

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Current Law, Governor's Recommendation, Senate Subcommittee, and House Subcommittee
Fiscal Year 2015-16

SFA Analyst:
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SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 6 Definitions	Provides definitions including those for pupils in membership.	<p>Proposes an additional clarification for educating homeless pupils outside of normal age requirements, such that the pupil is considered to be homeless under the Stewart B. McKinney Homeless Assistance Act.</p> <p>Proposes new language that a pupil enrolled in an online course under Section 21f shall be counted in membership in the pupil's resident district (called the 'primary district' under Sec. 21f for online course enrollment). (Current language exempts an online learning pupil from needing the approval of the resident district to be counted in membership in a different district.)</p>	<p>Concurs with Governor's changes.</p> <p>Throughout the bill, references to 'prosperity regions' are changed to 'prosperity regions and subregions'.</p> <p>Changes the pupil membership blend from 90/10 current year to 85% current-year fall plus 15% prior-year February. This change costs \$9.0 million, and is paid for under Sec. 22a and 22b.</p>	Concurs with Governor's changes, but revises "enrolled" in Sec. 21f to "participating" in an online course, and revises "resident" to "enrolling" district.	
Sec. 8b Assignment of District Codes	Requires the Department to assign a district code to each public school academy within 30 days after a contract is submitted by the authorizing body.	Adds a new subsection stating that for each school of excellence that is a cyber school eligible to receive funding, the Department shall assign a district code that includes the county code as the first two digits.	Concurs with Governor.	Concurs with Governor.	
Sec. 11 Total Appropriations	Provides a summation of the total School Aid Fund, General Fund, and Federal funding in the Act. Includes a method for proration if revenue is not sufficient to support spending.	School Aid Fund revenue totals \$12,137,294,799 and GF/GP revenue totals \$45,900,000 for FY 2015-16.	School Aid Fund revenue totals \$12,151,444,700, and GF/GP revenue totals \$41,700,000, a decline of \$4,200,000 from the Governor's Recommendation.	School Aid Fund totals \$12,087,799,700 (a decline of \$49,450,000 from the Governor's recommendation), and GF/GP revenue totals \$45,900,000, which is the same as the Governor's recommended level.	

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Sec. 11a School Aid Stabilization Fund	Provides for appropriations from the School Aid Stabilization Fund.	Updates reference for fiscal year.	Concurs with Governor.	Concurs with Governor.	
Sec. 11j Debt Service on School Bond Loan Fund	FY 2014-15 appropriation of \$126,000,000 for debt service payments on school bond loan revolving fund obligations.	FY 2015-16 appropriation is increased to \$143,000,000.	Concurs with Governor.	Concurs with Governor.	
Sec. 11k School Loan Revolving Fund	Appropriates from the General Fund to the School Loan Revolving Fund an amount equal to the repayments.	Updates reference for fiscal year.	Concurs with Governor.	Concurs with Governor.	
Sec. 11m School Aid Fund Cash Flow Borrowing Costs	FY 2014-15 appropriation of \$4,000,000 to pay for cash flow borrowing costs at the State level.	FY 2015-16 appropriation remains at \$4,000,000.	Concurs with Governor.	Concurs with Governor.	
Sec. 11r – Distressed Districts Emergency Grant Fund	FY 2014-15 deposit of \$4,000,000 into a separate account in the School Aid Fund to make grants to dissolving districts to ensure they remain open and providing educational services to students until the end of the school year, or grants to districts that enroll students from dissolved districts. The State Treasurer is given the authority to determine grant amounts, after consultation with the State Superintendent. For districts that receive students from dissolved districts, grant amounts	Increases the deposit to \$75,000,000, and renames the fund the "Distressed Districts Rehabilitation Fund". Funds are intended to support the rehabilitation of school districts experiencing severe academic and financial stress in order to mitigate the impact on student learning. Current eligibility criteria (adopting a resolution for voluntary dissolution or being a receiving district for students of dissolved districts) are eliminated. The current cap on the amount of a grant (not to exceed the estimated amount of remaining district costs) is eliminated.	Appropriates \$8,935,900 to the Distressed Districts Rehabilitation Fund. Concurs with Governor on language changes.	Does not include this section.	

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	<p>would be determined the same as transition cost grants under Section 20g.</p> <p>The State Treasurer is required to notify the House and Senate Appropriations Subcommittees on School Aid prior to disbursing any funds under this section.</p>				
<p>Sec. 15 Audits and Apportionments</p>	<p>Allows the Department to make adjustments to State aid based on audits of current or prior-year programs and funding.</p> <p>The Department may conduct audits, or may direct audits by designee of the Department, of all records for the current fiscal year and the preceding three fiscal years related to a program for which a district or ISD received funds.</p>	<p>Updates reference for fiscal year.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 18 Spending and Audit Requirements</p>	<p>Specifies allowable uses of funds and requires yearly financial and pupil audits.</p> <p>Requires districts to post any deficit elimination plan publicly via a link on the district's web site. Requires districts to post all required budget information not later</p>	<p>Adds language requiring a district or intermediate district to adopt an annual budget in a manner that complies with the Uniform Budgeting and Accounting Act. If a district does not comply with this requirement, the Department may withhold up to 10% of the school aid funding otherwise payable under the bill.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	

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	<p>than 15 days after adoption of the budget.</p> <p>Requires districts to submit audits and comprehensive financial data by October 15, although the October payment may not be withheld if a district fails to submit data by October 15th.</p> <p>Requires districts to report on district credit cards and out-of-state travel for administrators fully or partially paid for by the district.</p>	<p>Changes the reporting date for annual financial data from October 15 to November 1.</p>			
<p>Sec. 20 Foundation Allowance Calculation</p>	<p>Basic foundation allowance for FY 2014-15 is \$8,099 and the minimum foundation is \$7,126 (plus a \$125 equity payment).</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 2015-16 is \$8,174, and the minimum is \$7,326.</p> <p>The Governor proposes a \$75 across-the-board increase for all districts. This costs roughly \$108.0 million, which is paid under Section 22b.</p> <p>(The prior-year equity payment is built into the base for FY 2015-16.)</p> <p>Adds language specifying that the foundation allowance for a cyber school authorized by a school district is equal to the lesser of the foundation allowance of the district that authorized the school or the maximum public school academy allocation (\$7,326 for FY 2015-16).</p>	<p>Basic foundation allowance for FY 2015-16 is \$8,149, and the minimum is \$7,351.</p> <p>The proposal is to use the '2x' formula to provide for a \$50 increase in the basic and a \$100 increase in the minimum.</p> <p>Concurs with Governor to build in prior-year equity payment.</p> <p>Concurs with Governor, but the maximum PSA allocation is \$7,351.</p> <p>The proposal costs \$130 million, or \$22 million more than the Governor's \$75 across-the-board proposal.</p>	<p>Basic foundation allowance for FY 2015-16 is \$8,236, and the minimum is \$7,525.</p> <p>The basic increases by \$137, and the minimum increases by \$274, using the 2x formula.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor, but states the maximum PSA allocation is equal to the minimum foundation allowance.</p>	

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			Provides an increase in a consolidated district's foundation allowance of \$200 per pupil for two years.		
Sec. 20f Categorical Offset Payments	Appropriate \$6,000,000 for FY 2014-15 to ensure all districts received at least a \$5 increase in per-pupil funding when comparing foundation allowance, equity, and MPSERS offset payments from FY 2012-13 to FY 2013-14.	Maintains the section in FY 2015-16 and the per-pupil funding at the same levels as in FY 2013-14.	Continues the original \$6,000,000 hold harmless funding, and adds another \$6,400,000 to ensure no district receives less operational funding between FY 2014-15 and FY 2015-16 when comparing the net changes in foundation allowances, at risk, best practices, and pupil performance grants.	Increases appropriation by \$8,000,000 to a total of \$14,000,000 to ensure that no district receives less than a \$25 per pupil increase when adding together changes in the foundation allowance, reductions in MPSERS offset (147a), and elimination of Best Practices, District Performance, and Dissolved District grants.	
Sec. 20g Dissolved District Transition Grants	Appropriates \$2,200,000 for FY 2014-15 for grants to districts that received portions of the dissolved districts of Buena Vista and Inkster. Grants are equal to 10% of the receiving district's foundation allowance for each pupil enrolled in one of the dissolved districts in the prior year. Legislative intent is to continue this funding for four years.	Continues the \$2,200,000 appropriation into FY 2015-16.	Concurs with Governor.	Eliminates this section.	
Sec. 21f Online Learning	Allows pupils in grades 6 to 12 to enroll in online courses. Allows ISDs to offer online courses. Does not allow for enrollment in more than two online courses per term. However, if a pupil has demonstrated previous success with	Clarifies that district means 'primary district', and that was previously termed educating district instead means 'providing district'. Allows community colleges to offer online course enrollments to pupils under this section.	Concurs with Governor, with the exception of changing the maximum reimbursement to 6.67% of the minimum foundation allowance (the Governor's proposal was 6.66%).	Concurs with Governor on referring to a primary district. Does not concur with the change to 6.66%, and instead leaves it at 8.33% of the minimum foundation allowance as the maximum cost for an online course. Does not concur with the	

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	<p>online courses and the school leadership and pupil's parent determine it is the best interest of the pupil, the pupil may be enrolled in more than two online courses in a specific academic term, semester, or trimester. A district may not establish additional requirements which would prohibit a pupil from taking an online course.</p> <p>MVU is required to maintain a statewide catalog of online courses. Requires the course syllabus published by a district or vendor to include the results of the online quality review using the guidelines and model review process published by MVU.</p> <p>Caps the amount a district pays for an online course to not more than 8.33% of the minimum foundation allowance for a semester course, but allows a parent to pay the difference for a course with a cost that exceeds the cap.</p> <p>Payment to be made as follows:</p>	<p>In order to provide an online course, in addition to other requirements, the providing district or ISD must assign to each pupil a teacher of record and provide the primary district with the personal identification code for the teacher of record.</p> <p>For a community college to provide an online course, it must provide MVU with the course syllabus for inclusion in the statewide online course catalog; offer the online course on an open entry and exit method, or aligned to a semester, trimester, or accelerated academic term format; offer online courses that generate postsecondary credit; provide MVU with the number of enrollments in each online course, and the number of enrollments in which the pupil earned 60% or more of the total course points; teach courses by an instructor employed by or contracted through the community college.</p> <p>Newly requires the primary district to assign to each pupil a mentor (defined as a professional employee of the district who monitors the pupil's progress, ensures the pupil has access to needed technology, is available for assistance, and ensures access to the teacher of record) to monitor the pupil's progress during the online</p>		<p>striking of the payment based 80% on enrollment and 20% on completion, and instead retains that formula.</p>	

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	<p>80% upon enrollment and 20% upon completion. If a pupil successfully completes an online course as determined by the primary district, the resident district shall grant appropriate credit and count that credit toward completion of graduation and subject area requirements as determined by the primary district.</p> <p>A district may deny enrollment in an online course offered by an outside vendor/district under these additional conditions:</p> <ul style="list-style-type: none"> -- that the pupil demonstrated failure with previous online coursework in the same subject area. -- the online course is of insufficient quality or rigor. However, if this is the reason for denial, the district shall make a reasonable effort to help the pupil find an appropriately rigorous or quality alternative course. <p>Requires districts and ISDs desiring to offer online courses to also</p>	<p>course and supply contact information.</p> <p>Eliminates language for payment based 80% on enrollment and 20% on completion.</p> <p>Changes the reimbursement from 8.33% to 6.66% of the minimum foundation allowance.</p>			

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	<p>provide MVU with the number of enrollments in each online course offered to pupils in the prior school year, and the number of enrollments that earned 60% or more of the total course points for each online course.</p> <p>Students must register for an online course in the summer prior to enrolling, unless the student has newly moved to the district.</p>				
<p>Sec. 22a Proposal A Obligation Payment (The Constitutionally required portion of the foundation allowance.)</p>	<p>FY 2014-15 appropriation of \$5,393,000,000.</p> <p>This section provides funding equal to the FY 1994-95 Proposal A foundation allowance levels multiplied by pupils.</p>	<p>FY 2015-16 appropriation of \$5,277,000,000.</p>	<p>Increases the appropriation by \$5,300,000 to pay for the change to an 85/15 pupil membership blend using the prior-year supplemental count and the current-year fall count.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 22b Discretionary Payment (The discretionary portion of the foundation allowance.)</p>	<p>FY 2014-15 appropriation of \$3,492,000,000.</p> <p>This funding provides roughly the difference between the current foundation allowance and the 1994-95 foundation allowance, multiplied by general education pupils.</p> <p>Special education funding is paid under Section 51a.</p>	<p>FY 2015-16 appropriation of \$3,662,000,000.</p> <p>This funding level pays for a proposed \$75 across-the-board increase to all districts.</p>	<p>FY 2015-16 appropriation of \$3,688,700,000.</p> <p>This funding level pays for the proposed \$50 increase in the basic, \$100 increase in the minimum, the remainder of the \$9.0 million cost of moving to an 85/15 blend, as well as adding \$1.0 million to pay for the two-year \$200 per-pupil consolidation incentive in Section 20.</p>	<p>Increases to \$3,912,400,000 to reflect cost estimates and the foundation allowance increases proposed under Section 20.</p>	

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Sec. 22c Equity Payment	Appropriates \$103,000,000 to provide an equity payment of up to \$125 per pupil to ensure all districts receive at least \$7,251 per pupil.	Proposes to repeal the section and roll the funding into the base.	Concurs with Governor.	Appropriates \$24,000,000 for FY 2015-16 for an equity payment of up to \$25 to ensure all districts receive at least \$7,550 per pupil. (Rolls prior-year funding into base.)	
Sec. 22d Isolated Districts/ Transportation Funding	Appropriates \$957,300 for supplemental payments to isolated districts and \$1,627,300 for payments to eligible districts covering large square miles, for a total appropriation of \$2,584,600.	Continues the appropriation into FY 2015-16.	Continues the \$957,300 appropriation for isolated districts and increases payments for districts covering large square miles to \$4,042,700, for a total appropriation in the section of \$5.0 million. The increased payment would provide reimbursement to more districts (those with 7.3 or fewer pupils per square mile, up from 5.0 currently), but not more reimbursement per pupil for existing grantees.	Concurs with Governor.	
Sec. 22f Best Practices	FY 2014-15 appropriation of \$75,000,000 to provide payments of \$50 per pupil for districts meeting seven out of nine of the following "best practices" criteria, by not later than June 1, 2015: a) The district is the health insurance policy holder. If a district directly employs staff, this condition is considered to have been met. b) Competitively bid at	Retains the section, but reduces funding to \$30,000,000 (\$20 per pupil) and changes the qualifying criteria as follows: <u>Financial Criteria</u> Meet at least two of the following: 1) provide a dashboard of finances and academic results; 2) if the district has an ending general fund balance of less than or equal to 5%, the local board members receive department-approved training; or, 3) maintain a general fund balance greater than 5% of operating expenditures for the	Concurs with Governor.	Eliminates this section.	

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	<p>least one noninstructional service in FY 2012-13.</p> <p>c) Participate in schools of choice under section 105 and 105c. A public school academy is considered to have met this requirement.</p> <p>d) The district offers online instructional programs or blended learning opportunities to all eligible pupils.</p> <p>e) The district makes public a dashboard with financial indicators and other items, including graduation/dropout rates, MEAP and Merit Exam scores, fund balances, and other items.</p> <p>(f) District method of compensation for teachers and administrators include job performance and accomplishment as required under Section 1250 of the Revised School Code.</p> <p>(g) Collective bargaining agreements do not contain provisions that are prohibited in the Public Employment Relations</p>	<p>prior fiscal year.</p> <p>AND</p> <p><u>Academic Criteria</u> Meet at least two of the following:</p> <p>1) Administer a department-approved kindergarten entry assessment; 2) administer department-approved diagnostic tools to monitor the development of early literacy and early reading skills of pupils in grades K-3; or, 3) assess the effectiveness of current college and career advising programs by reviewing student-to-counselor ratios, time dedicated to college and career readiness counseling, and professional development offered to college and career readiness advisors.</p>			

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	<p>Act.</p> <p>(h) District implements a comprehensive guidance and counseling program.</p> <p>(i) District offers pupils in grades K-8 foreign language of at least 1 credit.</p>				
<p>Sec. 22g. Competitive Assistance Grants to Districts and ISDs – Consolidation Costs</p>	<p>Appropriates \$2,000,000 in FY 2014-15 for competitive assistance grants to districts and ISDs, for the reimbursement of transition costs associated with the consolidation of operations or services, or for consolidation or sharing of technology and data operations or services between 50 or more districts or five or more ISDs as an allowable use of the consolidation monies.</p> <p>In addition, language directs the Department to give priority to applicants that propose including a comprehensive research-based academic early warning indicator and dropout prevention solution, or a data-driven system for identifying early reading challenges and establishing individual reading</p>	<p>Continues the appropriation into FY 2015-16, for funding of consolidations that occur on or after June 1, 2015.</p>	<p>Repeals the section.</p>	<p>Increases the appropriation to \$5,000,000 but restricts grants to reimbursement of the costs of whole annexations or consolidations of districts or ISDs. Allows districts or ISDs to spend funds over three fiscal years.</p>	

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	development plan for every student by the end of grade 3.				
Sec. 22i Technology Infrastructure Grants	FY 2014-15 appropriation of \$41,500,000 for grants to districts or ISDs on behalf of their constituent districts to develop or improve their technology infrastructure in preparation for online growth assessments, or for accessing a computer adaptive test. Grants can also be used for instructional practice and the shared service consolidation of technology, and data.	Reduces the appropriation to \$25,000,000 for technology readiness infrastructure grants. Uses are for the development or improvement of a district's technology hard infrastructure, data systems that use evidence-based literacy diagnostic tools to inform teachers of K-3 pupils, and for the coordination and strategic purchasing of hardware and software necessary for the delivery of assessments through online modes.	Concurs with Governor on the \$25,000,000 appropriation but earmarks the following: \$12.0 million for district participation incentives; \$10.0 million for device purchasing incentives; \$2.2 million for data systems integration; \$300,000 for E-Rate activities; and, \$500,000 for administration. Adds a report due January 1, 2017 with measurable results and outcomes. Adds language prohibiting the Department from entering into a contract that creates informational technology infrastructure that is owned or operated by the State, a local unit of government, a public college or university, a school district, or an ISD in a manner that provides IT services to entities that compete with businesses located in the State.	Eliminates this section.	
Sec. 22j District Performance Grants	FY 2014-15 appropriation of \$51,100,000 for district performance grants based on the following: Districts may earn up to \$100 per pupil for student academic	The Governor proposes to repeal this section. Note: if the section had remained in place, necessary funding would have decreased to \$31.1 million as fewer districts would have qualified for funding.	Concurs with Governor.	Concurs with Governor.	

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	<p>performance, as follows:</p> <p>\$30 per pupil for students meeting a specified level of growth in MEAP performance in math, in grades 3-8.</p> <p>\$30 per pupil for students meeting a specified level of growth in MEAP performance in reading, in grades 3-8.</p> <p>\$40 per pupil for students meeting a specified level of growth over a four-year period on the high school assessment.</p> <p>The Department is allowed to prorate grant funding on an equal percentage basis.</p>				
Sec. 24 Court-Placed Pupils	Appropriates \$8,000,000 in FY 2014-15 to reimburse districts for the additional costs of educating students placed in the district by the court system.	Continues the \$8,000,000 appropriation into FY 2015-16.	Concurs with Governor.	Concurs with Governor.	
Sec. 24a Educating Pupils in DHS Juvenile Justice Service Facilities	Appropriates \$2,195,500 in FY 2014-15 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.	Appropriates \$2,189,800 in FY 2015-16; the reduction reflects changes in economics.	Concurs with Governor.	Concurs with Governor.	
Sec. 24c	Appropriates	Reduces the appropriation to	Concurs with Governor.	Concurs with Governor.	

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Youth Challenge Program	<p>\$1,500,000 in FY 2014-15 for the Youth Challenge Program. Payment goes through Marshall Public Schools, which contracts with Department of Military and Veterans' Affairs (DMVA) for the program.</p>	<p>\$1,497,400; the reduction reflects changes in economics in FY 2015-16.</p>			
Sec. 25e Adjusting Memberships for Pupils Moving after the Count Day	<p>Requires CEPI to administer a pupil transfer and application process to process pupil transfers.</p> <p>If a pupil enrolls after the fall count day and was not enrolled previously, allows a district to report their enrollment through the pupil transfer application up until the supplemental count day in February.</p> <p>If a pupil transfers from another district after the count day, allows the newly enrolling district to report the enrollment within 30 days through the pupil transfer application up until the supplemental count day in February.</p> <p>Upon receipt of that report, the pupil transfer application would do the following:</p>	<p>Removes the report on transfer transactions that was due December 1, 2014.</p>	<p>Concurs with Governor.</p> <p>Adds a requirement for CEPI to investigate the number of students moving in to Michigan from out of state, and the number of students moving out of Michigan to other states, between the count days. Requires a report on the investigation and a discussion of the benefits and drawbacks of allowing for pupil membership adjustments in the case of out-of-state enrollments or dis-enrollments.</p>	<p>Maintains current law and does not repeal the section requiring a report by December 1, 2014.</p>	

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	<p>a) notify the district in which the pupil was previously enrolled. That district would provide exit dates and other necessary information.</p> <p>b) notify the pupil auditing staff from both the ISD in which the educating district is located and the ISD in which the district that previously enrolled the pupil is located. The pupil auditing staff shall edit if necessary and approve the transfer.</p> <p>c) aggregate the district-wide changes and notify MDE for use in making adjustments to the State aid payment system MDE shall do the following:</p> <ul style="list-style-type: none"> -- adjust the pupil membership calculation for the previously enrolling district to prorate based on 1/105 for each day the student was enrolled and in attendance. -- adjust the pupil membership calculation to include 1/105 for the number of school days between the day the pupil enrolled in that 				

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	<p>district and the supplemental count day.</p> <p>Changes under this section take effect as of the date the pupil becomes enrolled and in attendance in the educating districts.</p> <p>An ISD is not required to approve each transfer and instead is required to investigate a representative sample based on required audit sample sizes in the pupil auditing manual. ISD audit staff may deny a transfer.</p> <p>Requires a report from MDE and CEPI to the Legislature on the number of transfers and the net change in pupil membership by district and ISD, due December 1.</p> <p>A pupil enrolled in one or more online courses under Section 21f is not counted or transferred under the process under this section.</p>				
Sec. 25f Strict Discipline Academy Supplemental Payments	Allocates \$2,000,000 for strict discipline academies to pay for the number of days that a pupil was enrolled in an SDA, net of any	Reduces the appropriation to \$1,000,000 for FY 2015-16, and updates other fiscal year references.	Reduces the appropriation to \$1,500,000, an increase of \$500,000 over the Governor's recommendation.	Reduces the appropriation to \$1,000,000, but removes Strict Discipline Academies from being eligible for the funding. Only dropout recovery programs would be	

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	<p>foundation allowance payments made to the SDA.</p> <p>Also allows dropout recovery programs to seek funding under this section for the portion of educating an FTE than exceeds 1.0.</p>		In addition, the categorical is restructured to replicate Section 24, which provides added cost reimbursements for court placed pupils, with the added cost reimbursement available under this section for strict discipline academies.	eligible.	
Sec. 26a Renaissance Zone Reimbursement	In FY 2014-15, appropriates \$26,300,000 from the School Aid Fund to reimburse districts for lost local revenue due to taxes not collected in Renaissance Zones.	Continues the appropriation into FY 2015-16.	Concurs with Governor.	Concurs with Governor.	
Sec. 26b PILT Reimbursement	Appropriates \$4,210,000 in FY 2014-15 to reimburse districts for lost local revenue due to taxes not collected on State-owned land.	Appropriates \$4,276,800 in FY 2015-16.	Concurs with Governor.	Concurs with Governor.	
Sec. 26c Promise Zone Reimbursement	This categorical is necessary to reimburse local districts and ISDs for Promise Zone reimbursements. FY 2014-15 reimbursement is \$293,100.	Appropriates \$610,000 for FY 2015-16.	Concurs with Governor.	Concurs with Governor.	
Sec. 31a At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings	<p>Appropriates \$317,695,500 to the section in FY 2014-15.</p> <p>Out of the total funding, the earmark for At-Risk funding equals \$308,988,200.</p> <p>(6) Out of the total, this subsection allocates</p>	<p>Increases the appropriation by \$100,000,000 to \$417,695,500 for FY 2015-16, the first significant increase since FY 2000-01.</p> <p>Under this proposal, funding for At-Risk would be \$408,988,200, and proration would be reduced by nearly 50% (current proration is roughly \$300 per eligible</p>	<p>Concurs with Governor.</p> <p>Adds language that at least 50% of the increase be spent on third grade reading, in addition to existing spending on third grade reading.</p> <p>Earmarks \$2.0 million (in addition to ongoing spending</p>	<p>Does not concur with Governor to increase funding, and instead maintains funding at \$317,695,500.</p> <p>Requires districts to implement a multi-tiered system of supports model of instruction and intervention in order to qualify for funding, and deletes language</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>\$3,557,300 for Child and Adolescent Health Centers.</p> <p>(7) Out of the total, this subsection allocates \$5,150,000 for hearing and vision screenings.</p> <p>Allows funds to be used for the purposes of ensuring 3rd graders are proficient in reading by the end of the 3rd grade and that high school graduates are career and college ready.</p> <p>Districts must allocate 50% of their at risk funds on a proportionate basis for 3rd grade reading or career- and college-ready activities, if, after three years, improvement has not been demonstrated.</p> <p>Includes definitions of 'at-risk pupil'.</p>	<p>pupil, and proration under the proration would be roughly \$160 per pupil).</p> <p>Eliminates from the definition of at-risk pupil the following: victim of child abuse or neglect; pregnant teenager or teenage parent; and, family history of school failure, incarceration, or substance abuse.</p> <p>Adds language requiring the Department to collaborate with the Department of Human Services to prioritize assigning pathways to potential success coaches to elementary schools that have a high percentage of pupils in K-3 not reading at grade level.</p>	<p>of \$3.6 million) for one-time funding of child and adolescent health services to increase access to nurses and behavioral health services in schools, using two existing school clinics as hubs for services. Mobile teams would serve satellite school sites.</p>	<p>requiring funding to be used for instructional programs and direct noninstructional services.</p> <p>Deletes language that defines 'at-risk pupil', language that requires districts to allow MDE to audit funds, language that allows districts with 40% or more at-risk pupils to use funds for schoolwide reform; language requiring certain spending levels if pupils do not meet grade level reading or college or career readiness; language allowing spending for anti-bullying or crisis intervention; and does not include Governor's language requiring MDE to collaborate with DHS for pathways to potential success coaches.</p>	
Sec. 31c - NEW Reduce Gang-Related Activity	N/A	<p>Proposes \$1,000,000 for programs intended to improve public safety, reduce the number of youth involved in gang-related activity, and increase high school graduation rates.</p> <p>Grants would be awarded to districts that form partnerships with nonprofits, law enforcement, and other community resources to</p>	Does not include the section.	Does not include the section.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>provide programs that divert young adults from gang-related criminal activity.</p> <p>Grants would be for employment training and placement programs; counseling services; assistance in accessing community resources for continuing education, court advocacy and health care; and, outreach programs to educate participants and their families.</p> <p>Grant recipients would have to partners with a university to collect data on the effectiveness of the program in reducing violent crime.</p>			
Sec. 31d School Lunch Program	Appropriates \$22,495,100 SAF for FY 2014-15 to fund the State share of the school lunch programs as required by the <i>Durant</i> settlement and includes \$513,200,000 Federal.	Continues the appropriations into FY 2015-16.	Concurs with Governor.	Concurs with Governor.	
Sec. 31f School Breakfast	Appropriates \$5,625,000 in FY 2014-15 to provide reimbursement for the State school breakfast program.	Continues the \$5,625,000 State appropriation into FY 2015-16.	Concurs with Governor.	Concurs with Governor.	
Sec. 31h - NEW Cooperative Agreement Funding	N/A	N/A	Appropriates \$350,000 for the support of pupils attending a nonresident district from a district that voluntarily closed its high school in 2013.	N/A	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
<p>Sec. 32d Great Start Readiness Program (GSRP)</p>	<p>Appropriates \$239,575,000 from the School Aid Fund for FY 2014-15 to operate the district Great Start Readiness Program (GSRP) 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. Adds language that all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in inclusive preschool shall be considered to be at 250% FPL regardless of family income.</p> <p>ISDs may retain 7% for</p>	<p>Continues the \$239,575,000 appropriation into FY 2015-16.</p>	<p>Concurs with Governor.</p> <p>Adds language stating that if a program would otherwise have to return funding for slots due to insufficient class size, the program may enroll children who are at least three years of age and who meet the income eligibility, in addition to the eligible four-year-olds.</p>	<p>Concurs with Governor.</p> <p>Revises administrative funding caps as follows: if the ISD contracts out the service, the ISD can retain 5%; the subrecipients are capped at 2%.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>administration of programs operated directly, or 2% for overseeing privately-run programs. ISDs are required to contract out 30% of slots to private providers, unless eligible private capacity does not reach 30%. Programs run by entities other than ISDs may retain 5% of funding for administration.</p> <p>\$10,000,000 of the total is earmarked for reimbursement for transportation costs, up to \$150 per slot.</p> <p>Allows enrollment across ISD boundaries.</p>				
<p>Sec. 32p Early Childhood Block Grant Program</p>	<p>Appropriates \$10,900,000 for an early childhood block grant program. FY 2014-15 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>ISDs are required to submit reports after the end of the fiscal year indicating actual programs offered and children served.</p>	<p>Increases the appropriation by \$5,000,000 to \$15,900,000 into FY 2015-16.</p> <p>The \$5,000,000 increase is earmarked for the purpose of providing home visits to at-risk children and their families, which would be conducted as part of a locally coordinated, family-centered home visit strategic plan approved by the Department. Goals of the home visits would be to improve school readiness, reduce the number of pupils retained in grade level, and reduce the number of pupils requiring special education services.</p>	<p>Concurs with Governor.</p> <p>Adds a requirement for the ISDs' reports to include an evaluation of the services provided with funding for home visits, including the degree to which school readiness was improved.</p>	<p>Does not concur with Governor to increase funding, and instead maintains funding at \$10,900,000.</p> <p>Revises to delete 'child advocacy' from the great start system supports.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		Requires reports on prior-year activities to be remitted by February 15.			
Sec. 35 - NEW Reading at Grade Level	N/A	Proposes a new section summarizing the intent of Sections 35a to 35g to be used for programs to ensure children are reading on grade level by the end of Grade 3, and appropriates \$1,000,000 GF for implementation costs.	Concurs with Governor with the following additional changes: 1) Requires the Superintendent to designate all staff hired under Sections 35a to 35g as critical shortage. 2) Earmarks \$100,000 for evaluation of the parent education pilot programs in Sec. 35a.	Does not include.	
Sec. 35a - NEW Pilot Parent Education Programs	N/A	Appropriates \$1,000,000 for piloting parent education programs for parents of children less than 4 years old to ensure school readiness. The Department is required to develop a competitive application process, with an ISD submitting an application, and the amount of the grant equal to the lesser of number of resident children less than four years old multiplied by \$120, or \$130,000. To the extent possible, language directs the Department to ensure that grants are awarded in each prosperity region (see Sec. 107). Each program funded must ensure that it will be supervised by a teacher with a valid early childhood endorsement or a valid teaching certificate in	Concurs with Governor but does not earmark \$100,000 out of this grant for evaluation. Instead, see above, Sec. 35, for the earmark out of administrative funding for the evaluation.	Does not include.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>career education, or a bachelor's degree in child development or a degree related to adult learning.</p> <p>The program must describe the sliding fee scale established for tuition, and a budget for the program.</p> <p>An eligible program will have to provide at least two hours per week throughout the school year for parents and their eligible children to participate and require parents to be physically present; use research-based information to educate parents about physical, cognitive, social and emotional development of children; provide structure learning activities requiring interaction between children and their parents; and, provide structure learning activities for children that promote positive interaction with their peers.</p> <p>Of the \$1,000,000 appropriation, an earmark of \$100,000 is for the purpose of evaluating the pilot programs.</p>			
Sec. 35b - NEW Professional Development for K-3 Literacy	N/A	Proposes a new section with the first of two years of funding at \$950,000 for the purpose of professional development for educators related to current State literacy standards for K-3 pupils. The Department is required to approve the PD and to work with MVU to provide the training online to	Concurs with Governor.	Does not include.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		all K-3 educators. Funding is set up as a work project.			
Sec. 35c - NEW Literacy Instruction Certification Test	N/A	Proposes a new \$500,000 appropriation to the Department for the adoption of a certification test to ensure all newly certified elementary teachers have the skills to deliver evidence-based literacy instruction.	Does not include this appropriation. Instead, language is added to the Department to require these changes to the certification test, with any costs paid out of teacher certification fees or testing fee revenue.	Does not include.	
Sec. 35d - NEW Diagnostic Early Literacy and Reading Tools	N/A	Proposes a new \$1,450,000 appropriation (the first of two years) for grants to districts to administer diagnostic tools to monitor the development of early literacy and early reading skills of pupils in grades K-3 and to support professional development for educators in data interpretation (again provided online through MVU).	Concurs with Governor.	Does not include.	
Sec. 35e - NEW Early Literacy Coaches	N/A	Proposes a new \$3,000,000 program to provide early literacy coaches to assist teachers in developing and implementing instructional strategies for pupils in K-3 to achieve grade-level reading by the end of grade 3.	Concurs with Governor, and adds work project language.	Does not include.	
Sec. 35f - NEW Additional Instructional Time	N/A	Proposes a new \$10,000,000 program to districts that provide additional instructional time to those pupils in K-3 that have been identified as needing additional supports and interventions to read at grade level by the end of third grade. The additional time can include before, during, and after regular school hours, or as part of a year-round balanced calendar.	Concurs with Governor, but doubles the funding to \$20,000,000, providing \$190 per first grade pupil. Out of the total funding, \$350,000 is earmarked for the Department to make a grant to the Michigan Education Corps, to provide literacy services and tutors for students in grades K-3 who are at risk of reading	Does not include.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>Eligible districts must implement a multi-tiered system of support instructional delivery model; use department-approved research-based diagnostic tools; and, provide K-3 teachers with research-based professional development in diagnostic data interpretation.</p> <p>Funding would be distributed to districts equal to \$95 per first grade FTE.</p>	failure.		
Sec. 35g - NEW Best Practices Clearinghouse	N/A	Proposes a new \$500,000 grant to the Department to establish a best practices clearinghouse to identify, develop, and disseminate best practices from research-based models of education reform that districts can use to improve reading proficiency for pupils in K-3.	Does not include the section. Instead, language is added to the Department of Education budget bill requiring MDE to establish a best practices clearinghouse.	Does not include.	
Sec. 39a Federal Funds	(1) Appropriates \$807,969,900 for FY 2014-15 in Federal No Child Left Behind (NCLB) funds. (2) Appropriates \$31,300,000 in other Federal funds for education.	(1) Appropriates \$779,076,400 for Federal NCLB funds. (2) Appropriates \$30,800,000 in other Federal funds.	Concurs with Governor.	Concurs with Governor.	
Sec. 41 Bilingual Education	Appropriates \$1,200,000 for bilingual education grants in FY 2014-15.	Continues the appropriation in FY 2015-16.	Concurs with Governor.	Eliminates this section.	
Sec. 43 Teacher Certification Test Review	Appropriates \$1,800,000 for a review and update of teacher certification tests.	Continues the appropriation, and adds clarifying language that this is the second of two years of funding.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
<p>Sec. 51a(1) Total Special Education Funding</p> <p>Includes funding for sections 54 (Schools for the Deaf and Blind) and 56 (special education millage equalization), which are paid out of the appropriation in Section 51a.</p>	<p>Appropriation of \$938,946,100 from SAF and \$444,000,000 in Federal funding for special education programs for FY 2014-15.</p>	<p>FY 2015-16 SAF appropriation of \$934,546,100 and Federal appropriation of \$441,000,000.</p> <p>Proposes to eliminate language that redistributes monies that otherwise would lapse under this section to ISDs whose reimbursement is affected by language added in FY 2004-05 related to the counting of itinerant staff costs.</p>	<p>Concurs with Governor on the appropriation levels.</p> <p>Does not concur with Governor to eliminate language redistributing monies that otherwise would lapse under this section to ISDs whose reimbursement is affected by language added in FY 2004-05 related to itinerant staff costs.</p>	<p>Concurs with Governor on the appropriation levels and does concur to eliminate language redistributing monies that otherwise would lapse under this section to ISDs whose reimbursement is affected by language added in FY 2004-05 related to itinerant staff costs.</p> <p>Also, adds a new subsection to provide a 10% state aid penalty for a district or ISD if it does not comply with Sec. 51a in regard to providing special education services for public school academies and their students.</p>	
<p>Sec. 51c Special Education -<i>Durant</i> Payment</p>	<p>Appropriates \$630,500,000 from the appropriation in Sec. 51a(1) for FY 2014-15 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.</p>	<p>FY 2015-16 appropriation of \$621,000,000.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 51d Federal Special Education Funds</p>	<p>Appropriates \$74,000,000 in Federal grants to special education for FY 2014-15.</p>	<p>Appropriates \$71,000,000 for FY 2015-16.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 53a Special Education Court Placed Pupils</p>	<p>Appropriates \$10,500,000 for FY 2014-15.</p>	<p>Appropriates \$10,500,000 for FY 2015-16.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 55 - NEW Conductive Learning	N/A	N/A	N/A	Appropriates \$150,000 to Michigan State University Department of Epidemiology in conjunction with Aquinas College to evaluate the effects of conductive learning on children with cerebral palsy. Provides intent that this is the first of two years of funding.	
Sec. 56 ISD Special Education Millage Equalization	Appropriates \$37,758,100 to ensure that the millage levied by ISDs for special education brings in a minimum amount per mill. Freezes Wayne RESA at no more than 62.9% of the total appropriation and adjusts taxable value equalization amounts accordingly. Additional language ensures no ISD loses more than 25% funding compared to the prior year.	Continues the \$37,758,100 appropriation into FY 2015-16, and maintains the existing formula and language.	Concurs with Governor.	Concurs with Governor.	
Sec. 61a Career and Technical Education	Appropriates \$26,611,300 for FY 2014-15 to support career and technical education programs. Additionally, there is an appropriation of \$1,000,000 to career and technical area centers for the purpose of integrating the Michigan merit curriculum content standards into State-approved career and technical education	Continues the \$26,611,300 added cost reimbursement appropriation, but eliminates the \$1,000,000 separate funding for integrating the Merit Exam into curriculum.	Increases the appropriation to \$40,000,000. Concurs with Governor with eliminate the \$1,000,000 separate funding for integrating the Merit Exam into CTE curriculum. Adds language allowing a CTE program to provide Adult Education participants under Sec. 107 with an opportunity to enroll in the CTE program. Allows a CTE program to bill Adult Education providers for any	Increases the appropriation to \$42,611,300 for the standard program, and eliminates the \$1,000,000 for MME alignment.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	instructional programs for the purpose of awarding academic credit.		<p>basic education course requirements met by the CTE programming, and then submit remaining added costs for reimbursement.</p> <p>Language is added to prioritize reimbursement 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>Revises reimbursements to be based on the following:</p> <ul style="list-style-type: none"> -Cost of program. -Number of pupils enrolled. -The advancement of the pupils through the instructional program. -Program rank in student placement. -Length of training provided. 	
Sec. 61b - NEW CTE Early/Middle Colleges	N/A	<p>Proposes \$17,800,000 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.</p> <p>ISDs may use up to 5% for administration.</p> <p>To be an eligible fiscal agent, an ISD must distribute funds to eligible CTE early/middle colleges in prosperity regions; collaborate with the Talent District Career Council located</p>	<p>Concurs with Governor.</p> <p>In addition, specifies that career cluster rankings shall be determined once every three years.</p> <p>Also, language is added allowing an eligible CTE early/middle college to continue to be reimbursed under this section for pupils in each career cluster until graduation, even if the career cluster is no longer identified in one of the highest five career cluster rankings.</p>	Does not include.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>in each prosperity region to develop a strategic plan (aligning CTE programs and services into an efficient and effective delivery system for high school students); and, implement a regional process to rank career clusters in the prosperity region.</p> <p>A regional strategic plan must include an identification of regional employer need based on a ranking of all career clusters; an identification of educational entities in the region that will provide eligible CTE early/middle college programs; a strategy to inform parents and students of programs in the region; other requirements determined by the Department; and, the plan must be approved by the Talent District Career Council prior to submission to the Department.</p> <p>An eligible CTE early/middle college program is a five-year high school program that: has been identified in the highest five career cluster rankings; has a coherent sequence of courses that will allow for earning a high school diploma and an additional value (associate's degree, certificate, up to 60 transferable college credits, participation in an apprenticeship); is aligned with the Michigan Merit Curriculum; has an agreement with at least one postsecondary institution;</p>			

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>provides instruction that is supervised by an appropriately certificated CTE teacher or professor; provides for highly integrated student support services; includes courses taught on college campuses or by adjunct professors at the high school, or in combination with online instruction.</p> <p>The Department would calculate statewide average CTE costs per FTE for each career cluster, and distribute to each prosperity region 50% of CTE costs per FTE times enrollment in each cluster in each program. Funds would offset foundation costs.</p>			

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 62 Vocational/CTE Education Millage Equalization	<p>Appropriates \$9,190,000 for FY 2014-15 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 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>	Continues the appropriation into FY 2015-16 with the same caps and guarantees.	Concurs with Governor.	Concurs with Governor.	
Sec. 64b – Dual Enrollment Incentive Payments to Districts	<p>Appropriates \$1,750,000 for FY 2014-15 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>Continues the appropriation into FY 2015-16.</p> <p>Language is added stating that funds under this section are intended to increase the number of students who are college and career ready upon high school graduation.</p>	<p>Concurs with Governor.</p> <p>In addition, language is added requiring a district to ensure that a pupil is awarded both high school and college credit at any community college or State public university, if the district seeks reimbursement under this section.</p>	Eliminates this section.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<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>Sec. 67 - NEW MCAN and Outreach</p>	<p>N/A</p>	<p>Proposes to appropriate a total of \$3,600,000 in this new section.</p> <p>Of the total, \$3,000,000 would go to the Michigan College Access Network (MCAN), which previously was funded at \$2,000,000 in the Higher Education budget. Funding is for MCAN operations, local college access networks, the Michigan college advising program, subgrants to districts with comprehensive high schools that establish a college access team, the Michigan college access portal, public awareness and outreach campaigns, and subgrants to postsecondary institutions for mentors and college advisors.</p> <p>The remaining \$600,000 is for a pilot outreach program to provide information dual</p>	<p>Concurs with Governor.</p> <p>Adds language stating that funding shall not be used to supplant funding for counselors already on staff at districts.</p>	<p>Does not include this section.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		enrollment and other opportunities available to earn postsecondary credits, and to purchase an online career planning tool.			
Sec. 74 Bus Driver Safety	<p>Appropriates \$3,316,500 for FY 2014-15.</p> <p>Of the total appropriation, \$1,625,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction.</p> <p>The remaining \$1,691,500 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.</p>	<p>Decreases the appropriation to \$3,315,700.</p> <p>Bus driver safety instruction remains funded at \$1,625,000 and MSP reimbursement decreases to \$1,690,700.</p>	Concurs with Governor.	Concurs with Governor.	
Sec. 74a - Bus Conversion Grants	<p>\$3,000,000 is appropriated in FY 2014-15 for grants to districts to convert buses from diesel fuel to natural gas. Districts would be required to apply for a grant by November 1, 2014, and the Department would rank order the applying districts by total miles driven in the prior year. Grants would be awarded until the money were entirely expended, starting with those districts at the highest miles driven in the prior year. Grants would be</p>	Proposes to repeal the section.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	calculated at \$8,000 per converted bus, with no more than \$30,000 paid to any one district. Districts would be required to report on the cost of fuel for the converted buses, expressed in dollars per mile driven.				
Sec. 77 - NEW Transportation of Pupils in a District that Closed its High School	N/A	N/A	Adds new language requiring a nonresident district to provide transportation to and from school to pupils of a resident district pursuant to an agreement between the two districts. (Albion/Marshall)	N/A	
Sec. 81 Intermediate School Districts (ISD) General Operations Funding	<p>Appropriates \$65,115,000 for basic operational funding in FY 2014-15 plus \$2,000,000 for continued best practices funding.</p> <p>\$7,000 of the total is to pay the incentive payment to two ISDs that consolidated (Oceana and Mason Lake) for three years, ending after FY 2014-15.</p> <p>The \$2,000,000 earmark for Best Practices is for ISDs that meet five out of six of the following best practices by June 1, 2015:</p> <p>a) develop a service consolidation plan and implement the plan;</p>	<p>Decreases the appropriation to \$65,108,000 for basic operational funding in FY 2015-16 plus \$2,000,000 for continued best practices funding.</p> <p>The decrease of \$7,000 reflects the ending of the incentive payment for the two ISDs that consolidated.</p> <p>Maintains the \$2,000,000 earmark for best practices. Removes one for the best practices and requires ISDs to meet all of the other five.</p> <p>a) No change</p>	<p>Rolls in the ISD best practices funding of \$2,000,000 into the base, and also increases the base by \$1,000,000. Total funding for ISD operations is increased to \$68,108,000.</p> <p>Concurs with the \$7,000 reduction included by the Governor.</p> <p>Eliminates best practices earmark.</p> <p>Includes language stating that at least a portion of the increased funds be used by ISDs to explore, facilitate, and implement service consolidation among and between the ISD and its constituent districts.</p>	<p>Rolls in the ISD best practices funding of \$2,000,000 into the base. Total funding for ISD operations is \$67,108,000.</p> <p>Concurs with the \$7,000 reduction included by the Governor.</p> <p>Eliminates best practices earmark.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>b) obtain competitive bids for non-instructional services for the ISD or its constituent districts with a value of at least \$50,000;</p> <p>c) develop a technology plan, in accordance with Department policy, on behalf of constituent districts;</p> <p>d) provide a dashboard with specified information;</p> <p>e) work in a consortium to develop information management system requirements addressing student management systems, learning management tools, and business services;</p> <p>f) be the policyholder if providing health care, or a VEBA would qualify as well.</p>	<p>b) No change</p> <p>c) No change</p> <p>d) No change</p> <p>e) No change</p> <p>f) Deletes this subsection</p>			
<p>Sec. 94 – AP and IB Scholarships</p>	<p>\$250,000 is appropriated for FY 2014-15 for efforts to increase the number of pupils who participate and succeed in Advanced Placement (AP) and International Baccalaureate (IB) programs. Funds would be used to cover part or all of the costs of tests for low income pupils, with payments estimated</p>	<p>Continues the appropriation into FY 2015-16.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	at \$20 per test completed. Students have to pay at least \$5 toward each test paid for under this section.				

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
<p>Sec. 94a Center for Educational Performance and Information (CEPI)</p>	<p>Appropriates \$12,022,800 GF/GP and \$193,500 in Federal funds in FY 2014-15 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>Of the total funding, \$850,000 is earmarked for competitive grants 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>Decreases GF/GP appropriation to \$11,967,000 for CEPI operations in FY 2015-16 and continues appropriation of \$193,500 in Federal funds.</p> <p>Removes amount of \$850,000 and replaces it with an amount determined by the CEPI.</p>	<p>Concurs with Governor.</p>	<p>Concurs with Governor.</p>	
<p>Sec. 95a – Teacher and Administrator Evaluations</p>	<p>Appropriates \$14,800,000 in FY 2014-15 to an Educator Evaluation Reserve Fund that would be expended upon enactment of House Bills 5223 and 5224. Additional language stipulates that the State Budget Office would have to approve a spending plan for these funds prior to their expenditure.</p>	<p>Does not appropriate any new funds for FY 2015-16, but deletes language requiring enactment of House Bills 5223 and 5224 before funds can be expended. In this manner, the funds would remain available for expenditure upon approval by the State Budget Office of the Department's spending plan.</p>	<p>Reduces the appropriation by \$13,800,000 to \$650,000. Concurs with Governor on language changes.</p>	<p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	(Note: House Bills 5223 and 5224 were not enacted in the previous legislative session, meaning these funds will not be spent until further legislative action amends the section.)				
Sec. 98 Michigan Virtual University (MVU)	<p>Appropriates \$7,387,500 GF/GP to MVU in FY 2014-15 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>Increases appropriation to \$7,987,500 for FY 2015-16.</p> <p>Extends the deadline for a report on the effectiveness of online learning delivery models from December 1, 2015, to March 31, 2016.</p> <p>Extends the deadline to provide an online professional development program for educators from August 31, 2015, to August 31, 2016. Also extends the deadline for the report of the number and percentage of educators who have received online professional development from December 1, 2015, to December 1, 2016.</p> <p>Removes requirement for MVU to pursue public/private partnerships to study and implement online learning models.</p> <p>Requires MVU to create a statewide network of school-based mentors to serve as liaisons between students, online instructors, parents and school staff.</p>	<p>Retains current year funding of \$7,387,500.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Does not remove this requirement.</p> <p>Concurs with Governor.</p>	<p>Concurs with Governor to provide a \$600,000 increase and concurs with all language changes.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>Adds community college courses to the public statewide catalog of online learning courses being offered.</p> <p>Removes requirement to examine district-level accountability and teacher effectiveness issues related to online learning.</p> <p>Adds that the MVU shall use no more than \$1,000,000 to subsidize the cost paid by districts for online courses. Adds that the Michigan Virtual School must request and assess a criminal history check and criminal records check in the same manner as if it was a public school.</p> <p>Extends the deadline for reporting actual costs for the preceding fiscal year from February 1, to March 1.</p> <p>Clarifies the definition of "online course" to add that a teacher is responsible for providing instruction, in addition to the other responsibilities outlined in the section.</p>	<p>Concurs with Governor.</p> <p>Does not remove this requirement.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>		
<p>Sec. 99 Math and Science Centers</p>	<p>Appropriates for FY 2014-15 \$2,750,000 SAF, \$475,000 GF, and \$5,249,300 in Federal funds for the funding of 33 math and science centers throughout the State, of which \$750,000 is identified for centers able to provide</p>	<p>Continues the appropriation in FY 2015-16 with no change.</p>	<p>Increases the SAF appropriation by \$1,000,000 to \$3,750,000, and continues the GF appropriation of \$475,000, along with Federal funding of \$5,249,300.</p>	<p>Eliminates the State funding of math and science centers; retains Federal funding only.</p> <p>Deletes \$475,000 State funding of STEM partnership.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>professional development in implementing the Merit Curriculum, and \$100,000 to a single center participating in STEM to connect math and science centers for STEM purposes.</p> <p>\$375,000 is for STEM competitive grants to organizations conducting student-focused, project-based programs and competitions. Programs funded under this section are ineligible for grants under Sec. 99h.</p>				
<p>Sec. 99b – Professional Development for STEM Teachers</p>	<p>\$330,000 is appropriated in FY 2014-15 for grants to districts for professional development in STEM using Department-approved training programs. Programs must utilize an integrative STEM approach to content organization and delivery, offer evidence that the program outcomes address math, science, and technological literacy standards in an exploratory middle school or high school offering, offer evidence that the program positively influences student career choices</p>	<p>Proposes to repeal the section.</p>	<p>Concurs with Governor.</p>	<p>Maintains funding of this section at \$330,000.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>along STEM career paths, present evidence of the periodic improvement of the curriculum, utilize outcome measures for teacher professional development, and provide peer-reviewed evidence that the program is effective with disadvantaged students. Grants are capped at \$3,200 per participant.</p>				
<p>Sec. 99c Civics Education</p>	<p>N/A</p>	<p>N/A</p>	<p>Appropriates \$60,000 for a competitive grant to a provider of civics education that teaches important civic content, provides opportunities for students to interact with members of the community, and provides opportunities for students to participate in showcase events at the school, district, or State level.</p>	<p>N/A</p>	
<p>Sec. 99h FIRST Robotics</p>	<p>Appropriates \$2,000,000 in FY 2014-15 for competitive grants to districts that provide pupils in grades 7 to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in events hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) robotics.</p>	<p>Maintains appropriation of \$2,000,000 for FY 2015-16. Revises the completion date of the project from September 30, 2017, to September 30, 2018.</p>	<p>Concurs with Governor.</p>	<p>Increases the appropriation to \$3,000,000, and expands the program to cover all of grades K to 12.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	Districts are required to pay at least 25% of the cost of the program.				
Sec. 99q - NEW Science Olympiad	N/A	N/A	N/A	Appropriates \$900,000 for grants to districts for STEM programs, of which \$500,000 would be for Science Olympiad, and \$400,000 would be for grants to districts for other STEM professional development and curricula.	
Sec. 99r - NEW Van Andel Education Institute	N/A	N/A	N/A	Appropriates \$500,000 GF/GP for a grant to Van Andel Education Institute to provide professional development for science teachers in student-driven, inquiry-based science instruction.	
Sec. 101 Days and Hours	<p>Provides 1,098 hours of instruction and at least 175 days, which is slated to increase to 180 days beginning in FY 2016-17.</p> <p>Allows for up to six automatic 'snow days', along with allowing the State Superintendent to forgive another six days if occurring after April 1.</p> <p>Allows the State Superintendent to provide waivers from days and hours for alternative education programs.</p>	No change.	No change.	<p>Changes a 'may' to a 'shall' in the following: The Superintendent may/shall grant waivers to a district that operates a department-approved alternative education program at the request of the district.</p> <p>Maintains 6 'automatic' snow days; decreases the 6 additional days with Superintendent approval to 3 days, but allows them any time during the year.</p> <p>Strikes the requirement for students to participate for at least 1,098 hours in online education delivery models, and replaces with 'is on track for course completion at proficiency level'.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 102 Deficit Districts	Prescribes the process for districts in deficit or anticipating deficit to submit a deficit reduction plan.	<p>Numerous changes are recommended including the following for districts and ISDs in deficit:</p> <p>a) immediate notification to the Department of the actual or impending deficit</p> <p>b) within 30 days after the notification in a), submit to the Department and State Treasurer a preplan financial report</p> <p>c) the Department may (instead of shall) withhold some or all of the money available, in an amount determined necessary to incentivize an elimination of the deficit, until an acceptable budget or deficit elimination plan is submitted to the Department</p> <p>A new category of reporting is required for districts with rapidly deteriorating financial circumstances, persistently declining enrollment, or other indicators of financial stress likely to result in recurring operating deficits or recurring financial stress, the State Treasurer may require the district or ISD to submit an enhanced deficit elimination plan which would provide for the resolution of the conditions leading to fiscal distress. The State Treasurer may require the district or ISD to enter into</p>	<p>Concurs with Governor.</p> <p>Adds a clarifying trigger for the submission of an EDEP as follows:</p> <p>If the State Treasurer determines that financial stress is evident, the State Treasurer may require a district or intermediate district to submit an enhanced deficit elimination plan in order that the deficit does not become unmanageable and trigger action under PA 436 of 2012.</p> <p>Also adds a requirement that a district or ISD required to submit a DEP or EDEP shall ensure that in its academic plan, it has attempted to exhaust all funding opportunities under Sections 35a to 35g.</p>	Does not include any changes and instead maintains current law.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>a financial recovery agreement which may provide for the following:</p> <p>a) assistance and guidance from Treasury and other State departments</p> <p>b) an academic plan for the district</p> <p>c) the appointment of a local auditor or inspector, or both</p> <p>d) remedial measures necessary to address the financial circumstances of the district or ISD</p> <p>e) the required retention of a consultant or other experts for the purpose of achieving goals and objectives of the financial recovery agreement</p> <p>Districts or ISDs that are required to submit an enhanced deficit elimination plan above may have some or all of their money withheld to incentivize elimination of the deficit, and are required to submit an enhanced monthly monitoring report on revenue, expenditures, cash flow, and other items.</p> <p>Definitions of "deficit elimination plan", "enhanced deficit elimination plan", and "preplan financial report" are included.</p>			

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 102a - NEW District Budgetary Assumptions	N/A	<p>Governor includes new language whereby, in order to receive funding, each district must submit the budgetary assumptions used when adopting its annual budget by July 7 of each year, which must include:</p> <ul style="list-style-type: none"> a) projected foundation allowance b) projected membership c) expenditures per pupil for the preceding fiscal year d) projected expenditures per pupil for the current fiscal year 	Concurs with Governor.	Does not include.	
Sec. 102b - NEW Technical Assistance	N/A	<p>Governor includes new language whereby a district that determines that conditions of fiscal stress, a deficit, or financial emergency have arisen or may arise must notify the superintendent and request technical assistance. The Department of Education and Department of Treasury shall review the district's financial condition and provide technical assistance including data analysis tools to assist the district in avoiding or remedying conditions of fiscal stress, a deficit, or a financial emergency.</p> <p>Definitions for "deficit", "financial emergency", and "fiscal stress" are included.</p>	Concurs with Governor.	Does not include.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 102c – NEW Periodic Financial Status Reports	n/a	<p>Governor includes new language whereby the State Treasurer or Superintendent may require a district or ISD to submit periodic financial status reports if a determination of potential financial stress is made, including that an operating deficit may arise within two years, or that the district or ISD may be unable to meet its financial obligations while continuing to provide educational services. The determination can be made based on one or more of the following:</p> <p>a) The district has failed to pay a required obligation once or more in a fiscal year.</p> <p>b) The district has expended or distributed tax revenue illegally.</p> <p>c) The district's pupil enrollment declined by at least 5% in a fiscal year or 15% in three or more fiscal years and the district failed to reduce expenditures accordingly.</p> <p>d) The district's expenditures per pupil increased by 5% or more from the preceding fiscal year.</p> <p>e) The district's actual enrollment or foundation allowance was 97% or less than the district's budgetary assumptions and it failed to</p>	Concurs with Governor.	Does not include.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>adopt an emended budget by November 15.</p> <p>f) The district has applied for an emergency municipal loan.</p> <p>Districts or ISDs required to submit a periodic financial status report under this section shall include in the report all financial data requested.</p> <p>A district or ISD required to submit periodic financial status reports under this section is required to do the following:</p> <p>a) provide Treasury or MDE with other financial data relating to the financial condition of the district as requested;</p> <p>b) allow Treasury or MDE to examine all financial records and books of account;</p> <p>c) promptly and fully provide the assistance and information necessary and properly requested by Treasury or MDE.</p> <p>If a district or ISD fails to submit a periodic financial status report, or if the information suggests financial distress, the Treasurer may require the submission of an enhanced deficit elimination plan under Section 102.</p>			

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
		<p>A district or ISD is not required to submit periodic reports under this section if required to submit an enhanced deficit elimination plan under Section 102 or if a financial emergency has been declared. If a loan is issued to the district, the State Treasurer shall require periodic financial reports for at least four years after the issuance of the loan.</p> <p>A district or ISD may discontinue submitting periodic reports if the reports indicate to the Treasurer that potential financial stress does not exist for the current year or the following two years. The Treasurer shall notify the district or ISD when periodic reports are no longer required.</p> <p>Definitions for "deficit", "financial emergency", and "fiscal stress" are included.</p>			
Sec. 102d - NEW Data Analytical Tools	N/A	N/A	<p>Appropriates \$1,500,000 for a new program providing reimbursement to districts for the licensing of school data analytical tools. The Department is required to review and select up to four approved vendors by October 15, 2015. Districts then must enter into a licensing agreement by December 1, 2015. Reimbursement will be made on an equal per pupil basis for all districts that enter into a licensing</p>	N/A	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
			agreement with an approved vendor.		
Sec. 104 Assessment Funding	<p>Appropriates \$41,394,400 for FY 2014-15 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>Requires that in order to receive State aid a district must administer assessments in compliance with the following sections of the School Code: 1249, 1278a, 1278b, 1279, 1279g, and 1280b.</p> <p>Of the total State spending, \$26,694,400 is for the original MEAP costs.</p> <p>Another \$8,500,000 is for the following items: 1) converting existing student assessments to online assessments; 2) providing paper and pencil test versions to districts not prepared to implement online assessments; 3) expanding writing assessments to</p>	<p>Increases appropriation to \$43,994,400 for FY 2015-16. Maintains \$6,250,000 in Federal assessment funding.</p> <p>No change.</p> <p>Removes reference to the MEAP and replaces it with the Michigan Student Test of Educational Progress (M-STEP)</p> <p>No change.</p>	<p>Concurs with Governor.</p>	<p>Does not increase the appropriation and instead maintains current funding of \$41,394,400 from the SAF and \$6,250,000 from Federal funds.</p> <p>No change.</p> <p>Concurs with Governor.</p> <p>Concurs with Governor.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>additional grade levels; and, 4) providing an increased number of constructed response test questions.</p> <p>Also, \$3,000,000 is for summative assessments under Sec. 104c.</p> <p>Finally, \$3,200,000 is for the development of an online reporting tool.</p>	<p>Increases appropriation to \$5,600,000 for summative assessments, specifically for ELA and math in Grades 1 and 2, and kindergarten entry.</p> <p>No change.</p>		<p>Does not increase the appropriation and maintains it at \$3,000,000.</p>	
Sec. 104b - Michigan Merit Examination	Provides for the Michigan Merit Examination.	<p>Changes 'shall' to 'may' include 1 or more writing components.</p> <p>Adds language that the Department may augment the college entrance and work skills components of the Michigan Merit Exam to develop the assessment, dependent on those components' alignment to Michigan content standards.</p>	<p>Concurs with Governor, but does not adopt concur with the proposal to strike the scaling and merging of test items on the MME, and does not include new language that the college entrance exam be aligned to the State's standards.</p>	<p>Concurs with Governor to change 'shall' to 'may' for mandating a writing component.</p> <p>Caps the MME at 8 hours and strikes the language allowing it to go over if sufficient alignment to Michigan content standards cannot be achieved.</p> <p>Concurs with Governor on new language allowing MDE to augment the college entrance and work skills components of the MME.</p>	
Sec. 104c – MEAP in FY 2014-15 (M-STEP)	Includes a new section requiring the Department to develop new MEAP assessments in English Language Arts and Mathematics for use in FY 2014-15 and FY 2015-16, with a summative assessment	<p>Adds grade 11 to the grade levels tested for ELA and math; testing now would be grades 3 to 11.</p> <p>Requires the Department to field test ELA and math tests in grades 1 and 2, and the kindergarten entry</p>	Concurs with Governor.	<p>Concurs adding Grade 11.</p> <p>Does not include Governor's language requiring MDE to field test additional components of the</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>developed for use in FY 2016-17.</p> <p>The summative assessment would have to measure student proficiency on current State standards and measure student growth. ELA and math tests would be for grades 3-10. Science would be for grades 4 and 7; social studies would be for grades 5 and 8.</p> <p>Reports on student growth and proficiency would be provided to students, parents, and teachers. The exam's total time could not exceed the time spent on the previous statewide assessment system.</p> <p>The Department would be required to issue an RFP for the summative assessment not later than September 1, 2014.</p>	<p>assessment, so that the tests can be implemented in the 2016-17 school year.</p>		<p>assessment to determine a pupil's proficiency prior to grade 3 (i.e., the KEA and the tests for grades 1 and 2).</p>	
<p>Sec. 104d - NEW Computer-Adaptive Test</p>	<p>N/A</p>	<p>N/A</p>	<p>Appropriates \$5,000,000 for reimbursement to districts that purchase a computer-adaptive test for each student enrolled in the district. The CAT must be internet-delivered, offer unlimited testing opportunities, provide valid and reliable diagnostic assessment data, adjust</p>	<p>N/A</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
			<p>testing difficulty based on previous answers, and provide immediate feedback to pupils and teachers.</p> <p>Reimbursement will be made on an equal per pupil basis to districts that demonstrate to the satisfaction of the Department their purchase an eligible CAT by October 15, 2015.</p>		
<p>Sec. 107 Adult Education</p>	<p>Appropriates \$22,000,000 in FY 2014-15 for Adult Education programs.</p> <p>In 2014-15, 67% of the total funding is awarded to ISDs based on the proportion of total funding formerly received by the adult education providers in that prosperity region in 2013-14, and 33% of the total funding is based on new criteria (described below). In 2015-16, 33% of the total funding would go to ISDs based on the proportion of total funding formerly received by the adult education providers in that prosperity region in 2013-14, and 67% would be based on new criteria. And, in 2016-17, 100% of the total funding would be based on the new criteria, as follows:</p>	<p>Adds to the list of eligible participants a person who is 20 years or older and enrolled in an adult basic education program and determined to be below ninth grade level reading or math or both.</p> <p>Requires ISDs within a prosperity region to determine which ISD will serve as the region's fiscal agent.</p> <p>Adds a definition of 'career pathway'.</p>	<p>Concurs with Governor on recommended changes, but increases funding to \$29,000,000.</p> <p>In addition, the planned phase-out of the old funding method is halted at FY 2014-15 levels (i.e., 67% of the total funding based on proportion of funding formerly received, and 33% based on new prosperity region criteria). Also, language is added requiring Adult Education program providers to pay to CTE programs any billing that occurs for basic education programming provided by the CTE program under Sec. 61a.</p> <p>A pilot program connecting adult education students directly with employers is earmarked out of the total funding, with \$500,000 allocated to the pilot. Funding would be for the</p>	<p>Eliminates this section.</p>	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>a) 60% is distributed based upon the proportion of the State population of persons between the ages of 18 and 24 that are not high school graduates, contained in each of the prosperity regions, as reported by the most recent five-year estimates from the American Community Survey of the US Census Bureau.</p> <p>b) 35% is distributed based upon the proportion of the State population of persons aged 25 or older that are not high school graduates, in each prosperity region</p> <p>c) 5% is distributed based upon the proportion of the State population of persons aged 18 and older that lack basic English proficiency, in each prosperity region</p> <p>To be eligible as a fiscal agent, an ISD must agree to the following:</p> <p>a) distribute funds to adult education programs in a prosperity region as described in this section;</p>		<p>first of three years of funding, and would require an adult education navigator to serve as a caseworker for the pilot students. The pilot program must be located in a prosperity region that has two or more subregions. The pilot program must provide a report no later than December 1, 2016, detailing the number of students served, the number graduated, and a measure of success including job attainment.</p> <p>Finally, the current reimbursement of 75% for enrollment and 25% for completion is changed to 90% based on enrollment and 10% based on completion.</p>		

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	<p>b) collaborate with education advisory groups of the workforce development boards located in the prosperity region to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system;</p> <p>c) collaborate with education advisory groups of the workforce development boards located in the prosperity region to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, and cost to provide instructional services;</p> <p>d) report adult education program and participant data and information as prescribed by the Department.</p> <p>Payments are based 75% on enrollment and 25% on completion.</p> <p>ISDs are not allowed to spend more than 5% on administration and the Department is required to ensure that the same</p>				

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
	number of participants are served under the new provider system as under the previous year.				
Sec. 147 Retirement Contribution Rate	<p>For FY 2014-15, the employer rates vary between 20.96% and 25.78% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c. The variation in rates is driven by the different plans available/chosen by employees based on hire date.</p> <p>The total uncapped rate varies between 28.59% and 33.41%, with the difference between the total rate and the employer rate paid under Section 147c.</p> <p>The amount under Section 147c represents State support of 7.66% of the unfunded accrued liability costs.</p> <p>The employer rates shown above do not include defined contribution amounts paid by the employer directly into the employee's DC account(s).</p>	<p>For FY 2015-16, the employer rates vary between 20.96% and 25.78% 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 31.49% and 36.31%.</p> <p>The amount under Section 147c represents State support of 10.53% of the unfunded accrued liability costs.</p>	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 147a MPSERS Payment to Districts	<p>Appropriates \$100,000,000 from the FY 2014-15 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>	Continues the appropriation into FY 2015-16 with no change.	Concurs with Governor.	Decreases the appropriation to \$50,000,000.	
Sec. 147c MPSERS Rate Cap	<p>Appropriates \$656,700,000 SAF and \$18,000,000 from MPSERS Reserve Fund for FY 2014-15 to the Michigan Public School Employees' Retirement System pursuant to Section 41 of the MPSERS Act.</p> <p>The Department is required to calculate estimated MPSERS rate cap per pupil amounts by district and publish those amounts.</p>	<p>Increases the SAF appropriation to \$893,500,000 for FY 2015-16 to pay for the rate cap for K-12s, ISDs, charters, and participating libraries (previously paid for in the Department of Education's budget).</p> <p>This level of funding pays for the cost of the existing MPSERS rate cap. Average rate cap per pupil is \$601.</p>	Concurs with Governor.	Concurs with Governor.	
Sec. 147d – NEW MPSERS Liability Payment	Appropriates \$108,000,000 to make an additional payment (similar to an extra mortgage payment for a homeowner) toward the unfunded accrued liability in the MPSERS system.	Proposes to repeal the section.	Concurs with Governor.	Concurs with Governor.	

SECTION	CURRENT LAW	GOVERNOR	SENATE SUBC.	HOUSE SUBC.	CONFERENCE
Sec. 152a Adair Lawsuit: Data Collection Costs	FY 2014-15 appropriation of \$38,000,500 for the purpose of paying necessary costs related to the State-mandated collection, maintenance, and reporting of data.	FY 2015-16 appropriation remains at \$38,000,500.	Concurs with Governor.	Concurs with Governor.	
Sec. 152b - NEW Nonpublic Mandate Reimbursement	N/A	N/A	N/A	Appropriates \$5,000,000 GF/GP to reimburse nonpublic schools for the costs related to mandates as outlined in the November 25, 2014 Michigan Department of Education Nonpublic School Mandate Report. Reimbursement would be \$50 per pupil, but proration would occur if necessary.	
Sec. 163 Violation of Act related to Certificated Teachers	Provides for requirements of certificated teachers.	Adds language that a district shall not permit a noncertificated educator to administer instructional programs in an elementary or secondary school, or in an adult basic education or high school completion program, unless that educator is fulfilling applicable continuing education requirements.	Concurs with Governor.	Concurs with Governor.	
Repealers	N/A	Sections 12, 22c, 22j, 31b, 32r, 64c, 64d, 74a, 99b, 147d, and 166.	Concurs with Governor, but retains Section 166. Also repeals Section 22g.	Sections 12, 20g, 22f, 22i, 22j, 31b, 32r, 41, 64b, 64c, 64d, 74a, 107, and 147d are repealed.	