>	<p>Appropriates \$250,000 SAF for FY 2016-17 to an ISD for a joint capital project with a local health department for a new building connected to the ISD CTE center.</p>	<p>Eliminates funding and repeals this section.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 64b Dual Enrollment Incentive Payments	(1) Appropriates \$1,750,000 SAF for FY 2016-17 in payments to districts that provide dual and concurrent enrollment options to students in grades 9-12.  (4) Payments equal to \$10 per credit hour for up to 3 credits for each student enrolled plus \$30 per pupil per course, if pupil completes and is awarded both high school and post-secondary credit for the course.	(1) Maintains appropriation of \$1,750,000 SAF for FY 2017-18.  (4) No Change.			
Sec. 65 Detroit Area PreCollege Engineering Program	Appropriates \$340,000 GF/GP for FY 2016-17 for the Detroit Area PreCollege Engineering Program (DAPCEP).	Eliminates funding and repeals this section.			
Sec. 67 College and Career Preparation	(1) Appropriates \$3,050,000 GF/GP for FY 2016-17 for programs to inform students of college and career options.  (2) Allocates \$3,000,000 to the College Access Program administered by the Talent and Economic Development (TED) in collaboration with the Michigan College Access Network (MCAN).  (3) Allocates up to \$50,000 to provide students, parents, and educators information on dual enrollment and opportunities to earn postsecondary credits, technical certifications, and registered apprenticeships.	(1) Reduces appropriation to \$3,000,000 GF/GP for FY 2017-18.  (2) Allocates \$3,000,000.  (3) Deletes.			



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 74 Bus Driver Safety and School Bus Inspections</p>	<p>Appropriates \$3,320,600 SAF for FY 2016-17.</p> <p>(2) Allocates \$1,625,000 for bus driver safety instruction.</p> <p>(4) Allocates \$1,695,600 to reimburse Michigan State Police for school bus inspections.</p>	<p>Increases FY 2017-18 total appropriation to \$3,330,300 SAF.</p> <p>(2) Maintains funding at \$1,625,000.</p> <p>(4) Increases to \$1,705,300 to reflect statewide negotiated salary and wage increases (3.0% ongoing after removing the FY 2016-17 one-time 1.5% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.</p>			
<p><b>NEW</b> Sec. 78 Statewide School Drinking Water Quality Program</p>		<p>Transfers an appropriation of \$4,500,000 GF/GP from the MDE budget to School Aid for FY 2017-18.</p> <p>Allows a district or registered nonpublic school to receive reimbursement of up to \$950 per school building for the costs of school water testing, fixture replacement, filter purchases, plumbing assessments, or technical assistance.</p>			
<p>Sec. 81 Intermediate School Districts (ISD) General Operations Funding</p>	<p>Appropriates \$67,108,000 SAF for FY 2016-17 for basic operational funding of intermediate districts.</p>	<p>Maintains appropriation of \$67,108,000 SAF for FY 2017-18.</p> <p>Provides each ISD with an amount equal to its FY 2016-17 allocation.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 94 Advanced Placement Incentive Program	Appropriates \$250,000 for FY 2016-17 to districts to pay for some or all of Advanced Placement (AP) and International Baccalaureate (IB) registration and test fees for low-income students. Registration fees up to \$150, and test payments estimated at \$20 per test. Requires that a student pay at least \$5.00 for each test.	Maintains \$250,000 GF/GP appropriation for FY 2017-18.			
Sec. 94a Center for Educational Performance and Information (CEPI)	Appropriates \$12,173,200 GF/GP in FY 2016-17 to support the operations of the CEPI, which is in the Department of Technology, Management, and Budget, and for the comprehensive data management and student tracking system.  Appropriates \$193,500 in FY 2016-17 from Federal funds.	Increases appropriation to \$16,216,000 GF/GP for FY 2017-18. The increase would offset the expiration of federal work project funding that has been used to fund CEPI for several years.  Appropriates \$193,500 in Federal funds for FY 2017-18.			
Sec. 95a Educator and Administrator Evaluations	Appropriates \$0 into the Educator Evaluation Reserve Fund for FY 2016-17.  (5) Requires MDE to submit a spending plan to the State Budget Office before spending funds.	Appropriates \$7,000,000 for FY 2017-18 to provide the 2 <sup>nd</sup> year of funding for training educators in performing evaluations and using educator evaluation tools or purchasing evaluation tools as required by as required under PA 173 of 2015. Initial funding of \$14,800,000 was provided in the FY 2015-16 budget, but carried forward as a work project into the current year.  (5) Deletes.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 98 Michigan Virtual University (MVU)</p>	<p>Appropriates \$7,387,500 GF/GP to MVU in FY 2016 - 17.</p> <p>Requires that MVU report by Nov. 1, 2016 on its mission, plans, and proposed benchmarks, including plan to increase by 50% improvement for each requirement under this section in order to receive full funding for FY 2017-18. Requires progress report by March 1, 2017.</p> <p>(2) Requires Michigan Virtual Learning Research Institute with following objectives: (a) Support and accelerate innovation in education through specified activities. (b) Provide leadership for the state's system of digital learning education through specified activities.</p> <p>(3) Requires MVU to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction. Caps funds appropriated in this section and used by MVU to subsidize the cost paid by districts for virtual courses to \$1,000,000.</p>	<p>Maintains the appropriation of \$7,387,500 GF/GP for FY 2017-18.</p> <p>Updates years.</p> <p>(2) No Change.</p> <p>(3) No Change.</p> <p>(4) Adds new subsection requiring that MVU allocate \$500,000 to support the expansion of new online and blended educator professional development programs working collaboratively with the Michigan Association of Intermediate School Administrators.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 99h FIRST Robotics	Appropriates \$2,500,000 SAF for FY 2016-17 to districts for grants for FIRST Robotics, Jr. Lego League, Lego League, and FIRST Tech Challenge programs grades K-12. Funds may be used for stipends for coaches and expenses.	Maintains appropriation of \$2,500,000 SAF for FY 2017-18.  (4) Deletes work project authorization.			
<b>NEW</b> Sec. 99k Cybersecurity Competitions		Appropriates \$500,000 for FY 2017-18 for competitive grants to districts to provide pupils in grades 6 to 12 with expanded opportunities to develop computer science skills through cybersecurity competitive events known as Michigan High School Cyber Challenge or CyberPatriot.  (2) Districts must have a partnership with at least 1 sponsor, business entity, higher education institution, or technical school and must pay at least 25% of the program cost.  (3) Funding may be used to pay for stipends of up to \$1,500 for a coach or mentor per team and up to 50% of total costs for event registration, materials, travel costs and other expenses. Grants may also be given to districts that qualify for state and world championship events.  (4) Provides work project authorization to allow funds to be carried into the following fiscal year.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 99s Michigan Science, Technology, Engineering, and Mathematics (MiSTEM) Grants</p>	<p>(1) Appropriates a total of \$9,549,300 including \$3,000,000 SAF, \$1,300,000 GF/GP, and \$5,249,300 Federal for STEM programs:</p> <p>(2) \$50,000 GF/GP allocated to MiSTEM Council to provide training to council members in the Change the Equation Stemworks rating system and to administer MiSTEM grants.</p> <p>(3) Allocates \$1,000,000 GF/GP for grants based on council recommendations.</p> <p>(4) \$2,750,000 SAF and \$5,249,300 Federal to Math/Science Centers.</p> <p>Requires that the Math/Science comprehensive master plan be updated and shall include a review on feasibility of consolidating and reducing the number of centers.</p> <p>(5) \$250,000 SAF to districts for Science Olympiad teams.</p> <p>(6) \$250,000 GF/GP to Van Andel Institute for professional development for science teachers.</p>	<p>(1) Increases total appropriation to \$10,500,000 including \$5,500,000 SAF, \$300,000 GF/GP, and \$4,700,000 Federal.</p> <p>(2) Maintains \$50,000 GF/GP for administration. Revises to eliminate requirement to provide STEM quality ratings.</p> <p>(3) Increases to \$3,000,000 but uses SAF rather than GF/GP.</p> <p>(4) Revises to \$2,500,000 SAF and \$250,000 GF/GP and reduces Federal funds to \$4,700,000.</p> <p>Replaces current system of 33 Math/Science Centers to a MiSTEM Centers Network with 10 centers in each of the state's prosperity regions. Funding as follows:  - \$250,000 GF/GP to MDE to support the function of the Executive Director for the MiSTEM Centers Network.  - \$500,000 SAF for the transition to 10 regional MiSTEM centers.  - \$2,000,000 SAF for grants of \$200,000 per Center.</p> <p>(5) Deletes.</p> <p>(6) Deletes.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 99t Online Algebra Tool	Appropriates \$1,500,000 GF/GP for FY 2016-17 for a statewide online algebra tool.	Eliminates funding and repeals this section.			
Sec. 102d Financial Data Analysis Tools	Appropriates \$1,500,000 SAF for FY 2016-17 to reimburse districts for up to 50% of the cost of licensing school data analytical tools and distributes remaining funds to applying districts on an equal per-pupil basis. Caps reimbursement at total cost of 1 software application.	Eliminates funding and repeals this section.			
Sec. 104 Assessment Funding	<p>Appropriates \$33,894,400 SAF in FY 2016-17 for reimbursement of costs associated with state student assessment requirements.</p> <p>Appropriates \$6,250,000 in Federal assessment funding.</p> <p>(2) Requires that assessment results include an item analysis listing all items counted for individual pupil scores and the percentage of pupils choosing each possible response.</p> <p>(4) Allocates \$185,000 to implement a kindergarten readiness assessment (KRA) to participate in the Maryland-Ohio pilot.</p> <p>(5) Requires MDE to continue to make the kindergarten entry assessment (KEA) available to districts.</p>	<p>Reduces appropriation to \$33,709,400 SAF in FY 2017-18.</p> <p>Maintains appropriation of \$6,250,000 federal funding.</p> <p>(2) No Change.</p> <p>(4) Deletes.</p> <p><del>(5)</del> (4) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 104 Assessment Funding (cont.)	<p>(6) Provides that MDE may recommend, but not require, that districts allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.</p> <p>(8) Allocates \$3,200,000 for the online reporting tool to provide immediate student-level assessment data.</p> <p>(9) Allocates \$5,600,000 for implementing a summative assessment system pursuant to Section 104c.</p>	<p><del>(6)</del> (5) No Change.</p> <p><del>(8)</del> (7) Strikes the individual allocation and revises to provide that MDE shall work with CEPI on the online reporting tool and shall ensure that assessment data is accessible for use in professional development activities through the MiSchool Data portal.</p> <p>(9) Deletes.</p>			
Sec. 104c State Assessments	<p>(1) Requires districts to give state assessments to receive state aid.</p> <p>(3) Requires that MDE implement summative assessments for grades 3-11 and provides requirements.</p> <p>(4) Requires that beginning in 2015-2016, MDE field test assessments administered in fall and spring to measure English language arts and math in grades K to 2.</p>	<p>(1) No Change.</p> <p>(3) Adds that MDE shall begin to develop and pilot test content for use of benchmark assessments up to 3 times per year for grades 3 to 8 in ELA and Math beginning in 2018-19. Benchmark assessments would be aligned to state content standards and may be computer adaptive.</p> <p>(4) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 104d Computer Adaptive Tests	Appropriates \$4,000,000 for FY 2016-17 to reimburse districts for the purchase of computer adaptive tests or purchase of diagnostic and screening tools or benchmark assessments for K-3 pupils.	Eliminates funding and repeals this section.			
Sec. 107 Adult Education	<p>Appropriates \$25,000,000 in SAF for FY 2016-17.</p> <p>(3) Defines eligible participants enrolled in eligible programs including adult basic education, adult secondary programs, adult English as a second language (ESL), high school equivalency test prep, or high school completion:</p> <p>(a) Is at least 20 years of age.</p> <p>(b) Is at least 18 years old and their graduating class has graduated.</p> <p>(4) Distributes to ISDs serving as the fiscal agent for each of the 10 prosperity regions.</p> <p>Uses a multi-year phase-in based on both FY 2013-14 total funding in each prosperity region plus the "new" factors:</p> <ul style="list-style-type: none"> <li>- FY 2014-15: 2/3 old method, 1/3 new</li> <li>- FY 2017-18: 1/3 old method, 2/3 new</li> <li>- FY 2018-19: 100% new method</li> </ul>	<p>Maintains appropriation of \$25,000,000 for FY 2017-18.</p> <p>(3) No Change.</p> <p>(4) No Change.</p>			



SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 107 Adult Education (cont.)	<p>"New" allocation factors:</p> <ul style="list-style-type: none"> <li>- 60% based on region's proportion of total state population between ages 18-24 that are not high school graduates.</li> <li>- 35% based on region's proportion of total state population ages 25 or older that are not high school graduates.</li> <li>- 5% based on region's proportion of total state population ages 18 or older lacking basic English proficiency.</li> </ul> <p>(5) Requires an ISD that is a fiscal agent to distribute funds and collaborate with Talent District Career Council in each region to develop a regional strategy and create a local process and criteria that identify eligible adult education providers with special consideration for contextualized learning and career pathways and addressing barriers to education and employment.</p> <p>(9) A funding recipient receives funding based on all of the following:</p> <ul style="list-style-type: none"> <li>(a) Statewide allocation criteria including a 3-year average of actual enrollments, census data, and local needs.</li> <li>(b) Participant completion of program objectives.</li> <li>(c) Participant completion of core indicators.</li> <li>(d) Allowable expenditures.</li> </ul>	<p>No Change.</p> <p>(5) No Change.</p> <p>(9) No Change.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
<p>Sec. 107 Adult Education (cont.)</p>	<p>(14) Requires program to provide information and allow department to review records. Requires program to pay a CTE program under Sec. 61a for costs of adult basic education provided by the CTE program.</p> <p>(15) Appropriates \$500,000 for a pilot program as the 2<sup>nd</sup> of 3 years of funding for a program linking Adult Ed, a CTE center, Michigan Works!, and local employers to dually enroll participants in adult education and at least 1 technical course at the CTE center.</p> <p>(20) Requires MDE to approve at least 3 high school equivalency tests.</p>	<p>(14) No Change.</p> <p>(15) Updates to 3<sup>rd</sup> of 3 years of funding.</p> <p>(19) Deletes application process used to for initial pilot under (15).</p> <p><del>(20)</del> (19) No Change.</p>			
<p>Sec. 147 Retirement Contribution Rate</p>	<p>Provides retirement rates separated into seven subgroups based on hire date and benefit and contribution choices.</p> <p>Total contribution rates for FY 2016-17 to a range from 32.66% - 36.64%.</p> <p>Maximum employer contribution rates for FY 2016-17 range from 20.96% - 24.94%, with slight normal rate fluctuations for subgroups in between.</p> <p>Reflects a 22-year amortization period.</p>	<p>Revises the total rates for FY 2017-18 to a range from 32.28% - 36.88%.</p> <p>Maximum employer contribution rates for FY 2017-18 range from 20.96% - 25.56%, with slight normal rate fluctuations for subgroups in between.</p> <p>Revises to a 21-year amortization period.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 147a MPERS Cost Offset	Appropriates \$100,000,000 for FY 2016-17 to offset a portion of MPERS costs, based on each district's share of MPERS payroll in the preceding fiscal year.	(1) Maintains appropriation of \$100,000,000 SAF for FY 2017-18.  (2) Adds \$48,940,000 SAF and \$29,000 GF/GP to reimburse ISDs, districts, and libraries for the increased normal costs associated with a reduced rate of return from 8.0% to 7.5%.			
Sec. 147c. MPERS Prefunding - Unfunded Accrued Liability Payment	Appropriates \$982,200,000 SAF and \$600,000 GF/GP for FY 2016-17 to pay for the MPERS unfunded accrued liability (UAL) that exceeds the maximum rate charged to MPERS employers allowed under the Public School Employees' Retirement Act.  (2) Calculates average of \$660 per pupil and a range for districts between \$5 and \$3,100 per pupil.  (7) Requires MDE to publish an estimated rate cap per pupil for each district by December 20, 2016.	Decreases appropriation to \$960,101,000 SAF and \$683,000 GF/GP for FY 2017-18 based on actuarial estimates for the state share of UAL costs.  Overall costs are reduced due to improved health cost experience and improved rates of return but are offset by an increase of \$xxx due to the reduced rate of return from 7.5% to 8.0%.  (2) Revises average to \$640 and the range to between \$4 and \$3,020 per pupil.  (7) Updates to 2017.			
Sec. 152a Adair Data collection and reporting costs	Appropriates \$38,000,500 for FY 2016-17 to reimburse districts for data collection and reporting costs as required in <i>Adair v. Michigan</i> .	Maintains appropriation of \$38,000,500 SAF for FY 2017-18.			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Sec. 152b Reimbursements to Nonpublic Schools	Appropriates \$2,500,000 GF/GP for FY 2016-17 to reimburse nonpublic schools for the costs of complying with statutory requirements.	Eliminates funding and repeals this section.			
Sec. 166b Nonpublic Pupils	<p>Provides that a nonpublic student may be counted as a part-time pupil by a district for receipt of state aid only for nonessential elective courses that are offered to full-time pupils in that grade level or age group during regularly scheduled school hours.</p> <p>Requires that MDE shall convene a workgroup to examine the issue of a uniform definition of nonessential elective courses and a uniform definition of par-time pupil.</p>	Eliminates the workgroup which was convened in 2016.			
Enacting Section 1 State Spending and Payments to Locals	N/A	<p><i>Supplemental Request 2017-2</i> revises FY 2016-17 total state spending from state sources to \$12,327,709,400 and payments to locals are \$12,164,569,600.</p> <p>FY 2017-18 total state spending from state sources is \$12,575,145,300 and payments to locals are \$12,411,741,800.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	HOUSE	SENATE	CONFERENCE
Enacting Section 2 Repeals Sections as of October 1, 2017.	N/A	Repeals following sections: <b>11o</b> – FY16 Flint Grants <b>11r</b> – Distressed District Emergency Fund <b>20g</b> – Dissolved District Transition Grants <b>21g</b> – Competency Based Funding Grant <b>22g</b> – Consolidation Grants <b>25f</b> – Strict Discipline Academies <b>25g</b> – Dropout Recovery Programs <b>31c</b> – Gang Prevention Grant <b>31h</b> – Cooperative Education Grant <b>31j</b> – Local Produce in School Meals <b>32q</b> – Early Learning Collaborative <b>55</b> – Conductive Learning <b>63</b> – ISD/Health Dept CTE <b>65</b> – Detroit PreCollege Engineering <b>99t</b> – Online Algebra Tool <b>102d</b> – Financial Data Analysis Tools <b>104d</b> – Computer Adaptive Tests <b>152b</b> – Nonpublic Schools Reimbursement			
Enacting Section 3 Effective Date		Effective date is October 1, 2017.			