

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

Fiscal Years 2024 and 2025
Executive Budget Recommendation
Education Omnibus

A bill to amend 1979 PA 94, entitled

"The state school aid act of 1979," by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 19, 20, 20d, 20f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27c, 28, 31a, 31d, 31f, 31j, 31n, 31aa, 32d, 32n, 32p, 32t, 35a, 39, 39a, 41, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 98, 99h, 99s, 104, 104i, 107, 121, 147, 147a, 147c, 147e, 152a, 163, 201, 202, 202a, 206, 207a, 207b, 207c, 219, 229a, 230, 236, 236b, 236c, 236j, 236k, 241, 244, 248, 248a, 251, 252, 254, 256, 259, 260, 263, 264, 268, 269, 270c, 275, 275b, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1603, 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651e,

1 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b,
2 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694,
3 388.1694a, 388.1697, 388.1698, 388.1699h, 388.1699s, 388.1704, 388.1704i, 388.1707,
4 388.1721, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1763, 388.1801,
5 388.1802, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1819, 388.1829a,
6 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836j, 388.1836k, 388.1841, 388.1844,
7 388.1848, 388.1848a, 388.1851, 388.1852, 388.1854, 388.1856, 388.1859, 388.1860, 388.1863,
8 388.1864, 388.1868, 388.1869, 388.1870c, 388.1875, 388.1875b, 388.1876, 388.1877, 388.1878,
9 388.1879, 388.1880, 388.1881, and 388.1882), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s,
10 15, 20, 20d, 20f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d,
11 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 39, 39a, 41, 51c, 51d, 51g, 53a, 54, 54b, 54d,
12 61a, 61b, 61c, 61d, 62, 65, 67, 74, 81, 94, 94a, 97, 98, 99h, 99s, 104, 107, 147, 147a,
13 147c, 147e, 152a, 201, 202a, 206, 207a, 207b, 207c, 229a, 230, 236b, 236c, 241, 252, 256,
14 259, 260, 263, 264, 268, 269, 270c, 275, 275b, 276, 277, 278, 279, 280, 281, and 282, as
15 amended and sections 27a, 27c, 31aa, 32n, 32t, 51e, 104i, and 236k, as added by 2022 PA
16 144, sections 4 and 19 as amended by 2021 PA 48, 11, 51a, 56, 236, 236j, and 251 as amended
17 and section 248 and 248a as added by 2022 PA 212, section 23a as amended by 2020 PA 22,
18 section 121 as amended by 2006 PA 342, section 136 as amended by 2021 PA 15, section 202 as
19 amended by 2012 PA 201, section 219 as amended by 2016 PA 249, and sections 244 and 245 as
20 amended by 2017 PA 108 and by adding sections 11z, 12b, 12c, 23h, 27h, 27i, 27j, 30d, 31k,
21 32w, 35i, 35j, 35k, 67f, 74b, 97g, 98d, 107a, 164i, 217a, 217b, 241a, 241b, 241c, 298; and
22 to repeal acts and parts of acts.

23
24 ARTICLE I

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

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

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

32 (3) "Center" means the center for educational performance and information created in

1 section 94a.

2 (4) "Community district" means a school district organized under part 5b of the
3 revised school code, MCL 380.381 to 380.396.

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

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

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

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

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

26 Sec. 4. (1) "Elementary pupil" means a pupil in membership in grades K to 8 in a
27 district not maintaining classes above grade 8 or in grades K to 6 in a district
28 maintaining classes above grade 8 or a child enrolled and in regular attendance in a
29 publicly funded prekindergarten setting.

30 (2) "Extended school year" means an educational program conducted by a district in
31 which pupils must be enrolled but not necessarily in attendance on the pupil membership
32 count day in an extended year program. The mandatory clock hours must be completed by each

1 pupil not more than 365 calendar days after the pupil's first day of classes for the school
2 year prescribed. The department shall prescribe pupil, personnel, and other reporting
3 requirements for the educational program.

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

6 (4) "High school equivalency certificate" means a certificate granted for the
7 successful completion of a high school equivalency test.

8 (5) "High school equivalency test" means the G.E.D. test developed by the GED Testing
9 Service, the HISET exam ~~developed by Educational Testing Service (ETS),~~ **administered by PSA**
10 **Services**, or another comparable test approved by the department of labor and economic
11 opportunity.

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

15 (7) "High school pupil" means a pupil in membership in grades 7 to 12, except in a
16 district not maintaining grades above grade 8.

17 Sec. 6. (1) "Center program" means a program operated by a district or by an
18 intermediate district for special education pupils from several districts in programs for
19 pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with
20 moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing
21 impairment, pupils with visual impairment, and pupils with physical impairment or other
22 health impairment. Programs for pupils with emotional impairment housed in buildings that
23 do not serve regular education pupils also qualify. Unless otherwise approved by the
24 department, a center program either serves all constituent districts within an intermediate
25 district or serves several districts with less than 50% of the pupils residing in the
26 operating district. In addition, special education center program pupils placed part-time
27 in noncenter programs to comply with the least restrictive environment provisions of
28 section 1412 of the individuals with disabilities education act, 20 USC 1412, may be
29 considered center program pupils for pupil accounting purposes for the time scheduled in
30 either a center program or a noncenter program.

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

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

6 (4) "Membership", except as otherwise provided in this article, means for a district,
7 a public school academy, or an intermediate district the sum of the product of .90 times
8 the number of full-time equated pupils in grades K to 12 actually enrolled and in regular
9 daily attendance in the district, public school academy, or intermediate district on the
10 pupil membership count day for the current school year, plus the product of .10 times the
11 final audited count from the supplemental count day of full-time equated pupils in grades K
12 to 12 actually enrolled and in regular daily attendance in the district, public school
13 academy, or intermediate district for the immediately preceding school year. A district's,
14 public school academy's, or intermediate district's membership is adjusted as provided
15 under section 25e for pupils who enroll after the pupil membership count day in a strict
16 discipline academy operating under sections 1311b to 1311m of the revised school code, MCL
17 380.1311b to 380.1311m. All pupil counts used in this subsection are as determined by the
18 department and calculated by adding the number of pupils registered for attendance plus
19 pupils received by transfer and minus pupils lost as defined by rules promulgated by the
20 superintendent, and as corrected by a subsequent department audit. The amount of the
21 foundation allowance for a pupil in membership is determined under section 20. In making
22 the calculation of membership, all of the following, as applicable, apply to determining
23 the membership of a district, a public school academy, or an intermediate district:

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

28 (b) If a pupil is educated in a district other than the pupil's district of
29 residence, if the pupil is not being educated as part of a cooperative education program,
30 if the pupil's district of residence does not give the educating district its approval to
31 count the pupil in membership in the educating district, and if the pupil is not covered by
32 an exception specified in subsection (6) to the requirement that the educating district

1 must have the approval of the pupil's district of residence to count the pupil in
2 membership, the pupil is not counted in membership in any district.

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

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

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

11 (f) A pupil enrolled in a career and technical education program supported by a
12 millage levied over an area larger than a single district or in an area vocational-
13 technical education program established under section 690 of the revised school code, MCL
14 380.690, is counted in membership only in the pupil's district of residence.

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

17 (h) For the purposes of this section and section 6a, for a cyber school, as that term
18 is defined in section 551 of the revised school code, MCL 380.551, that is in compliance
19 with section 553a of the revised school code, MCL 380.553a, a pupil's participation in the
20 cyber school's educational program is considered regular daily attendance, and for a
21 district or public school academy, a pupil's participation in a virtual course as that term
22 is defined in section 21f is considered regular daily attendance. Beginning July 1, 2021,
23 this subdivision is subject to section 8c. It is the intent of the legislature that the
24 immediately preceding sentence apply retroactively and is effective July 1, 2021. For the
25 purposes of this subdivision, for a pupil enrolled in a cyber school, all of the following
26 apply with regard to the participation requirement as described in this subdivision:

27 (i) Except as otherwise provided in this subdivision, the pupil shall participate in
28 each scheduled course on pupil membership count day or supplemental count day, as
29 applicable. If the pupil is absent on pupil membership count day or supplemental count day,
30 as applicable, the pupil must attend and participate in class during the next 10
31 consecutive school days if the absence was unexcused, or during the next 30 calendar days
32 if the absence was excused.

1 (ii) For a pupil who is not learning sequentially, 1 or more of the following must be
2 met on pupil membership count day or supplemental count day, as applicable, for each
3 scheduled course to satisfy the participation requirement under this subdivision:

4 (A) The pupil attended a live lesson from the teacher.

5 (B) The pupil logged into a lesson or lesson activity and the login can be
6 documented.

7 (C) The pupil and teacher engaged in a subject-oriented telephone conversation.

8 (D) There is documentation of an email dialogue between the pupil and teacher.

9 (E) There is documentation of activity or work between the learning coach and pupil.

10 (F) An alternate form of attendance as determined and agreed upon by the cyber school
11 and the pupil membership auditor was met.

12 (iii) For a pupil using sequential learning, the participation requirement under this
13 subdivision is satisfied if either of the following occurs:

14 (A) Except as otherwise provided in this sub-subparagraph, the pupil and the teacher
15 of record or mentor complete a 2-way interaction for 1 course during the week on which
16 pupil membership count day or supplemental count day, as applicable, occurs, and the 3
17 consecutive weeks following that week. However, if a school break is scheduled during any
18 of the weeks described in this sub-subparagraph that is 4 or more days in length or
19 instruction has been canceled districtwide during any of the weeks described in this sub-
20 subparagraph for 3 or more school days, the district is not required to ensure that the
21 pupil and the teacher of record or mentor completed a 2-way interaction for that week. As
22 used in this sub-subparagraph:

23 (I) "2-way interaction" means the communication that occurs between the teacher of
24 record or mentor and pupil, where 1 party initiates communication and a response from the
25 other party follows that communication. Responses as described in this sub-sub-subparagraph
26 must be to the communication initiated by the teacher of record or mentor, and not some
27 other action taken. This interaction may occur through, but is not limited to, means such
28 as email, telephone, instant messaging, or face-to-face conversation. A parent- or legal-
29 guardian-facilitated 2-way interaction is considered a 2-way interaction if the pupil is in
30 any of grades K to 5 and does not yet possess the skills necessary to participate in 2-way
31 interactions unassisted. The interactions described in this sub-sub-subparagraph must
32 relate to a virtual course on the pupil's schedule and pertain to course content or

1 progress.

2 (II) "Mentor" means a professional employee of the district who monitors the pupil's
3 progress, ensures the pupil has access to needed technology, is available for assistance,
4 and ensures access to the teacher of record. A mentor may also be the teacher of record if
5 the mentor meets the definition of a teacher of record under this sub-subparagraph and the
6 district is the provider for the course.

7 (III) "Teacher of record" means a teacher to whom all of the following apply:

8 (1) He or she is responsible for providing instruction, determining instructional
9 methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing
10 intervention strategies and modifying lessons, reporting outcomes, and evaluating the
11 effects of instruction and support strategies. The teacher of record may coordinate the
12 distribution and assignment of the responsibilities described in this sub-sub-sub-
13 subparagraph with other teachers participating in the instructional process for a course.

14 (2) He or she is certified for the grade level or is working under a valid substitute
15 permit, authorization, or approval issued by the department.

16 (3) He or she has a personnel identification code provided by the center.

17 (IV) "Week" means a period that starts on Wednesday and ends the following Tuesday.

18 (B) The pupil completes a combination of 1 or more of the following activities for
19 each scheduled course on pupil membership count day or supplemental count day, as
20 applicable:

21 (I) Documented attendance in a virtual course where synchronous, live instruction
22 occurred with the teacher.

23 (II) Documented completion of a course assignment.

24 (III) Documented completion of a course lesson or lesson activity.

25 (IV) Documented pupil access to an ongoing lesson, which does not include a login.

26 (V) Documented physical attendance on pupil membership count day or supplemental
27 count day, as applicable, in each scheduled course, if the pupil will attend at least 50%
28 of the instructional time for each scheduled course on-site, face-to-face with the teacher
29 of record. As used in this sub-sub-subparagraph, "teacher of record" means that term as
30 defined in subparagraph (iii) (A).

31 (iv) For purposes of subparagraph (iii), each scheduled course currently being
32 attempted by the pupil, rather than every course on the pupil's schedule for the entire

1 term, is considered a part of each scheduled course for the pupil.

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

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

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

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

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

28 (l) To be counted in membership, a pupil must meet the minimum age requirement to be
29 eligible to attend school under section 1147 of the revised school code, MCL 380.1147, and
30 must be less than 20 years of age on September 1 of the school year except as follows:

31 (i) A special education pupil who is enrolled and receiving instruction in a special
32 education program or service approved by the department, who does not have a high school

1 diploma, and who is less than 26 years of age as of September 1 of the current school year
2 is counted in membership.

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

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

8 (B) Had dropped out of school.

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

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

16 (m) An individual who has achieved a high school diploma is not counted in
17 membership. An individual who has achieved a high school equivalency certificate is not
18 counted in membership unless the individual is a student with a disability as that term is
19 defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a
20 job training program funded under former section 107a or a jobs program funded under former
21 section 107b, administered by the department of labor and economic opportunity, or
22 participating in any successor of either of those 2 programs, is not counted in membership.

23 (n) If a pupil counted in membership in a public school academy is also educated by a
24 district or intermediate district as part of a cooperative education program, the pupil is
25 counted in membership only in the public school academy unless a written agreement signed
26 by all parties designates the party or parties in which the pupil is counted in membership,
27 and the instructional time scheduled for the pupil in the district or intermediate district
28 is included in the full-time equated membership determination under subdivision (q) and
29 section 101. However, for pupils receiving instruction in both a public school academy and
30 in a district or intermediate district but not as a part of a cooperative education
31 program, the following apply:

32 (i) If the public school academy provides instruction for at least 1/2 of the class

1 hours required under section 101, the public school academy receives as its prorated share
2 of the full-time equated membership for each of those pupils an amount equal to 1 times the
3 product of the hours of instruction the public school academy provides divided by the
4 number of hours required under section 101 for full-time equivalency, and the remainder of
5 the full-time membership for each of those pupils is allocated to the district or
6 intermediate district providing the remainder of the hours of instruction.

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

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

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

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

27 (r) Full-time equated memberships for pupils in kindergarten are determined by
28 dividing the number of instructional hours scheduled and provided per year per kindergarten
29 pupil by the same number used for determining full-time equated memberships for pupils in
30 grades 1 to 12. However, to the extent allowable under federal law, for a district or
31 public school academy that provides evidence satisfactory to the department that it used
32 federal title I money in the 2 immediately preceding school fiscal years to fund full-time

1 kindergarten, full-time equated memberships for pupils in kindergarten are determined by
2 dividing the number of class hours scheduled and provided per year per kindergarten pupil
3 by a number equal to 1/2 the number used for determining full-time equated memberships for
4 pupils in grades 1 to 12. The change in the counting of full-time equated memberships for
5 pupils in kindergarten that took effect for 2012-2013 is not a mandate.

6 (s) For a district or a public school academy that has pupils enrolled in a grade
7 level that was not offered by the district or public school academy in the immediately
8 preceding school year, the number of pupils enrolled in that grade level to be counted in
9 membership is the average of the number of those pupils enrolled and in regular daily
10 attendance on the pupil membership count day and the supplemental count day of the current
11 school year. Membership is calculated by adding the number of pupils registered for
12 attendance in that grade level on the pupil membership count day plus pupils received by
13 transfer and minus pupils lost as defined by rules promulgated by the superintendent, and
14 as corrected by subsequent department audit, plus the final audited count from the
15 supplemental count day for the current school year, and dividing that sum by 2.

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

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

31 (i) The district provides at least 2 nonconsecutive hours of instruction per week to
32 the pupil at the pupil's home or otherwise apart from the general school population under

1 the supervision of a certificated teacher.

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

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

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

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

13 (w) For a public school academy that has been in operation for at least 2 years and
14 that suspended operations for at least 1 semester and is resuming operations, membership is
15 the sum of the product of .90 times the number of full-time equated pupils in grades K to
16 12 actually enrolled and in regular daily attendance on the first pupil membership count
17 day or supplemental count day, whichever is first, occurring after operations resume, plus
18 the product of .10 times the final audited count from the most recent pupil membership
19 count day or supplemental count day that occurred before suspending operations, as
20 determined by the superintendent.

21 (x) If a district's membership for a particular fiscal year, as otherwise calculated
22 under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer
23 pupils per square mile, as determined by the department, and the district does not receive
24 funding under section 22d(2), the district's membership is considered to be the membership
25 figure calculated under this subdivision. If a district educates and counts in its
26 membership pupils in grades 9 to 12 who reside in a contiguous district that does not
27 operate grades 9 to 12 and if 1 or both of the affected districts request the department to
28 use the determination allowed under this sentence, the department shall include the square
29 mileage of both districts in determining the number of pupils per square mile for each of
30 the districts for the purposes of this subdivision. If a district has established a
31 community engagement advisory committee in partnership with the department of treasury, is
32 required to submit a deficit elimination plan or an enhanced deficit elimination plan under

1 section 1220 of the revised school code, MCL 380.1220, and is located in a city with a
2 population between 9,000 and 11,000, as determined by the department, that is in a county
3 with a population between 150,000 and 160,000, as determined by the department, the
4 district's membership is considered to be the membership figure calculated under this
5 subdivision. The membership figure calculated under this subdivision is the greater of the
6 following:

7 (i) The average of the district's membership for the 3-fiscal-year period ending with
8 that fiscal year, calculated by adding the district's actual membership for each of those 3
9 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those
10 3 membership figures by 3.

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

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

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

25 (aa) For the first year in which a pupil is counted in membership on the pupil
26 membership count day in a middle college program, the membership is the average of the
27 full-time equated membership on the pupil membership count day and on the supplemental
28 count day for the current school year, as determined by the department. If a pupil
29 described in this subdivision was counted in membership by the operating district on the
30 immediately preceding supplemental count day, the pupil is excluded from the district's
31 immediately preceding supplemental count for the purposes of determining the district's
32 membership.

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

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

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

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

21 (ii) The pupil meets the district's definition under section 23a of satisfactory
22 monthly progress for that month or, if the pupil does not meet that definition of
23 satisfactory monthly progress for that month, the pupil did meet that definition of
24 satisfactory monthly progress in the immediately preceding month and appropriate
25 interventions, **as defined by the district**, are implemented within 10 school days after it
26 is determined that the pupil does not meet that definition of satisfactory monthly
27 progress.

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

30 (ff) If a public school academy that is not in its first or second year of operation
31 closes at the end of a school year and does not reopen for the next school year, the
32 department shall adjust the membership count of the district or other public school academy

1 in which a former pupil of the closed public school academy enrolls and is in regular daily
2 attendance for the next school year to ensure that the district or other public school
3 academy receives the same amount of membership aid for the pupil as if the pupil were
4 counted in the district or other public school academy on the supplemental count day of the
5 preceding school year.

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

12 (hh) A pupil enrolled in a community district is counted in membership in the
13 community district.

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

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

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

24 (ii) The course in which the pupil is enrolled would meet the definition of an
25 eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
26 388.524, if the course were provided by an eligible postsecondary institution under that
27 act.

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

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

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

8 (kk) A pupil enrolled in a middle college program may be counted for more than a
9 total of 1.0 full-time equated membership, **but not more than 1.0 full-time equated of**
10 **additional membership in total during the middle college program**, if the pupil is enrolled
11 in more than the minimum number of instructional days and hours required under section 101
12 and the pupil is expected to complete the 5-year program with both a high school diploma
13 and at least 60 transferable college credits or is expected to earn an associate's degree
14 in fewer than 5 years. **A pupil who successfully completes the middle college program in**
15 **fewer than 5 years means graduating with both a high school diploma and one of the approved**
16 **post-secondary outcomes at least one semester early.**

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

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

26 (ii) If the district's or public school academy's membership for pupils counted under
27 section 166b is less than 5% of the district's or public school academy's membership for
28 pupils not counted in membership under section 166b in the immediately preceding fiscal
29 year, then the district's or public school academy's membership for pupils counted under
30 section 166b must not exceed the greater of the following:

31 (A) Five percent of the district's or public school academy's membership for pupils
32 not counted in membership under section 166b.

1 (B) Ten percent more than the district's or public school academy's membership for
2 pupils counted under section 166b in the immediately preceding fiscal year.

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

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

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

13 (a) A nonpublic part-time pupil enrolled in grades K to 12 in accordance with section
14 166b.

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

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

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

20 (e) A pupil who has made an official written complaint or whose parent or legal
21 guardian has made an official written complaint to law enforcement officials and to school
22 officials of the pupil's district of residence that the pupil has been the victim of a
23 criminal sexual assault or other serious assault, if the official complaint either
24 indicates that the assault occurred at school or that the assault was committed by 1 or
25 more other pupils enrolled in the school the pupil would otherwise attend in the district
26 of residence or by an employee of the district of residence. A person who intentionally
27 makes a false report of a crime to law enforcement officials for the purposes of this
28 subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL
29 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (n) A pupil who enrolls in a district other than the pupil's district of residence as
2 a result of the pupil's school not making adequate yearly progress under the no child left
3 behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-
4 95.

5 However, if a district educates pupils who reside in another district and if the
6 primary instructional site for those pupils is established by the educating district after
7 2009-2010 and is located within the boundaries of that other district, the educating
8 district must have the approval of that other district to count those pupils in membership.

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

10 (a) Except as provided in subdivision (b), the first Wednesday in October each school
11 year or, for a district or building in which school is not in session on that Wednesday due
12 to conditions not within the control of school authorities, with the approval of the
13 superintendent, the immediately following day on which school is in session in the district
14 or building. **If the first Wednesday in October for a given fiscal year falls on a date of**
15 **religious or cultural significance, as determined by the department, a district may, with**
16 **approval of the superintendent, use the first Thursday in October for a given fiscal year**
17 **as the pupil membership count day.**

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

20 (i) Fourth Wednesday in July.

21 (ii) First Wednesday in October.

22 (iii) Second Wednesday in February.

23 (iv) Fourth Wednesday in April.

24 (8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance"
25 means, except as otherwise provided in this section, pupils in grades K to 12 in attendance
26 and receiving instruction in all classes for which they are enrolled on the pupil
27 membership count day or the supplemental count day, as applicable. Except as otherwise
28 provided in this section and subsection, a pupil who is absent from any of the classes in
29 which the pupil is enrolled on the pupil membership count day or supplemental count day and
30 who does not attend each of those classes during the 10 consecutive school days immediately
31 following the pupil membership count day or supplemental count day, except for a pupil who
32 has been excused by the district, is not counted as 1.0 full-time equated membership.

1 Except as otherwise provided in this section, a pupil who is excused from attendance on the
2 pupil membership count day or supplemental count day and who fails to attend each of the
3 classes in which the pupil is enrolled within 30 calendar days after the pupil membership
4 count day or supplemental count day is not counted as 1.0 full-time equated membership.
5 Except as otherwise provided in this section, in addition, a pupil who was enrolled and in
6 attendance in a district, intermediate district, or public school academy before the pupil
7 membership count day or supplemental count day of a particular year but was expelled or
8 suspended on the pupil membership count day or supplemental count day is only counted as
9 1.0 full-time equated membership if the pupil resumed attendance in the district,
10 intermediate district, or public school academy within 45 days after the pupil membership
11 count day or supplemental count day of that particular year. Except as otherwise provided
12 in this section, a pupil not counted as 1.0 full-time equated membership due to an absence
13 from a class is counted as a prorated membership for the classes the pupil attended. For
14 purposes of this subsection, "class" means ~~either of the following, as applicable:~~

15 ~~(a) A~~ a period of time in 1 day when pupils and an individual who is appropriately
16 placed under a valid certificate, substitute permit, authorization, or approval issued by
17 the department, are together and instruction is taking place. **For the purposes of this**
18 **subsection, "appropriately placed" means holding a valid Michigan educator credential with**
19 **the required grade range and discipline or subject area for the assignment, as defined by**
20 **the state superintendent of public instruction.** ~~This subdivision does not apply for the~~
21 ~~2020-2021, 2021-2022, and 2022-2023 school years.~~

22 ~~(b) For the 2020-2021, 2021-2022, and 2022-2023 school years only, a period of time~~
23 ~~in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section~~
24 ~~1233b of the revised school code, MCL 380.1233b, or an individual working under a valid~~
25 ~~substitute permit, authorization, or approval issued by the department are together and~~
26 ~~instruction is taking place.~~

27 (9) "Rule" means a rule promulgated pursuant to the administrative procedures act of
28 1969, 1969 PA 306, MCL 24.201 to 24.328.

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

31 (11) "School district of the first class", "first class school district", and
32 "district of the first class" mean, for the purposes of this article only, a district that

1 had at least 40,000 pupils in membership for the immediately preceding fiscal year.

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

4 (13) "State board" means the state board of education.

5 (14) "Superintendent", unless the context clearly refers to a district or
6 intermediate district superintendent, means the superintendent of public instruction
7 described in section 3 of article VIII of the state constitution of 1963.

8 (15) "Supplemental count day" means the day on which the supplemental pupil count is
9 conducted under section 6a.

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

18 (17) "State school aid fund" means the state school aid fund established in section
19 11 of article IX of the state constitution of 1963.

20 (18) "Taxable value" means, except as otherwise provided in this article, the taxable
21 value of property as determined under section 27a of the general property tax act, 1893 PA
22 206, MCL 211.27a.

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

28 (20) "Total state aid" or "total state school aid", except as otherwise provided in
29 this article, means the total combined amount of all funds due to a district, intermediate
30 district, or other entity under this article.

31 Sec. 6a. Except as otherwise provided in this act, in addition to the pupil
32 membership count day, there is a supplemental pupil count of the number of full-time

1 equated pupils in grades K-12 actually enrolled and in regular daily attendance in a
2 district or intermediate district on the second Wednesday in February or, for a district
3 that is not in session on that day due to conditions not within the control of school
4 authorities, with the approval of the superintendent, the immediately following day on
5 which the district is in session. For the purposes of this act, the day on which the
6 supplemental pupil count is conducted is the supplemental count day. **If the first Wednesday
7 in February for a given fiscal year falls on a date of religious or cultural significance,
8 as determined by the department, a district may, with approval of the superintendent, use
9 the first Thursday in February for a given fiscal year as the supplemental count day.**

10 Sec. 11. (1) For the fiscal year ending September 30, ~~2023,~~**2024**, there is
11 appropriated for the public schools of this state and certain other state purposes relating
12 to education the sum of ~~\$16,754,072,900.00~~**\$18,247,768,300.00** from the state school aid
13 fund, the sum of ~~\$124,200,000.00~~**\$73,700,000.00** from the general fund, an amount not to
14 exceed \$72,000,000.00 from the community district education trust fund created under
15 section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, **and an amount not to
16 exceed \$245,000,000.00 from the school consolidation and infrastructure fund,** ~~and an
17 amount not to exceed \$140,400,000.00 from the MPSERS retirement obligation reform reserve
18 fund created under section 147b.~~ In addition, all available federal funds are only
19 appropriated as allocated in this article for the fiscal year ending September 30, ~~2023,~~
20 **2024.**

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

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

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

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

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

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

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

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

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

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

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

25 (7) For ~~2022-2023~~, **2023-2024** in addition to the appropriations in section 11, there
26 is appropriated from the school aid stabilization fund to the state school aid fund the
27 amount necessary to fully fund the allocations under this article.

28 Sec. 11j. From the state school aid fund money appropriated in section 11, there is
29 allocated an amount not to exceed \$111,000,000.00 for ~~2022-2023~~ **2023-2024** for payments to
30 the school loan bond redemption fund in the department of treasury on behalf of districts
31 and intermediate districts. Notwithstanding section 296 or any other provision of this act,
32 funds allocated under this section are not subject to proration and must be paid in full.

1 Sec. 11k. For ~~2022-2023~~, **2023-2024**, there is appropriated from the general fund to
2 the school loan revolving fund an amount equal to the amount of school bond loans assigned
3 to the Michigan finance authority, not to exceed the total amount of school bond loans held
4 in reserve as long-term assets. As used in this section, "school loan revolving fund" means
5 that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL
6 141.1066c.

7 Sec. 11m. From the state school aid fund money appropriated in section 11, there is
8 allocated for ~~2021-2022 an amount not to exceed \$1,000,000.00 and there is allocated for~~
9 ~~2022-2023~~ **2023-2024** an amount not to exceed ~~\$7,800,000.00~~ **\$1,000,000.00** for fiscal year
10 cash-flow borrowing costs solely related to the state school aid fund established under
11 section 11 of article IX of the state constitution of 1963.

12 Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there
13 is allocated \$5,000,000.00 for ~~2022-2023~~ **2023-2024** and from the general fund money
14 appropriated in section 11, there is allocated \$3,075,000.00 for ~~2022-2023~~ **2023-2024** for
15 the purpose of providing services and programs to children who reside within the boundaries
16 of a district with the majority of its territory located within the boundaries of a city
17 for which an executive proclamation of emergency concerning drinking water is issued in the
18 current or immediately preceding ~~7-8~~ fiscal years under the emergency management act, 1976
19 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the
20 2016-2017 fiscal year or has at least ~~2,900~~ **2,800** pupils in membership for a fiscal year
21 after 2016-2017.

22 (2) From the general fund money allocated in subsection (1), there is allocated to a
23 district with the majority of its territory located within the boundaries of a city for
24 which an executive proclamation of emergency concerning drinking water is issued in the
25 current or immediately preceding ~~7-8~~ fiscal years under the emergency management act, 1976
26 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the
27 2016-2017 fiscal year or has at least ~~2,900~~ **2,800** pupils in membership for a fiscal year
28 after 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2022-2023~~ **2023-2024** for the
29 purpose of employing school nurses, classroom aides, ~~and~~ school social workers; **and for**
30 **providing behavioral or mental health supports, parental engagement activities, community**
31 **coordination activities, and other support services.** The district shall provide a report to
32 the department in a form, manner, and frequency prescribed by the department. The

1 department shall provide a copy of that report to the governor, the house and senate school
2 aid subcommittees, the house and senate fiscal agencies, and the state budget director
3 within 5 days after receipt. The report must provide at least the following information:

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

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

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

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

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

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

21 **(3) (5)** For ~~2022-2023,~~ **2023-2024** from the general fund money allocated in subsection
22 (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to
23 children described in subsection (1).

24 **(4) (6)** For ~~2022-2023,~~ **2023-2024** from the state school aid fund money allocated in
25 subsection (1), there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$5,000,000.00** to
26 the intermediate district ~~described in subsection (3)~~ **that has a constituent district**
27 **described in subsection (2)** for interventions and supports for students in K to 12 who were
28 impacted by an executive proclamation of emergency described in subsection (1) concerning
29 drinking water. Funds under this subsection must be used for behavioral supports, social
30 workers, counselors, psychologists, nursing services, including, but not limited to, vision
31 and hearing services, transportation services, parental engagement, community coordination,
32 and other support services.

1 **(5)** ~~(7)~~—In addition to the allocation under subsection (1), from the general fund
2 money appropriated under section 11, there is allocated an amount not to exceed
3 \$1,000,000.00 for ~~2022-2023~~ **2023-2024** only for an early childhood collaborative that serves
4 students located in a county with a population of not less than ~~400,000~~ **390,000** or more
5 than ~~500,000~~ **450,000**. The funds allocated under this subsection must be used to continue
6 the expansion of early childhood services in response to an executive proclamation of
7 emergency described in this section concerning drinking water.

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

13 **(6)** ~~(9)~~ Notwithstanding section 17b, the department shall make payments under this
14 section on a schedule determined by the department.

15 **Sec. 11z. (1) The school aid countercyclical budget and foundation stabilization fund**
16 **is created as a separate account within the state school aid fund.**

17 **(2) The state treasurer may receive money or other assets from any source for deposit**
18 **into the school aid countercyclical budget and foundation stabilization fund.**

19 **(3) The state treasurer shall direct the investment of the school aid countercyclical**
20 **budget and foundation stabilization fund. The state treasurer shall credit to the school**
21 **aid countercyclical budget and foundation stabilization fund interest and earnings from**
22 **fund investments.**

23 **(4) Money in the school aid countercyclical budget and foundation stabilization fund**
24 **at the close of a fiscal year remains in the school aid countercyclical budget and**
25 **foundation stabilization fund and does not lapse to the state school aid fund or the**
26 **general fund.**

27 **(5) Except as provided in subsections (6) and (7), money available in the school aid**
28 **countercyclical budget and foundation stabilization fund may not be expended without a**
29 **specific appropriation from the school aid countercyclical budget and foundation**
30 **stabilization fund.**

31 **(6) If, for a given fiscal year, the department of treasury determines that proration**
32 **of payments under this article will be required under section 296, the amount necessary to**

1 avoid proration, or an amount necessary to reduce proration, may be deposited from the
2 school aid countercyclical budget and foundation stabilization fund into the state school
3 aid fund. The state budget director shall notify the legislature of a deposit under this
4 subsection at least 30 calendar days or 6 legislative session days, whichever is more,
5 before a deposit is made.

6 (7) If year-over-year revenues for the state school aid fund are projected to
7 decline, as determined during the final revenue estimating conference of a given fiscal
8 year, the gross year-over-year decline in state school aid fund revenue may be deposited
9 from the school aid countercyclical budget and foundation stabilization fund into the state
10 school aid fund. The state budget director shall notify the legislature of a deposit under
11 this subsection at least 30 calendar days or 6 legislative session days, whichever is more,
12 before a deposit is made.

13 (8) As used in this section:

14 (a) "Revenue estimating conference" means a revenue estimating conference occurring
15 in May as described in section 367b of the management and budget act, MCL 18.1367b

16 (b) "Year-over-year" means a comparison of the fiscal year in which calculations are
17 being made to the fiscal year immediately preceding the fiscal year in which calculations
18 are being made.

19 (9) For 2023-2024, \$900,000,000.00 from the state school aid fund is deposited into
20 the school aid countercyclical budget and foundation stabilization fund.

21 Sec. 12b. (1) From the state school aid fund money appropriated in section 11, there
22 is allocated for 2023-2024 only an amount not to exceed \$25,000,000.00 to provide facility
23 upgrades in school-based health centers. Funding received by school-based health centers
24 under this section may be used for the following purposes:

25 (a) Modernizing antiquated medical equipment.

26 (b) Improving security and patient safety measures.

27 (c) Investing in new patient-centered technologies.

28 (d) Renovating physical spaces to improve patient privacy and the care setting.

29 (2) From the allocation in subsection (1) an amount not to exceed \$20,000,000.00 must
30 be distributed to full clinical school-based health centers receiving funding under section
31 31a(6) and an amount not to exceed \$5,000,000.00 must be distributed to school-based health
32 centers that are behavioral health-only sites receiving funding under section 31n(5).

1 (3) To be eligible to receive funding under this section, a school-based health
2 center must be serving students in the current fiscal year and must submit a joint
3 application with the district or intermediate district served by the school-based health
4 center in a form and manner determined by the department, in collaboration with the
5 department of health and human services.

6 (4) To be eligible to receive funding under this section, a school-based health
7 center must apply for funding in a form and manner determined by the department, in
8 collaboration with the department of health and human services. The award to a single
9 school-based health center must not exceed \$150,000.00. If funding under this section is
10 not sufficient to fully fund all eligible applicants, the department shall prioritize
11 funding based on the age of the school-based health center.

12 (5) Notwithstanding section 17b, the department shall make payments under this
13 section in full upon grant award.

14 Sec. 12c. (1) From the school consolidation and infrastructure fund created under
15 section 11x, there is allocated for 2023-2024 only an amount not to exceed \$245,000,000.00
16 for grants to districts and intermediate districts to support the initial costs of
17 consolidating services that are identified in the intermediate district feasibility study
18 conducted under section 11x.

19 (2) To be eligible for funding under this section, a district must apply to the
20 department in the form and manner prescribed by the department. An intermediate district
21 may apply for funding on behalf of a district if the intermediate district is providing the
22 consolidated services. The application must include all of the following:

23 (a) An assurance that the district was included in an intermediate district
24 feasibility study or analysis conducted under section 11x.

25 (b) An assurance that the consolidated service or services being funded were included
26 as a recommendation in that feasibility study or analysis.

27 (c) A brief description of how the district plans to implement changes, as outlined
28 in the feasibility study or analysis, where possible.

29 (d) An assurance that the district will submit to the department an annual report
30 documenting the estimated savings produced as a result of consolidation of services.

31 (e) A budget of the estimated first-year costs associated with the consolidated
32 services, in the form and manner prescribed by the department.

1 (3) If funding under this section is not sufficient to fully fund all qualifying
2 grant applications the department shall do one of the following:

3 (a) Awards under this section shall be determined based upon a competitive grant
4 process.

5 (b) The department shall distribute funds under this section on a prorated or other
6 equitable basis as determined by the department.

7 (4) Each intermediate district receiving funding under section 11x(6) for 2022-2023,
8 in consultation with its constituent districts located within the intermediate district
9 that receive funds under this section, must submit a report to the department not later
10 than June 30, 2025. This report must include all of the following information regarding
11 consolidated services supported by funding under this section, in the form and manner
12 prescribed by the department:

13 (a) The amount previously spent on each consolidated service in the prior fiscal
14 year.

15 (b) Number of students impacted by the consolidated service.

16 (c) Vendors, third-party entities, or other educational entities used to consolidate
17 the service or services.

18 (d) The impact on student learning attributable to money reallocated as a result of
19 the consolidated service or services.

20 (e) A total of cost savings produced as a result of the consolidation of services, in
21 the form and manner prescribed by the department.

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

1 section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in
2 special education or special education transportation payments may be recovered from
3 subsequent special education or special education transportation payments, from the
4 proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL
5 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of
6 the revised school code, MCL 380.1211.

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

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

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

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

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

13 (7) In addition to funds appropriated in section 11 for all programs and services,
14 there is appropriated for ~~2022-2023~~ **2023-2024** for obligations in excess of applicable
15 appropriations an amount equal to the collection of overpayments, but not to exceed amounts
16 available from overpayments.

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

23 (2) Each district shall furnish to the center not later than 5 weeks after the pupil
24 membership count day and by the last business day in June of the school fiscal year ending
25 in the fiscal year, in a manner prescribed by the center, the information necessary for the
26 preparation of the district and high school graduation report, information regarding
27 completion of early middle college credentials obtained and postsecondary credits obtained
28 in any college acceleration program, and information necessary for the preparation of the
29 state and federal accountability reports. This information shall meet requirements
30 established in the pupil auditing manual approved and published by the department. The
31 center shall calculate an annual graduation and pupil dropout rate for each high school,
32 each district, and this state, in compliance with nationally recognized standards for these

1 calculations. The center shall report all graduation and dropout rates to the senate and
2 house education committees and appropriations committees, the state budget director, and
3 the department not later than 30 days after the publication of the list described in
4 subsection (5). Before reporting these graduation and dropout rates, the department shall
5 allow a school or district to appeal the calculations. The department shall consider and
6 act upon the appeal within 30 days after it is submitted and shall not report these
7 graduation and dropout rates until after all appeals have been considered and decided.

8 (3) By the first business day in December and by the last business day in June of
9 each year, **and within 30 days of changes in employment or assignment status**, a district
10 shall furnish to the center, in a manner prescribed by the center, information related to
11 educational personnel **and personnel vacancies** as necessary for reporting required by state
12 and federal law. For the purposes of this subsection, the center shall only require
13 districts and intermediate districts to report information that is not already available
14 from the office of retirement services in the department of technology, management, and
15 budget, **including, but not limited to, vacancy start and end dates and reasons for vacancy**
16 **and vacancy termination.**

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

24 (5) Before publishing a list of school or district accountability designations as
25 required by the no child left behind act of 2001, Public Law 107-110, or the every student
26 succeeds act, Public Law 114-95, and utilizing data that were certified as accurate and
27 complete after districts and intermediate districts adhered to deadlines, data quality
28 reviews, and correction processes leading to local certification of final student data in
29 subsection (2), the department shall allow a school or district to appeal any calculation
30 errors used in the preparation of accountability metrics. The department shall consider and
31 act upon the appeal within 30 days after it is submitted and shall not publish the list
32 until after all appeals have been considered and decided.

1 (6) The department shall implement statewide standard reporting requirements for
2 education data approved by the department in conjunction with the center. The department
3 shall work with the center, intermediate districts, districts, and other interested
4 stakeholders to implement this policy change. A district or intermediate district shall
5 implement the statewide standard reporting requirements not later than 2017-2018 or when a
6 district or intermediate district updates its education data reporting system, whichever is
7 later.

8 (7) **A district or intermediate district shall collect and submit to the center tribal**
9 **affiliation data for all students and staff and the identification of student participation**
10 **in federal programs funded under title VI of the elementary and secondary education act of**
11 **1965, 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-**
12 **O'Malley supplemental Indian education program modernization act, Public Law 115-404. Such**
13 **data shall be reported in a form and manner prescribed by the center in consultation with**
14 **the federally recognized Indian tribes in Michigan and the department in adherence to the**
15 **department's tribal consultation policy. A district or intermediate district shall**
16 **implement this reporting requirement not later than 2024-2025.**

17 Sec. 20. (1) ~~All of the following apply:~~

18 ~~(a) For 2021-2022, the target foundation allowance is \$8,700.00.~~

19 ~~(b) For 2021-2022, the minimum foundation allowance is \$8,700.00.~~

20 ~~(c) For 2022-2023, For 2023-2024 the target foundation allowance is \$9,150.00.~~

21 **\$9,608.00.**

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

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

28 (a) ~~For 2021-2022, for a district that had a foundation allowance for the immediately~~
29 ~~preceding fiscal year that was at least equal to the minimum foundation allowance for the~~
30 ~~immediately preceding fiscal year, but less than the target foundation allowance for the~~
31 ~~immediately preceding fiscal year, the district's foundation allowance is \$8,700.00. Except~~
32 ~~as otherwise provided in this subdivision, except for 2021-2022, for **Except as otherwise**~~

1 **provided in this subdivision, for** a district that had a foundation allowance for the
2 immediately preceding fiscal year that was equal to the target foundation allowance for the
3 immediately preceding fiscal year, the district receives a foundation allowance in an
4 amount equal to the target foundation allowance described in subsection (1) for the current
5 fiscal year. **The foundation allowance for a public school academy that was issued a**
6 **contract under section 552 of the revised school code, MCL 380.552, to operate as a school**
7 **of excellence that is a cyber school is \$7,687.00.**

8 ~~(b) For a district that in the immediately preceding fiscal year had a foundation~~
9 ~~allowance in an amount equal to the amount of the target foundation allowance for the~~
10 ~~immediately preceding fiscal year, the district receives a foundation allowance for 2021-~~
11 ~~2022 in an amount equal to the target foundation allowance for 2021-2022. This subdivision~~
12 ~~does not apply after the 2021-2022 fiscal year.~~

13 ~~(c) For a district that had a foundation allowance for the immediately preceding~~
14 ~~fiscal year that was greater than the target foundation allowance for the immediately~~
15 ~~preceding fiscal year, the district's foundation allowance is an amount equal to the sum of~~
16 ~~the district's foundation allowance for the immediately preceding fiscal year plus the~~
17 ~~lesser of the increase in the target foundation allowance for the current fiscal year, as~~
18 ~~compared to the immediately preceding fiscal year, or the product of the district's~~
19 ~~foundation allowance for the immediately preceding fiscal year times the percentage~~
20 ~~increase in the United States Consumer Price Index in the calendar year ending in the~~
21 ~~immediately preceding fiscal year as reported by the May revenue estimating conference~~
22 ~~conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b.~~
23 ~~This subdivision does not apply after the 2021-2022 fiscal year.~~

24 **(b) (d)** For a district that had a foundation allowance for the immediately preceding
25 fiscal year that was greater than the target foundation allowance for the immediately
26 preceding fiscal year, the district's foundation allowance is an amount equal to the lesser
27 of (the sum of the district's foundation allowance for the immediately preceding fiscal
28 year plus any per pupil amount calculated under section 20m(2) in the immediately preceding
29 fiscal year plus the increase in the target foundation allowance for the current fiscal
30 year, as compared to the immediately preceding fiscal year) or (the product of the
31 district's foundation allowance for the immediately preceding fiscal year times the
32 percentage increase in the United States Consumer Price Index in the calendar year ending

1 in the immediately preceding fiscal year as reported by the May revenue estimating
2 conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL
3 18.1367b). ~~This subdivision does not apply for the 2021-2022 fiscal year.~~

4 (c) ~~(e)~~ For a district that has a foundation allowance that is less than the target
5 foundation allowance in the current fiscal year but had a foundation allowance in fiscal
6 year 2020-2021 that was greater than the target foundation allowance in effect for that
7 fiscal year, the district's foundation allowance is an amount equal to the lesser of (the
8 sum of the district's foundation allowance for fiscal year 2020-2021 plus the increase in
9 the target foundation allowance for the current fiscal year, as compared to fiscal year
10 2020-2021) or (the product of the district's foundation allowance for the immediately
11 preceding fiscal year times the percentage increase in the United States Consumer Price
12 Index in the calendar year ending in the immediately preceding fiscal year as reported by
13 the May revenue estimating conference conducted under section 367b of the management and
14 budget act, 1984 PA 431, MCL 18.1367b). ~~This subdivision does not apply for the 2021-2022~~
15 ~~fiscal year.~~

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

19 (4) Except as otherwise provided in this subsection, the state portion of a
20 district's foundation allowance is an amount equal to the district's foundation allowance
21 or the target foundation allowance for the current fiscal year, whichever is less, minus
22 the local portion of the district's foundation allowance. Except as otherwise provided in
23 this subsection, for a district described in subsection ~~(3) (d) and (e)~~, **(3) (b) and (c)**,
24 ~~beginning in 2021-2022~~, the state portion of the district's foundation allowance is an
25 amount equal to the target foundation allowance minus the district's foundation allowance
26 supplemental payment per pupil calculated under section 20m and minus the local portion of
27 the district's foundation allowance. For a district that has a millage reduction required
28 under section 31 of article IX of the state constitution of 1963, the department shall
29 calculate the state portion of the district's foundation allowance as if that reduction did
30 not occur. For a receiving district, if school operating taxes continue to be levied on
31 behalf of a dissolved district that has been attached in whole or in part to the receiving
32 district to satisfy debt obligations of the dissolved district under section 12 of the

1 revised school code, MCL 380.12, the taxable value per membership pupil of property in the
2 receiving district used for the purposes of this subsection does not include the taxable
3 value of property within the geographic area of the dissolved district. For a community
4 district, if school operating taxes continue to be levied by a qualifying school district
5 under section 12b of the revised school code, MCL 380.12b, with the same geographic area as
6 the community district, the taxable value per membership pupil of property in the community
7 district to be used for the purposes of this subsection does not include the taxable value
8 of property within the geographic area of the community district.

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

20 (6) Except as otherwise provided in this subsection, for pupils in membership, other
21 than special education pupils, in a public school academy, the allocation calculated under
22 this section is an amount per membership pupil other than special education pupils in the
23 public school academy equal to, ~~for 2021-2022, the minimum foundation allowance specified~~
24 ~~in subsection (1)(b) and, for 2022-2023, the target foundation allowance specified in~~
25 ~~subsection (1)(c), (1)(b), or, for a public school academy that was issued a contract under~~
26 **section 552 of the revised school code, MCL 380.552, to operate as a school of excellence**
27 **that is a cyber school, \$7,687.00.** Notwithstanding section 101, for a public school academy
28 that begins operations after the pupil membership count day, the amount per membership
29 pupil calculated under this subsection must be adjusted by multiplying that amount per
30 membership pupil by the number of hours of pupil instruction provided by the public school
31 academy after it begins operations, as determined by the department, divided by the minimum
32 number of hours of pupil instruction required under section 101(3). The result of this

1 calculation must not exceed the amount per membership pupil otherwise calculated under this
2 subsection.

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

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

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

23 (10) Except as otherwise provided in this subsection, state payments related to
24 payment of the foundation allowance for a special education pupil are not calculated under
25 this section but are instead calculated under section 51a and section 51e. All of the
26 following apply with regard to state payments related to payment of the foundation
27 allowance for a special education pupil:

28 (a) For ~~2022-2023~~, ~~2023-2024~~ state payments described in this subsection are not
29 calculated under this section but are instead calculated as follows:

30 (i) ~~Twenty-five~~ **12.50** percent is calculated under section 51a.

31 (ii) ~~Seventy-five~~ **87.50** percent is calculated under section 51e.

32 (b) It is the intent of the legislature that, in future fiscal years, 100% of state

1 payments described in this subsection will be calculated under this section.

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

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

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

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

32 (12) Payments to districts and public school academies are not made under this

1 section. Rather, the calculations under this section are used to determine the amount of
2 state payments under section 22b.

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

7 (14) As used in this section:

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

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

12 (c) "Dissolved district" means a district that loses its organization, has its
13 territory attached to 1 or more other districts, and is dissolved as provided under section
14 12 of the revised school code, MCL 380.12.

15 (d) "Immediately preceding fiscal year" means the fiscal year immediately preceding
16 the current fiscal year.

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

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

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

31 (h) "Principal residence", "qualified agricultural property", "qualified forest
32 property", "supportive housing property", "industrial personal property", and "commercial

1 personal property" mean those terms as defined in section 1211 of the revised school code,
2 MCL 380.1211.

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

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

8 (k) "School operating taxes" means local ad valorem property taxes levied under
9 section 1211 of the revised school code, MCL 380.1211, and retained for school operating
10 purposes.

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

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

18 Sec. 20d. In making the final determination required under former section 20a of a
19 district's combined state and local revenue per membership pupil in 1993-94 and in making
20 calculations under section 20 for ~~2022-2023~~, **2023-2024**, the department and the department
21 of treasury shall comply with all of the following:

22 (a) For a district that had combined state and local revenue per membership pupil in
23 the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board
24 designated area vocational education center in the 1993-94 school year, total state school
25 aid received by or paid on behalf of the district under this act in 1993-94 excludes
26 payments made under former section 146 and under section 147 on behalf of the district's
27 employees who provided direct services to the area vocational education center. Not later
28 than June 30, 1996, the department shall make an adjustment under this subdivision to the
29 district's combined state and local revenue per membership pupil in the 1994-95 fiscal year
30 and the department of treasury shall make a final certification of the number of mills that
31 may be levied by the district under section 1211 of the revised school code, MCL 380.1211,
32 as a result of the adjustment under this subdivision.

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

14 Sec. 20f. (1) From the state school aid fund money appropriated in section 11, there
15 is allocated an amount not to exceed \$18,000,000.00 for ~~2022-2023~~**2023-2024** for payments to
16 eligible districts under this section.

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

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

23 (b) The district's equity payment per membership pupil under former section 22c for
24 2013-2014.

25 (c) The quotient of the district's allocation under section 147a for 2012-2013
26 divided by the district's membership pupils for 2012-2013 minus the quotient of the
27 district's allocation under section 147a for 2013-2014 divided by the district's membership
28 pupils for 2013-2014.

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

32 (4) The funding under this subsection is from the allocation under subsection (1). A

1 district is eligible for funding under this subsection if the sum of the following is less
2 than \$25.00:

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

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

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

9 (d) The quotient of the district's allocation under section 31a for 2015-2016 divided
10 by the district's membership pupils for 2015-2016 minus the quotient of the district's
11 allocation under section 31a for 2014-2015 divided by the district's membership pupils for
12 2014-2015.

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

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

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

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

21 (d) The quotient of the district's allocation under section 31a for 2015-2016 divided
22 by the district's membership pupils for 2015-2016 minus the quotient of the district's
23 allocation under section 31a for 2014-2015 divided by the district's membership pupils for
24 2014-2015.

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

28 Sec. 21h. (1) From the state school aid fund money appropriated in section 11, there
29 is allocated \$6,137,400.00 for ~~2022-2023~~ **2023-2024** for assisting districts assigned by the
30 superintendent to participate in a partnership and districts that have established a
31 community engagement advisory committee in partnership with the department of treasury, are
32 required to submit a deficit elimination plan or an enhanced deficit elimination plan under

1 section 1220 of the revised school code, MCL 380.1220, and are located in a city with a
2 population between ~~9,000~~ 8,000 and ~~11,000~~ 10,000 as determined by the department, that is
3 in a county with a population between 150,000 and 160,000, as determined by the department,
4 to improve student achievement and district financial stability. The superintendent shall
5 collaborate with the state treasurer to identify any conditions that may be contributing to
6 low academic performance within a district being considered for assignment to a
7 partnership. The purpose of the partnership is to identify district needs, develop
8 intervention plans, and partner with public, private, and nonprofit organizations to
9 coordinate resources and improve student achievement. Assignment of a district to a
10 partnership is made by the superintendent in consultation with the state treasurer.

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

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

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

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

27 (iii) A review of classroom, instructional, and operational practices and curriculum
28 to ensure alignment with research-based instructional practices and state curriculum
29 standards.

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

1 include at least all of the following:

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

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

7 (c) Craft academic goals that put pupils on track to meet or exceed grade level
8 proficiency, **increase high school graduation rates, reduce class sizes, and improve**
9 **attendance rates.**

10 (d) **Provide access to training for district leadership, including the superintendent**
11 **and school board members, on areas of education fiscal and policy matters.**

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

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

32 (5) From the funds allocated under subsection (1), there is allocated for ~~2022-2023~~

1 **2023-2024** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to
2 be used by districts described in subsection (1). The superintendent of public instruction
3 shall require districts described in subsection (1) to purchase a data analytics tool
4 funded under this subsection as part of the agreements described in this section.

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

10 (7) **In addition to the allocation under subsection (1), from the state school aid**
11 **fund money appropriated in section 11, there is allocated an amount not to exceed**
12 **\$36,000,000.00 for 2023-2024 only for supplemental funding to be used for the purposes of**
13 **this section in equal installments of \$12,000,000.00 in each of the fiscal years 2023-2024,**
14 **2024-2025, and 2025-2026. The funds allocated under this subsection for 2023-2024 are a**
15 **work project appropriation, and any unexpended funds for 2023-2024 are carried forward into**
16 **2024-2025. The purpose of the work project is to provide assistance to districts eligible**
17 **for funding under this section. The estimated completion date of the work project described**
18 **in this subsection is September 30, 2026.**

19 Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there
20 is allocated an amount not to exceed ~~\$4,492,000,000.00 for 2021-2022~~ and there is allocated
21 ~~an amount not to exceed \$4,376,000,000.00~~ **\$4,212,000,000.00 for 2022-2023-2023-2024** for
22 payments to districts and qualifying public school academies to guarantee each district and
23 qualifying public school academy an amount equal to its 1994-95 total state and local per-
24 pupil revenue for school operating purposes under section 11 of article IX of the state
25 constitution of 1963. Pursuant to section 11 of article IX of the state constitution of
26 1963, this guarantee does not apply to a district in a year in which the district levies a
27 millage rate for school district operating purposes less than it levied in 1994. However,
28 subsection (2) applies to calculating the payments under this section. Funds allocated
29 under this section that are not expended in the fiscal year for which they were allocated,
30 as determined by the department, may be used to supplement the allocations under sections
31 22b and 51c to fully fund those allocations for the same fiscal year. ~~For each fund~~
32 ~~transfer as described in the immediately preceding sentence that occurs, the state budget~~

1 ~~director shall send notification of the transfer to the house and senate appropriations~~
2 ~~subcommittees on state school aid and the house and senate fiscal agencies by not later~~
3 ~~than 14 calendar days after the transfer occurs.~~

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

8 (a) Except as otherwise provided in this subsection, the state portion of a
9 district's 1994-95 foundation allowance is an amount equal to the district's 1994-95
10 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum
11 of the product of the taxable value per membership pupil of all property in the district
12 that is nonexempt property times the district's certified mills and, for a district with
13 certified mills exceeding 12, the product of the taxable value per membership pupil of
14 property in the district that is commercial personal property times the certified mills
15 minus 12 mills and the quotient of the ad valorem property tax revenue of the district
16 captured under tax increment financing acts divided by the district's membership. For a
17 district that has a millage reduction required under section 31 of article IX of the state
18 constitution of 1963, the department shall calculate the state portion of the district's
19 foundation allowance as if that reduction did not occur. For a receiving district, if
20 school operating taxes are to be levied on behalf of a dissolved district that has been
21 attached in whole or in part to the receiving district to satisfy debt obligations of the
22 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value
23 per membership pupil of all property in the receiving district that is nonexempt property
24 and taxable value per membership pupil of property in the receiving district that is
25 commercial personal property do not include property within the geographic area of the
26 dissolved district; ad valorem property tax revenue of the receiving district captured
27 under tax increment financing acts does not include ad valorem property tax revenue
28 captured within the geographic boundaries of the dissolved district under tax increment
29 financing acts; and certified mills do not include the certified mills of the dissolved
30 district. For a community district, the department shall reduce the allocation as otherwise
31 calculated under this section by an amount equal to the amount of local school operating
32 tax revenue that would otherwise be due to the community district if not for the operation

1 of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is
2 offset by the increase in funding under section 22b(2).

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

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

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

28 (5) Except as otherwise provided in this subsection, for a district that is formed or
29 reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation,
30 the resulting district's 1994-95 foundation allowance under this section beginning after
31 the effective date of the consolidation or annexation is the average of the 1994-95
32 foundation allowances of each of the original or affected districts, calculated as provided

1 in this section, weighted as to the percentage of pupils in total membership in the
2 resulting district in the fiscal year in which the consolidation takes place who reside in
3 the geographic area of each of the original districts. If an affected district's 1994-95
4 foundation allowance is less than the 1994-95 basic foundation allowance, the amount of
5 that district's 1994-95 foundation allowance is considered for the purpose of calculations
6 under this subsection to be equal to the amount of the 1994-95 basic foundation allowance.
7 This subsection does not apply to a receiving district unless there is a subsequent
8 consolidation or annexation that affects the district.

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

10 (7) As used in this section:

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

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

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

18 (d) "Current year hold harmless school operating taxes per pupil" means the per-pupil
19 revenue generated by multiplying a district's 1994-95 hold harmless millage by the
20 district's current year taxable value per membership pupil. For a receiving district, if
21 school operating taxes are to be levied on behalf of a dissolved district that has been
22 attached in whole or in part to the receiving district to satisfy debt obligations of the
23 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value
24 per membership pupil does not include the taxable value of property within the geographic
25 area of the dissolved district.

26 (e) "Dissolved district" means a district that loses its organization, has its
27 territory attached to 1 or more other districts, and is dissolved as provided under section
28 12 of the revised school code, MCL 380.12.

29 (f) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance
30 greater than \$6,500.00, the number of mills by which the exemption from the levy of school
31 operating taxes on a principal residence, qualified agricultural property, qualified forest
32 property, supportive housing property, industrial personal property, commercial personal

1 property, and property occupied by a public school academy could be reduced as provided in
2 section 1211 of the revised school code, MCL 380.1211, and the number of mills of school
3 operating taxes that could be levied on all property as provided in section 1211(2) of the
4 revised school code, MCL 380.1211, as certified by the department of treasury for the 1994
5 tax year. For a receiving district, if school operating taxes are to be levied on behalf of
6 a dissolved district that has been attached in whole or in part to the receiving district
7 to satisfy debt obligations of the dissolved district under section 12 of the revised
8 school code, MCL 380.12, school operating taxes do not include school operating taxes
9 levied within the geographic area of the dissolved district.

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

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

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

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

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

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

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

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

32 (i) For the number of mills by which the exemption from the levy of school operating

1 taxes on a principal residence, qualified agricultural property, qualified forest property,
2 supportive housing property, industrial personal property, commercial personal property,
3 and property occupied by a public school academy may be reduced as provided in section 1211
4 of the revised school code, MCL 380.1211, the taxable value of principal residence,
5 qualified agricultural property, qualified forest property, supportive housing property,
6 industrial personal property, commercial personal property, and property occupied by a
7 public school academy for the calendar year ending in the current fiscal year. For a
8 receiving district, if school operating taxes are to be levied on behalf of a dissolved
9 district that has been attached in whole or in part to the receiving district to satisfy
10 debt obligations of the dissolved district under section 12 of the revised school code, MCL
11 380.12, mills do not include mills within the geographic area of the dissolved district.

12 (ii) For the number of mills of school operating taxes that may be levied on all
13 property as provided in section 1211(2) of the revised school code, MCL 380.1211, the
14 taxable value of all property for the calendar year ending in the current fiscal year. For
15 a receiving district, if school operating taxes are to be levied on behalf of a dissolved
16 district that has been attached in whole or in part to the receiving district to satisfy
17 debt obligations of the dissolved district under section 12 of the revised school code, MCL
18 380.12, school operating taxes do not include school operating taxes levied within the
19 geographic area of the dissolved district.

20 Sec. 22b. (1) For discretionary nonmandated payments to districts under this section,
21 ~~there is allocated for 2021-2022 an amount not to exceed \$5,094,000,000.00 from the state~~
22 ~~school aid fund and general fund appropriations in section 11 and an amount not to exceed~~
23 ~~\$72,000,000.00 from the community district education trust fund appropriation in section~~
24 ~~11, and there is allocated for 2022-2023-2023-2024 an amount not to exceed~~
25 ~~\$5,686,000,000.00~~ **\$6,213,000,000.00** from the state school aid fund and general fund
26 appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community
27 district education trust fund appropriation in section 11. ~~Of the funds allocated under~~
28 ~~this section for 2022-2023, \$19,500,000.00 represents the amount of~~ **For 2023-2024, an**
29 **amount not to exceed \$27,800,000.00 must be deposited from** the general fund ~~revenue~~
30 ~~deposited~~ into the state school aid fund to reimburse the state school aid fund for
31 community district education trust fund costs in excess of \$72,000,000.00 **as required under**
32 **section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262.** If the amount allocated

1 under this subsection from the community district education trust fund appropriation under
2 section 11 is insufficient to pay for an increase under this section, any amount exceeding
3 that allocation may be paid from other allocations under this subsection. Except for money
4 allocated under this section from the community district education trust fund appropriation
5 in section 11, funds allocated under this section that are not expended in the fiscal year
6 for which they were allocated, as determined by the department, may be used to supplement
7 the allocations under sections 22a and 51c to fully fund those allocations for the same
8 fiscal year. ~~For each fund transfer as described in the immediately preceding sentence that~~
9 ~~occurs, the state budget director shall send notification of the transfer to the house and~~
10 ~~senate appropriations subcommittees on state school aid and the house and senate fiscal~~
11 ~~agencies by not later than 14 calendar days after the transfer occurs.~~

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

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

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

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

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

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

31 (e) Comply with section 21f.

32 (f) For a district that has entered into a partnership agreement with the department,

1 comply with section 22p.

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

6 (5) From the allocation in subsection (1), the department shall pay up to
7 \$1,000,000.00 in litigation costs incurred by this state related to commercial or
8 industrial property tax appeals, including, but not limited to, appeals of classification,
9 that impact revenues dedicated to the state school aid fund.

10 (6) From the allocation in subsection (1), the department shall pay up to
11 \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by
12 1 or more districts or intermediate districts against this state. If the allocation under
13 this section is insufficient to fully fund all payments required under this section, the
14 payments under this subsection must be made in full before any proration of remaining
15 payments under this section.

16 (7) It is the intent of the legislature that all constitutional obligations of this
17 state have been fully funded under sections 22a, 31d, 51a, 51c, 51e, and 152a. If a claim
18 is made by an entity receiving funds under this article that challenges the legislative
19 determination of the adequacy of this funding or alleges that there exists an unfunded
20 constitutional requirement, the state budget director may escrow or allocate from the
21 discretionary funds for nonmandated payments under this section the amount as may be
22 necessary to satisfy the claim before making any payments to districts under subsection
23 (2). If funds are escrowed, the escrowed funds are a work project appropriation and the
24 funds are carried forward into the following fiscal year. The purpose of the work project
25 is to provide for any payments that may be awarded to districts as a result of litigation.
26 The work project is completed upon resolution of the litigation.

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

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

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

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

25 (12) As used in this section:

26 (a) "Dissolved district" means that term as defined in section 20.

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

1 dissolved district.

2 (c) "Receiving district" and "school operating taxes" mean those terms as defined in
3 section 20.

4 Sec. 22c. From the state school aid fund money appropriated in section 11, there is
5 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$3,000,000.00 for payments to
6 eligible districts as provided under this section. The payment for an eligible district
7 under this section must be in an amount per membership pupil equal to \$171.00. As used in
8 this section:

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

13 (b) "Local school operating revenue" means that term as defined in section 22b.

14 (c) "Local school operating revenue per membership pupil" means a district's local
15 school operating revenue divided by the district's membership excluding special education
16 pupils.

17 Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an
18 amount not to exceed ~~\$8,858,000.00~~**\$9,301,000.00** is allocated for ~~2022-2023~~**2023-2024** for
19 supplemental payments to rural districts under this section.

20 (2) From the allocation under subsection (1), there is allocated for ~~2022-2023~~**2023-**
21 **2024** an amount not to exceed ~~\$1,638,300.00~~**\$1,720,200.00** for payments under this subsection
22 to eligible districts. A district that meets all of the following is an eligible district
23 under this subsection:

24 (a) Operates grades K to 12.

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

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

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

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

30 (3) The amount of the additional funding to each eligible district under subsection
31 (2) is determined under a spending plan developed as provided in this subsection and
32 approved by the superintendent of public instruction. The spending plan must be developed

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

11 (4) Subject to subsection (7), from the allocation in subsection (1), there is
12 allocated for ~~2022-2023-2023-2024~~ an amount not to exceed ~~\$6,357,000.00~~ **\$6,674,900.00** for
13 payments under this subsection to districts that have fewer than 10.0 pupils per square
14 mile as determined by the department.

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

16 (a) An amount equal to ~~\$5,470,400.00~~ **\$5,743,900.00** is allocated to districts with
17 fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-
18 pupil basis.

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

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

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

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

29 (6) From the allocation in subsection (1), there is allocated an amount not to exceed
30 ~~\$962,700.00~~ **\$905,900.00** for payments under this subsection to districts that have greater
31 than 250 square miles and that do not receive funding under subsection (2) or (4). The
32 funds allocated under this subsection must be allocated on an equal per-pupil basis.

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

3 Sec. 22m. (1) From the state school aid fund money appropriated in section 11, there
4 is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$2,200,000.00 for supporting
5 the integration of local data systems into the Michigan data hub network based on common
6 standards and applications that are in compliance with section 19(6).

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

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

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

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

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

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

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

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

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

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

5 (d) Promoting 100% district adoption of the Michigan data hub network.

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

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

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

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

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

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

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

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

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

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

4 (B) At least 1 proficiency or growth outcome based on a benchmark assessment
5 described in section ~~104h or 104i. , as applicable.~~

6 **(iii) Outcomes that are intended to measure improved high school graduation rates, as**
7 **applicable.**

8 **(iv) Outcomes that measure school attendance rates.**

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

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

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

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

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

32 (iii) The reconstitution plan for the school must require the adoption of goals

1 similar to the goals included in the partnership agreement, with a limit of 3 years to
2 achieve the goals. If the goals are not achieved within 3 years, the superintendent of
3 public instruction shall impose a second reconstitution plan.

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

12 Sec. 23a. (1) A dropout recovery program operated by a district qualifies for the
13 special membership counting provisions of section 6(4) (dd) and the hours and days of pupil
14 instruction exemption under section 101(12) if the dropout recovery program meets all of
15 the following:

16 (a) Enrolls only eligible pupils.

17 (b) Provides an advocate and teacher of record. An advocate may serve in that role
18 for more than 1 pupil but not more than 50 pupils. An advocate or teacher of record may be
19 employed by the district or may be provided by an education management organization that is
20 partnering with the district. Before an individual is assigned to be an advocate or teacher
21 of record for a pupil in the dropout recovery program, the district must comply with
22 sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, with
23 respect to that individual.

24 (c) Develops a written learning plan.

25 (d) Monitors the pupil's progress against the written learning plan.

26 (e) Requires each pupil to make satisfactory monthly progress, as defined by the
27 district under subsection (2).

28 (f) Reports the pupil's progress results to the partner district at least monthly.

29 (g) The program may be operated on or off a district school campus, but may be
30 operated using distance learning online only if the program provides a computer and
31 internet access for each eligible pupil participating in the program.

32 (h) Is operated throughout the entire calendar year.

1 (i) If the district partners with an education management organization for the
2 program, the education management organization has a dropout recovery program partnership
3 relationship with at least 1 other district.

4 (2) A district operating a dropout recovery program under this section shall adopt a
5 definition of satisfactory monthly progress that is consistent with the definition of that
6 term under subsection (3).

7 (3) As used in this section:

8 (a) "Advocate" means an adult available to meet in person with assigned pupils, as
9 needed, to conduct social interventions, to proctor final examinations, and to provide
10 academic and social support to pupils enrolled in the district's dropout recovery program.

11 (b) "Education management organization" means a private provider that operates 1 or
12 more other dropout recovery programs that meet the requirements of this section in
13 partnership with 1 or more districts.

14 (c) "Eligible pupil" means a pupil who has been expelled from school under the
15 mandatory expulsion provisions in section 1311 or 1311a of the revised school code, MCL
16 380.1311 and 380.1311a, a pupil who has been suspended or expelled from school under a
17 local policy, a pupil who is referred by a court, a pupil who is pregnant or is a parent, a
18 pupil who was previously a dropout, or a pupil who is determined by the district to be at
19 risk of dropping out.

20 (d) "Satisfactory monthly progress" means an amount of progress that is measurable on
21 a monthly basis and that, if continued for a full 12 months, would result in the same
22 amount of academic credit being awarded to the pupil as would be awarded to a general
23 education pupil completing a full school year. Satisfactory monthly progress may include a
24 lesser required amount of progress for the first 2 months a pupil participates in the
25 program **but must include at least a total of 0.25 earned academic credit by the end of that**
26 **two-month period.**

27 (e) "Teacher of record" means a teacher who holds a valid Michigan teaching
28 certificate; who, if applicable, is endorsed in the subject area and grade of the course;
29 and is responsible for providing instruction, determining instructional methods for each
30 pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention
31 strategies, reporting outcomes, and evaluating the effects of instruction and support
32 strategies. If the district partners with an education management organization for the

1 program, the teacher of record may be employed by or contracted through the education
2 management organization.

3 (f) "Written learning plan" means a written plan developed in conjunction with the
4 advocate that includes the plan start and end dates, courses to be taken, credit to be
5 earned for each course, teacher of record for each course, and advocate name and contact
6 information.

7 **Sec. 23h. (1) From the state school aid fund money appropriated in section 11, there**
8 **is allocated for 2023-2024 only an amount not to exceed \$30,000,000.00 to support**
9 **improvement of mathematics teaching and learning in Michigan. It is intended that these**
10 **funds will be spent over 2 years.**

11 (2) Funds allocated under this section must be used for grants to districts and
12 intermediate districts for the following purposes:

13 (a) Continued system development, capacity building, and networking spaces for early
14 math specialists in districts and intermediate districts. The funds must support:

15 (i) Delivery of high-quality professional learning delivered regionally to support
16 teachers' implementation of best practice mathematics instruction.

17 (ii) Collaboration with researchers with expertise in early mathematics to develop
18 resources to support implementation of best practices including on demand capacity building
19 courses available to all teacher and instructional leaders in Michigan.

20 (iii) Development of a process and/or tools, including leveraging the MiStrategyBank
21 and the MiSTEM Regional Network to share best practices support for math goals in the
22 Michigan continuous improvement process.

23 (b) Incentives and supports for K-5 schools in the purchasing and implementation of
24 high-quality mathematics instructional materials programs to engage students in equitable
25 high-quality mathematics learning experiences through a guided adoption process through
26 intermediate districts.

27 (c) Supports for the expansion of math recovery specialists statewide through
28 intermediate school districts. These specialists must:

29 (i) Support the implementation of research based diagnostic assessments, learning
30 progressions, and high-quality instructional tools to help participants increase student
31 understanding and achievement.

32 (ii) Build upon the assets of math recovery in Michigan.

1 (iii) Expand and begin to sustain the efforts specific to Michigan mathematics
2 essentials and the collaboration between the department and state educational organizations
3 focused on increasing mathematics achievement.

4 (d) Supports for secondary schools in offering supplemental just-in-time,
5 personalized support programs

6 (3) Districts and intermediate school districts must apply in a form and manner
7 determined by the department. Notwithstanding section 17b, the department shall make
8 payments under this section on a schedule determined by the department.

9 (4) The funds allocated under this section for 2023-2024 are a work project
10 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
11 The purpose of the work project is to support improvement of mathematics teaching and
12 learning in Michigan. The estimated completion date of the work project is September 30,
13 2025.

14 Sec. 24. (1) From the state school aid fund money appropriated in section 11, there
15 is allocated for ~~2022-2023~~ 2023-2024 an amount not to exceed \$7,650,000.00 for payments to
16 the educating district or intermediate district for educating pupils assigned by a court or
17 the department of health and human services to reside in or to attend a juvenile detention
18 facility or child caring institution licensed by the department of health and human
19 services and approved by the department to provide an on-grounds education program. The
20 amount of the payment under this section to a district or intermediate district is
21 calculated as prescribed under subsection (2).

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

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

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

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

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

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

18 Sec. 24a. From the state school aid fund money appropriated in section 11, there is
19 allocated an amount not to exceed \$1,355,700.00 for ~~2022-2023~~ **2023-2024** for payments to
20 intermediate districts for pupils who are placed in juvenile justice service facilities
21 operated by the department of health and human services. The amount of the payment to each
22 intermediate district is an amount equal to the state share of those costs that are clearly
23 and directly attributable to the educational programs for pupils placed in facilities
24 described in this section that are located within the intermediate district's boundaries.
25 The intermediate districts receiving payments under this section shall cooperate with the
26 department of health and human services to ensure that all funding allocated under this
27 section is utilized by the intermediate district and department of health and human
28 services for educational programs for pupils described in this section. Pupils described in
29 this section are not eligible to be funded under section 24. However, a program
30 responsibility or other fiscal responsibility associated with these pupils must not be
31 transferred from the department of health and human services to a district or intermediate
32 district unless the district or intermediate district consents to the transfer.

1 Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there
2 is allocated an amount not to exceed \$1,600,000.00 for ~~2022-2023~~**2023-2024** for payments to
3 strict discipline academies and qualified districts, as provided under this section.

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

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

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

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

24 (6) The department shall make payments to strict discipline academies and qualified
25 districts under this section according to the payment schedule under section 17b.

26 (7) For purposes of this section, the pupil membership for the current fiscal year
27 for a qualified district is the actual number of pupils that are in the custody of a county
28 juvenile agency as described in subsection (8)(c).

29 (8) As used in this section:

30 (a) "Added cost" means 100% of the added cost each fiscal year for educating all
31 pupils enrolled and in regular daily attendance at a strict discipline academy or qualified
32 district. Added cost must be computed by deducting all other revenue received under this

1 article for pupils described in this subdivision from total costs, as approved by the
2 department, in whole or in part, for educating those pupils in a strict discipline academy
3 or qualified district. The department shall include all costs, including, but not limited
4 to, educational costs, insurance, management fees, technology costs, legal fees, auditing
5 fees, interest, pupil accounting costs, and any other administrative costs necessary to
6 operate the program or to comply with statutory requirements. Costs reimbursed by federal
7 funds are not included.

8 (b) "Department's approved per-pupil allocation" means, for a strict discipline
9 academy or qualified district, an amount equal to the quotient of the total amount
10 allocated under this section for a fiscal year and the full-time equated membership total
11 for all pupils approved by the department to be funded under this section for that fiscal
12 year for the strict discipline academy or qualified district.

13 (c) "Qualified district" means a public school academy that is not a strict
14 discipline academy that enrolls individuals who are in the custody of a county juvenile
15 agency to which both of the following are applicable:

16 (i) The agency had custody of individuals who were enrolled in a strict discipline
17 academy in the 2020-2021 school year.

18 (ii) The strict discipline academy that the individuals described in subparagraph (i)
19 were enrolled in subsequently closed.

20 (d) "Strict discipline academy" means a public school academy established under
21 sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m.

22 Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there
23 is allocated an amount not to exceed \$750,000.00 for ~~2022-2023~~**2023-2024** for the purposes
24 of this section. Except as otherwise provided in this section, if the operation of the
25 special membership counting provisions under section 6(4)(dd) and the other membership
26 counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE
27 in a fiscal year, then the payment made for the pupil under sections 22a and 22b must not
28 be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0
29 is paid under this section in an amount equal to that portion multiplied by the educating
30 district's foundation allowance or per-pupil payment calculated under section 20.

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

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

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

6 Sec. 26a. From the state school aid fund money appropriated in section 11, there is
7 allocated an amount not to exceed \$14,000,000.00 for ~~2021-2022 to reimburse districts and~~
8 ~~intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376,~~
9 ~~MCL 125.2692, for taxes levied in 2021, and there is allocated an amount not to exceed~~
10 ~~\$14,000,000.00 for 2022-2023-2023-2024~~ to reimburse districts and intermediate districts
11 under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
12 levied in ~~2022-2023~~. The department shall pay the allocations not later than 60 days after
13 the department of treasury certifies to the department and to the state budget director
14 that the department of treasury has received all necessary information to properly
15 determine the amounts due to each eligible recipient.

16 Sec. 26b. (1) From the state school aid fund money appropriated in section 11, there
17 is allocated an amount not to exceed ~~\$4,989,000.00~~ **\$5,084,000.00** for ~~2022-2023-2023-2024~~
18 for payments to districts, intermediate districts, and community college districts for the
19 portion of the payment in lieu of taxes obligation that is attributable to districts,
20 intermediate districts, and community college districts under section 2154 of the natural
21 resources and environmental protection act, 1994 PA 451, MCL 324.2154.

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

25 Sec. 26c. (1) From the state school aid fund money appropriated under section 11,
26 there is allocated an amount not to exceed ~~\$14,800,000.00 for 2021-2022 and there is~~
27 ~~allocated an amount not to exceed \$14,800,000.00~~ **\$26,000,000.00** for ~~2022-2023-2023-2024~~ to
28 the promise zone fund created in subsection (3). The funds allocated under this section
29 reflect the amount of revenue from the collection of the state education tax captured under
30 section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

31 (2) Funds allocated to the promise zone fund under this section must be used solely
32 for payments to eligible districts and intermediate districts, in accordance with section

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

7 (3) The promise zone fund is created as a separate account within the state school
8 aid fund to be used solely for the purposes of the Michigan promise zone authority act,
9 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

10 (a) The state treasurer shall direct the investment of the promise zone fund. The
11 state treasurer shall credit to the promise zone fund interest and earnings from fund
12 investments.

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

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

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

21 Sec. 26d. (1) From the state school aid fund money appropriated under section 11,
22 there is allocated an amount not to exceed ~~\$12,000,000.00 for 2021-2022 and an amount not~~
23 ~~to exceed~~ \$14,400,000.00 for ~~2022-2023-2023-2024~~ for reimbursements to intermediate
24 districts as required under section 15b of the brownfield redevelopment financing act, 1996
25 PA 381, MCL 125.2665b.

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

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

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

1 Sec. 27a. (1) From the state school aid fund money appropriated in section 11, there
2 is allocated for ~~2022-2023~~**-2023-2024** an amount not to exceed \$20,000,000.00 and from the
3 general fund money appropriated in section 11, there is allocated for ~~2022-2023~~**-2023-2024**
4 an amount not to exceed \$5,000,000.00 for the MI future educator fellowship program. The
5 funds allocated under this section must be used to offset tuition costs for individuals who
6 are working toward earning their initial teacher certification.

7 (2) To establish initial eligibility for an award from funding under this section, an
8 individual must meet all of the following conditions by the date of enrollment described in
9 subdivision (b):

10 (a) Have graduated from high school with a diploma or certificate of completion or
11 achieved a high school equivalency certificate.

12 (b) Be admitted to an eligible educator preparation program and begin the first
13 semester of that program on or after the start of the fall 2022 academic semester; be
14 working toward a teacher certification; and be enrolled in enough coursework to earn at
15 least 24 credits in an academic year or the equivalent of full-time participation for
16 individuals enrolled in an alternative certification program, as defined by the department.

17 (c) Not have previously earned a teacher certification.

18 (d) Timely complete a grant application in a form and manner prescribed by the
19 department of treasury.

20 (e) Timely file the Free Application for Federal Student Aid for the enrollment
21 period described in subdivision (b).

22 (f) Timely apply for all available gift aid for the enrollment period described in
23 subdivision (b).

24 (g) Agree to repay any funds received from funding under this section if the
25 individual does not maintain enrollment in their educator preparation program, the
26 individual does not successfully complete their educator program, or the individual does
27 not complete the work requirement described in subsection (7).

28 (h) Have a high school or college grade point average of at least 3.0.

29 (i) Be a resident of this state, as determined for purposes of the Free Application
30 for Federal Student Aid.

31 (3) To establish continuing eligibility for an award under this section at an
32 eligible educator preparation program, an individual must meet all of the following

1 conditions:

2 (a) Maintain continuous enrollment in an eligible educator preparation program and
3 earn at least 24 credits in an academic year or the equivalent of full-time participation
4 for individuals enrolled in an alternative certification program, as defined by the
5 department, excluding any period of time missed due to a medical or other emergency, as
6 determined by the department of treasury.

7 (b) Maintain satisfactory academic progress, including a grade point average of at
8 least 3.0, in courses provided by the eligible educator preparation program and meet
9 requirements established by the eligible educator preparation program.

10 (c) Participate in relevant academic and career advising programs offered by the
11 eligible educator preparation program.

12 (d) Timely file the Free Application for Federal Student Aid for each academic year
13 in which the individual receives an award from funding under this section.

14 (e) Timely apply for all available gift aid for each academic year in which the
15 individual applies for funding under this section.

16 (f) Maintain residency in this state, as determined for purposes of the Free
17 Application for Federal Student Aid.

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

22 (5) Awards under this section must be distributed to eligible educator preparation
23 programs on behalf of an eligible recipient on a timeline determined by the department of
24 treasury.

25 (6) Pending available funds, applicants may renew their award for up to 3 years, or
26 until program completion, whichever comes first.

27 (7) To be an eligible recipient of fellowship funding under this section, an
28 individual must pledge to work as a certified teacher in a public school, ~~nonpublic school,~~
29 or a qualifying public preschool program in this state and must meet 1 of the following
30 work requirements:

31 (a) For a recipient of funding under this section who received an award for 1
32 academic year, 3 years of work as a certified teacher in a public school, ~~nonpublic school,~~

1 or a qualifying public preschool program in this state.

2 (b) For a recipient of funding under this section who received an award for 2
3 academic years, 4 years of work as a certified teacher in a public school, ~~nonpublic~~
4 ~~school~~, or a qualifying public preschool program in this state.

5 (c) For a recipient of funding under this section who received an award for 3
6 academic years, 5 years of work as a certified teacher in a public school, ~~nonpublic~~
7 ~~school~~, or a qualifying public preschool program in this state.

8 (d) For a recipient working in a critical needs district, 3 years of work as a
9 certified teacher. As used in this subdivision, "critical needs district" means a district
10 with a median household income in the lowest quartile in each prosperity region, as
11 determined by the department.

12 (8) If an award recipient does not maintain enrollment in their educator preparation
13 program as required under subsection (3)(a), does not successfully complete their educator
14 preparation program, or does not meet the work requirement described in subsection (7), any
15 amount received from funds under this section converts to a 0% interest loan that must be
16 repaid to this state within 10 years **plus any deferment period as determined and approved**
17 **by the department of treasury**. The amount of repayment must be reduced proportionate to the
18 number of years worked in schools or qualifying public preschool programs in this state as
19 a certificated teacher out of 5 years. The department of treasury shall develop guidance to
20 enforce this subsection.

21 (9) An individual may not concurrently receive funding through programs funded under
22 this section and grow your own programs funded under section 27b, as that section was in
23 effect in 2022-2023.

24 (10) If the amount allocated in subsection (1) is not sufficient to fully fund awards
25 under this section, there is appropriated from the educator fellowship public provider fund
26 or the educator fellowship private provider fund, as applicable, the amount necessary to
27 fully fund these programs. The state budget director shall provide notification to the
28 house and senate appropriations subcommittees on K to 12 school aid and the house and
29 senate fiscal agencies for any additional appropriation described under this subsection.

30 (11) Notwithstanding section 17b, the department of treasury shall make payments
31 under this section on a schedule determined by the department of treasury.

32 (12) As used in this section, "eligible educator preparation program" means an

1 institution of higher education that meets all of the following:

2 (a) Is a public or nonpublic institution of higher education in this state.

3 (b) Has an established school of education with an educator preparation program
4 approved by the department.

5 (c) Enrolls 1 or more future educator fellowship recipients.

6 (d) Has not increased tuition and fee rates above the limitations described in
7 section ~~265.~~**241c.**

8 Sec. 27c. (1) From the state school aid fund money appropriated in section 11, there
9 is allocated \$50,000,000.00 for ~~2022-2023~~**2023-2024** for the MI future educator student
10 teacher stipend program. Except as otherwise provided in this section, the funds allocated
11 under this section must be paid to eligible educator preparation programs for payments to
12 eligible student teachers working in a district.

13 (2) An eligible student teacher under this subsection must meet all of the following:

14 (a) The individual must be admitted to an eligible educator preparation program, be
15 working toward a teacher certification, be participating in required student teaching
16 coursework, and be maintaining satisfactory academic progress. As used in this subdivision,
17 "required student teaching coursework" means credit hours, or the program equivalent,
18 required by an eligible educator preparation program for successful completion of the
19 program. This coursework must include regular placement in a district where the student
20 gains real-world, first-hand experience working in a classroom, teaching students, engaging
21 in the day-to-day activities of a certified teacher, and working daily under the guidance
22 of a certified teacher.

23 (b) The individual must timely complete an application in a form and manner
24 prescribed by the department of treasury. The application must include the district in
25 which the individual is working as a student teacher and must include a certification by
26 the district and the individual's eligible educator preparation program that the student is
27 working as a student teacher. If the individual's eligible educator preparation program is
28 not provided by a public institution of higher education, the district in which the
29 individual is working must also provide an assurance that they will forward any amount
30 received under this section from the department of treasury for purposes of the program
31 described in this section to the individual's eligible educator preparation program.

32 (c) The individual must not have received a payment from funds under this subsection

1 previously, unless the individual is enrolled in an eligible educator preparation program
2 that requires multiple semesters of student teaching.

3 (d) If an individual is ~~paid-employed~~ by their district **as a teacher of record**, they
4 are not eligible for payment under this section.

5 (3) The department of treasury shall pay each eligible educator preparation program
6 an amount not to exceed \$9,600.00 per academic semester for each eligible student teacher
7 working in a district. If the individual's eligible educator preparation program is not
8 provided by a public institution of higher education, the department of treasury shall pay
9 an amount not to exceed \$9,600.00 per academic semester to the district in which the
10 individual is working as a student teacher, and that district must forward the amount
11 received to the individual's eligible educator preparation program. If funding allocated
12 under this section is insufficient to fully fund all eligible student teachers, the
13 department of treasury shall first award funding for eligible student teachers who are also
14 Pell grant recipients and then shall distribute funding in the order in which applications
15 were received. It is intended that payments under this subsection are made at the beginning
16 of the semester in 1 lump sum for eligible student teachers.

17 (4) Eligible educator preparation programs shall pay funds received under this
18 section, in entirety, to the eligible student teacher. ~~Eligible student teachers may use
19 these funds for any of the following:~~

20 ~~(a) Tuition costs.~~

21 ~~(b) Living expenses, including, but not limited to, housing costs, health care costs,
22 and transportation costs.~~

23 ~~(c) Childcare costs for a dependent of the student teacher.~~

24 ~~(d) Any other costs associated with student teaching, as determined by the department
25 of treasury.~~

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

28 (6) As used in this section, "eligible educator preparation program" means an
29 institution of higher education that meets all of the following:

30 (a) Is a public or private institution of higher education in this state.

31 (b) Has an established school of education with an educator preparation program
32 approved by the department.

1 (c) Has not increased tuition and fee rates above the limitations described in
2 section ~~265~~—241c.

3 Sec. 27h. (1) From the appropriation in section 11, there is allocated for 2023-2024
4 for the purposes of this section an amount not to exceed \$25,000,000.00 from the state
5 school aid fund. Programs funded under this section are intended to expand support for new
6 teachers, school counselors, and administrators; improve their instructional practices; and
7 improve teacher retention.

8 (2) From the allocation under subsection (1), the department shall provide grants to
9 districts for mentor stipends to support and retain quality teachers, school counselors,
10 and administrators in Michigan. Districts must apply in a form and manner determined by the
11 department. Districts that receive grants under this subsection may use the funding for any
12 of the following allowable expenditures:

13 (a) Stipends for veteran teachers who serve as mentor teachers of teachers
14 participating in Grow Your Own programs or within their first three years as a teacher.

15 (b) Stipends for veteran school counselors who serve as a mentor for school
16 counselors in Grow Your Own programs or within their first three years as a counselor.

17 (c) Stipends for veteran administrators who serve as a mentor for administrators in
18 Grow Your Own programs or within their first three years as an administrator.

19 (d) Training for mentor teachers, mentor school counselors, and mentor
20 administrators.

21 (e) Books, materials, professional learning expenses, and other resources necessary
22 for mentoring and onboarding new teachers. Professional learning expenses under this
23 subdivision must be in addition to professional learning requirements described under
24 Section 1526 of the Revised School Code, MCL 380.1526.

25 (f) Staffing costs to cover time spent by both new and mentor teachers, school
26 counselors, and administrators dedicated to mentoring and onboarding rather than being in
27 the classroom or performing other job duties.

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

1 (4) From the allocation under subsection (1), there is allocated \$500,000.00 for a
2 competitive grant to conduct a program evaluation of activities funded under this section.
3 The evaluation shall identify recommendations to strengthen the program. Qualified
4 evaluators are eligible to apply for this grant in a form and manner determined by the
5 department. The funds allocated under this subsection for 2023-2024 are a work project
6 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
7 The purpose of the work project is to evaluate the activities under this section. The
8 estimated completion date of the work project is September 30, 2027.

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

11 Sec. 27i. (1) From the state school aid fund money appropriated in section 11, there
12 is allocated for 2023-2024 only an amount not to exceed \$15,000,000.00 to pilot the
13 creation and implementation of a rural educator credentialing hub.

14 (2) The department must award a grant to a lead approved educator preparation
15 institution to develop the hub working with a consortium of other educator preparation
16 institutions and rural districts to support prospective educators through certifications
17 and career experiences.

18 (3) Educator preparation institutions must apply for funding in a form and manner
19 determined by the department. The department must prioritize funding for educator
20 preparation institutions best equipped to support rural districts with the greatest need
21 for additional credentialed educators.

22 (4) The hub must provide programming and supports for educators to complete
23 requirements for initial or additional credentials, at no cost to the educator, through
24 assessment of non-traditional and experiential learning and to offset associated costs
25 including, but not limited to, transcript review, assessments of skills and knowledge,
26 mentoring, licensure test fees, reasonable course fees, and preparation experiences.

27 (5) The hub must meet the credentialing needs of a variety of educators, including
28 individuals who completed or nearly completed formal teacher preparation in Michigan or
29 another state but have not been certified, individuals who have worked successfully in
30 rural schools under temporary credentials, and veteran educators seeking to expand the
31 authorizations of their credentials.

32 (6) Notwithstanding section 17b, the department shall make payments under this

1 section on a schedule determined by the department.

2 (7) As used in this section, "rural district" means that term as defined by the
3 department.

4 Sec. 27j. (1) From the state school aid fund money appropriated in section 11, there
5 is allocated for 2023-2024 only an amount not to exceed \$5,000,000.00 for payments to
6 eligible districts as described in this section.

7 (2) The department shall award a grant to a partnership between districts,
8 intermediate districts, and a statewide special education organization that improves the
9 capacity of building-level special education administration personnel. This partnership
10 must provide personnel with the background and training in special education processes,
11 including, but not limited to, legal requirements, evaluations, multi-disciplinary
12 evaluation teams, individualized education programs, functional behavior plans,
13 specifically designed instruction, transition plans, mental health evaluations, applied
14 behavior analysis, and the emergency use of seclusion and restraint.

15 (3) The special education organization in subsection (2) must provide a training
16 series for school building-level leaders which ensures the knowledge, skills, mentoring,
17 wellness framework, and strategies needed to support special educators, students with
18 disabilities, their families and community.

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

21 Sec. 28. (1) To recognize differentiated instructional costs for different types of
22 pupils in ~~2022-2023~~, **2023-2024**, the following sections provide a weighted foundation
23 allocation or an additional payment of some type in the following amounts, as allocated
24 under those sections:

25 (a) Section 22d, isolated and rural districts, ~~\$8,858,000.00~~, **\$9,301,000.00**.

26 (b) Section 31a, at risk, ~~\$747,500,000.00~~, **\$812,200,000.00**.

27 (c) Section 41, bilingual education for English language learners, ~~\$26,511,000.00~~,
28 **\$27,837,000.00**.

29 (d) Section 51c, special education, mandated percentages, ~~\$709,900,000.00~~,
30 **\$819,200,000.00**.

31 (e) Section 61a, career and technical education, standard reimbursement,
32 \$47,611,300.00.

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

2 (2) The funding described in subsection (1) is not a separate allocation of any
3 funding but is instead a listing of funding allocated in the sections listed in subsection
4 (1).

5 **Sec. 30d. (1) From the state school aid fund money appropriated in section 11, there**
6 **is allocated an amount not to exceed \$160,000,000.00 for 2023-2024 for the purpose of**
7 **making payments to participating entities to provide free school lunch and breakfast to**
8 **public school pupils in grades pre-K to 12.**

9 (2) In order to receive funding from this section, a participating entity must
10 participate in the National School Lunch Program and must do all of the following:

11 (a) Provide reimbursable breakfasts and reimbursable lunches at no cost to all
12 students for any school breakfast program or school lunch program operated by the
13 participating entity.

14 (b) Submit information regarding the number of reimbursable breakfasts and
15 reimbursable lunches served in a manner prescribed by the department. This includes, but is
16 not limited to, reporting to the department no later than the last business day of January
17 for each fiscal year, in a form and manner determined by the department, the number of
18 meals and the average cost per meal provided during the first half of the current school
19 fiscal year.

20 (c) Maximize federal reimbursement for reimbursable breakfasts and reimbursable
21 lunches by operating under the Community Eligibility Provision (CEP) if such participating
22 entity has an identified student percentage greater than or equal to the minimum
23 requirement to be eligible to participate in the CEP. All eligible participating entities
24 must elect CEP on behalf of a single school, a group (or groups) of schools, or all schools
25 in the participating entity, as applicable, in a manner that maximizes federal
26 reimbursement.

27 (d) The participating entity meets all applicable state and federal standards in
28 their school breakfast and lunch programs, as determined by the department.

29 (e) The participating entity takes all efforts to maximize and implement policies
30 that require parents or guardians to fill out relevant family income information in a
31 manner prescribed the department, for the purposes of determining student eligibility for
32 federal free or reduced cost meal reimbursement rates and CEP eligibility determinations.

1 (f) All school meal debt has been forgiven by the participating entity, as determined
2 by the department.

3 (3) For each eligible participating entity, the department shall pay an amount equal
4 to the following:

5 (a) The amount equal to the federal rate per student paid per free breakfast and
6 lunch pupil under the federal Child Nutrition Act of 1966, 42 U.S.C. 21 1771 et seq. and
7 the federal Richard B. Russell National School Lunch 22 Act, 42 U.S.C. 1751 et seq.
8 multiplied by the number of breakfasts and lunches provided by the participating entity to
9 students, less the federal revenue received by the participating entity under the school
10 breakfast program and the school lunch program under the federal Child Nutrition Act of
11 1966, 42 U.S.C. 21 1771 et seq. and the federal Richard B. Russell National School Lunch 22
12 Act, 42 U.S.C. 1751 et seq., and other state lunch payments received under section 31d.

13 (b) The amount equal to the federal rate per student paid per free breakfast and
14 lunch pupil under the federal Child Nutrition Act of 1966, 42 U.S.C. 21 1771 et seq. and
15 the federal Richard B. Russell National School Lunch 22 Act, 42 U.S.C. 1751 et seq.
16 multiplied by the number of breakfasts and lunches provided by the participating entity, as
17 applicable, to children participating in the Great Start Readiness Program at the
18 participating entity, less all other federal and state lunch payments made for these
19 children. Compliance with regulations of the Child and Adult Care Food Program 7 CFR 226.9
20 assignment of rates for reimbursement is required. The department shall assign rates of
21 reimbursement, not less frequently than annually, on the basis of family-size and income
22 information reported by each institution. Assigned rates of reimbursement shall be adjusted
23 annually to reflect changes in the national average payment rates.

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

26 (5) As used in this section, "participating entity" means a district, intermediate
27 district, or the Michigan Schools for the Deaf and Blind.

28 Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there
29 is allocated for ~~2021-2022 an amount not to exceed \$537,650,000.00, and from the general~~
30 ~~fund money appropriated in section 11 there is allocated for 2021-2022 an amount not to~~
31 ~~exceed \$1,500,000.00, and, from the state school aid fund money appropriated in section 11,~~
32 ~~there is allocated for 2022-2023-2023-2024 an amount not to exceed \$785,650,000.00,~~

1 **\$850,350,000.00** and from the general fund money appropriated in section 11, there is
2 allocated for ~~2022-2023-2023-2024~~ an amount not to exceed \$1,500,000.00 for payments to
3 eligible districts and eligible public school academies for the purposes of ensuring that
4 pupils are proficient in English language arts by the end of grade 3, that pupils are
5 proficient in mathematics by the end of grade 8, that pupils are attending school
6 regularly, that high school graduates are career and college ready, and for the purposes
7 under subsections ~~(7) and (8)~~. **(6) and (7)**.

8 ~~(2) For 2021-2022 only, for a district that has combined state and local revenue per~~
9 ~~membership pupil under sections 20 and 20m that is greater than the target foundation~~
10 ~~allowance under section 20 for the current fiscal year and that, for the immediately~~
11 ~~preceding fiscal year, had combined state and local revenue per membership pupil under~~
12 ~~section 20 and 20m that was greater than the target foundation allowance under section 20~~
13 ~~that was in effect for that fiscal year, the allocation under subsection (4) is an amount~~
14 ~~equal to 35% of the allocation for which it would otherwise be eligible under subsection~~
15 ~~(4) before any proration under subsection (15). It is the intent of the legislature that,~~
16 ~~if revenues are sufficient and if districts with combined state and local revenue per~~
17 ~~membership pupil under sections 20 and 20m that is below the target foundation allowance~~
18 ~~are receiving nonprorated payments under subsection (4), the percentage in the immediately~~
19 ~~preceding sentence must be increased annually until it reaches 100%. If a district has~~
20 ~~combined state and local revenue per membership pupil under sections 20 and 20m that is~~
21 ~~greater than the target foundation allowance under section 20 for the current fiscal year,~~
22 ~~but for the 2018-2019 fiscal year had combined state and local revenue per membership pupil~~
23 ~~under section 20 that was less than the basic foundation allowance under section 20 that~~
24 ~~was in effect for the 2018-2019 fiscal year, the district shall receive an amount per pupil~~
25 ~~equal to 11.5% of the target foundation allowance, as applied under subsection (4), and~~
26 ~~before any proration under subsection (15). This subsection does not apply beginning in~~
27 ~~2022-2023.~~

28 **(2)** ~~(3)~~ For a district or public school academy to be eligible to receive funding
29 under this section, other than funding under subsection ~~(7) or (8)~~, **(6) or (7)** the district
30 or public school academy, for grades K to 12, must comply with the requirements under
31 section 1280f of the revised school code, MCL 380.1280f, and shall use resources to address
32 early literacy and numeracy, and for at least grades K to 12 or, if the district or public

1 school academy does not operate all of grades K to 12, for all of the grades it operates,
2 must implement a multi-tiered system of supports that is an evidence based framework that
3 uses data driven problem solving to integrate academic and behavioral instruction and that
4 uses intervention delivered to all pupils in varying intensities based on pupil needs. The
5 multi-tiered system of supports described in this subsection must provide at least all of
6 the following essential components:

- 7 (a) Team-based leadership.
- 8 (b) A tiered delivery system.
- 9 (c) Selection and implementation of instruction, interventions, and supports.
- 10 (d) A comprehensive screening and assessment system.
- 11 (e) Continuous data-based decision making.

12 **(3)** ~~(4)~~ From the state school aid fund money allocated under subsection (1), there is
13 allocated for ~~2021-2022 an amount not to exceed \$512,500,000.00 and, for 2022-2023, 2023-~~
14 **2024** an amount not to exceed ~~\$747,500,000.00~~ **\$812,200,000.00** to continue a weighted
15 foundation per pupil payment for districts and public school academies enrolling
16 economically disadvantaged pupils. The department shall pay under this subsection to each
17 eligible district or eligible public school academy an amount per pupil equal to 11.5% of
18 the target foundation allowance for the following, as applicable:

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

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

25 (ii) If the district or public school academy is in the community eligibility program,
26 the number of pupils determined to be eligible based on the product of the identified
27 student percentage multiplied by the total number of pupils in the district or public
28 school academy, as reported to the center in the form and manner prescribed by the center
29 not later than the fifth Wednesday after the pupil membership count day of the immediately
30 preceding fiscal year. These calculations must be made at the building level. This
31 subparagraph only applies to an eligible district or eligible public school academy for the
32 fiscal year immediately following the first fiscal year in which it is in the community

1 eligibility program. As used in this subparagraph, "identified student percentage" means
2 the quotient of the number of pupils in an eligible district or eligible public school
3 academy who are determined to be economically disadvantaged, as reported to the center in a
4 form and manner prescribed by the center, not later than the fifth Wednesday after the
5 pupil membership count day in the fiscal year preceding the first fiscal year in which the
6 eligible district or eligible public school academy is in the community eligibility
7 program, divided by the total number of pupils counted in an eligible district or eligible
8 public school academy on the pupil membership count day in the fiscal year preceding the
9 first fiscal year in which the eligible district or eligible public school academy is in
10 the community eligibility program.

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

17 (c) If the district or public school academy began operations as a district or public
18 school academy after the pupil membership count day of the current fiscal year, the number
19 of membership pupils in the district or public school academy who are determined to be
20 economically disadvantaged, as reported to the center in the form and manner prescribed by
21 the center not later than the fifth Wednesday after the supplemental count day of the
22 current fiscal year.

23 (d) If, for a particular fiscal year, the number of membership pupils in a district
24 or public school academy who are determined under subdivision (a) to be economically
25 disadvantaged or to be eligible based on the identified student percentage varies by more
26 than 20 percentage points from the number of those pupils in the district or public school
27 academy as calculated under subdivision (a) for the immediately preceding fiscal year
28 caused by an egregious reporting error by the district or public school academy, the
29 department may choose to have the calculations under subdivision (a) instead be made using
30 the number of membership pupils in the district or public school academy who are determined
31 to be economically disadvantaged, as reported to the center in the form and manner
32 prescribed by the center not later than the fifth Wednesday after the supplemental count

1 day of the immediately preceding fiscal year.

2 **(4)** ~~(5)~~—Except as otherwise provided in this section, a district or public school
3 academy receiving funding under this section shall use that money only to provide
4 instructional programs and direct noninstructional services, including, but not limited to,
5 medical, mental health, or counseling services, for at-risk pupils; for school health
6 clinics; and for the purposes of subsection ~~(6), (7), or (8)~~. **(7), (8), or (9)**. In
7 addition, a district that is a school district of the first class or a district or public
8 school academy in which at least 50% of the pupils in membership were determined to be
9 economically disadvantaged in the immediately preceding state fiscal year, as determined
10 and reported as described in subsection ~~(4)~~, **(3)**, may use the funds it receives under this
11 section for school security or school parent liaison personnel. The uses of the funds
12 described in the immediately preceding sentence must align to the needs assessment and the
13 multi-tiered system of supports model and, for funds spent on parent liaison personnel,
14 must connect parents to the school community. A district or public school academy shall not
15 use any of the money received under this section for administrative costs. The instruction
16 or direct noninstructional services provided under this section may be conducted before or
17 after regular school hours or by adding extra school days to the school year.

18 **(5)** ~~(6)~~—A district or public school academy that receives funds under this section
19 and that operates a school breakfast program under section 1272a of the revised school
20 code, MCL 380.1272a, shall use from the funds received under this section an amount, not to
21 exceed \$10.00 per pupil for whom the district or public school academy receives funds under
22 this section, necessary to pay for costs associated with the operation of the school
23 breakfast program.

24 **(6)** ~~(7)~~—From the state school aid fund money allocated under subsection (1), there is
25 allocated for ~~2021-2022 an amount not to exceed \$8,000,000.00 and there is allocated for~~
26 ~~2022-2023-2023-2024~~ an amount not to exceed \$33,000,000.00 to support primary health care
27 services provided to children and adolescents up to age 21. These funds must be expended in
28 a form and manner determined jointly by the department and the department of health and
29 human services. When making funding decisions for new adolescent health centers under this
30 subsection, the department and department of health and human services shall prioritize
31 support for primary health care services in unserved counties as of the effective date of
32 the amendatory act that added this sentence. An amount not to exceed 4% of the funds

1 allocated for ~~2022-2023~~**2023-2024** under this subsection must be made available for
2 technical support and coordination services from a nonprofit organization exclusively
3 dedicated to serving adolescent health centers in this state and that has a membership that
4 includes federally qualified health centers, local public health departments, hospital
5 systems, and public school districts. As a requirement of being awarded the funds under
6 this subsection as prescribed under this subsection, a nonprofit organization described in
7 this subsection shall make readily available technical support and coordination services to
8 all child and adolescent health centers in this state.

9 **(7)** ~~(8)~~ From the state school aid fund money allocated under subsection (1), there is
10 allocated for ~~2021-2022 an amount not to exceed \$5,150,000.00 and there is allocated for~~
11 ~~2022-2023~~**2023-2024** an amount not to exceed \$5,150,000.00 for the state portion of the
12 hearing and vision screenings as described in part 93 of the public health code, 1978 PA
13 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated under subsection
14 (1), there is allocated for ~~2021-2022 an amount not to exceed \$1,500,000.00 and there is~~
15 ~~allocated for 2022-2023~~**2023-2024** an amount not to exceed \$1,500,000.00 for the state
16 portion of the dental screenings as described in part 93 of the public health code, 1978 PA
17 368, MCL 333.9301 to 333.9329. A local public health department shall pay at least 50% of
18 the total cost of the screenings. The frequency of the vision screenings must be as
19 required under R 325.13091 to R 325.13096 of the Michigan Administrative Code and the
20 frequency of the hearing screenings must be as required under R 325.3271 to R 325.3276 of
21 the Michigan Administrative Code. Funds must be awarded in a form and manner approved
22 jointly by the department and the department of health and human services. Notwithstanding
23 section 17b, the department shall make payments to eligible entities under this subsection
24 on a schedule determined by the department.

25 **(8)** ~~(9)~~ Each district or public school academy receiving funds under this section
26 shall submit to the department by July 15 of each fiscal year a report, in the form and
27 manner prescribed by the department, that includes a brief description of each program
28 conducted or services performed by the district or public school academy using funds under
29 this section, the amount of funds under this section allocated to each of those programs or
30 services, the total number of at risk pupils served by each of those programs or services,
31 and the data necessary for the department and the department of health and human services
32 to verify matching funds for the temporary assistance for needy families program. In

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

8 **(9)** ~~(10)~~—In order to receive funds under this section, a district or public school
9 academy must allow access for the department or the department's designee to audit all
10 records related to the program for which it receives those funds. The district or public
11 school academy shall reimburse the state for all disallowances found in the audit.

12 **(10)** ~~(11)~~—Subject to subsections ~~(6), (7), and (8)~~, **(5), (6), and (7)** for schools in
13 which more than 40% of pupils are identified as at-risk, a district or public school
14 academy may use the funds it receives under this section to implement tier 1, evidence-
15 based practices in schoolwide reforms that are guided by the district's comprehensive needs
16 assessment and are included in the district improvement plan. Schoolwide reforms must
17 include parent and community supports, activities, and services, that may include the
18 pathways to potential program created by the department of health and human services or the
19 communities in schools program. As used in this subsection, "tier 1, evidence-based
20 practices" means research based instruction and classroom interventions that are available
21 to all learners and effectively meet the needs of most pupils.

22 **(11)** ~~(12)~~—A district or public school academy that receives funds under this section
23 may use those funds to provide research based professional development and to implement a
24 coaching model that supports the multi-tiered system of supports framework. Professional
25 development may be provided to district and school leadership and teachers and must be
26 aligned to professional learning standards; integrated into district, school building, and
27 classroom practices; and solely related to the following:

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

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

32 **(12)** ~~(13)~~ For 2021-2022, a district or public school academy that receives funds

1 ~~under subsection (4) or (17) may use funds received under subsection (4) or (17) for~~
2 ~~support staff providing services to at-risk pupils. For 2022-2023, 2023-2024, a district or~~
3 ~~public school academy that receives funds under subsection (4)-(3) may use funds received~~
4 ~~under subsection (4)-(3) for support staff providing services to at-risk pupils.~~

5 **(13)** ~~(14)~~—A district or public school academy that receives funds under this section
6 may use up to 10% of the funds received under this section to provide evidence-based
7 instruction for pre-kindergarten instructional and noninstructional services to children
8 who meet at least 1 of the criteria in subsection ~~(20) (a) (i) to (x)~~. **(18) (a) (i) to (x)**.

9 **(14)** ~~(15)~~—If necessary, the department shall prorate payments under this section,
10 except payments under subsection ~~(7), (8), or, for 2021-2022, (17), (6) and (7)~~ by reducing
11 the amount of the allocation as otherwise calculated under this section by an equal
12 percentage per district.

13 **(15)** ~~(16)~~—If a district is dissolved pursuant to section 12 of the revised school
14 code, MCL 380.12, the intermediate district to which the dissolved district was constituent
15 shall determine the estimated number of pupils that are economically disadvantaged and that
16 are enrolled in each of the other districts within the intermediate district and provide
17 that estimate to the department for the purposes of distributing funds under this section
18 within 60 days after the district is declared dissolved.

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

1 ~~amount of the allocation as otherwise calculated under this subsection by an equal~~
2 ~~percentage per district or public school academy. Any unexpended funds under this~~
3 ~~subsection are to be distributed through payments made under subsection (4) as provided~~
4 ~~under subsection (4), but those funds must not be factored into calculating payments under~~
5 ~~this subsection. This subsection does not apply beginning in 2022-2023.~~

6 **(16)** ~~(18)~~ A district or public school academy that receives funds under this section
7 may use funds received under this section to provide an anti-bullying or crisis
8 intervention program.

9 **(17)** ~~(19)~~ The department shall collaborate with the department of health and human
10 services to prioritize assigning Pathways to Potential success coaches to elementary
11 schools that have a high percentage of pupils in grades K to 3 who are not proficient in
12 English language arts, based upon state assessments for pupils in those grades.

13 **(18)** ~~(20)~~ As used in this section:

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

16 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

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

1 (b) "Combined state and local revenue" means the aggregate of the district's state
2 school aid received by or paid on behalf of the district under section 20 and the
3 district's local school operating revenue.

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

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

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

15 (f) "Local school operating revenue" means that term as defined in section 22b.

16 Sec. 31d. (1) From the state school aid fund money appropriated in section 11, there
17 is allocated an amount not to exceed ~~\$24,553,400.00 for 2021-2022 and there is allocated an~~
18 ~~amount not to exceed \$24,553,400.00~~ **\$25,290,400.00** for ~~2022-2023-2023-2024~~ for the purpose
19 of making payments to districts and other eligible entities under this section.

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

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

29 (4) The payments made under this section to districts and other eligible entities
30 that are not required under section 1272a of the revised school code, MCL 380.1272a, to
31 provide a lunch program must be in an amount not to exceed \$10.00 per eligible pupil plus 5
32 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined

1 by the department.

2 (5) From the federal funds appropriated in section 11, there is allocated for ~~2021-~~
3 ~~2022 all available federal funding, estimated at \$900,000,000.00, and there is allocated~~
4 ~~for 2022-2023-2023-2024~~ all available federal funding, estimated at ~~\$900,000,000.00,~~
5 **\$901,400,000.00** for child nutrition programs and, for ~~2021-2022, all available federal~~
6 ~~funding, estimated at \$30,700,000.00, and, for 2022-2023, 2023-2024,~~ all available federal
7 funding, estimated at \$15,000,000.00, for food distribution programs.

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

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

14 Sec. 31f. (1) From the state school aid fund money appropriated in section 11, there
15 is allocated an amount not to exceed \$11,900,000.00 for ~~2022-2023-2023-2024~~ for the purpose
16 of making payments to districts to reimburse for the cost of providing breakfast.

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

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

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

23 (3) The payment for a district under this section is at a per meal rate equal to the
24 lesser of the district's actual cost or 100% of the statewide average cost of a meal
25 served, as determined and approved by the department, less federal reimbursement,
26 participant payments, and other state ~~reimbursement~~ **breakfast reimbursements received under**
27 **section 30d**. The department shall determine the statewide average cost using costs as
28 reported in a manner approved by the department for the preceding school year.

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

31 (5) In purchasing food for a school breakfast program funded under this section, a
32 district shall give preference to food that is grown or produced by Michigan businesses if

1 it is competitively priced and of comparable quality.

2 Sec. 31j. (1) From the general fund money appropriated in section 11, there is
3 allocated an amount not to exceed \$500,000.00, and from the state school aid fund money
4 appropriated in section 11, there is allocated an amount not to exceed ~~\$4,000,000.00~~
5 **\$8,800,000.00** for ~~2021-2022~~, and from the general fund money appropriated in section 11,
6 ~~there is allocated an amount not to exceed \$500,000.00 and from the state school aid fund~~
7 ~~money appropriated in section 11, there is allocated an amount not to exceed \$8,800,000.00~~
8 ~~for 2022-2023-2023-2024~~ for a program to support districts and other non-school sponsors in
9 the purchase of locally grown fruits and vegetables as described in this section. ~~It is the~~
10 ~~intent of the legislature that, for 2023-2024, the allocation from the state school aid~~
11 ~~fund money appropriated in section 11 for purposes described in this section will be~~
12 ~~\$4,000,000.00.~~

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

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

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

30 (5) A district or other non-school sponsor that receives a grant under this section
31 shall use those funds for the costs incurred by the district or the sponsor to purchase
32 whole or minimally processed fruits, vegetables, and legumes that meet both of the

1 following:

2 (a) For each fiscal year, were purchased for use in meals and supportive activities
3 as part of the United States Department of Agriculture child nutrition programs provided
4 between September 1 through August 30 of that fiscal year.

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

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

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

17 (8) The department shall give preference to districts or other non-school sponsors
18 that propose educational activities that meet 1 or more of the following: promote healthy
19 food activities; have clear educational objectives; involve parents or the community;
20 connect to a school's or child care center's farm-to-school or farm-to-early-child-care
21 procurement activities; and market and promote the program, leading to increased pupil
22 knowledge and consumption of Michigan-grown products. The department shall give stronger
23 weighting and consideration to applications with robust marketing and promotional
24 activities.

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

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

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

30 (c) Existing or planned collaboration between child care sponsors, between districts,
31 or with agricultural businesses and essential local food infrastructure, such as farms,
32 farm cooperatives, processors, distributors, and local food hubs.

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

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

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

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

31 (b) The ability to which pupils can access a variety of healthy Michigan-grown foods
32 through schools and other non-school sponsor centers and increase their consumption of

1 those foods. All of the following apply for purposes of this subdivision:

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

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

10 (11) The department shall compile the reports provided by districts and other non-
11 school sponsors under subsection (10) into 1 legislative report. The department shall
12 provide this report not later than April 1 of each fiscal year following the fiscal year
13 for which funding is allocated under this section to the house and senate subcommittees
14 responsible for school aid, the house and senate fiscal agencies, and the state budget
15 director.

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

18 **Sec. 31k. (1) From the state school aid fund money appropriated in section 11, there**
19 **is allocated for 2023-2024 only an amount not to exceed \$1,000,000.00 for payments to**
20 **eligible districts as described in this section.**

21 **(2) Subject to subsection (6), districts requesting funding under this section must**
22 **apply in a form and manner prescribed by the department by not later than December 1, 2023.**
23 **However, districts requesting funding under this section through a second application**
24 **described in subsection (6) must apply in a form and manner prescribed by the department by**
25 **not later than May 1, 2024.**

26 **(3) A district that demonstrates to the department that all outstanding student-meal**
27 **debt has been forgiven is an eligible district under this section.**

28 **(4) Subject to subsection (9), the department shall provide payments to eligible**
29 **districts in an amount necessary to reimburse the eligible districts for the cost of**
30 **forgiving all outstanding student-meal debt.**

31 **(5) Notwithstanding section 17b, the department shall make reimbursement payments**
32 **under subsection (4) to all eligible districts by not later than 60 days after December 1,**

1 2023.

2 (6) Subject to subsection (9), if the amount paid to eligible districts under
3 subsection (4) is less than the amount allocated under subsection (1), the department may
4 distribute the remaining funds to eligible districts through a second application in an
5 amount necessary to reimburse eligible districts for the cost of forgiving all outstanding
6 student-meal debt. An eligible district receiving a reimbursement payment under subsection
7 (4) is not eligible for a reimbursement payment through a second application under this
8 subsection.

9 (7) Except as otherwise provided under subsection (6) and notwithstanding section
10 17b, the department shall make reimbursement payments under subsection (6) as provided
11 under subsection (6) to all eligible districts by not later than 60 days after May 1, 2024.

12 (8) An eligible district receiving payments under this section shall adopt policies
13 to prevent public identification or stigmatization of pupils who cannot pay for a school
14 meal. These policies must prohibit all of the following:

15 (a) Requiring pupils who cannot pay for a school meal or who owe a student-meal debt
16 to wear a wristband or handstamp.

17 (b) Requiring pupils who cannot pay for a school meal or who owe a student-meal debt
18 to perform chores or other work to pay for school meals.

19 (c) Requiring a pupil to dispose of a meal after it has been served because the pupil
20 is unable to pay for the meal or owes a student-meal debt.

21 (d) Communicating directly with a pupil about a student-meal debt unless the district
22 has attempted to contact, but has been unsuccessful in communicating with, a pupil's parent
23 or legal guardian through telephone, mail, and electronic mail.

24 (e) Discussing a pupil's student-meal debt in the presence of other pupils.

25 (9) If the amount allocated under this section is insufficient to fully reimburse the
26 cost of student-meal debt forgiveness for all eligible districts, the department shall
27 prorate the reimbursement on an equal percentage per district.

28 Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there
29 is allocated for ~~2022-2023-2023-2024~~ for the purposes of this section an amount not to
30 exceed ~~\$77,600,000.00~~ **\$106,545,000.00** and from the general fund money appropriated in
31 section 11, there is allocated for ~~2022-2023-2023-2024~~ for the purposes of this section an
32 amount not to exceed \$1,300,000.00. The department and the department of health and human

1 services shall continue a program to distribute this funding to add licensed behavioral
2 health providers for general education pupils, and shall continue to seek federal Medicaid
3 match funding for all eligible mental health and support services.

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

16 (3) The advisory council shall develop a fiduciary agent checklist for intermediate
17 districts to facilitate development of a plan to submit to the department and to the
18 department of health and human services. The department and department of health and human
19 services shall determine the requirements and format for intermediate districts to submit a
20 plan for possible funding under subsection (6). The department shall make applications for
21 funding for this program available to districts and intermediate districts not later than
22 December 1 of each fiscal year for which funds are allocated under this section and shall
23 award the funding not later than February 1 of each fiscal year for which funds are
24 allocated under this section.

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

1 (5) From the state school aid fund money allocated under subsection (1), there is
2 allocated for ~~2022-2023-2023-2024~~ an amount not to exceed \$14,300,000.00 to be distributed
3 to the network of child and adolescent health centers to place a licensed master's level
4 behavioral health provider in schools that do not currently have services available to
5 general education students. Child and adolescent health centers that are part of the
6 network described in this subsection shall provide a commitment to maintain services and
7 implement all available federal Medicaid match methodologies. The department of health and
8 human services shall use all existing or additional federal Medicaid match opportunities to
9 maximize funding allocated under this subsection. The department shall provide funds under
10 this subsection to child and adolescent health centers that are part of the network
11 described in this subsection in the same proportion that funding under section ~~31a(7)~~
12 **31a(6)** is provided to child and adolescent health centers that are part of the network
13 described in this subsection and that are located and operating in those districts. A
14 payment from funding allocated under this subsection must not be paid to an entity that is
15 not part of the network described in this subsection.

16 (6) From the state school aid fund money allocated under subsection (1), there is
17 allocated for ~~2022-2023-2023-2024~~ an amount not to exceed ~~\$62,800,000.00~~ **\$91,745,000.00** to
18 be distributed to intermediate districts for the provision of mental health and support
19 services to general education students. If a district or intermediate district is not able
20 to procure the services of a licensed master's level behavioral health provider, the
21 district or intermediate district shall notify the department and the department of health
22 and human services and, if the department and department of health and human services
23 verify that the district or intermediate district attempted to procure services from a
24 master's level behavioral health provider and was not able to do so, then the district or
25 intermediate district may instead procure services from a provider with less than a
26 master's degree in behavioral health. To be able to use the exemption in the immediately
27 preceding sentence, the district or intermediate district must submit evidence satisfactory
28 to the department and department of health and human services demonstrating that the
29 district or intermediate district took measures to procure the services of a licensed
30 master's level behavioral health provider but was unable to do so, and the department and
31 department of health and human services must be able to verify this evidence. From the
32 first ~~\$53,496,800.00~~ **\$56,173,600.00** of the funds allocated under this subsection, the

1 department shall distribute ~~\$955,300.00~~ **\$1,003,100.00** for ~~2022-2023~~ **2023-2024** to each
2 intermediate district that submits a plan approved by the department and the department of
3 health and human services. The department shall distribute the remaining ~~\$9,303,200.00~~
4 **\$35,571,400.00** of the funds allocated under this subsection for ~~2022-2023~~ **2023-2024** to
5 intermediate districts on an equal per-pupil basis based on the combined total number of
6 pupils in membership in the intermediate district and its constituent districts, including
7 public school academies that are considered to be constituent districts under section
8 705(7) of the revised school code, MCL 380.705. The department and department of health and
9 human services shall work cooperatively in providing oversight and assistance to
10 intermediate districts during the plan submission process and shall monitor the program
11 upon implementation. An intermediate district shall use funds awarded under this subsection
12 to provide funding to its constituent districts, including public school academies that are
13 considered to be constituent districts under section 705(7) of the revised school code, MCL
14 380.705, for the provision of mental health and support services to general education
15 students. In addition to the criteria identified under subsection (7), an intermediate
16 district shall consider geography, cost, or other challenges when awarding funding to its
17 constituent districts. Districts receiving funding under this subsection are encouraged to
18 provide suicide prevention and awareness education and counseling. If funding awarded to an
19 intermediate district remains after funds are provided by the intermediate district to its
20 constituent districts, the intermediate district may hire or contract for experts to
21 provide mental health and support services to general education students residing within
22 the boundaries of the intermediate district, including, but not limited to, expanding,
23 hiring, or contracting for staff and experts to provide those services directly or to
24 increase access to those services through coordination with outside mental health agencies;
25 the intermediate district may also contract with 1 or more other intermediate districts for
26 coordination and the facilitation of activities related to providing mental health and
27 support services to general education students residing within the boundaries of the
28 intermediate district; and the intermediate district is encouraged to provide suicide
29 prevention and awareness education and counseling.

30 (7) A district requesting funds under this section from the intermediate district in
31 which it is located shall submit an application for funding for the provision of mental
32 health and support services to general education pupils. A district receiving funding from

1 the application process described in this subsection shall provide services to nonpublic
2 students upon request. An intermediate district shall not discriminate against an
3 application submitted by a public school academy simply on the basis of the applicant being
4 a public school academy. The department shall approve grant applications based on the
5 following criteria:

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

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

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

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

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

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

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

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

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

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

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

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

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

32 (a) For ~~2022-2023~~, **2023-2024** an amount not to exceed \$1,000,000.00 for the purpose of

1 upgrading technology and systems infrastructure and other administrative requirements to
2 support the programs funded under this section.

3 (b) For ~~2022-2023~~, **2023-2024**, an amount not to exceed \$300,000.00 for the purpose of
4 administering the programs under this section and working on generating additional Medicaid
5 funds as a result of programs funded under this section.

6 (10) From the state school aid fund money allocated under subsection (1), there is
7 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$500,000.00 to intermediate
8 districts on an equal per intermediate district basis for the purpose of administering
9 programs funded under this section.

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

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

27 Sec. 31aa. (1) From the state school aid fund money appropriated in section 11, there
28 is allocated ~~\$150,000,000.00~~**\$300,000,000.00** for ~~2022-2023~~**2023-2024** only to provide
29 payments to districts for activities to improve student mental health. **It is intended that**
30 **half the funds allocated in this section are distributed to districts during 2023-2024 and**
31 **half are distributed during 2024-2025.** The allowable expenditures of funds under this
32 section include, but are not limited to, the following:

1 (a) Hiring or contracting for support staff for student mental health needs,
2 including, but not limited to, school psychologists, social workers, counselors, and school
3 nurses.

4 (b) Purchasing and implementing mental health screening tools.

5 (c) Providing school-based mental health personnel access to consultation with
6 behavioral health clinicians to respond to complex student mental health needs.

7 (d) Any other mental health service or product necessary to improve or maintain the
8 mental health of students and staff.

9 (2) From the allocation under subsection (1), the department shall make payments to
10 districts in an equal amount per pupil based on the total number of pupils in membership in
11 each district.

12 (3) If funding remains after the distribution of funds as described in subsection
13 (2), the department may provide additional per-pupil allocations to allocate remaining
14 dollars, using for those calculations the same requirements described in subsection (2).

15 (4) Except as otherwise provided in this section, to receive funding under this
16 section, districts must apply for funding under this section in a form and manner
17 prescribed by the department. In its application described in this subsection, a district
18 or intermediate district, as applicable, shall document how it or, if an intermediate
19 district is applying, its constituent district, will use community input to guide the
20 expenditure of the funds it or the constituent district will receive under this section and
21 it shall pledge to host, or shall pledge on behalf of its constituent district that the
22 constituent district will host, at least 1 community conversation about student mental
23 health and school safety. With consent of its constituent districts, an intermediate
24 district may apply for funding under this section on behalf of its constituent districts.
25 As used in this section, "constituent district" means that term as defined in section 3 of
26 the revised school code, MCL 380.3.

27 (5) Districts receiving funds under this section must coordinate with intermediate
28 school districts to avoid duplication of services and to streamline delivery of mental
29 health services to students.

30 **(6) The funds allocated under this section for 2023-2024 are a work project**
31 **appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.**
32 **The purpose of the work project is to continue the support of mental health programs**

1 **described in this section. The estimated completion date of the work project is September**
2 **30, 2025.**

3 ~~(7)(6)~~ Notwithstanding section 17b, the department shall make payments under this
4 section on a schedule determined by the department.

5 Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there
6 is allocated to eligible intermediate districts and consortia of intermediate districts for
7 great start readiness programs an amount not to exceed ~~\$369,120,000.00~~ **\$542,620,000.00** for
8 ~~2022-2023. 2023-2024. In addition, from the federal funding appropriated in section 11,~~
9 ~~there is allocated for 2022-2023 an amount not to exceed \$83,000,000.00 from the federal~~
10 ~~funding awarded to this state from the coronavirus state fiscal recovery fund under the~~
11 ~~American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to eligible~~
12 ~~intermediate districts and consortia of intermediate districts for great start readiness~~
13 ~~programs.~~ An intermediate district or consortium shall use funds allocated under this
14 section for great start readiness programs to provide part-day, school-day, or GSRP/Head
15 Start blended comprehensive free compensatory classroom programs designed to improve the
16 readiness and subsequent achievement of educationally disadvantaged children who meet the
17 participant eligibility and prioritization guidelines as defined by the department. For a
18 child to be eligible to participate in a program under this section, the child must be at
19 least 4, but less than 5, years of age as of September 1 of the school year in which the
20 program is offered and must meet those eligibility and prioritization guidelines. A child
21 who is not 4 years of age as of September 1, but who will be 4 years of age not later than
22 December 1, is eligible to participate if the child's parent or legal guardian seeks a
23 waiver from the September 1 eligibility date by submitting a request for enrollment in a
24 program to the responsible intermediate district, if the program has capacity on or after
25 September 1 of the school year, and if the child meets eligibility and prioritization
26 guidelines.

27 (2) From the state school aid fund money allocated under subsection (1), an amount
28 not to exceed ~~\$367,120,000.00~~ ~~and from the federal funds allocated under subsection (1), an~~
29 ~~amount not to exceed \$83,000,000.00~~ **\$540,620,000.00** is allocated to intermediate districts
30 or consortia of intermediate districts based on the formula in section 39. An intermediate
31 district or consortium of intermediate districts receiving funding under this section shall
32 act as the fiduciary for the great start readiness programs. An intermediate district or

1 consortium of intermediate districts receiving funding under this section may collaborate
2 with local governments to identify children eligible for programs funded under this section
3 and may contract with local governments to provide services. In order to be eligible to
4 receive funds allocated under this subsection from an intermediate district or consortium
5 of intermediate districts, a district, a consortium of districts, a local government, or a
6 public or private for-profit or nonprofit legal entity or agency must comply with this
7 section and section 39. ~~The funds allocated under this subsection for 2022-2023 are a work~~
8 ~~project appropriation, and any unexpended funds for 2022-2023 are carried forward into~~
9 ~~2023-2024. The purpose of the work project is to continue to improve access to preschool~~
10 ~~programming for economically disadvantaged children. The estimated completion date of the~~
11 ~~work project described in the immediately preceding sentence is September 30, 2024.~~

12 (3) In addition to the allocation under subsection (1), from the general fund money
13 appropriated under section 11, there is allocated an amount not to exceed ~~\$350,000.00~~
14 **\$600,000.00** for ~~2022-2023~~ **2023-2024** for a competitive grant to continue a longitudinal
15 evaluation of children who have participated in great start readiness programs.

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

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

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

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

28 (d) Physical and dental health and developmental screening services for all program
29 participants.

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

32 (f) Active and continuous involvement of the parents or guardians of the program

1 participants.

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

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

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

13 (j) Participation in this state's great start to quality process with a rating of at
14 least ~~3 stars.~~ **enhancing quality level.**

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

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

18 (b) Except as otherwise provided in this subdivision, ensure that at least 85% of the
19 children participating in an eligible great start readiness program for whom the
20 intermediate district is receiving funds under this section are children who live with
21 families with a household income that is equal to or less than ~~250%~~ **300%** of the federal
22 poverty guidelines. If the intermediate district determines that all eligible children are
23 being served and that there are no children on the waiting list who live with families with
24 a household income that is equal to or less than ~~250%~~ **300%** of the federal poverty
25 guidelines, the intermediate district may then enroll children who live with families with
26 a household income that is equal to or less than ~~300%~~ **400%** of the federal poverty
27 guidelines. The enrollment process must consider income and risk factors, such that
28 children determined with higher need are enrolled before children with lesser need. For
29 purposes of this subdivision, all age-eligible children served in foster care or who are
30 experiencing homelessness or who have individualized education programs recommending
31 placement in an inclusive preschool setting are considered to live with families with
32 household income equal to or less than ~~250%~~ **300%** of the federal poverty guidelines

1 regardless of actual family income and are prioritized for enrollment within the lowest
2 quintile.

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

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

19 (ii) Paraprofessionals possessing proper training in early childhood education,
20 including an associate degree in early childhood education or child development or the
21 equivalent, or a child development associate (CDA) credential. However, if an applicant
22 demonstrates to the department that it is unable to fully comply with this subparagraph
23 after making reasonable efforts to comply, the applicant may use paraprofessionals who have
24 completed at least 1 course that earns college credit in early childhood education or child
25 development **or enrolls in a child development associate credential with at least six months**
26 **of verified experience in early education and care** if the applicant provides to the
27 department, and the department approves, a plan for each paraprofessional to come into
28 compliance with the standards in this subparagraph. A paraprofessional's compliance plan
29 must be completed within 3 years of the date of employment. Progress toward completion of
30 the compliance plan consists of at least 2 courses, ~~or~~ 60 clock hours **or equivalent** of
31 training per calendar year.

32 (d) Include a program budget that contains only those costs that are not reimbursed

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

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

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

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

19 (9) An intermediate district or consortium of intermediate districts may retain for
20 administrative services provided by the intermediate district or consortium of intermediate
21 districts an amount not to exceed 4% of the grant amount. Expenses incurred by
22 subrecipients engaged by the intermediate district or consortium of intermediate districts
23 for directly running portions of the program are considered program costs or a contracted
24 program fee for service. Subrecipients operating with a federally approved indirect rate
25 for other early childhood programs may include indirect costs, not to exceed the federal
26 10% de minimis.

27 (10) An intermediate district or consortium of intermediate districts may expend not
28 more than 2% of the total grant amount for outreach, recruiting, and public awareness of
29 the program, **if they are also participating in related statewide marketing and outreach**
30 **efforts.**

31 (11) Each grant recipient shall enroll children identified under subsection (5) (b)
32 according to how far the child's household income is below ~~250%~~**300%** of the federal poverty

1 guidelines by ranking each applicant child's household income from lowest to highest and
2 dividing the applicant children into quintiles based on how far the child's household
3 income is below ~~250%~~**300%** of the federal poverty guidelines, and then enrolling children in
4 the quintile with the lowest household income before enrolling children in the quintile
5 with the next lowest household income until slots are completely filled. If the grant
6 recipient determines that all eligible children are being served and that there are no
7 children on the waiting list who live with families with a household income that is equal
8 to or less than ~~250%~~**300%** of the federal poverty guidelines, the grant recipient may then
9 enroll children who live with families with a household income that is equal to or less
10 than ~~300%~~**400%** of the federal poverty guidelines. The enrollment process must consider
11 income and risk factors, such that children determined with higher need are enrolled before
12 children with lesser need. For purposes of this subsection, all age-eligible children
13 served in foster care or who are experiencing homelessness or who have individualized
14 education programs recommending placement in an inclusive preschool setting are considered
15 to live with families with household income equal to or less than ~~250%~~**300%** of the federal
16 poverty guidelines regardless of actual family income and are prioritized for enrollment
17 within the lowest quintile.

18 (12) An intermediate district or consortium of intermediate districts receiving a
19 grant under this section shall allow parents of eligible children who are residents of the
20 intermediate district or within the consortium to choose a program operated by or
21 contracted with another intermediate district or consortium of intermediate districts and
22 shall enter into a written agreement regarding payment, in a manner prescribed by the
23 department.

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

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

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

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

25 (c) The intermediate district or consortium provided to the public and to
26 participating families a list of community-based great start readiness program
27 subrecipients with a great start to quality rating of at least ~~3 stars.~~ **enhancing quality**
28 **level.**

29 (14) If an intermediate district or consortium of intermediate districts receiving a
30 grant under this section fails to submit satisfactory evidence to demonstrate its effort to
31 contract for at least 30% of its total allocation, as required under subsection (13), the
32 department shall reduce the allocation to the intermediate district or consortium by a

1 percentage equal to the difference between the percentage of an intermediate district's or
2 consortium's total allocation awarded to community-based providers and 30% of its total
3 allocation.

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

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

11 (b) Provide, or ensure that an organization with which the department contracts
12 provides, a community-based provider with a validated great start to quality rating within
13 90 days of the provider's having submitted a request and self-assessment.

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

20 (d) Not later than March 1 of each year, compile the results of the information
21 reported by each intermediate district or consortium under subsection (13) and report to
22 the legislature **and post on a publicly available website** a list by intermediate district or
23 consortium with the number and percentage of each intermediate district's or consortium's
24 total allocation allocated to community-based providers by provider type, including private
25 for-profit, private nonprofit, community college or university, Head Start grantee or
26 delegate, and district or intermediate district.

27 (16) A recipient of funds under this section shall report to the center in a form and
28 manner prescribed by the center the information necessary to derive the number of children
29 participating in the program who meet the program eligibility criteria under subsection
30 (5) (b), the number of eligible children not participating in the program and on a waitlist,
31 and the total number of children participating in the program by various demographic groups
32 and eligibility factors necessary to analyze equitable and priority access to services for

1 the purposes of subsection (3).

2 (17) As used in this section:

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

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

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

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

15 (18) An intermediate district or consortium of intermediate districts receiving funds
16 under this section shall establish and charge tuition according to a sliding scale of
17 tuition rates based upon household income for children participating in an eligible great
18 start readiness program who live with families with a household income that is more than
19 ~~250%~~ **300%** of the federal poverty guidelines to be used by all of its providers, as approved
20 by the department.

21 (19) From the amount allocated in subsection (2), there is allocated for ~~2022-2023~~
22 **2023-2024** an amount not to exceed ~~\$10,000,000.00~~ **\$28,000,000.00** for reimbursement of
23 transportation costs for children attending great start readiness programs funded under
24 this section. To receive reimbursement under this subsection, not later than November 1 of
25 each year, a program funded under this section that provides transportation shall submit to
26 the intermediate district that is the fiscal agent for the program a projected
27 transportation budget. The amount of the reimbursement for transportation under this
28 subsection is no more than the projected transportation budget or ~~\$300.00~~ **\$500.00**
29 multiplied by the number of children funded for the program under this section. If the
30 amount allocated under this subsection is insufficient to fully reimburse the
31 transportation costs for all programs that provide transportation and submit the required
32 information, the department shall prorate the reimbursement in an equal amount per child

1 funded. The department shall make payments to the intermediate district that is the fiscal
2 agent for each program, and the intermediate district shall then reimburse the program
3 provider for transportation costs as prescribed under this subsection.

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

10 (a) The names of families provided with transportation support along with a
11 documented reason for the need for transportation support and the type of transportation
12 provided.

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

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

17 (21) The department shall implement a process to review and approve age-appropriate
18 comprehensive classroom level quality assessments for GSRP grantees that support the early
19 childhood standards of quality for prekindergarten children adopted by the state board. The
20 department shall make available to intermediate districts at least 2 classroom level
21 quality assessments that were approved in 2018.

22 (22) An intermediate district that is a GSRP grantee may approve the use of a
23 supplemental curriculum that aligns with and enhances the age-appropriate educational
24 curriculum in the classroom. If the department objects to the use of a supplemental
25 curriculum approved by an intermediate district, the superintendent shall establish a
26 review committee independent of the department. The review committee shall meet within 60
27 days of the department registering its objection in writing and provide a final
28 determination on the validity of the objection within 60 days of the review committee's
29 first meeting.

30 (23) The department shall implement a process to evaluate and approve age-appropriate
31 educational curricula that are in compliance with the early childhood standards of quality
32 for prekindergarten children adopted by the state board.

1 (24) From the funds allocated under subsection (1), there is allocated for ~~2022-2023~~
2 **2023-2024** an amount not to exceed \$2,000,000.00 for payments to intermediate districts or
3 consortia of intermediate districts for professional development and training materials for
4 educators in programs implementing new curricula or child assessment tools approved for use
5 in the great start readiness program.

6 (25) A great start readiness program or a GSRP/Head Start blended program funded
7 under this section is permitted to utilize AmeriCorps Pre-K Reading Corps members in
8 classrooms implementing research-based early literacy intervention strategies.

9 Sec. 32n. (1) From the federal funding appropriated under section 11, there is
10 allocated for ~~2022-2023-2023-2024~~ only an amount not to exceed \$25,000,000.00 from the
11 federal funding awarded to this state from the coronavirus state fiscal recovery fund under
12 the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for the
13 purposes of this section. The department shall develop a competitive grant program to
14 distribute this funding to eligible entities, as described in subsection (2), as prescribed
15 under this section.

16 (2) The department shall establish competitive grant criteria for the grant program
17 described in subsection (1) for eligible applicants to expand access to quality, affordable
18 programming before and after the school day or during the summer for young people. To be
19 eligible for a grant under this section, the applicant must meet, at a minimum, all of the
20 following criteria:

21 (a) Serve children in any of grades K to 12.

22 (b) Be a community-based organization that is exempt from federal income tax under
23 section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher
24 education, a community or adult education program, a public library, a local government, or
25 an intermediate district.

26 (c) Provide before-school, after-school, before-and-after-school, or summer school
27 programming to children described in subdivision (a). These programs must be used to
28 support expanded learning opportunities, including, but not limited to, mentoring,
29 leadership, community engagement, agriculture, art, music, literacy, science, technology,
30 engineering, mathematics, health, and recreation programming.

31 (d) Address measurable goals, including, but not limited to, improved school
32 attendance, academic outcomes, positive behaviors, and skill acquisition, and include

1 activities linked to research or quality practices.

2 (3) The department shall establish a competitive grant process for awarding funding
3 under this section. The process must be posted publicly at least 30 days prior to the grant
4 application period. The department shall develop the form and manner for applying for the
5 grants. The application must include a request for information on the applicant's outreach
6 to children, youth, and families who are eligible for free or reduced-price meals under the
7 Richard B. Russell national school lunch act, 42 USC 1751 to 1769j. The application must be
8 open for not less than 30 calendar days. At least 30 days before the application is opened,
9 the department must publish on its public website the criteria that will be used in
10 evaluating the application that must include, but are not limited to, priorities under
11 subsection (5).

12 (4) Subject to subsection (8), in determining award amounts under this subsection,
13 the department shall, to the extent practicable, ensure that eligible entities in all
14 geographic regions of this state are represented in the distribution of grant funding under
15 this section.

16 (5) Subject to subsection (8), the department shall prioritize the distribution of
17 grant funding under this section based on, at a minimum, the following:

18 (a) An applicant's demonstrated need.

19 (b) The percentage of low-income families in the geographic area being served.
20 Prioritization must be determined by the average percentage of pupils in the district who
21 are eligible for free and reduced-priced meals as determined under the Richard B. Russell
22 national school lunch act, 42 USC 1751 to 1769j, where eligible entities will provide
23 before-and-after-school or summer school programs.

24 (c) Whether the application provides services for the full school year.

25 (d) The applicant's track record for providing quality, affordable before-and-after-
26 school or summer school services.

27 (e) Whether an applicant serving children in any of grades K through 8 is licensed or
28 is in the process of becoming licensed or has implemented the Michigan State Board of
29 Education Michigan Out-of-School Time Standards of Quality. This does not preclude a
30 nonlicensed entity from applying for funding under this section and being funded under this
31 section.

32 (6) Subject to subsection (7), an eligible entity that receives grant funding under

1 this section shall use the funding only to provide before-school, after-school, before-and-
2 after-school, or summer school programming to children described in subsection (2)(a). The
3 programming offered under this subsection must meet all of the following:

4 (a) Be provided to children in a manner in which the children are physically present
5 at a building or location designated by the eligible entity.

6 (b) Provide educational programming in core subject areas, including, but not limited
7 to, mathematics, reading, and science.

8 (c) Provide data to evaluate the program in a form and manner as prescribed by the
9 department.

10 (7) Subject to subsections (2), (4), and (5), up to 2% of funding allocated under
11 this section must be allocated to a nonprofit entity with experience serving youth-serving
12 organizations to provide start-up grants and capacity building, professional development,
13 and technical assistance for implementation of high-quality, evidence-based out-of-school
14 time learning opportunities.

15 (8) The department shall award no less than 60% of the funding under this section to
16 community-based organizations.

17 (9) Notwithstanding section 17b, the department shall make payments under this
18 section in full upon grant award. Grantees that do not comply with reporting requirements,
19 fail to provide the services proposed in their grant application, or close during the grant
20 period may be required to repay the funding they received under this section to the
21 department.

22 (10) The federal funding allocated under this section is intended to respond to the
23 COVID-19 public health emergency and its negative impacts.

24 Sec. 32p. (1) From the state school aid fund money appropriated in section 11, there
25 is allocated an amount not to exceed ~~\$13,400,000.00~~ **\$26,900,000.00** to intermediate
26 districts for ~~2022-2023~~ **2023-2024** for the purpose of providing early childhood funding to
27 intermediate districts to support the goals and outcomes under subsection (2) and
28 subsection (4), **at the discretion of the intermediate district**, and to provide supports for
29 early childhood programs for children from birth through age 8. The funding provided to
30 each intermediate district under this section is determined by the distribution formula
31 established by the department's office of great start to provide equitable funding
32 statewide. In order to receive funding under this section, each intermediate district must

1 provide an application to the office of great start not later than September 15 of the
2 immediately preceding fiscal year indicating the strategies planned to be provided.

3 (2) Each intermediate district or consortium of intermediate districts that receives
4 funding under this section shall convene a local great start collaborative and a ~~parent~~
5 **family** coalition that includes an active partnership with at least 1 community-based
6 organization. The goal of each great start collaborative and ~~parent-family~~ coalition is to
7 ensure the coordination and expansion of local early childhood systems and programs that
8 allow every child in the community to achieve the following outcomes:

9 (a) Children born healthy.

10 (b) Children healthy, thriving, and developmentally on track from birth to grade 3.

11 (c) Children developmentally ready to succeed in school at the time of school entry.

12 (d) Children prepared to succeed in fourth grade and beyond by reading proficiently
13 by the end of third grade.

14 (3) Each local great start collaborative and ~~parent-family~~ coalition shall convene
15 workgroups to make recommendations about community services designed to achieve the
16 outcomes described in subsection (2) and to ensure that its local great start system
17 includes the following supports for children from birth through age 8:

18 (a) Physical **and social-emotional** health.

19 ~~(b) Social-emotional health.~~

20 **(b)** ~~(c)~~ Family supports, including, but not limited to, the provision of basic needs
21 and economic self-sufficiency.

22 **(c)** ~~(d)~~ Parent leadership and family engagement.

23 **(d)** ~~(e)~~ Early education, including the child's development of skills linked to
24 success in foundational literacy, and care.

25 **(e) Community infrastructure.**

26 (4) From the funds allocated in subsection (1), at least ~~\$2,500,000.00~~ **\$4,500,000.00**
27 must be used for the purpose of providing home visits to at-risk children and their
28 families. The home visits must be conducted as part of a locally coordinated, family-
29 centered, evidence-based, data-driven home visit strategic plan that is approved by the
30 department. The goals of the home visits funded under this subsection are to improve school
31 readiness using evidence-based methods, including a focus on developmentally appropriate
32 outcomes for early literacy, to improve positive parenting practices, and to improve family

1 economic self-sufficiency while reducing the impact of high-risk factors through community
2 resources and referrals. The department shall coordinate the goals of the home visit
3 strategic plans approved under this subsection with other state agency home visit programs
4 in a way that strengthens Michigan's home visiting infrastructure and maximizes federal
5 funds available for the purposes of at-risk family home visits. The coordination among
6 departments and agencies is intended to avoid duplication of state services and spending,
7 and should emphasize efficient service delivery of home visiting programs.

8 (5) Not later than December 1 of each year, each intermediate district shall provide
9 a report to the department detailing the strategies actually implemented during the
10 immediately preceding school year and the families and children actually served. At a
11 minimum, the report must include an evaluation of the services provided with additional
12 funding under subsection (4) for home visits, using the goals identified in subsection (4)
13 as the basis for the evaluation, including the degree to which school readiness was
14 improved, the degree to which positive parenting practices were improved, the degree to
15 which there was improved family economic self-sufficiency, and the degree to which
16 community resources and referrals were utilized. The department shall compile and summarize
17 these reports and submit its summary to the house and senate appropriations subcommittees
18 on school aid and to the house and senate fiscal agencies not later than February 15 of
19 each year.

20 (6) **From the funds allocated in subsection (1), at least \$4,000,000.00 must be used**
21 **for the purpose of improving access to books and other literacy materials for children ages**
22 **birth to age 5 by enrolling eligible children in services through the Dolly Parton**
23 **Imagination Library. The amount of funding allocated to each intermediate district must**
24 **utilize the distribution formula described in subsection (1). If funding under this**
25 **subsection is not sufficient to enroll all interested families in the service, each**
26 **intermediate district must prioritize enrollment to those families with the highest levels**
27 **of economic need. If an intermediate district will not fully utilize funding under this**
28 **subsection, those funds must be returned to the department for redistribution for the**
29 **purposes under this subsection.**

30 (7) ~~(6)~~ An intermediate district or consortium of intermediate districts that
31 receives funding under this section may carry over any unexpended funds received under this
32 section into the next fiscal year and may expend those unused funds through June 30 of the

1 next fiscal year. However, an intermediate district or consortium of intermediate districts
2 that receives funding for the purposes described in subsection (2) in fiscal year ~~2022-2023~~
3 **2023-2024** shall not carry over into the next fiscal year any amount exceeding 15% of the
4 amount awarded to the intermediate district or consortium in the ~~2022-2023-2023-2024~~ fiscal
5 year. A recipient of a grant shall return any unexpended grant funds to the department in
6 the manner prescribed by the department not later than September 30 of the next fiscal year
7 after the fiscal year in which the funds are received.

8 Sec. 32t. **(1)** From the ~~state school aid fund money appropriated in section 11, there~~
9 ~~is allocated for 2022-2023 only an amount not to exceed \$2,200,000.00~~ **federal funding**
10 **appropriated under section 11, there is allocated for 2023-2024 only an amount not to**
11 **exceed \$18,000,000.00 from the federal funding awarded to this state from the coronavirus**
12 **state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M**
13 **of Public Law 117-2, to the department for payments** to Clinton County RESA (CCRESA) for ~~the~~
14 ~~Strong Beginnings Program~~ **a three-year-old preschool program pilot** to provide services to
15 children who meet the eligibility criteria for the great start readiness program, but do
16 not meet the age eligibility criteria for the great start readiness program. These services
17 must be designed for children who are age 3 and must be similar to the services provided
18 through the great start readiness program. The program described in this section must be
19 administered by CCRESA Strong Beginnings Implementation Team under the direction of the
20 department, office of great start, with assessment, data, and collection analysis for the
21 program being provided by Michigan State University.

22 **(2) The department must allocate funding under this section to Clinton County RESA in**
23 **installments over 3 years. The department must obligate funds received under this section**
24 **before December 31, 2024. Clinton County RESA must expend funds received under this section**
25 **before December 31, 2026. The federal funds allocated under this section must be allocated**
26 **and expended in a manner consistent with federal rules and regulations**

27 **(3) This section is intended to provide funding to serve at least 1,000 children over**
28 **the next three school years, evaluate outcomes, and create a scalable 3-year-old preschool**
29 **model. At the end of the pilot, CCRESA must provide a report detailing how the pilot was**
30 **conducted, demographics of the children served, outcomes achieved, challenges the pilot**
31 **faced and how the Implementation Team responded, and a model the state could use to scale**
32 **the program statewide, if funding were available.**

1 (4) The funds allocated under this section for 2023-2024 are a work project
2 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
3 The purpose of the work project is to pilot the expansion of great start readiness program
4 opportunities to 3-year-old children. The estimated completion date of the work project is
5 September 30, 2027.

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

8 Sec. 32w. (1) From the federal funding appropriated under section 11, there is
9 allocated for 2023-2024 only an amount not to exceed \$6,000,000.00 from the federal funding
10 awarded to this state from the coronavirus state fiscal recovery fund under the American
11 rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to the department to
12 grant funding to GOAL Line Detroit. This project is intended to respond to the COVID-19
13 public health emergency and its impact on student development, including academic, mental,
14 behavioral, and social-emotional development. To receive funding under this section, GOAL
15 Line Detroit must apply for funding in a form and manner determined by the department.

16 (2) Funds awarded by the department to GOAL Line Detroit must be obligated by the
17 department before December 31, 2024. GOAL Line Detroit must expend funds received under
18 this section before December 31, 2026. The federal funds allocated under this section must
19 be allocated and expended in a manner consistent with federal rules and regulations, as
20 determined by the department.

21 (3) GOAL Line Detroit must use funds allocated under this section to expand capacity
22 to provide eligible children with access to high-quality, engaging afterschool enrichment
23 leading to increased skill acquisition, positive behaviors, and improved academic outcomes
24 and school attendance. It is intended that funds received under this section be used over 3
25 years.

26 (4) The funds allocated under this section for 2023-2024 are a work project
27 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
28 The purpose of the work project is to continue to provide after school supports to mitigate
29 the impact of the COVID-19 public health emergency on student development. The estimated
30 completion date of the work project is September 30, 2027.

31 Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2022-2023~~
32 ~~2023-2024~~ for the purposes of this section an amount not to exceed ~~\$67,400,000.00~~

1 **\$82,400,000.00** from the state school aid fund and there is allocated for ~~2022-2023-2023-~~
2 **2024** for the purposes of subsection (8) an amount not to exceed \$5,000,000.00 from the
3 general fund. Excluding staff or contracted employees funded under subsection (8), the
4 superintendent shall designate staff or contracted employees funded under this section as
5 critical shortage. Programs funded under this section are intended to ensure that this
6 state will be a top 10 state in grade 4 reading proficiency by 2025 according to the
7 National Assessment of Educational Progress (NAEP). By December 31 of each fiscal year in
8 which funding is allocated under this section, the superintendent of public instruction
9 shall do both of the following:

10 (a) Report in person to the house and senate appropriations subcommittees on school
11 aid regarding progress on the goal described in this subsection and be available for
12 questioning as prescribed through a process developed by the chairs of the house and senate
13 appropriations subcommittees on school aid.

14 (b) Submit a written report to the house and senate appropriations subcommittees on
15 school aid regarding progress on the goal described in this subsection.

16 (2) A district that receives funds under subsection (5) may spend up to 5% of those
17 funds for professional development for educators in a department-approved research-based
18 training program related to current state literacy standards for pupils in grades pre-K to
19 3. The professional development must also include training in the use of screening and
20 diagnostic tools, progress monitoring, and intervention methods used to address barriers to
21 learning and delays in learning that are diagnosed through the use of these tools.

22 (3) A district that receives funds under subsection (5) may use up to 5% of those
23 funds to administer department-approved screening and diagnostic tools to monitor the
24 development of early literacy and early reading skills, and risk factors for word-level
25 reading difficulties of pupils in grades pre-K to 3 ~~and to support evidence-based~~
26 ~~professional learning described in subsection (11)~~ for educators in administering and using
27 screening, progress monitoring, and diagnostic assessment data to inform instruction
28 through prevention and intervention in a multi-tiered system of supports framework. A
29 department-approved screening and diagnostic tool administered by a district using funding
30 under this section must include all of the following components: phonemic awareness,
31 phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the
32 following sub-skills must be assessed within each of these components:

1 (a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and
2 substitution).

3 (b) Phonics - decoding (reading) and encoding (spelling).

4 (c) Fluency.

5 (d) Comprehension - making meaning of text.

6 (4) From the allocation under subsection (1), there is allocated an amount not to
7 exceed ~~\$31,500,000.00~~ **\$42,000,000.00** for ~~2022-2023~~ **2023-2024** for the purpose of providing
8 early literacy coaches at intermediate districts to assist teachers in developing and
9 implementing instructional strategies for pupils in grades pre-K to 3 so that pupils are
10 reading at grade level by the end of grade 3. All of the following apply to funding under
11 this subsection:

12 (a) The department shall develop an application process consistent with the
13 provisions of this subsection. An application must provide assurances that literacy coaches
14 funded under this subsection are knowledgeable about at least the following:

15 (i) Current state literacy standards for pupils in grades pre-K to 3.

16 (ii) Implementing an instructional delivery model based on frequent use of formative,
17 screening, and diagnostic tools, known as a multi-tiered system of supports, to determine
18 individual progress for pupils in grades pre-K to 3 so that pupils are reading at grade
19 level by the end of grade 3.

20 (iii) The use of data from diagnostic tools to determine the necessary additional
21 supports and interventions needed by individual pupils in grades pre-K to 3 in order to be
22 reading at grade level.

23 (b) From the allocation under this subsection, the department shall award grants to
24 intermediate districts for the support of early literacy coaches. The department shall
25 provide this funding in the following manner:

26 (i) The department shall award each intermediate district grant funding to support
27 the cost of ~~1-2~~ early literacy ~~coach~~ coaches in an equal amount per early literacy coach,
28 not to exceed ~~\$112,500.00~~ **\$125,000.00**.

29 (ii) After distribution of the grant funding under subparagraph (i), the department
30 shall distribute the remainder of grant funding for additional early literacy coaches in an
31 amount not to exceed ~~\$112,500.00~~ **\$125,000.00** per early literacy coach. The number of funded
32 early literacy coaches for each intermediate district is based on the percentage of the

1 total statewide number of pupils in grades K to 3 who meet the income eligibility standards
2 for the federal free and reduced-price lunch programs who are enrolled in districts in the
3 intermediate district.

4 (c) If an intermediate district that receives funding under this subsection uses an
5 assessment tool that screens for characteristics of dyslexia, the intermediate district
6 shall use the assessment results from that assessment tool to identify pupils who
7 demonstrate characteristics of dyslexia.

8 (5) From the allocation under subsection (1), there is allocated an amount not to
9 exceed ~~\$19,900,000.00~~ **\$34,400,000.00** for ~~2022-2023~~ **2023-2024** to districts that provide
10 additional instructional time to those pupils in grades pre-K to 3 who have been identified
11 by using department-approved screening and diagnostic tools as needing additional supports
12 and interventions in order to be reading at grade level by the end of grade 3. Additional
13 instructional time may be provided before, during, and after regular school hours or as
14 part of a year-round balanced school calendar. All of the following apply to funding under
15 this subsection:

16 (a) In order to be eligible to receive funding, a district must demonstrate to the
17 satisfaction of the department that the district has done all of the following:

18 (i) Implemented a multi-tiered system of supports instructional delivery model that
19 is an evidence-based model that uses data-driven problem solving to integrate academic and
20 behavioral instruction and that uses intervention delivered to all pupils in varying
21 intensities based on pupil needs. The multi-tiered system of supports must provide at least
22 all of the following essential components:

23 (A) Team-based leadership.

24 (B) A tiered delivery system.

25 (C) Selection and implementation of instruction, interventions, and supports.

26 (D) A comprehensive screening and assessment system.

27 (E) Continuous data-based decision making.

28 (ii) Used department-approved research-based diagnostic tools to identify individual
29 pupils in need of additional instructional time.

30 (iii) Used a reading instruction method that focuses on the 5 fundamental building
31 blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and
32 content knowledge.

1 (iv) Provided teachers of pupils in grades pre-K to 3 with research-based
2 professional development in diagnostic data interpretation.

3 (v) Complied with the requirements under section 1280f of the revised school code,
4 MCL 380.1280f.

5 (b) The department shall distribute funding allocated under this subsection to
6 eligible districts on an equal per-first-grade-pupil basis.

7 (c) If the funds allocated under this subsection are insufficient to fully fund the
8 payments under this subsection, payments under this subsection are prorated on an equal
9 per-pupil basis based on grade 1 pupils.

10 (6) Not later than September 1 of each year, a district that receives funding under
11 subsection (5) in conjunction with the Michigan student data system, if possible, shall
12 provide to the department a report that includes at least both of the following, in a form
13 and manner prescribed by the department:

14 (a) For pupils in grades pre-K to 3, the teachers, pupils, schools, and grades served
15 with funds under this section and the categories of services provided.

16 (b) For pupils in grades pre-K to 3, pupil proficiency and growth data that allows
17 analysis both in the aggregate and by each of the following subgroups, as applicable:

18 (i) School.

19 (ii) Grade level.

20 (iii) Gender.

21 (iv) Race.

22 (v) Ethnicity.

23 (vi) Economically disadvantaged status.

24 (vii) Disability.

25 (viii) Pupils identified as having reading deficiencies.

26 (7) From the allocation under subsection (1), there is allocated an amount not to
27 exceed \$6,000,000.00 for ~~2022-2023~~ **2023-2024** to an intermediate district in which the
28 combined total number of pupils in membership of all of its constituent districts is the
29 fewest among all intermediate districts. All of the following apply to the funding under
30 this subsection:

31 (a) Funding under this subsection must be used by the intermediate district, in
32 partnership with an association that represents intermediate district administrators in

1 this state, to implement all of the following:

2 (i) Literacy essentials teacher and principal training modules.

3 (ii) Face-to-face and online professional learning of literacy essentials teacher and
4 principal training modules for literacy coaches, principals, and teachers.

5 (iii) The placement of regional lead literacy coaches to facilitate professional
6 learning for early literacy coaches. These regional lead literacy coaches shall provide
7 support for new literacy coaches, building teachers, and administrators and shall
8 facilitate regional data collection to evaluate the effectiveness of statewide literacy
9 coaches funded under this section.

10 (iv) Provide \$500,000.00 from this subsection for literacy training, modeling,
11 coaching, and feedback for district principals or chief administrators, as applicable. The
12 training described in this subparagraph must use the pre-K and K to 3 essential
13 instructional practices in literacy created by the general education leadership network as
14 the framework for all training provided under this subparagraph.

15 (v) Job-embedded professional learning opportunities for mathematics teachers through
16 mathematics instructional coaching. Funding must be used for professional learning for
17 coaches, professional developers, administrators, and teachers; coaching for early
18 mathematics educators; the development of statewide and regional professional learning
19 networks in mathematics instructions; and the development and support of digital
20 professional learning modules.

21 (b) Not later than September 1 of each year, the intermediate district described in
22 this subsection, in consultation with grant recipients, shall submit a report to the chairs
23 of the senate and house appropriations subcommittees on school aid, the chairs of the
24 senate and house standing committees responsible for education legislation, the house and
25 senate fiscal agencies, and the state budget director. The report described under this
26 subdivision must include student achievement results in English language arts and
27 mathematics and survey results with feedback from parents and teachers regarding the
28 initiatives implemented under this subsection.

29 (c) Up to 2% of funds allocated under this subsection may be used by the association
30 representing intermediate district administrators that is in partnership with the
31 intermediate district specified in this subsection to administer this subsection.

32 (8) From the general fund money allocated in subsection (1), the department shall

1 allocate the amount of \$5,000,000.00 for ~~2022-2023~~ **2023-2024** only to the Michigan Education
2 Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the
3 following apply to funding under this subsection:

4 (a) By September 1 of the current fiscal year, the Michigan Education Corps shall
5 provide a report concerning its use of the funding to the senate and house appropriations
6 subcommittees on school aid, the senate and house fiscal agencies, and the senate and house
7 caucus policy offices on outcomes and performance measures of the Michigan Education Corps,
8 including, but not limited to, the degree to which the Michigan Education Corps'
9 replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is
10 demonstrating sufficient efficacy and impact. The report must include data pertaining to at
11 least all of the following:

12 (i) The current impact of the programs on this state in terms of numbers of children
13 and schools receiving support. This portion of the report must specify the number of
14 children tutored, including dosage and completion, and the demographics of those children.

15 (ii) Whether the assessments and interventions are implemented with fidelity. This
16 portion of the report must include details on the total number of assessments and
17 interventions completed and the range, mean, and standard deviation.

18 (iii) Whether the literacy or math improvement of children participating in the
19 programs is consistent with expectations. This portion of the report must detail at least
20 all of the following:

21 (A) Growth rate by grade or age level, in comparison to targeted growth rate.

22 (B) Average linear growth rates.

23 (C) Exit rates.

24 (D) Percentage of children who exit who also meet or exceed spring benchmarks.

25 (iv) The impact of the programs on organizations and stakeholders, including, but not
26 limited to, school administrators, internal coaches, and AmeriCorps members.

27 (b) If the department determines that the Michigan Education Corps has misused the
28 funds allocated under this subsection, the Michigan Education Corps shall reimburse this
29 state for the amount of state funding misused.

30 (c) The department may not reserve any portion of the allocation provided under this
31 subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps'
32 funding, or the Michigan Education Corps' programming unless agreed to in writing by the

1 Michigan Education Corps. The department shall award the entire \$5,000,000.00 allocated
2 under this subsection to the Michigan Education Corps and shall not condition the awarding
3 of this funding on the implementation of an independent evaluation.

4 (9) If a district or intermediate district expends any funding received under
5 subsection (4) or (5) for professional development in research-based effective reading
6 instruction, the district or intermediate district shall select a professional development
7 program from the list described under subdivision (a). All of the following apply to the
8 requirement under this subsection:

9 (a) The department shall issue a request for proposals for professional development
10 programs in research-based effective reading instruction to develop an initial approved
11 list of professional development programs in research-based effective reading instruction.
12 The department shall make the initial approved list public and shall determine if it will,
13 on a rolling basis, approve any new proposals submitted for addition to its initial
14 approved list.

15 (b) To be included as an approved professional development program in research-based
16 effective reading instruction under subdivision (a), an applicant must demonstrate to the
17 department in writing the program's competency in all of the following topics:

18 (i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and
19 comprehension.

20 (ii) Appropriate use of assessments and differentiated instruction.

21 (iii) Selection of appropriate instructional materials.

22 (iv) Application of research-based instructional practices.

23 (c) As used in this subsection, "effective reading instruction" means reading
24 instruction scientifically proven to result in improvement in pupil reading skills.

25 ~~(10) From the allocation under subsection (1), there is allocated an amount not to~~
26 ~~exceed \$10,000,000.00 for 2022-2023 only for the provision of professional learning by the~~
27 ~~approved provider described in subsection (11), first to educators in pre-K, kindergarten,~~
28 ~~and grade 1 next to educators in grade 2 and grade 3; and then to additional elementary~~
29 ~~school educators and pre-K to grade 12 certificated special education personnel with~~
30 ~~endorsements in learning disabilities, emotional impairments, or speech and language~~
31 ~~impairments. For purposes of this subsection, the department must establish and manage~~
32 ~~professional learning opportunities that are open to all school personnel described in this~~

1 ~~subsection as follows:~~

2 ~~(a) The department must first open voluntary enrollment for any pre-K through grade 3~~
3 ~~teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-~~
4 ~~K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment~~
5 ~~for the remaining school personnel described in this subsection.~~

6 ~~(b) The department must maintain open enrollment until all funds are expended.~~

7 ~~(11) For the provision of professional learning to the school personnel described in~~
8 ~~subsection (10), the department shall approve LETRS as the approved provider of~~
9 ~~professional learning, if LETRS continues to meet all of the following:~~

10 ~~(a) Be offered through a system of training that provides educators with the~~
11 ~~knowledge base to effectively implement any class-wide, supplemental, or intervention~~
12 ~~reading approach and to determine why some students struggle with reading, writing,~~
13 ~~spelling, and language.~~

14 ~~(b) Provide training activities that direct educators to implement effective reading~~
15 ~~and spelling instruction supported by scientifically based research and foster a direct~~
16 ~~explicit instructional sequence that uses techniques to support teachers' independence in~~
17 ~~using their newly-learned skills with students in the classroom.~~

18 ~~(c) Include integrated components for educators and administrators in pre-K to grade~~
19 ~~3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of~~
20 ~~knowledge under this subdivision must incorporate evaluations of learning throughout each~~
21 ~~unit and include a summative assessment that must be completed to demonstrate successful~~
22 ~~course completion.~~

23 ~~(d) Build teacher content knowledge and pedagogical knowledge of the critical~~
24 ~~components of literacy including how the brain learns to read, phonological and phonemic~~
25 ~~awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language;~~
26 ~~fluency; comprehension; spelling and writing; and the organization of language.~~

27 ~~(e) Support educators in understanding how to effectively use screening, progress~~
28 ~~monitoring, and diagnostic assessment data to improve literacy outcomes through prevention~~
29 ~~and intervention for reading difficulties in a multi-tiered system of supports. The multi-~~
30 ~~tiered system of supports must include at least all of the following essential components:~~

31 ~~(i) Team-based leadership.~~

32 ~~(ii) A tiered delivery system.~~

1 ~~(iii) Selection and implementation of instruction, interventions, and supports.~~

2 ~~(iv) A comprehensive screening and assessment system.~~

3 ~~(v) Continuous data-based decision making.~~

4 **(11)** ~~(12)~~ Notwithstanding section 17b, the department shall make payments made under
5 subsections (7) and (8) on a schedule determined by the department.

6 **(12)** ~~(13)~~ As used in this section:

7 (a) "Dyslexia" means both of the following:

8 (i) A specific learning disorder that is neurobiological in origin and characterized
9 by difficulties with accurate or fluent word recognition and by poor spelling and decoding
10 abilities that typically result from a deficit in the phonological component of language
11 that is often unexpected in relation to other cognitive abilities and the provision of
12 effective classroom instruction.

13 (ii) A specific learning disorder that may include secondary consequences, such as
14 problems in reading comprehension and a reduced reading experience that can impede the
15 growth of vocabulary and background knowledge and lead to social, emotional, and behavioral
16 difficulties.

17 (b) "Evidence-based" means an activity, program, process, service, strategy, or
18 intervention that demonstrates statistically significant effects on improving pupil
19 outcomes or other relevant outcomes and that meets at least both of the following:

20 (i) At least 1 of the following:

21 (A) Is based on strong evidence from at least 1 well-designed and well-implemented
22 experimental study.

23 (B) Is based on moderate evidence from at least 1 well-designed and well-implemented
24 quasi-experimental study.

25 (C) Is based on promising evidence from at least 1 well-designed and well-implemented
26 correlational study with statistical controls for selection bias.

27 (D) Demonstrates a rationale based on high-quality research findings or positive
28 evaluation that the activity, program, process, service, strategy, or intervention is
29 likely to improve pupil outcomes or other relevant outcomes.

30 (ii) Includes ongoing efforts to examine the effects of the activity, program,
31 process, service, strategy, or intervention.

32 ~~(c) "Explicit" means direct and deliberate instruction through continuous pupil-~~

1 ~~teacher interaction that includes teacher modeling, guided practice, and independent~~
2 ~~practice.~~

3 (c) ~~(d)~~—"Fluency" means the ability to read with speed, accuracy, and proper
4 expression.

5 (d) ~~(e)~~—"Multi-tiered system of supports" means a comprehensive framework that
6 includes 3 distinct tiers of instructional support and is composed of a collection of
7 evidence-based strategies designed to meet the individual needs and assets of a whole pupil
8 at all achievement levels.

9 (e) ~~(f)~~—"Phonemic awareness" means the conscious awareness of all of the following:

10 (i) Individual speech sounds, including, but not limited to, consonants and vowels,
11 in spoken syllables.

12 (ii) The ability to consciously manipulate through, including, but not limited to,
13 matching, blending, segmenting, deleting, or substituting, individual speech sounds
14 described in subparagraph (i).

15 (iii) All levels of the speech sound system, including, but not limited to, word
16 boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and phonemes.

17 (f) ~~(g)~~—"Phonological" means relating to the system of contrastive relationships
18 among the speech sounds that constitute the fundamental components of a language.

19 (g) ~~(h)~~—"Progress monitoring" means the assessing of students' academic performance,
20 quantifying students' rates of improvement or progress toward goals, and determining how
21 students are responding to instruction.

22 (h) ~~(i)~~—"Rapid automatized naming (RAN)" means a task that measures how quickly
23 individuals can name objects; pictures; colors; or symbols, including letters and digits,
24 aloud, which can predict later reading abilities for preliterate children.

25 **Sec. 35i. (1) From the state school aid fund money appropriated in section 11, there**
26 **is allocated for 2023-2024 an amount not to exceed \$1,200,000.00 to support the network of**
27 **early literacy hubs across the state and to build an equitable and aligned system of early**
28 **literacy supports for children ages birth through 5.**

29 **(2) The department must distribute funds allocated under subsection (1) to**
30 **intermediate districts or consortia of intermediate districts to support ten regional**
31 **literacy hubs. The regional literacy hubs must use this funding to develop a network**
32 **designed to increase equitable access to literacy supports and improve early literacy**

1 outcomes by allowing providers, children, and families to seek and receive specific and
2 developmentally appropriate early literacy supports.

3 (3) Funds received under subsection (2) by regional literacy hubs may be used for any
4 of the following:

5 (a) Eligible literacy network development and training costs, as determined by the
6 department.

7 (b) Literacy supplies and curriculum.

8 (c) Materials necessary for improving early literacy outcomes.

9 (d) Marketing, outreach, and website development.

10 (4) In addition to the funds allocated in subsection (1), from the federal funding
11 appropriated under section 11, there is allocated for 2023-2024 only an amount not to
12 exceed \$2,000,000.00 from the federal funding awarded to this state from the coronavirus
13 state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M
14 of Public Law 117-2, to implement a statewide campaign to share how parents can support
15 early literacy for children birth to fifth grade.

16 (a) Funding under this subsection must be allocated by the department to each
17 literacy hub receiving funding under subsection (2).

18 (b) Each literacy hub must use this funding to expand parental knowledge regarding
19 literacy instruction practices; to raise awareness of and participation in local great
20 start collaborative and parent coalitions; to raise awareness of the availability of
21 before, during, and after school literacy support programs, and to build on the existing
22 practices of the literacy hubs.

23 (c) The department must obligate funds received under this subsection before December
24 31, 2024 and literacy hubs must expend funds received under this section before December
25 31, 2026. The federal funds allocated under this section must be allocated and expended in
26 a manner consistent with federal rules and regulations.

27 (d) Funds under this subsection are intended to respond to the COVID-19 public health
28 emergency and its impact on childhood literacy.

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

31 Sec. 35j. (1) From the state school aid fund money appropriated in section 11, there
32 is allocated for 2023-2024 only an amount not to exceed \$300,000,000.00 for payments to

1 districts and intermediate districts to improve literacy instructional practices by
2 investing in quality, research-based best practices, and professional learning.

3 (2) To be eligible to receive funding under this section, a district or intermediate
4 district must apply in a form and manner determined by the department. Intermediate
5 districts may apply for funding under this section on behalf of their constituent
6 districts.

7 (3) From the allocation under subsection (1), the department shall make payments to
8 eligible districts and intermediate districts in an equal amount per pupil based on the
9 number of pupils in the district or intermediate district in grades Pre-K to grade 5.
10 Districts and intermediate districts receiving funding under this section must use that
11 funding for all of the following purposes:

12 (a) Providing professional learning for all Pre-K to grade 5 teachers,
13 administrators, and instructional coaches in literacy instruction best practices.

14 (b) Complementing existing efforts to improve literacy instruction.

15 (c) Developing and implementing a comprehensive literacy system.

16 (4) For a district or intermediate district to be eligible for funding under this
17 section, the district or intermediate district must do all of the following:

18 (a) Use a valid screening tool, as determined by the department, to identify gaps in
19 current literacy practices and complete a needs assessment.

20 (b) Submit a plan to the department targeting identified focus areas to address gaps
21 in literacy practices.

22 (c) Ensure 100% of current Pre-K to grade 5 teachers complete selected training.

23 (d) Report to the department and post on their website which Pre-K to grade 5
24 literacy curriculum and benchmark assessment the district or intermediate districts
25 utilized.

26 (5) From the funds allocated in subsection (1) there is allocated an amount not to
27 exceed \$20,000,000.00 for the provision of professional learning by the approved provider
28 described in subsection (6), first to educators in pre-K, kindergarten, and grade 1 next to
29 educators in grade 2 and grade 3; and then to additional elementary school educators and
30 pre-K to grade 12 certificated special education personnel with endorsements in learning
31 disabilities, emotional impairments, or speech and language impairments. The department
32 must not pay more than 50% of the amount allocated in this subsection in 2023-2024 and must

1 pay remaining eligible payments during 2024-2025. For purposes of this subsection, the
2 department must establish and manage professional learning opportunities that are open to
3 all school personnel described in this subsection as follows:

4 (a) The department must first open voluntary enrollment for any pre-K through grade 3
5 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-
6 K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment
7 for the remaining school personnel described in this subsection.

8 (b) The department must maintain open enrollment until all funds are expended.

9 (6) For the provision of professional learning to the school personnel described in
10 subsection (5), the department shall approve LETRS as the approved provider of professional
11 learning, if LETRS continues to meet all of the following:

12 (a) Be offered through a system of training that provides educators with the
13 knowledge base to effectively implement any class-wide, supplemental, or intervention
14 reading approach and to determine why some students struggle with reading, writing,
15 spelling, and language.

16 (b) Provide training activities that direct educators to implement effective reading
17 and spelling instruction supported by scientifically based research and foster a direct
18 explicit instructional sequence that uses techniques to support teachers' independence in
19 using their newly-learned skills with students in the classroom.

20 (c) Include integrated components for educators and administrators in pre-K to grade
21 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of
22 knowledge under this subdivision must incorporate evaluations of learning throughout each
23 unit and include a summative assessment that must be completed to demonstrate successful
24 course completion.

25 (d) Build teacher content knowledge and pedagogical knowledge of the critical
26 components of literacy including how the brain learns to read, phonological and phonemic
27 awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language;
28 fluency; comprehension; spelling and writing; and the organization of language.

29 (e) Support educators in understanding how to effectively use screening, progress
30 monitoring, and diagnostic assessment data to improve literacy outcomes through prevention
31 and intervention for reading difficulties in a multi-tiered system of supports. The multi-
32 tiered system of supports must include at least all of the following essential components:

1 (i) Team-based leadership.

2 (ii) A tiered delivery system.

3 (iii) Selection and implementation of instruction, interventions, and supports.

4 (iv) A comprehensive screening and assessment system.

5 (v) Continuous data-based decision making.

6 (7) Except as otherwise provided in this subsection and notwithstanding section 17b,
7 the department shall make payments under this section on a schedule determined by the
8 department. The department must not pay more than 50% of the amount allocated in subsection
9 (1) in 2023-2024 and must pay remaining eligible payments during 2024-2025.

10 (8) Funds allocated under this section for 2023-2024 are a work project
11 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
12 The purpose of the work project is to improve literacy instructional practices. The
13 estimated completion date of the work project is September 30, 2026.

14 Sec. 35k. (1) From the federal funding appropriated under section 11, there is
15 allocated for 2023-2024 only an amount not to exceed \$3,000,000.00 from the federal funding
16 awarded to this state from the coronavirus state fiscal recovery fund under the American
17 rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to the department to
18 grant funding to the Detroit Parent Network. This project is intended to respond to the
19 COVID-19 public health emergency and its impact on the academic, social, behavioral, and
20 physical well-being of children, parents, and families. To receive funding under this
21 section, the Detroit Parent Network must apply for funding in a form and manner determined
22 by the department.

23 (2) Funds awarded by the department to the Detroit Parent Network must be obligated
24 by the department before December 31, 2024. The Detroit Parent Network must expend funds
25 received under this section before December 31, 2026. The federal funds allocated under
26 this section must be allocated and expended in a manner consistent with federal rules and
27 regulations, as determined by the department.

28 (3) The Detroit Parent Network must use funds allocated under this section to expand
29 capacity to provide parental training programs, parental support groups, early literacy and
30 family education programs, programs that support healthy families, and for programs
31 supporting civic engagement and community advocacy. The Detroit Parent Network must plan to
32 provide programming to at least 5,000 families, parents, caregivers, and children in at

1 least 10 Michigan counties experiencing economic, educational, and social indicators that
2 adversely impact the well-being of children and adults.

3 (4) The funds allocated under this section for 2023-2024 are a work project
4 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
5 The purpose of the work project is to support the academic, social, behavioral, and
6 physical well-being of children, parents, and families to mitigate the negative impacts of
7 the COVID-19 public health emergency. The estimated completion date of the work project is
8 September 30, 2027.

9 Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an
10 application, in a form and manner prescribed by the department, by a date specified by the
11 department in the immediately preceding fiscal year. An eligible applicant is not required
12 to amend the applicant's current accounting cycle or adopt this state's fiscal year
13 accounting cycle in accounting for financial transactions under this section. The
14 application must include all of the following:

15 (a) The estimated total number of children in the community who meet the criteria of
16 section 32d **and the total number of age-eligible children in the community**, as provided to
17 the applicant by the department utilizing the most recent population data available from
18 the American Community Survey conducted by the United States Census Bureau. The department
19 shall ensure that it provides updated American Community Survey population data at least
20 once every 3 years.

21 (b) The estimated number of children in the community who meet the criteria of
22 section 32d and are being served exclusively by Head Start programs operating in the
23 community.

24 (c) The number of children whom the applicant has the capacity to serve who meet the
25 criteria of section 32d including a verification of physical facility and staff resources
26 capacity.

27 (2) After notification of funding allocations, an applicant receiving funds under
28 section 32d shall also submit an implementation plan for approval, in a form and manner
29 prescribed by the department, by a date specified by the department, that details how the
30 applicant complies with the program components established by the department under section
31 32d.

32 (3) The initial allocation to each eligible applicant under section 32d is the lesser

1 of the following:

2 (a) The sum of the number of children served in a school-day program in the preceding
3 school year multiplied by ~~\$9,150.00~~ **\$9,608.00** and the number of children served in a
4 GSRP/Head Start blended program or a part-day program in the preceding school year
5 multiplied by ~~\$4,575.00~~ **\$4,804.00**.

6 (b) The sum of the number of children the applicant has the capacity to serve in the
7 current school year in a school-day program multiplied by ~~\$9,150.00~~ **\$9,608.00** and the
8 number of children served in a GSRP/Head Start blended program or a part-day program the
9 applicant has the capacity to serve in the current school year multiplied by ~~\$4,575.00~~
10 **\$4,804.00**.

11 (4) If funds remain after the allocations under subsection (3), the department shall
12 distribute the remaining funds to each intermediate district or consortium of intermediate
13 districts that serves less than the state percentage benchmark determined under subsection
14 (5). The department shall distribute these remaining funds to each eligible applicant based
15 upon each applicant's proportionate share of the remaining unserved children necessary to
16 meet the statewide percentage benchmark in intermediate districts or consortia of
17 intermediate districts serving less than the statewide percentage benchmark. When all
18 applicants have been given the opportunity to reach the statewide percentage benchmark, the
19 statewide percentage benchmark may be reset, as determined by the department, until greater
20 equity of opportunity to serve eligible children across all intermediate school districts
21 has been achieved.

22 (5) For the purposes of subsection (4), the department shall calculate a percentage
23 of children served by each intermediate district or consortium of intermediate districts by
24 adding the number of children served in the immediately preceding year by that intermediate
25 district or consortium with the number of eligible children under section 32d served
26 exclusively by head start, as reported in a form and manner prescribed by the department,
27 within the intermediate district or consortia service area and dividing that total by the
28 total number of children within the intermediate district or consortium of intermediate
29 districts who meet the criteria of section 32d as determined by the department utilizing
30 the most recent population data available from the American Community Survey conducted by
31 the United States Census Bureau. The department shall compare the resulting percentage of
32 eligible children served to a statewide percentage benchmark to determine if the

1 intermediate district or consortium is eligible for additional funds under subsection (4).
2 The statewide percentage benchmark is 100%.

3 (6) If, taking into account the total amount to be allocated to the applicant as
4 calculated under this section, an applicant determines that it is able to include
5 additional eligible children in the great start readiness program without additional funds
6 under section 32d, the applicant may include additional eligible children but does not
7 receive additional funding under section 32d for those children.

8 (7) The department shall review the program components under section 32d and under
9 this section at least biennially. The department also shall convene a committee of internal
10 and external stakeholders at least once every 5 years to ensure that the funding structure
11 under this section reflects current system needs under section 32d.

12 (8) As used in this section, "GSRP/Head Start blended program", "part-day program",
13 and "school-day program" mean those terms as defined in section 32d.

14 Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated
15 for ~~2022-2023~~**2023-2024** to districts, intermediate districts, and other eligible entities
16 all available federal funding, estimated at ~~\$752,300,000.00~~, **\$754,700,000.00**, for the
17 federal programs under the no child left behind act of 2001, Public Law 107-110, or the
18 every student succeeds act, Public Law 114-95. These funds are allocated as follows:

19 (a) An amount estimated at \$1,200,000.00 for ~~2022-2023~~**2023-2024** to provide students
20 with drug- and violence-prevention programs and to implement strategies to improve school
21 safety, funded from DED-OESE, drug-free schools and communities funds.

22 (b) An amount estimated at \$100,000,000.00 for ~~2022-2023~~**2023-2024** for the purpose of
23 preparing, training, and recruiting high-quality teachers and class size reduction, funded
24 from DED-OESE, improving teacher quality funds.

25 (c) An amount estimated at \$13,000,000.00 for ~~2022-2023~~**2023-2024** for programs to
26 teach English to limited English proficient (LEP) children, funded from DED-OESE, language
27 acquisition state grant funds.

28 (d) An amount estimated at \$2,800,000.00 for ~~2022-2023~~**2023-2024** for rural and low-
29 income schools, funded from DED-OESE, rural and low income school funds.

30 (e) An amount estimated at \$535,000,000.00 for ~~2022-2023~~**2023-2024** to provide
31 supplemental programs to enable educationally disadvantaged children to meet challenging
32 academic standards, funded from DED-OESE, title I, disadvantaged children funds.

1 (f) An amount estimated at \$9,200,000.00 for ~~2022-2023~~**2023-2024** for the purpose of
2 identifying and serving migrant children, funded from DED-OESE, title I, migrant education
3 funds.

4 (g) An amount estimated at ~~\$39,000,000.00~~**\$40,400,000.00** for ~~2022-2023~~**2023-2024** for
5 the purpose of providing high-quality extended learning opportunities, after school and
6 during the summer, for children in low-performing schools, funded from DED-OESE, twenty-
7 first century community learning center funds.

8 (h) An amount estimated at \$14,000,000.00 for ~~2022-2023~~**2023-2024** to help support
9 local school improvement efforts, funded from DED-OESE, title I, local school improvement
10 grants.

11 (i) An amount estimated at \$35,000,000.00 for ~~2022-2023~~**2023-2024** to improve the
12 academic achievement of students, funded from DED-OESE, title IV, student support and
13 academic enrichment grants.

14 (j) An amount estimated at \$3,100,000.00 for ~~2022-2023~~**2023-2024** for literacy
15 programs that advance literacy skills for students from birth through grade 12, including,
16 but not limited to, English-proficient students and students with disabilities, funded from
17 DED-OESE, striving readers comprehensive literacy program.

18 **(k) An amount estimated at \$1,000,000.00 for 2023-2024 for grants to support and**
19 **demonstrate innovative partnerships to train school-based mental health service providers,**
20 **funded from DED-OESE, mental health service professional demonstration grant program.**

21 (2) From the federal funds appropriated in section 11, there is allocated to
22 districts, intermediate districts, and other eligible entities all available federal
23 funding, estimated at ~~\$56,500,000.00~~**\$60,500,000.00** for ~~2022-2023~~**2023-2024** for the
24 following programs that are funded by federal grants:

25 (a) An amount estimated at \$3,000,000.00 for ~~2022-2023~~**2023-2024** to provide services
26 to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

27 (b) An amount estimated at \$24,000,000.00 for ~~2022-2023~~**2023-2024** for providing
28 career and technical education services to pupils, funded from DED-OVAE, basic grants to
29 states.

30 (c) An amount estimated at \$14,000,000.00 for ~~2022-2023~~**2023-2024** for the Michigan
31 charter school subgrant program, funded from DED-OII, public charter schools program funds.

32 (d) An amount estimated at ~~\$14,000,000.00~~**\$18,000,000.00** for ~~2022-2023~~**2023-2024** for

1 the purpose of promoting and expanding high-quality preschool services, funded from HHS-
2 OCC, preschool development funds.

3 (e) An amount estimated at \$1,500,000.00 for ~~2022-2023~~**2023-2024** for the purpose of
4 addressing priority substance abuse treatment, prevention, and mental health needs, funded
5 from HHS-SAMHSA.

6 (3) The department shall distribute all federal funds allocated under this section in
7 accordance with federal law and with flexibility provisions outlined in Public Law 107-116,
8 and in the education flexibility partnership act of 1999, Public Law 106-25.
9 Notwithstanding section 17b, the department shall make payments of federal funds to
10 districts, intermediate districts, and other eligible entities under this section on a
11 schedule determined by the department.

12 (4) For the purposes of applying for federal grants appropriated under this article,
13 the department shall allow an intermediate district to submit a consortium application on
14 behalf of 2 or more districts with the agreement of those districts as appropriate
15 according to federal rules and guidelines.

16 (5) For the purposes of funding federal title I grants under this article, in
17 addition to any other federal grants for which the strict discipline academy is eligible,
18 the department shall allocate to a strict discipline academy out of title I, part A an
19 amount equal to what the strict discipline academy would have received if included and
20 calculated under title I, part D, or what it would receive under the formula allocation
21 under title I, part A, whichever is greater.

22 (6) As used in this section:

23 (a) "DED" means the United States Department of Education.

24 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

25 (c) "DED-OII" means the DED Office of Innovation and Improvement.

26 (d) "DED-OVAE" means the DED Office of Vocational and Adult Education.

27 (e) "HHS" means the United States Department of Health and Human Services.

28 (f) "HHS-OCC" means the HHS Office of Child Care.

29 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

30 Sec. 41. (1) For a district to be eligible to receive funding under this section, the
31 district must administer to English language learners the English language proficiency
32 assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate

1 ACCESS". From the state school aid fund money appropriated in section 11, there is
2 allocated an amount not to exceed ~~\$26,511,000.00~~ **\$27,837,000.00** for ~~2022-2023~~ **2023-2024** for
3 payments to eligible districts for services for English language learners who have been
4 administered the WIDA ACCESS for English language learners.

5 (2) The department shall distribute funding allocated under subsection (1) to
6 eligible districts based on the number of full-time equivalent English language learners as
7 follows:

8 (a) ~~\$984.00~~ **\$1,033.00** per full-time equivalent English language learner who has been
9 assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS
10 with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less,
11 as applicable to each assessment.

12 (b) ~~\$679.00~~ **\$713.00** per full-time equivalent English language learner who has been
13 assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS
14 with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less,
15 as applicable to each assessment.

16 (c) ~~\$111.00~~ **\$117.00** per full-time equivalent English language learner who has been
17 assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS
18 with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less,
19 as applicable to each assessment.

20 (3) If funds allocated under subsection (1) are insufficient to fully fund the
21 payments as prescribed under subsection (2), the department shall prorate payments on an
22 equal percentage basis, with the same percentage proration applied to all funding
23 categories.

24 (4) Each district receiving funds under subsection (1) shall submit to the department
25 by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the
26 district of funds under subsection (1) in a form and manner determined by the department,
27 including a brief description of each program conducted or services performed by the
28 district using funds under subsection (1) and the amount of funds under subsection (1)
29 allocated to each of those programs or services. If a district does not comply with this
30 subsection, the department shall withhold an amount equal to the August payment due under
31 this section until the district complies with this subsection. If the district does not
32 comply with this subsection by the end of the fiscal year, the withheld funds are forfeited

1 to the state school aid fund.

2 (5) In order to receive funds under subsection (1), a district must allow access for
3 the department or the department's designee to audit all records related to the program for
4 which it receives those funds. The district shall reimburse this state for all
5 disallowances found in the audit.

6 (6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review
7 the per-pupil distribution under subsection (2), to ensure that funding levels are
8 appropriate and make recommendations for adjustments to the members of the senate and house
9 subcommittees on K-12 school aid appropriations.

10 Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated
11 an amount not to exceed ~~\$1,089,096,100.00 for 2021-2022~~ and there is allocated an amount
12 ~~not to exceed \$1,460,503,100.00~~ **\$1,709,196,100.00** for ~~2022-2023~~ **2023-2024** from state
13 sources and all available federal funding under sections 1411 to 1419 of part B of the
14 individuals with disabilities education act, 20 USC 1411 to 1419, estimated at
15 ~~\$380,000,000.00 for 2021-2022~~ and ~~\$390,000,000.00 for 2022-2023~~, **2023-2024**, plus any
16 carryover federal funds from previous year appropriations. The allocations under this
17 subsection are for the purpose of reimbursing districts and intermediate districts for
18 special education programs, services, and special education personnel as prescribed in
19 article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made
20 by intermediate districts to the Michigan Schools for the Deaf and Blind; and special
21 education programs and services for pupils who are eligible for special education programs
22 and services according to statute or rule. For meeting the costs of special education
23 programs and services not reimbursed under this article, a district or intermediate
24 district may use money in general funds or special education funds, not otherwise
25 restricted, or contributions from districts to intermediate districts, tuition payments,
26 gifts and contributions from individuals or other entities, or federal funds that may be
27 available for this purpose, as determined by the intermediate district plan prepared under
28 article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section
29 17b, the department shall make payments of federal funds to districts, intermediate
30 districts, and other eligible entities under this section on a schedule determined by the
31 department.

32 (2) From the funds allocated under subsection (1), there is allocated the amount

1 necessary, estimated at ~~\$311,800,000.00 for 2021-2022 and estimated at \$323,300,000.00~~
2 **\$368,000,000.00** for ~~2022-2023, 2023-2024~~, for payments toward reimbursing districts and
3 intermediate districts for 28.6138% of total approved costs of special education, excluding
4 costs reimbursed under section 53a, and 70.4165% of total approved costs of special
5 education transportation. Allocations under this subsection are made as follows:

6 ~~(a) For 2021-2022, the department shall calculate the initial amount allocated to a~~
7 ~~district under this subsection toward fulfilling the specified percentages by multiplying~~
8 ~~the district's special education pupil membership, excluding pupils described in subsection~~
9 ~~(11), times the foundation allowance under section 20 of the pupil's district of residence,~~
10 ~~plus the amount of the district's per-pupil allocation under section 20m, not to exceed the~~
11 ~~target foundation allowance for the current fiscal year, or, for a special education pupil~~
12 ~~in membership in a district that is a public school academy, times an amount equal to the~~
13 ~~amount per membership pupil calculated under section 20(6). For an intermediate district,~~
14 ~~the amount allocated under this subdivision toward fulfilling the specified percentages is~~
15 ~~an amount per special education membership pupil, excluding pupils described in subsection~~
16 ~~(11), and is calculated in the same manner as for a district, using the foundation~~
17 ~~allowance under section 20 of the pupil's district of residence, not to exceed the target~~
18 ~~foundation allowance for the current fiscal year, and that district's per-pupil allocation~~
19 ~~under section 20m.~~

20 **(a) (b)** ~~For 2022-2023, the~~ **The** department shall calculate the initial amount
21 allocated to a district under this subsection toward fulfilling the specified percentages
22 by multiplying the district's special education pupil membership, excluding pupils
23 described in subsection (11), times ~~25%~~ **12.5%** of the foundation allowance under section 20
24 of the pupil's district of residence, plus ~~25%~~ **12.5%** of the amount of the district's per-
25 pupil allocation under section 20m, not to exceed ~~25%~~ **12.5%** of the target foundation
26 allowance for the current fiscal year, or, for a special education pupil in membership in a
27 district that is a public school academy, times an amount equal to ~~25%~~ **12.5%** of the amount
28 per membership pupil calculated under section 20(6). For an intermediate district, the
29 amount allocated under this subdivision toward fulfilling the specified percentages is an
30 amount per special education membership pupil, excluding pupils described in subsection
31 (11), and is calculated in the same manner as for a district, using ~~25%~~ **12.5%** of the
32 foundation allowance under section 20 of the pupil's district of residence, not to exceed

1 ~~25%~~**12.5%** of the target foundation allowance for the current fiscal year, and that
2 district's per-pupil allocation under section 20m.

3 **(b)** ~~(c)~~ After the allocations under subdivision (a), ~~or (b), as applicable,~~ the
4 department shall pay a district or intermediate district for which the payments calculated
5 under subdivision (a) ~~or (b), as applicable,~~ do not fulfill the specified percentages the
6 amount necessary to achieve the specified percentages for the district or intermediate
7 district.

8 (3) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~
9 ~~an amount not to exceed \$1,000,000.00 and there is allocated for 2022-2023-2023-2024~~ an
10 amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts
11 under this subsection. If the amount allocated to a district or intermediate district for
12 the fiscal year under subsection ~~(2) (c)~~ **(2) (b)** is less than the sum of the amounts
13 allocated to the district or intermediate district for 1996-97 under sections 52 and 58,
14 there is allocated to the district or intermediate district for the fiscal year an amount
15 equal to that difference, adjusted by applying the same proration factor that was used in
16 the distribution of funds under section 52 in 1996-97 as adjusted to the district's or
17 intermediate district's necessary costs of special education used in calculations for the
18 fiscal year. This adjustment is to reflect reductions in special education program
19 operations or services between 1996-97 and subsequent fiscal years. The department shall
20 make adjustments for reductions in special education program operations or services in a
21 manner determined by the department and shall include adjustments for program or service
22 shifts.

23 (4) If the department determines that the sum of the amounts allocated for a fiscal
24 year to a district or intermediate district under subsection (2) is not sufficient to
25 fulfill the specified percentages in subsection (2), then the department shall pay the
26 shortfall to the district or intermediate district during the fiscal year beginning on the
27 October 1 following the determination and shall adjust payments under subsection (3) as
28 necessary. If the department determines that the sum of the amounts allocated for a fiscal
29 year to a district or intermediate district under subsection (2) exceeds the sum of the
30 amount necessary to fulfill the specified percentages in subsection (2), then the
31 department shall deduct the amount of the excess from the district's or intermediate
32 district's payments under this article for the fiscal year beginning on the October 1

1 following the determination and shall adjust payments under subsection (3) as necessary.
2 ~~However, for 2021-2022 only, if the amount allocated under subsection (2)(a) in itself~~
3 ~~exceeds the amount necessary to fulfill the specified percentages in subsection (2), there~~
4 ~~is no deduction under this subsection. Beginning in 2022-2023, if~~ **If** the amount allocated
5 under subsection ~~(2)(b)~~ **(2)(a)** in itself exceeds the amount necessary to fulfill the
6 specified percentages in subsection (2), there is no deduction under this subsection.

7 (5) State funds are allocated on a total approved cost basis. Federal funds are
8 allocated under applicable federal requirements.

9 (6) From the amount allocated in subsection (1), there is allocated an amount not to
10 exceed \$2,200,000.00 for ~~2021-2022~~ and there is allocated an amount not to exceed
11 ~~\$2,200,000.00 for 2022-2023~~ **2023-2024** to reimburse 100% of the net increase in necessary
12 costs incurred by a district or intermediate district in implementing the revisions in the
13 administrative rules for special education that became effective on July 1, 1987. As used
14 in this subsection, "net increase in necessary costs" means the necessary additional costs
15 incurred solely because of new or revised requirements in the administrative rules minus
16 cost savings permitted in implementing the revised rules. The department shall determine
17 net increase in necessary costs in a manner specified by the department.

18 (7) For purposes of this section and sections 51b to 58, all of the following apply:

19 (a) "Total approved costs of special education" are determined in a manner specified
20 by the department and may include indirect costs, but must not exceed 115% of approved
21 direct costs for section 52 and section 53a programs. The total approved costs include
22 salary and other compensation for all approved special education personnel for the program,
23 including payments for Social Security and Medicare and public school employee retirement
24 system contributions. The total approved costs do not include salaries or other
25 compensation paid to administrative personnel who are not special education personnel as
26 that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed
27 by federal funds, other than those federal funds included in the allocation made under this
28 article, are not included. Special education approved personnel not utilized full time in
29 the evaluation of students or in the delivery of special education programs, ancillary, and
30 other related services are reimbursed under this section only for that portion of time
31 actually spent providing these programs and services, with the exception of special
32 education programs and services provided to youth placed in child caring institutions or

1 juvenile detention programs approved by the department to provide an on-grounds education
2 program.

3 (b) A district or intermediate district that employed special education support
4 services staff to provide special education support services in 2003-2004 or in a
5 subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of
6 support services from another district or intermediate district shall report the cost of
7 those support services for special education reimbursement purposes under this article.
8 This subdivision does not prohibit the transfer of special education classroom teachers and
9 special education classroom aides if the pupils counted in membership associated with those
10 special education classroom teachers and special education classroom aides are transferred
11 and counted in membership in the other district or intermediate district in conjunction
12 with the transfer of those teachers and aides.

13 (c) If the department determines before bookclosing for a fiscal year that the
14 amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and
15 sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections
16 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate
17 district whose reimbursement for that fiscal year would otherwise be affected by
18 subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for
19 that district or intermediate district and the department shall calculate reimbursement for
20 that district or intermediate district in the same manner as it was for 2003-2004. If the
21 amount of the excess allocations under subsections (2), (3), (6), and (11) and sections
22 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those
23 districts and intermediate districts under this subdivision, then the department shall
24 prorate calculations and resulting reimbursement under this subdivision on an equal
25 percentage basis. The amount of reimbursement under this subdivision for a fiscal year must
26 not exceed \$2,000,000.00 for any district or intermediate district.

27 (d) Reimbursement for ancillary and other related services, as that term is defined
28 by R 340.1701c of the Michigan Administrative Code, is not provided when those services are
29 covered by and available through private group health insurance carriers or federal
30 reimbursed program sources unless the department and district or intermediate district
31 agree otherwise and that agreement is approved by the state budget director. Expenses,
32 other than the incidental expense of filing, must not be borne by the parent. In addition,

1 the filing of claims must not delay the education of a pupil. A district or intermediate
2 district is responsible for payment of a deductible amount and for an advance payment
3 required until the time a claim is paid.

4 (e) If an intermediate district purchases a special education pupil transportation
5 service from a constituent district that was previously purchased from a private entity; if
6 the purchase from the constituent district is at a lower cost, adjusted for changes in fuel
7 costs; and if the cost shift from the intermediate district to the constituent does not
8 result in any net change in the revenue the constituent district receives from payments
9 under sections 22b and 51c, then upon application by the intermediate district, the
10 department shall direct the intermediate district to continue to report the cost associated
11 with the specific identified special education pupil transportation service and shall
12 adjust the costs reported by the constituent district to remove the cost associated with
13 that specific service.

14 (8) A pupil who is enrolled in a full-time special education program conducted or
15 administered by an intermediate district or a pupil who is enrolled in the Michigan Schools
16 for the Deaf and Blind is not included in the membership count of a district, but is
17 counted in membership in the intermediate district of residence.

18 (9) Special education personnel transferred from 1 district to another to implement
19 the revised school code are entitled to the rights, benefits, and tenure to which the
20 individual would otherwise be entitled had that individual been employed by the receiving
21 district originally.

22 (10) If a district or intermediate district uses money received under this section
23 for a purpose other than the purpose or purposes for which the money is allocated, the
24 department may require the district or intermediate district to refund the amount of money
25 received. The department shall deposit money that is refunded in the state treasury to the
26 credit of the state school aid fund.

27 (11) From the funds allocated in subsection (1), there is allocated the amount
28 necessary, estimated at ~~\$1,500,000.00 for 2021-2022 and estimated at \$1,500,000.00~~
29 **\$1,700,000.00** for ~~2022-2023, 2023-2024~~ to pay the foundation allowances for pupils
30 described in this subsection. The department shall calculate the allocation to a district
31 under this subsection by multiplying the number of pupils described in this subsection who
32 are counted in membership in the district times the sum of the foundation allowance under

1 section 20 of the pupil's district of residence, plus the amount of the district's per-
2 pupil allocation under section 20m, not to exceed the target foundation allowance for the
3 current fiscal year, or, for a pupil described in this subsection who is counted in
4 membership in a district that is a public school academy, times an amount equal to the
5 amount per membership pupil under section 20(6). The department shall calculate the
6 allocation to an intermediate district under this subsection in the same manner as for a
7 district, using the foundation allowance under section 20 of the pupil's district of
8 residence not to exceed the target foundation allowance for the current fiscal year and
9 that district's per-pupil allocation under section 20m. This subsection applies to all of
10 the following pupils:

11 (a) Pupils described in section 53a.

12 (b) Pupils counted in membership in an intermediate district who are not special
13 education pupils and are served by the intermediate district in a juvenile detention or
14 child caring facility.

15 (c) Pupils with an emotional impairment counted in membership by an intermediate
16 district and provided educational services by the department of health and human services.

17 (12) If it is determined that funds allocated under subsection (2) or (11) or under
18 section 51c will not be expended, funds up to the amount necessary and available may be
19 used to supplement the allocations under subsection (2) or (11) or under section 51c in
20 order to fully fund those allocations. After payments under subsections (2) and (11) and
21 section 51c, the department shall expend the remaining funds from the allocation in
22 subsection (1) in the following order:

23 (a) One hundred percent of the reimbursement required under section 53a.

24 (b) One hundred percent of the reimbursement required under subsection (6).

25 (c) One hundred percent of the payment required under section 54.

26 (d) One hundred percent of the payment required under subsection (3).

27 (e) One hundred percent of the payments under section 56.

28 (13) The allocations under subsections (2), (3), and (11) are allocations to
29 intermediate districts only and are not allocations to districts, but instead are
30 calculations used only to determine the state payments under section 22b.

31 (14) If a public school academy that is not a cyber school, as that term is defined
32 in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil

1 who resides outside of the intermediate district in which the public school academy is
2 located and who is eligible for special education programs and services according to
3 statute or rule, or who is a child with a disability, as that term is defined under the
4 individuals with disabilities education act, Public Law 108-446, the intermediate district
5 in which the public school academy is located and the public school academy shall enter
6 into a written agreement with the intermediate district in which the pupil resides for the
7 purpose of providing the pupil with a free appropriate public education, and the written
8 agreement must include at least an agreement on the responsibility for the payment of the
9 added costs of special education programs and services for the pupil. If the public school
10 academy that enrolls the pupil does not enter into an agreement under this subsection, the
11 public school academy shall not charge the pupil's resident intermediate district or the
12 intermediate district in which the public school academy is located the added costs of
13 special education programs and services for the pupil, and the public school academy is not
14 eligible for any payouts based on the funding formula outlined in the resident or
15 nonresident intermediate district's plan. If a pupil is not enrolled in a public school
16 academy under this subsection, the provision of special education programs and services and
17 the payment of the added costs of special education programs and services for a pupil
18 described in this subsection are the responsibility of the district and intermediate
19 district in which the pupil resides.

20 (15) For the purpose of receiving its federal allocation under part B of the
21 individuals with disabilities education act, Public Law 108-446, a public school academy
22 that is a cyber school, as that term is defined in section 551 of the revised school code,
23 MCL 380.551, and is in compliance with section 553a of the revised school code, MCL
24 380.553a, directly receives the federal allocation under part B of the individuals with
25 disabilities education act, Public Law 108-446, from the intermediate district in which the
26 cyber school is located, as the subrecipient. If the intermediate district does not
27 distribute the funds described in this subsection to the cyber school by the part B
28 application due date of July 1, the department may distribute the funds described in this
29 subsection directly to the cyber school according to the formula prescribed in 34 CFR
30 300.705 and 34 CFR 300.816. Beginning July 1, 2021, this subsection is subject to section
31 8c. It is the intent of the legislature that the immediately preceding sentence apply
32 retroactively and is effective July 1, 2021.

1 (16) For a public school academy that is a cyber school, as that term is defined in
2 section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a
3 of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the
4 intermediate district in which the cyber school is located shall ensure that the cyber
5 school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised
6 school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757;
7 applicable rules; and the individuals with disabilities education act, Public Law 108-446.
8 Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the
9 legislature that the immediately preceding sentence apply retroactively and is effective
10 July 1, 2021.

11 (17) For the purposes of this section, the department or the center shall only
12 require a district or intermediate district to report information that is not already
13 available from the financial information database maintained by the center.

14 Sec. 51c. As required by the court in the consolidated cases known as Durant v State
15 of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1), there is
16 allocated for ~~2021-2022 and for 2022-2023,~~ **2023-2024**, the amount necessary, estimated at
17 ~~\$686,200,000.00 for 2021-2022 and \$709,900,000.00 for 2022-2023,~~ **\$819,200,000.00**, for
18 payments to reimburse districts for 28.6138% of total approved costs of special education
19 excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of
20 special education transportation. Funds allocated under this section that are not expended
21 in the fiscal year for which they were allocated, as determined by the department, may be
22 used to supplement the allocations under sections 22a and 22b to fully fund those
23 allocations for the same fiscal year. ~~For each fund transfer as described in the~~
24 ~~immediately preceding sentence that occurs, the state budget director shall send~~
25 ~~notification of the transfer to the house and senate appropriations subcommittees on state~~
26 ~~school aid and the house and senate fiscal agencies by not later than 14 calendar days~~
27 ~~after the transfer occurs.~~

28 Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated
29 for ~~2022-2023~~ **2023-2024** all available federal funding, estimated at \$71,000,000.00, for
30 special education programs and services that are funded by federal grants. The department
31 shall distribute all federal funds allocated under this section in accordance with federal
32 law. Notwithstanding section 17b, the department shall make payments of federal funds to

1 districts, intermediate districts, and other eligible entities under this section on a
2 schedule determined by the department.

3 (2) From the federal funds allocated under subsection (1), the following amounts are
4 allocated:

5 (a) For ~~2022-2023, 2023-2024~~, an amount estimated at \$14,000,000.00 for handicapped
6 infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.

7 (b) For ~~2022-2023, 2023-2024~~, an amount estimated at \$14,000,000.00 for preschool
8 grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive
9 funds.

10 (c) For ~~2022-2023, 2023-2024~~, an amount estimated at \$43,000,000.00 for special
11 education programs funded by DED-OSERS, handicapped program, individuals with disabilities
12 act funds.

13 (3) As used in this section, "DED-OSERS" means the United States Department of
14 Education Office of Special Education and Rehabilitative Services.

15 Sec. 51e. (1) From the allocation under section 51a(1), there is allocated for ~~2022-~~
16 ~~2023-2023-2024~~ the amount necessary, estimated at ~~\$336,207,000.00 for 2022-2023~~
17 **\$430,700,000.00**, for payments to districts and intermediate districts for ~~75%-~~**87.50%** of
18 foundation allowance costs associated with special education pupils.

19 (2) The department shall calculate the amount allocated to a district under this
20 section by multiplying the district's special education pupil membership, excluding pupils
21 described in section 51a(11), times ~~75%-~~**87.50%** of the foundation allowance under section 20
22 of the pupil's district of residence, plus ~~75%-~~**87.50%** of the amount of the district's per-
23 pupil allocation under section 20m, not to exceed ~~75%-~~**87.50%** of the target foundation
24 allowance for the current fiscal year, or, for a special education pupil in membership in a
25 district that is a public school academy, times an amount equal to ~~75%-~~**87.50%** of the amount
26 per membership pupil calculated under section 20(6). For an intermediate district, the
27 amount allocated under this subsection is an amount per special education membership pupil,
28 excluding pupils described in section 51a(11), and is calculated in the same manner as for
29 a district, using ~~75%-~~**87.50%** of the foundation allowance under section 20 of the pupil's
30 district of residence, not to exceed ~~75%-~~**87.50%** of the target foundation allowance for the
31 current fiscal year, and ~~75%-~~**87.50%** of that district's per-pupil allocation under section
32 20m.

1 ~~(3) In addition to the amount calculated in subsection (2), there is allocated the~~
2 ~~difference between the amount received under section 51f in the 2021-2022 fiscal year and~~
3 ~~the amount calculated under subsection (2). If the calculated amount under subsection (2)~~
4 ~~exceeds the amount received by the district or intermediate district under section 51f for~~
5 ~~the 2021-2022 fiscal year, there is no payment calculated under this subsection.~~

6 Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00 is
7 allocated for ~~2022-2023~~**2023-2024** to an association for administrators of special education
8 services to develop content for use by special education students, teachers, and others.
9 Any content that is developed as described in this section must be accessible throughout
10 this state. Funds received by an association under this section may be used to support the
11 development of assessment tools to measure the needs of students with special education
12 needs in remote learning environments and the effectiveness of various educational methods
13 and tools, in collaboration with the department. Funds under this section may also be
14 utilized to identify any available federal funds for research related to special education
15 in remote learning.

16 Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is
17 100% of the total approved costs of operating special education programs and services
18 approved by the department and included in the intermediate district plan adopted under
19 article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's
20 foundation allowance calculated under section 20 and minus the district's per-pupil
21 allocation under section 20m. For intermediate districts, the department shall calculate
22 reimbursement for pupils described in subsection (2) in the same manner as for a district,
23 using the foundation allowance under section 20 of the pupil's district of residence, not
24 to exceed the target foundation allowance under section 20 for the current fiscal year plus
25 the amount of the district's per-pupil allocation under section 20m.

26 (2) Reimbursement under subsection (1) is for the following special education pupils:

27 (a) Pupils assigned to a district or intermediate district through the community
28 placement program of the courts or a state agency, if the pupil was a resident of another
29 intermediate district at the time the pupil came under the jurisdiction of the court or a
30 state agency.

31 (b) Pupils who are residents of institutions operated by the department of health and
32 human services.

1 (c) Pupils who are former residents of department of community health institutions
2 for the developmentally disabled who are placed in community settings other than the
3 pupil's home.

4 (d) Pupils enrolled in a department-approved on-grounds educational program longer
5 than 180 days, but not longer than 233 days, at a residential child care institution, if
6 the child care institution offered in 1991-92 an on-grounds educational program longer than
7 180 days but not longer than 233 days.

8 (e) Pupils placed in a district by a parent for the purpose of seeking a suitable
9 home, if the parent does not reside in the same intermediate district as the district in
10 which the pupil is placed.

11 (3) Only those costs that are clearly and directly attributable to educational
12 programs for pupils described in subsection (2), and that would not have been incurred if
13 the pupils were not being educated in a district or intermediate district, are reimbursable
14 under this section.

15 (4) The costs of transportation are funded under this section and are not reimbursed
16 under section 58.

17 (5) The department shall not allocate more than \$10,500,000.00 of the allocation for
18 ~~2022-2023-2023-2024~~ in section 51a(1) under this section.

19 Sec. 54. Each intermediate district receives an amount per pupil for each pupil in
20 attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to
21 the total instructional cost at each school. The department shall not allocate more than
22 \$1,688,000.00 of the allocation for ~~2022-2023-2023-2024~~ in section 51a(1) under this
23 section.

24 Sec. 54b. (1) From the general fund money appropriated in section 11, there is
25 allocated an amount not to exceed \$1,600,000.00 for ~~2022-2023-2023-2024~~ to continue the
26 implementation of the recommendations of the special education reform task force published
27 in January 2016.

28 (2) The department shall use funds allocated under this section for the purpose of
29 piloting statewide implementation of the MiMTSS Center, a nationally recognized program
30 that includes positive behavioral intervention and supports and provides a statewide
31 structure to support local initiatives for an integrated behavior and reading program. With
32 the assistance of the intermediate districts involved in the MiMTSS Center, the department

1 shall identify a number of intermediate districts to participate in the pilot that is
2 sufficient to ensure that the MiMTSS Center can be implemented statewide with fidelity and
3 sustainability. In addition, the department shall identify an intermediate district to act
4 as a fiscal agent for these funds.

5 (3) As used in this section, "MiMTSS Center" means the Michigan Multi-Tiered System
6 of Supports Center.

7 Sec. 54d. (1) From the state school aid fund money appropriated in section 11, there
8 is allocated an amount not to exceed ~~\$21,250,000.00~~ **\$22,313,000.00** for ~~2022-2023~~ **2023-2024**
9 to intermediate districts for the purpose of providing state early on services programs for
10 children from birth to 3 years of age with a developmental delay or a disability, or both,
11 and their families, as described in the early on Michigan state plan, as approved by the
12 department.

13 (2) To be eligible to receive grant funding under this section, each intermediate
14 district must apply in a form and manner determined by the department.

15 (3) The grant funding allocated under this section must be used to increase early on
16 services and resources available to children that demonstrate developmental delays to help
17 prepare them for success as they enter school. State early on services include evaluating
18 and providing early intervention services for eligible infants and toddlers and their
19 families to address developmental delays, including those affecting physical, cognitive,
20 communication, adaptive, social, or emotional development. Grant funds must not be used to
21 supplant existing services that are currently being provided.

22 (4) The department shall distribute the funds allocated under subsection (1) to
23 intermediate districts according to the department's early on funding formula utilized to
24 distribute the federal award to Michigan under part C of the individuals with disabilities
25 education act, Public Law 108-446. Funds received under this section must not supplant
26 existing funds or resources allocated for early on early intervention services. An
27 intermediate district receiving funds under this section shall maximize the capture of
28 Medicaid funds to support early on early intervention services to the extent possible.

29 (5) Each intermediate district that receives funds under this section shall report
30 data and other information to the department in a form, manner, and frequency prescribed by
31 the department to allow for monitoring and evaluation of the program and to ensure that the
32 children described in subsection (1) received appropriate levels and types of services

1 delivered by qualified personnel, based on the individual needs of the children and their
2 families.

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

5 (7) Grant funds awarded and allocated to an intermediate district under this section
6 must be expended by the grant recipient before June 30 of the fiscal year immediately
7 following the fiscal year in which the funds were received.

8 Sec. 56. (1) For the purposes of this section:

9 (a) "Membership" means for a particular fiscal year the total membership of the
10 intermediate district and the districts constituent to the intermediate district, except
11 that if a district has elected not to come under part 30 of the revised school code, MCL
12 380.1711 to 380.1741, membership of the district is not included in the membership of the
13 intermediate district.

14 (b) "Millage levied" means the millage levied for special education under part 30 of
15 the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service
16 obligations.

17 (c) "Taxable value" means the total taxable value of the districts constituent to an
18 intermediate district, except that if a district has elected not to come under part 30 of
19 the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not
20 included in the taxable value of the intermediate district.

21 (2) From the allocation under section 51a(1), there is allocated an amount not to
22 exceed \$40,008,100.00 for ~~2021-2022~~ and an amount not to exceed \$40,008,100.00 for ~~2022-~~
23 ~~2023-2023-2024~~ to reimburse intermediate districts levying millages for special education
24 under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and
25 expenditure of the reimbursement are limited as if the funds were generated by these
26 millages and governed by the intermediate district plan adopted under article 3 of the
27 revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this
28 section, an intermediate district distributing any portion of special education millage
29 funds to its constituent districts must submit for departmental approval and implement a
30 distribution plan.

31 ~~(3) Except as otherwise provided in this subsection, reimbursement for those millages~~
32 ~~levied in 2020-2021 is made in 2021-2022 at an amount per 2020-2021 membership pupil~~

1 ~~computed by subtracting from \$218,200.00 the 2020-2021 taxable value behind each membership~~
2 ~~pupil and multiplying the resulting difference by the 2020-2021 millage levied, and then~~
3 ~~subtracting from that amount the 2020-2021 local community stabilization share revenue for~~
4 ~~special education purposes behind each membership pupil for reimbursement of personal~~
5 ~~property exemption loss under the local community stabilization authority act, 2014 PA 86,~~
6 ~~MCL 123.1341 to 123.1362. Reimbursement in 2021-2022 for an intermediate district whose~~
7 ~~2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to~~
8 ~~102.5% of the 2017-2018 allocation to that intermediate district.~~

9 **(3)** ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those
10 millages levied in ~~2021-2022-2022-2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per
11 ~~2021-2022-2022-2023~~ membership pupil computed by subtracting from ~~\$229,600.00~~ **\$241,100.00**
12 the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil and multiplying the
13 resulting difference by the ~~2021-2022-2022-2023~~ millage levied, and then subtracting from
14 that amount the ~~2021-2022-2022-2023~~ local community stabilization share revenue for special
15 education purposes and ~~2021-2022-2022-2023~~ tax increment revenues captured by a brownfield
16 redevelopment authority created under the brownfield redevelopment financing act, 1996 PA
17 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal
18 property exemption loss under the local community stabilization authority act, 2014 PA 86,
19 MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment
20 revenues captured by a brownfield redevelopment authority under the brownfield
21 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. Reimbursement in ~~2022-~~
22 ~~2023-2023-2024~~ for an intermediate district whose 2017-2018 allocation was affected by the
23 operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to
24 that intermediate district.

25 **(4)** ~~(5)~~ The department shall ensure that the amount paid to a single intermediate
26 district under subsection (2) does not exceed 62.9% of the total amount allocated under
27 subsection (2).

28 **(5)** ~~(6)~~ The department shall ensure that the amount paid to a single intermediate
29 district under subsection (2) is not less than 75% of the amount allocated to the
30 intermediate district under subsection (2) for the immediately preceding fiscal year.

31 **(6)** ~~(7)~~ From the allocation under section 51a(1), there is allocated an amount not to
32 exceed \$34,200,000.00 ~~for 2021-2022 and an amount not to exceed \$34,200,000.00 for 2022-~~

1 ~~2023, 2023-2024~~, to provide payments to intermediate districts levying millages for special
2 education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose,
3 use, and expenditure of the payments under this subsection are limited as if the funds were
4 generated by these millages and governed by the intermediate district plan adopted under
5 article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall
6 provide a payment under this subsection to each intermediate district described in this
7 subsection as follows:

8 ~~(a) For 2021-2022, except as otherwise provided in this subsection, for an~~
9 ~~intermediate district with a 3-year average special education millage revenue per pupil in~~
10 ~~the immediately preceding fiscal year that is less than \$251.00 and that is levying at~~
11 ~~least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of~~
12 ~~the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the~~
13 ~~3-year average special education millage revenue per pupil in the immediately preceding~~
14 ~~fiscal year and, only if the millage levied by the intermediate district is less than 1,~~
15 ~~multiplying that amount by the number of mills levied divided by 1, and then multiplying~~
16 ~~that amount by the 3-year average membership in the immediately preceding fiscal year, and~~
17 ~~then subtracting from that amount the amount allocated under subsection (2) for the current~~
18 ~~fiscal year. If the calculation under this subdivision results in an amount below zero,~~
19 ~~there is no payment under this subdivision.~~

20 ~~(b) For 2021-2022, except as otherwise provided in this subsection, for an~~
21 ~~intermediate district with a 3-year average special education millage revenue per pupil in~~
22 ~~the immediately preceding fiscal year that is less than \$281.00 and that is levying at~~
23 ~~least 60.0% of its maximum millage rate allowed under section 1724a of the revised school~~
24 ~~code, MCL 380.1724a, an amount computed by subtracting from \$281.00 the 3-year average~~
25 ~~special education millage revenue per pupil in the immediately preceding fiscal year, and,~~
26 ~~only if the millage levied by the intermediate district is less than 1, multiplying that~~
27 ~~amount by the number of mills levied divided by 1, and then multiplying that amount by the~~
28 ~~3-year average membership in the immediately preceding fiscal year, and then subtracting~~
29 ~~from that amount the amount allocated under subsection (2) for the current fiscal year. If~~
30 ~~the calculation under this subdivision results in an amount below zero, there is no payment~~
31 ~~under this subdivision.~~

32 **(a)** ~~(c)~~ For ~~2022-2023,~~ **2023-2024**, except as otherwise provided in this subsection,

1 for an intermediate district with a 3-year average special education millage revenue per
2 pupil in the immediately preceding fiscal year that is less than \$251.00 and that is
3 levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under
4 section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting
5 from \$251.00 the 3-year average special education millage revenue per pupil in the
6 immediately preceding fiscal year and, only if the millage levied by the intermediate
7 district is less than 1, multiplying that amount by the number of mills levied divided by
8 1, and then multiplying that amount by the 3-year average membership in the immediately
9 preceding fiscal year, and then subtracting from that amount the amount allocated under
10 subsection (2) for the current fiscal year. If the calculation under this subdivision
11 results in an amount below zero, there is no payment under this subdivision.

12 **(b)** ~~(d)~~ For ~~2022-2023~~, **2023-2024**, except as otherwise provided in this subsection,
13 for an intermediate district with a 3-year average special education millage revenue per
14 pupil in the immediately preceding fiscal year that is less than \$296.00 and that is
15 levying at least 60.0% of its maximum millage rate allowed under section 1724a of the
16 revised school code, MCL 380.1724a, an amount computed by subtracting from \$296.00 the 3-
17 year average special education millage revenue per pupil in the immediately preceding
18 fiscal year, and, only if the millage levied by the intermediate district is less than 1,
19 multiplying that amount by the number of mills levied divided by 1, and then multiplying
20 that amount by the 3-year average membership in the immediately preceding fiscal year, and
21 then subtracting from that amount the amount allocated under subsection (2) for the current
22 fiscal year. If the calculation under this subdivision results in an amount below zero,
23 there is no payment under this subdivision.

24 **(7) After making allocations to eligible intermediate districts under subsection (3)**
25 **and (6), if funds remain unallocated from the allocation under subsections (2) and (6), the**
26 **department must allocate remaining funds to intermediate districts proportional to the**
27 **amounts allocated to intermediate districts under subsection (3).**

28 (8) As used in subsection ~~(7)~~: **(6)**:

29 (a) "3-year average membership" means the 3-year average pupil membership for each of
30 the 3 most recent fiscal years.

31 (b) "3-year average special education millage revenue per pupil" means the 3-year
32 average taxable value per mill levied behind each membership pupil for each of the 3 most

1 recent fiscal years multiplied by the millage levied in the most recent fiscal year.

2 Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there
3 is allocated an amount not to exceed \$47,611,300.00 for ~~2022-2023 only~~ **2023-2024** to
4 reimburse on an added cost basis districts, except for a district that served as the fiscal
5 agent for a vocational education consortium in the 1993-94 school year and that has a
6 foundation allowance as calculated under section 20 greater than the target foundation
7 allowance under that section, and secondary area vocational-technical education centers for
8 secondary-level career and technical education programs according to rules approved by the
9 superintendent. ~~It is the intent of the legislature that, for 2023-2024, the allocation~~
10 ~~from the state school aid fund money appropriated in section 11 for purposes described in~~
11 ~~this subsection will be \$37,611,300.00. Applications for participation in the programs must~~
12 ~~be submitted in the form prescribed by the department.~~ The department shall determine the
13 added cost for each career and technical education program area. The department shall
14 prioritize the allocation of added cost funds based on the capital and program expenditures
15 needed to operate the career and technical education programs provided; the number of
16 pupils enrolled; the advancement of pupils through the instructional program; the existence
17 of an articulation agreement with at least 1 postsecondary institution that provides pupils
18 with opportunities to earn postsecondary credit during the pupil's participation in the
19 career and technical education program and transfers those credits to the postsecondary
20 institution upon completion of the career and technical education program; and the program
21 rank in student placement, job openings, and wages, and shall ensure that the allocation
22 does not exceed 75% of the added cost of any program. Notwithstanding any rule or
23 department determination to the contrary, when determining a district's allocation or the
24 formula for making allocations under this section, the department shall include the
25 participation of pupils in grade 9 in all of those determinations and in all portions of
26 the formula. With the approval of the department, the board of a district maintaining a
27 secondary career and technical education program may offer the program for the period from
28 the close of the school year until September 1. The program shall use existing facilities
29 and must be operated as prescribed by rules promulgated by the superintendent.

30 (2) Except for a district that served as the fiscal agent for a vocational education
31 consortium in the 1993-94 school year, the department shall reimburse districts and
32 intermediate districts for local career and technical education administration, shared time

1 career and technical education administration, and career education planning district
2 career and technical education administration. The superintendent shall adopt guidelines
3 for the definition of what constitutes administration and shall make reimbursement pursuant
4 to those guidelines. The department shall not distribute more than \$800,000.00 of the
5 allocation in subsection (1) under this subsection.

6 (3) A career and technical education program funded under this section may provide an
7 opportunity for participants who are eligible to be funded under section 107 to enroll in
8 the career and technical education program funded under this section if the participation
9 does not occur during regular school hours.

10 Sec. 61b. (1) From the state school aid fund money appropriated under section 11,
11 there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$8,000,000.00 for CTE
12 early middle college and CTE dual enrollment programs authorized under this section and for
13 planning grants for the development or expansion of CTE early middle college programs. The
14 purpose of these programs is to increase the number of Michigan residents with high-quality
15 degrees or credentials, and to increase the number of students who are college and career
16 ready upon high school graduation.

17 (2) From the funds allocated under subsection (1), the department shall allocate an
18 amount as determined under this subsection to each intermediate district serving as a
19 fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs
20 in each of the career education planning districts identified by the department. An
21 intermediate district shall not use more than 5% of the funds allocated under this
22 subsection for administrative costs for serving as the fiscal agent.

23 (3) To be an eligible fiscal agent, an intermediate district must agree to do all of
24 the following in a form and manner determined by the department:

25 (a) Distribute funds to eligible CTE early middle college and CTE dual enrollment
26 programs in a career education planning district as described in this section.

27 (b) Collaborate with the career and educational advisory council in the workforce
28 development board service delivery area to develop 1 regional strategic plan under
29 subsection (4) that aligns CTE programs and services into an efficient and effective
30 delivery system for high school students. The department will align career education
31 planning districts, workforce development board service delivery areas, and intermediate
32 districts for the purpose of creating 1 regional strategic plan for each workforce

1 development board service delivery area.

2 (c) Implement a regional process to rank career clusters in the workforce development
3 board service delivery area as described under subsection (4). Regional processes must be
4 approved by the department before the ranking of career clusters.

5 (d) Report CTE early middle college and CTE dual enrollment program and student data
6 and information as prescribed by the department and the center.

7 (e) The local education agency responsible for student reporting in the Michigan
8 student data system (MSDS) will report the total number of college credits the student
9 earned, at the time of high school graduation, as determined by the department and the
10 center.

11 (f) The local education agency will report each award outcome in the Michigan student
12 data system (MSDS) that the CTE early middle college student attained. For purposes of this
13 subsection, an on-track CTE early middle college graduate is a graduate who obtained their
14 high school diploma and at least 1 of the following:

15 (i) An associate's degree.

16 (ii) 60 transferrable college credits.

17 (iii) Professional certification.

18 (iv) A Michigan Early Middle College Association certificate.

19 (v) Participation in a registered apprenticeship.

20 (4) A regional strategic plan must be approved by the career and educational advisory
21 council before submission to the department. A regional strategic plan must include, but is
22 not limited to, the following:

23 (a) An identification of regional employer need based on a ranking of all career
24 clusters in the workforce development board service delivery area ranked by 10-year
25 projections of annual job openings and median wage for each standard occupational code in
26 each career cluster as obtained from the United States Bureau of Labor Statistics. Standard
27 occupational codes within high-ranking clusters also may be further ranked by median wage
28 and annual job openings. The career and educational advisory council located in the
29 workforce development board service delivery area shall review the rankings and modify them
30 if necessary to accurately reflect employer demand for talent in the workforce development
31 board service delivery area. A career and educational advisory council shall document that
32 it has conducted this review and certify that it is accurate. These career cluster rankings

1 must be determined and updated once every 4 years.

2 (b) An identification of educational entities in the workforce development board
3 service delivery area that will provide eligible CTE early middle college and CTE dual
4 enrollment programs including districts, intermediate districts, postsecondary
5 institutions, and noncredit occupational training programs leading to an industry-
6 recognized credential.

7 (c) A strategy to inform parents and students of CTE early middle college and CTE
8 dual enrollment programs in the workforce development board service delivery area.

9 (d) Any other requirements as defined by the department.

10 (5) An eligible CTE program is a program that meets all of the following:

11 (a) Has been identified in the highest 5 career cluster rankings in any of the 16
12 workforce development board service delivery area strategic plans jointly approved by the
13 department of labor and economic opportunity and the department.

14 (b) Has a coherent sequence of courses in a specific career cluster that will allow a
15 student to earn a high school diploma and achieve at least 1 of the following:

16 (i) For CTE early middle college, outcomes as defined in subsection (3)(f).

17 (ii) For CTE dual enrollment, 1 of the following:

18 (A) An associate degree.

19 (B) An industry-recognized technical certification approved by the department of
20 labor and economic opportunity.

21 (C) Up to 60 transferable college credits.

22 (D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice
23 readiness program.

24 (c) Is aligned with the Michigan merit curriculum.

25 (d) Has an articulation or a college credit agreement with at least 1 postsecondary
26 institution that provides students with opportunities to receive postsecondary credits
27 during the student's participation in the CTE early middle college or CTE dual enrollment
28 program and transfers those credits to the postsecondary institution upon completion of the
29 CTE early middle college or CTE dual enrollment program.

30 (e) Provides instruction that is supervised, directed, or coordinated by an
31 appropriately certificated CTE teacher or, for concurrent enrollment courses, a
32 postsecondary faculty member.

1 (f) Provides for highly integrated student support services that include at least the
2 following:

3 (i) Teachers as academic advisors.

4 (ii) Supervised course selection.

5 (iii) Monitoring of student progress and completion.

6 (iv) Career planning services provided by a local one-stop service center as
7 described in the Michigan works one-stop service center system act, 2006 PA 491, MCL
8 408.111 to 408.135, or by a high school counselor or advisor.

9 (g) Has courses that are taught on a college campus, are college courses offered at
10 the high school and taught by college faculty, or are courses taught in combination with
11 online instruction.

12 (6) The department shall distribute funds to eligible CTE early middle college and
13 CTE dual enrollment programs as follows:

14 (a) The department shall determine statewide average CTE costs per pupil for each CIP
15 code program by calculating statewide average costs for each CIP code program for the 3
16 most recent fiscal years.

17 (b) The distribution to each eligible CTE early middle college or CTE dual enrollment
18 program is the product of 50% of CTE costs per pupil times the pupil enrollment of each
19 eligible CTE early middle college or CTE dual enrollment program in the immediately
20 preceding school year.

21 (7) In order to receive funds under this section, a CTE early middle college or CTE
22 dual enrollment program shall furnish to the intermediate district that is the fiscal agent
23 identified in subsection (2), in a form and manner determined by the department, all
24 information needed to administer this program and meet federal reporting requirements;
25 shall allow the department or the department's designee to review all records related to
26 the program for which it receives funds; and shall reimburse the state for all
27 disallowances found in the review, as determined by the department.

28 (8) There is allocated for ~~2022-2023~~ **2023-2024** from the funds under subsection (1) an
29 amount not to exceed \$500,000.00 from the state school aid fund allocation for grants to
30 intermediate districts or consortia of intermediate districts for the purpose of planning
31 for new or expanded early middle college programs. Applications for grants must be
32 submitted in a form and manner determined by the department. The amount of a grant under

1 this subsection must not exceed \$50,000.00. To be eligible for a grant under this
2 subsection, an intermediate district or consortia of intermediate districts must provide
3 matching funds equal to the grant received under this subsection. Notwithstanding section
4 17b, the department shall make payments under this subsection in the manner determined by
5 the department.

6 (9) Funds distributed under this section may be used to fund program expenditures
7 that would otherwise be paid from foundation allowances. A program receiving funding under
8 section 61a may receive funding under this section for allowable costs that exceed the
9 reimbursement the program received under section 61a. The combined payments received by a
10 program under section 61a and this section must not exceed the total allowable costs of the
11 program. A program provider shall not use more than 5% of the funds allocated under this
12 section to the program for administrative costs.

13 (10) If the allocation under subsection (1) is insufficient to fully fund payments as
14 otherwise calculated under this section, the department shall prorate payments under this
15 section on an equal percentage basis.

16 (11) If pupils enrolled in a career cluster in an eligible CTE early middle college
17 or CTE dual enrollment program qualify to be reimbursed under this section, those pupils
18 continue to qualify for reimbursement until graduation, even if the career cluster is no
19 longer identified as being in the highest 5 career cluster rankings.

20 (12) As used in this section:

21 (a) "Allowable costs" means those costs directly attributable to the program as
22 jointly determined by the department of labor and economic opportunity and the department.

23 (b) "Career and educational advisory council" means an advisory council to the local
24 workforce development boards located in a workforce development board service delivery area
25 consisting of educational, employer, labor, and parent representatives.

26 (c) "CIP" means classification of instructional programs.

27 (d) "CTE" means career and technical education programs.

28 (e) "CTE dual enrollment program" means a 4-year high school program of postsecondary
29 courses offered by eligible postsecondary educational institutions that leads to an
30 industry-recognized certification or degree.

31 (f) "Early middle college program" means a 5-year high school program.

32 (g) "Eligible postsecondary educational institution" means that term as defined in

1 section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

2 Sec. 61c. (1) From the state school aid fund money appropriated in section 11, there
3 is allocated for ~~2022-2023~~ **2023-2024** only an amount not to exceed ~~\$7,500,000.00~~
4 **\$15,000,000.00** to eligible career education planning districts for the purposes described
5 in this section. To be eligible to receive funding under this section, at least 50% of the
6 area served by a CEPD must be located in an intermediate district that did not levy a
7 vocational education millage in ~~2022-2023~~.

8 (2) To receive funding under subsection (1), each eligible CEPD must apply in a form
9 and manner prescribed by the department. Funding to each eligible CEPD must be equal to the
10 quotient of the allocation under subsection (1) and the sum of the number of career
11 education planning districts applying for funding under subsection (1) that are located in
12 an intermediate district that did not levy a vocational education millage in ~~2022-2023~~.

13 (3) At least 50% of the funding allocated to each eligible CEPD must be used to
14 update equipment in current CTE programs that have been identified in the highest 5 career
15 cluster rankings in the most recent CEPD regional strategic plans jointly approved by the
16 Michigan talent investment agency in the department of labor and economic opportunity and
17 the department, for training on new equipment, for professional development relating to
18 computer science or coding, or for new and emerging certified CTE programs to allow CEPD
19 administrators to provide programming in communities that will enhance economic
20 development. The funding for equipment should be used to support and enhance community
21 areas that have sustained job growth, and act as a commitment to build a more qualified and
22 skilled workforce. In addition, each CEPD is encouraged to explore the option of leasing
23 equipment from local private industry to encourage the use of the most advanced equipment.

24 (4) The allocation of funds at the local level must be determined by CEPD
25 administrators using data from the state, region, and local sources to make well-informed
26 decisions on program equipment improvements. Grants awarded by CEPD administrators for
27 capital infrastructure must be used to ensure that CTE programs can deliver educational
28 programs in high-wage, high-skill, and high-demand occupations. Each CEPD shall continue to
29 ensure that program advisory boards make recommendations on needed improvements for
30 equipment that support job growth and job skill development and retention for both the
31 present and the future.

32 (5) Not later than ~~September~~ **December** 15 of each fiscal year, each CEPD receiving

1 funding shall annually report to the department, the senate and house appropriations
2 subcommittees on school aid, the senate and house fiscal agencies, and legislature on
3 equipment purchased under subsection (1). In addition, the report must identify growth data
4 on program involvement, retention, and development of student skills.

5 (6) As used in this section:

6 (a) "CEPD" means a career education planning district described in this section.

7 (b) "CTE" means career and technical education.

8 Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2022-2023~~
9 **2023-2024** an amount not to exceed \$5,000,000.00 from the state school aid fund for
10 additional payments to districts for career and technical education programs for the
11 purpose of increasing the number of Michigan residents with high-quality degrees or
12 credentials, and to increase the number of pupils who are college- and career-ready upon
13 high school graduation.

14 (2) The department shall calculate payments to districts under this section in the
15 following manner:

16 (a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are
17 counted in membership in the district and are enrolled in at least 1 career and technical
18 education program.

19 (b) An additional payment of \$35.00 multiplied by the number of pupils in grades 9 to
20 12 who are counted in membership in the district and are enrolled in at least 1 career and
21 technical education program that provides instruction in critical skills and high-demand
22 career fields.

23 (3) If the allocation under subsection (1) is insufficient to fully fund payments
24 under subsection (2), the department shall prorate payments under this section on an equal
25 per-pupil basis.

26 ~~(4) If a student attends a career and technical education program at an intermediate~~
27 ~~district, the payment under subsection (2) attributable to that student must be split~~
28 ~~equally between the intermediate district providing the program and the district that~~
29 ~~counts the student in membership.~~

30 (5) As used in this section:

31 (a) "Career and technical education program" means a state-approved career and
32 technical education program, as determined by the department.

1 (b) "Career and technical education program that provides instruction in critical
2 skills and high-demand career field" means a career and technical education program
3 classified under any of the following 2-digit classification of instructional programs
4 (CIP) codes:

5 (i) 01, which refers to "agriculture, agriculture operations, and related sciences".

6 (ii) 03, which refers to "natural resources and conservation".

7 (iii) 10 through 11, which refers to "communications technologies/technicians and
8 support services" and "computer and information sciences and support services".

9 (iv) 14 through 15, which refers to "engineering" and "engineering technologies and
10 engineering-related fields".

11 (v) 26, which refers to "biological and biomedical sciences".

12 (vi) 46 through 48, which refers to "construction trades", "mechanic and repair
13 technologies/technicians", and "precision production".

14 (vii) 51, which refers to "health professions and related programs".

15 Sec. 62. (1) For the purposes of this section:

16 (a) "Membership" means for a particular fiscal year the total membership of the
17 intermediate district and the districts constituent to the intermediate district or the
18 total membership of the area vocational-technical program, except that if a district has
19 elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to
20 380.690, the membership of that district are not included in the membership of the
21 intermediate district. However, the membership of a district that has elected not to come
22 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included
23 in the membership of the intermediate district if the district meets both of the following:

24 (i) The district operates the area vocational-technical education program pursuant to
25 a contract with the intermediate district.

26 (ii) The district contributes an annual amount to the operation of the program that is
27 commensurate with the revenue that would have been raised for operation of the program if
28 millage were levied in the district for the program under sections 681 to 690 of the
29 revised school code, MCL 380.681 to 380.690.

30 (b) "Millage levied" means the millage levied for area vocational-technical education
31 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a
32 levy for debt service obligations incurred as the result of borrowing for capital outlay

1 projects and in meeting capital projects fund requirements of area vocational-technical
2 education.

3 (c) "Taxable value" means the total taxable value of the districts constituent to an
4 intermediate district or area vocational-technical education program, except that if a
5 district has elected not to come under sections 681 to 690 of the revised school code, MCL
6 380.681 to 380.690, the taxable value of that district is not included in the taxable value
7 of the intermediate district. However, the taxable value of a district that has elected not
8 to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is
9 included in the taxable value of the intermediate district if the district meets both of
10 the following:

11 (i) The district operates the area vocational-technical education program pursuant to
12 a contract with the intermediate district.

13 (ii) The district contributes an annual amount to the operation of the program that is
14 commensurate with the revenue that would have been raised for operation of the program if
15 millage were levied in the district for the program under sections 681 to 690 of the
16 revised school code, MCL 380.681 to 380.690.

17 (2) From the appropriation in section 11, there is allocated an amount not to exceed
18 \$9,190,000.00 ~~each fiscal year for 2021-2022 and for 2022-2023~~ **for 2023-2024** to reimburse
19 intermediate districts and area vocational-technical education programs established under
20 section 690(3) of the revised school code, MCL 380.690, levying millages for area
21 vocational-technical education under sections 681 to 690 of the revised school code, MCL
22 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are limited as
23 if the funds were generated by those millages.

24 ~~(3) Reimbursement for those millages levied in 2020-2021 is made in 2021-2022 at an~~
25 ~~amount per 2020-2021 membership pupil computed by subtracting from \$227,300.00 the 2020-~~
26 ~~2021 taxable value behind each membership pupil and multiplying the resulting difference by~~
27 ~~the 2020-2021 millage levied, and then subtracting from that amount the 2020-2021 local~~
28 ~~community stabilization share revenue for area vocational technical education behind each~~
29 ~~membership pupil for reimbursement of personal property exemption loss under the local~~
30 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

31 **(3) (4)** Reimbursement for those millages levied in ~~2021-2022~~ **2022-2023** is made in
32 ~~2022-2023~~ **2023-2024** at an amount per ~~2021-2022~~ **2022-2023** membership pupil computed by

1 subtracting from ~~\$237,500.00~~ **\$249,300.00** the ~~2021-2022~~ **2022-2023** taxable value behind each
2 membership pupil and multiplying the resulting difference by the ~~2021-2022~~ **2022-2023**
3 millage levied, and then subtracting from that amount the ~~2021-2022~~ **2022-2023** local
4 community stabilization share revenue for area vocational technical education and ~~2021-2022~~
5 **2022-2023** tax increment revenues captured by a brownfield redevelopment authority created
6 under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670,
7 behind each membership pupil for reimbursement of personal property exemption loss under
8 the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and
9 reimbursements paid under section 26d for tax increment revenues captured by a brownfield
10 redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL
11 125.2651 to 125.2670.

12 (4) ~~(5)~~ The department shall ensure that the amount paid to a single intermediate
13 district under this section does not exceed 38.4% of the total amount allocated under
14 subsection (2).

15 (5) ~~(6)~~ The department shall ensure that the amount paid to a single intermediate
16 district under this section is not less than 75% of the amount allocated to the
17 intermediate district under this section for the immediately preceding fiscal year.

18 Sec. 65. (1) From the appropriation under section 11, there is allocated an amount
19 not to exceed \$900,000.00 for ~~2022-2023 only~~ **2023-2024** for a pre-college engineering K-12
20 educational program that is focused on the development of a diverse future Michigan
21 workforce, that serves multiple communities within southeast Michigan, that enrolls pupils
22 from multiple districts, and that received funds appropriated for this purpose in the
23 appropriations act that provided the Michigan strategic fund budget for 2014-2015. ~~It is~~
24 ~~the intent of the legislature that, for 2023-2024, the allocation from the state school aid~~
25 ~~fund money appropriated in section 11 for purposes described in this section will be~~
26 ~~\$400,000.00.~~

27 (2) To be eligible for funding under this section, a program must have the ability to
28 expose pupils to, and motivate and prepare pupils for, science, technology, engineering,
29 and mathematics careers and postsecondary education with special attention given to groups
30 of pupils who are at-risk and underrepresented in technical professions and careers.

31 Sec. 67. (1) From the general fund money appropriated in section 11, there is
32 allocated an amount not to exceed \$3,000,000.00 for ~~2022-2023~~ **2023-2024** for college access

1 programs. The programs funded under this section are intended to inform students of college
2 and career options and to provide resources intended to increase the number of pupils who
3 are adequately prepared with the information needed to make informed decisions on college
4 and career. The funds appropriated under this section are intended to be used to increase
5 the number of Michigan residents with high-quality degrees or credentials. Funds
6 appropriated under this section must not be used to supplant funding for counselors already
7 funded by districts.

8 (2) The department of labor and economic opportunity shall administer funds allocated
9 under this section in collaboration with the Michigan college access network. These funds
10 may be used for any of the following purposes:

11 (a) Michigan college access network operations, programming, and services to local
12 college access networks.

13 (b) Local college access networks, which are community-based college access/success
14 partnerships committed to increasing the college participation and completion rates within
15 geographically defined communities through a coordinated strategy.

16 (c) The Michigan college advising program, a program intended to place trained,
17 recently graduated college advisors in high schools that serve significant numbers of low-
18 income and first-generation college-going pupils. State funds used for this purpose may not
19 exceed 33% of the total funds available under this subsection.

20 (d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that
21 establish a college access team and implement specific strategies to create a college-going
22 culture in a high school in a form and manner approved by the Michigan college access
23 network and the department of labor and economic opportunity.

24 (e) The Michigan college access portal, an online one-stop portal to help pupils and
25 families plan and apply for college.

26 (f) Public awareness and outreach campaigns to encourage low-income and first-
27 generation college-going pupils to take necessary steps toward college and to assist pupils
28 and families in completing a timely and accurate free application for federal student aid.

29 (g) Subgrants to postsecondary institutions to recruit, hire, and train college
30 student mentors and college advisors to assist high school pupils in navigating the
31 postsecondary planning and enrollment process.

32 (3) For the purposes of this section, "college" means any postsecondary educational

1 opportunity that leads to a career, including, but not limited to, a postsecondary degree,
2 industry-recognized technical certification, or registered apprenticeship.

3 **Sec. 67f. (1)** From the state school aid fund money appropriated in section 11, there
4 is allocated for 2023-2024 only an amount not to exceed \$15,000,000.00 for the FAFSA
5 completion challenge. Funds allocated under this section must be distributed to districts
6 to improve FAFSA completion rates.

7 **(2)** To be eligible to receive funding under this section, each district must apply in
8 a form and manner determined by the department. As part of the application, the district
9 must demonstrate to the department that each high school from the applying district
10 receiving funds under this section has a data use agreement on file with the department of
11 treasury naming at least one data receiver designee to access student-level data regarding
12 FAFSA completion.

13 **(3)** No later than November 30, 2023, the department must pay each eligible district
14 an amount not to exceed \$50.00 multiplied by the number of students enrolled and attending
15 12th grade in the district. The receiving district must use funds received under this
16 subsection for participation in and implementation of activities that are known to drive
17 FAFSA completion, as determined by the department, in collaboration with the Michigan
18 college access network. Districts may use funds under this subsection to purchase gift
19 cards of \$50.00 to be disbursed for students who have submitted their FAFSA on or prior to
20 May 1, 2024.

21 **(4)** No later than May 31, 2024, the department must pay each eligible district an
22 amount not to exceed \$50.00 multiplied by the number of students enrolled and attending
23 12th grade in the district who submitted a FAFSA on or prior to May 1, 2024. The district
24 must use funds received under this subsection for the purchase and distribution of gift
25 cards for 12th grade students who submitted their FAFSA on or prior to May 1, 2024. For
26 this subsection, the amount of funding a district used from subsection (3) to purchase gift
27 cards up to \$50.00 for each student who submitted their FAFSA on or prior to May 1, 2024,
28 must be used for participation in and implementation of activities that are known to drive
29 FAFSA completion, as determined by the department, in collaboration with the Michigan
30 college access network.

31 **(5)** No later than August 1, 2024, the department must pay each eligible district an
32 amount not to exceed \$50.00 multiplied by the number of students enrolled and attending

1 12th grade in the district who submitted a FAFSA prior to June 30, 2024. Funds received
2 under this subsection may be used for discretionary purposes, as determined by the
3 districts, though districts are encouraged to use funds received under this subsection to
4 continue work to improve FAFSA completion rates.

5 (6) The department must collaborate with the department of treasury to verify
6 eligible FAFSA completion counts for the purposes of calculating payments under subsections
7 (4) and (5).

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

10 (8) As used in the section, "FAFSA" means the free application for federal student
11 aid form.

12 Sec. 74. (1) From the state school aid fund money appropriated in section 11, there
13 is allocated an amount not to exceed ~~\$3,964,800.00 for 2021-2022~~ and there is allocated an
14 ~~amount not to exceed \$3,844,200.00~~ **\$3,842,700.00** for ~~2022-2023~~ **2023-2024** for the purposes
15 of this section.

16 (2) From the allocation in subsection (1), there is allocated for ~~2021-2022 and for~~
17 ~~2022-2023~~ **2023-2024** the amount necessary for payments to state supported colleges or
18 universities and intermediate districts providing school bus driver safety instruction
19 under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department
20 shall make payments in an amount determined by the department not to exceed the actual cost
21 of instruction and driver compensation for each public or nonpublic school bus driver
22 attending a course of instruction. For the purpose of computing compensation, the hourly
23 rate allowed each school bus driver must not exceed the hourly rate received for driving a
24 school bus. The department shall make reimbursement compensating the driver during the
25 course of instruction to the college or university or intermediate district providing the
26 course of instruction.

27 (3) From the allocation in subsection (1), there is allocated for ~~2021-2022 and for~~
28 ~~2022-2023~~ **2023-2024** the amount necessary to pay the reasonable costs of nonspecial
29 education auxiliary services transportation provided under section 1323 of the revised
30 school code, MCL 380.1323. Districts funded under this subsection do not receive funding
31 under any other section of this article for nonspecial education auxiliary services
32 transportation.

1 (4) From the funds allocated in subsection (1), there is allocated an amount not to
2 exceed ~~\$1,780,800.00 for 2021-2022 and there is allocated an amount not to exceed~~
3 ~~\$1,819,200.00~~ **\$1,817,700.00** for ~~2022-2023~~ **2023-2024** for reimbursement to districts and
4 intermediate districts for costs associated with the inspection of school buses and pupil
5 transportation vehicles by the department of state police as required under section 715a of
6 the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil
7 transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare
8 a statement of costs attributable to each district for which bus inspections are provided
9 and submit it to the department and to an intermediate district serving as fiduciary in a
10 time and manner determined jointly by the department and the department of state police.
11 Upon review and approval of the statement of cost, the department shall forward to the
12 designated intermediate district serving as fiduciary the amount of the reimbursement on
13 behalf of each district and intermediate district for costs detailed on the statement
14 within 45 days after receipt of the statement. The designated intermediate district shall
15 make payment in the amount specified on the statement to the department of state police
16 within 45 days after receipt of the statement. The total reimbursement of costs under this
17 subsection must not exceed the amount allocated under this subsection. Notwithstanding
18 section 17b, the department shall make payments to eligible entities under this subsection
19 on a schedule prescribed by the department.

20 **Sec. 74b. (1) From the state school aid fund money appropriated in section 11, there**
21 **is allocated for 2023-2024 only an amount not to exceed \$150,000,000.00 for grants under**
22 **the Michigan clean school bus grant program. Funds under this section must be administered**
23 **through the department's MI Clean Fleet initiative which supports the conversion of**
24 **vehicular fleets to low or no greenhouse gas emissions operations as determined by the**
25 **department.**

26 (2) Qualified recipients must apply for funding in a form and manner determined by
27 the department. Qualified recipients must agree to be responsive to legitimate and
28 reasonable requests from the state to support the promotion, education, and operation of EV
29 school buses, including participating in and offering of ride events for the public and
30 drive events for other school bus drivers as allowable by insurance.

31 (3) The department must award funding under this section on a prioritization basis,
32 with funds covering 90% of the cost for prioritized qualified recipients and 70% of costs

1 for non-prioritized qualified recipients. The department may cap total funding amounts per
2 qualified recipient. Funding under this may not be used for maintenance or operational
3 costs of new or existing vehicles.

4 (4) The department must establish eligibility standards for replacement and new bus
5 purchases, including eligibility standards for which types of buses are eligible for
6 purchase with funds under this section. For a qualified recipient that is a privately-owned
7 school bus company, the qualified recipient must agree to repay a portion of amounts
8 received from funds under this section if the qualified recipient does not maintain a
9 service contract with a public school district for the useful life of vehicles purchased
10 with funds under this section. The department must determine a repayment amount based on
11 the projected useful life of the vehicle purchased, the number of years in which the
12 privately-owned school bus company maintained a service contract with a public school
13 district, and the total amount of funding received under this section.

14 (5) The department must create and publicly post selection criteria and
15 prioritization of qualified recipients. The department shall utilize federal Justice40
16 parameters for this process. Criteria shall give preference to school districts in:

17 (a) National Ambient Air Quality Standards (NAAQS) non-attainment zones.

18 (b) Environmental Justice communities as identified by the state's MiEJScreen
19 Environmental Justice Screening Tool.

20 (c) Small Area Income and Poverty Estimates (SAIPE) Program areas.

21 (d) Rural areas as defined by locale codes "43-Rural: Remote" and "42-Rural: Distant"
22 by the National Center for Education Statistics.

23 (e) Communities with high free and reduced lunch participation rates.

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

26 (7) The funds allocated under this section for 2023-2024 are a work project
27 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
28 The purpose of the work project is to provide support for qualified recipients to
29 transition to environmentally friendly transportation vehicles. The estimated completion
30 date of the work project is September 30, 2027.

31 (8) As used in this section:

32 (a) "Department" means the department of environment, great lakes, and energy.

1 **(b) "Qualified recipient" means a district, an intermediate district, or a privately-**
2 **owned school bus company under contract with a public school district.**

3 Sec. 81. (1) From the state school aid fund money appropriated in section 11, there
4 is allocated for ~~2022-2023-2023-2024~~ to the intermediate districts the sum necessary, but
5 not to exceed ~~\$75,642,600.00~~ **\$79,424,700.00** to provide state aid to intermediate districts
6 under this section.

7 (2) The amount allocated under this section for ~~2022-2023-2023-2024~~ to each
8 intermediate district is an amount equal to ~~105.2%~~ **105.0%** of the amount allocated to the
9 intermediate district under this section for ~~2021-2022.~~ **2022-2023**. An intermediate district
10 shall use funding provided under this section to comply with requirements of this article
11 and the revised school code that are applicable to intermediate districts, and for which
12 funding is not provided elsewhere in this article, and to provide technical assistance to
13 districts as authorized by the intermediate school board.

14 (3) Intermediate districts receiving funds under this section shall collaborate with
15 the department to develop expanded professional development opportunities for teachers to
16 update and expand their knowledge and skills needed to support the Michigan merit
17 curriculum.

18 (4) From the allocation in subsection (1), there is allocated to an intermediate
19 district, formed by the consolidation or annexation of 2 or more intermediate districts or
20 the attachment of a total intermediate district to another intermediate district or the
21 annexation of all of the constituent K-12 districts of a previously existing intermediate
22 district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for
23 each intermediate district included in the new intermediate district for 3 years following
24 consolidation, annexation, or attachment.

25 (5) In order to receive funding under this section, an intermediate district shall do
26 all of the following:

27 (a) Demonstrate to the satisfaction of the department that the intermediate district
28 employs at least 1 person who is trained in pupil accounting and auditing procedures,
29 rules, and regulations.

30 (b) Demonstrate to the satisfaction of the department that the intermediate district
31 employs at least 1 person who is trained in rules, regulations, and district reporting
32 procedures for the individual-level student data that serves as the basis for the

1 calculation of the district and high school graduation and dropout rates.

2 (c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a
3 and 380.1278b.

4 (d) Furnish data and other information required by state and federal law to the
5 center and the department in the form and manner specified by the center or the department,
6 as applicable.

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

8 ~~(f) Provide advice, guidance, and leadership to assist all districts located within
9 its geographic boundaries to assist in the preparedness and response efforts toward
10 addressing COVID-19. At a minimum, this must include the coordination and collaboration
11 with any local public health agency that has jurisdiction within the intermediate
12 district's geographic boundaries and may include the coordination of bulk purchasing of
13 personal protective equipment, technology, or other products or services necessary for
14 students to return to school.~~

15 ~~(g) Ensure that all districts located within its geographic boundaries have equitable
16 access to the intermediate district's coordination activities and services, intermediate
17 district-wide or regional meetings, regularly scheduled superintendent meetings,
18 programming, events, email distribution lists, listservs, or other coordination or
19 collaboration activities organized by or hosted at the intermediate district. In ensuring
20 that all districts located within the geographic boundaries of the intermediate district
21 have equitable access to services, meetings, programming, events, email distribution lists,
22 listservs, or activities as described in the immediately preceding sentence, the
23 intermediate district shall ensure that districts that are public school academies that are
24 located within its geographic boundaries are not excluded from said services, meetings,
25 programming, events, email distribution lists, listservs, or activities organized by or
26 hosted at the intermediate district if districts that are not public school academies that
27 are located within the geographic boundaries of the intermediate district are not excluded.~~

28 Sec. 94. (1) From the general fund money appropriated in section 11, there is
29 allocated to the department for ~~2022-2023~~ **2023-2024** an amount not to exceed \$1,200,000.00
30 for efforts to increase the number of pupils who participate and succeed in advanced
31 placement and international baccalaureate programs, and to support the college-level
32 examination program (CLEP).

1 (2) From the funds allocated under this section, the department shall award funds to
2 cover all or part of the costs of advanced placement test fees or international
3 baccalaureate test fees and international baccalaureate registration fees for low-income
4 pupils who take an advanced placement or an international baccalaureate test and CLEP fees
5 for low-income pupils who take a CLEP test.

6 (3) The department shall only award funds under this section if the department
7 determines that all of the following criteria are met:

8 (a) Each pupil for whom payment is made meets eligibility requirements of the federal
9 advanced placement test fee program under the no child left behind act of 2001, Public Law
10 107-110, or the every student succeeds act, Public Law 114-95, as applicable.

11 (b) The tests are administered by the college board, the international baccalaureate
12 organization, or another test provider approved by the department.

13 (c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each
14 test for which payment is made.

15 (4) The department shall establish procedures for awarding funds under this section.

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

18 Sec. 94a. (1) There is created within the state budget office in the department of
19 technology, management, and budget the center for educational performance and information.
20 The center shall do all of the following:

21 (a) Coordinate the collection of all data required by state and federal law from
22 districts, intermediate districts, and postsecondary institutions.

23 (b) Create, maintain, and enhance this state's P-20 longitudinal data system and
24 ensure that it meets the requirements of subsection (4).

25 (c) Collect data in the most efficient manner possible in order to reduce the
26 administrative burden on reporting entities, including, but not limited to, electronic
27 transcript services.

28 (d) Create, maintain, and enhance this state's web-based educational portal to
29 provide information to school leaders, teachers, researchers, and the public in compliance
30 with all federal and state privacy laws. Data must include, but are not limited to, all of
31 the following:

32 (i) Data sets that link teachers to student information, allowing districts to assess

1 individual teacher impact on student performance and consider student growth factors in
2 teacher and principal evaluation systems.

3 (ii) Data access or, if practical, data sets, provided for regional data hubs that, in
4 combination with local data, can improve teaching and learning in the classroom.

5 (iii) Research-ready data sets for researchers to perform research that advances this
6 state's educational performance.

7 (e) Provide data in a useful manner to allow state and local policymakers to make
8 informed policy decisions.

9 (f) Provide public reports to the residents of this state to allow them to assess
10 allocation of resources and the return on their investment in the education system of this
11 state.

12 (g) Other functions as assigned by the state budget director.

13 (2) Each state department, officer, or agency that collects information from
14 districts, intermediate districts, or postsecondary institutions as required under state or
15 federal law shall make arrangements with the center to ensure that the state department,
16 officer, or agency is in compliance with subsection (1). This subsection does not apply to
17 information collected by the department of treasury under the uniform budgeting and
18 accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001
19 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act,
20 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL
21 380.1351a.

22 (3) The center may enter into any interlocal agreements necessary to fulfill its
23 functions.

24 (4) The center shall ensure that the P-20 longitudinal data system required under
25 subsection (1)(b) meets all of the following:

26 (a) Includes data at the individual student level from preschool through
27 postsecondary education and into the workforce.

28 (b) Supports interoperability by using standard data structures, data formats, and
29 data definitions to ensure linkage and connectivity in a manner that facilitates the
30 exchange of data among agencies and institutions within the state and between states.

31 (c) Enables the matching of individual teacher and student records so that an
32 individual student may be matched with those teachers providing instruction to that

1 student.

2 (d) Enables the matching of individual teachers with information about their
3 certification and the institutions that prepared and recommended those teachers for state
4 certification.

5 (e) Enables data to be easily generated for continuous improvement and decision-
6 making, including timely reporting to parents, teachers, and school leaders on student
7 achievement.

8 (f) Ensures the reasonable quality, validity, and reliability of data contained in
9 the system.

10 (g) Provides this state with the ability to meet federal and state reporting
11 requirements.

12 (h) For data elements related to preschool through grade 12 and postsecondary, meets
13 all of the following:

14 (i) Contains a unique statewide student identifier that does not permit a student to
15 be individually identified by users of the system, except as allowed by federal and state
16 law.

17 (ii) Contains student-level enrollment, demographic, and program participation
18 information **including data associated with students who have been identified as having an**
19 **affiliation to one or more federally recognized Indian tribes, and student participation in**
20 **federal programs funded under title VI of the elementary and secondary education act of**
21 **1965, 20 USC 7401 to 7546 and participation in federal programs funded under the Johnson-**
22 **O'Malley supplemental Indian education program modernization act, Public Law 115-404.**

23 (iii) Contains student-level information about the points at which students exit,
24 transfer in, transfer out, drop out, or complete education programs.

25 (iv) Has the capacity to communicate with higher education data systems.

26 (i) For data elements related to preschool through grade 12 only, meets all of the
27 following:

28 (i) Contains yearly test records of individual students for assessments approved by
29 DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary
30 education act of 1965, 20 USC 6311, including information on individual students not
31 tested, by grade and subject.

32 (ii) Contains student-level transcript information, including information on courses

1 completed and grades earned.

2 (iii) Contains student-level college readiness test scores.

3 (j) For data elements related to postsecondary education only:

4 (i) Contains data that provide information regarding the extent to which individual
5 students transition successfully from secondary school to postsecondary education,
6 including, but not limited to, all of the following:

7 (A) Enrollment in remedial coursework.

8 (B) Completion of 1 year's worth of college credit applicable to a degree within 2
9 years of enrollment.

10 (ii) Contains data that provide other information determined necessary to address
11 alignment and adequate preparation for success in postsecondary education.

12 (5) From the general fund money appropriated in section 11, there is allocated an
13 amount not to exceed ~~\$19,032,300.00~~ **\$18,988,600.00** for ~~2022-2023~~ **2023-2024** to the
14 department of technology, management, and budget to support the operations of the center.
15 In addition, from the federal funds appropriated in section 11, there is allocated for
16 ~~2022-2023~~ **2023-2024** the amount necessary, estimated at \$193,500.00, to support the
17 operations of the center and to establish a P-20 longitudinal data system necessary for
18 state and federal reporting purposes. The center shall cooperate with the department to
19 ensure that this state is in compliance with federal law and is maximizing opportunities
20 for increased federal funding to improve education in this state.

21 (6) From the funds allocated in subsection (5), the center may use an amount
22 determined by the center for competitive grants for ~~2022-2023~~ **2023-2024** to support
23 collaborative efforts on the P-20 longitudinal data system. All of the following apply to
24 grants awarded under this subsection:

25 (a) The center shall award competitive grants to eligible intermediate districts or a
26 consortium of intermediate districts based on criteria established by the center.

27 (b) Activities funded under the grant must support the P-20 longitudinal data system
28 portal and may include portal hosting, hardware and software acquisition, maintenance,
29 enhancements, user support and related materials, and professional learning tools and
30 activities aimed at improving the utility of the P-20 longitudinal data system.

31 (c) An applicant that received a grant under this subsection for the immediately
32 preceding fiscal year has priority for funding under this section. However, after 3 fiscal

1 years of continuous funding, an applicant is required to compete openly with new
2 applicants.

3 (7) Funds allocated under this section that are not expended in the fiscal year in
4 which they were allocated may be carried forward to a subsequent fiscal year and are
5 appropriated for the purposes for which the funds were originally allocated.

6 (8) The center may bill departments as necessary in order to fulfill reporting
7 requirements of state and federal law. The center may also enter into agreements to supply
8 custom data, analysis, and reporting to other principal executive departments, state
9 agencies, local units of government, and other individuals and organizations. The center
10 may receive and expend funds in addition to those authorized in subsection (5) to cover the
11 costs associated with salaries, benefits, supplies, materials, and equipment necessary to
12 provide such data, analysis, and reporting services.

13 (9) As used in this section, "DED-OESE" means the United States Department of
14 Education Office of Elementary and Secondary Education.

15 Sec. 97. (1) From the state school aid fund money appropriated in section 11, there
16 is allocated ~~\$150,000,000.00~~ **\$300,000,000.00** for ~~2022-2023~~ **2023-2024** only, and from the
17 general fund money appropriated in section 11, there is allocated \$18,000,000.00 for ~~2022-~~
18 ~~2023-2023-2024~~ only, to provide payments to districts, **intermediate districts**, and
19 nonpublic schools for activities to improve student safety. **It is intended that half the**
20 **state school aid fund money allocated in this section are distributed to districts and**
21 **intermediate districts during 2023-2024 and half are distributed during 2024-2025.**

22 Allowable expenditures of funds allocated under this section include, but are not limited
23 to, the following:

24 (a) Coordination with local law enforcement.

25 (b) Training for school staff on threat assessment.

26 (c) Training for school staff and students on threat response.

27 (d) Training for school staff on crisis communication.

28 (e) Safety infrastructure, including, but not limited to, cameras, door blocks,
29 hardened vestibules, window screening, and technology necessary to operate buzzer systems.
30 This may also include firearm detection software that integrates to existing security
31 cameras to detect and alert school personnel and first responders to visible firearms on
32 school property. The software described in the immediately preceding sentence must be

1 organically developed and proprietary to the company it is purchased from and should not
2 include any third-party or open-source data.

3 (f) Age-appropriate training for students and families on responsible gun ownership.

4 (g) Providing professional development to school resource officers that includes
5 training on the best practices for serving in a school setting.

6 (h) Any other school safety service or product necessary to improve or maintain
7 security in buildings.

8 (2) From the state school aid fund money allocated in subsection (1), the department
9 shall make payments to districts **and intermediate districts** in an equal amount per pupil
10 based on the total number of pupils in membership in each district **and intermediate**
11 **district**. From the general fund money allocated in subsection (1), the department shall
12 make payments to nonpublic schools in an equal amount per pupil, using pupil counts
13 determined by the department. The department shall ensure that the amount per pupil paid to
14 nonpublic schools does not exceed the amount per pupil paid to districts **and intermediate**
15 **districts**.

16 (3) If funding remains after the distribution of funds described in subsection (2),
17 the department may provide additional per-pupil allocations to allocate remaining funding,
18 using for those calculations the same requirements described in subsection (2).

19 (4) To receive funding under this section, districts, **intermediate districts**, and
20 nonpublic schools must apply for the funding in a form and manner prescribed by the
21 department. As part of the application process described in this subsection, districts,
22 **intermediate districts**, and nonpublic schools must document how they will use community
23 input to guide the expenditure of these funds and must commit to hosting at least 1
24 community conversation about school safety and student mental health.

25 **(5) The funds allocated under this section for 2023-2024 are a work project**
26 **appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.**
27 **The purpose of the work project is to increase school safety as described in this section.**
28 **The estimated completion date of the work project is September 30, 2025.**

29 ~~(6)~~ (5) Notwithstanding section 17b, the department shall make payments under this
30 section on a schedule determined by the department.

31 **Sec. 97g. (1) From the state school aid fund money appropriated in section 11, there**
32 **is allocated for 2023-2024 only an amount not to exceed \$9,000,000.00 for grants to**

1 districts and intermediate districts for the purposes of this section.

2 (2) To receive payments under this section, a district or intermediate district must
3 apply for the grant in a form and manner prescribed by the department.

4 (3) The department shall make grant payments from funding under this section in an
5 amount not to exceed \$10,000.00 per eligible district or intermediate district for the
6 purpose of contracting with eligible cybersecurity risk assessment providers to perform a
7 cybersecurity risk assessment for the district or intermediate district. Risk assessments
8 funded under this section must, at a minimum, include all of the following:

9 (a) An identification of information technologies operated by the district or
10 intermediate district and the various risks that could affect those assets.

11 (b) An assessment of the levels of risks affecting the assets identified in
12 subdivision (a).

13 (c) An identification of controls that should be implemented by the district or
14 intermediate district to mitigate the risks described in subdivision (b).

15 (4) If, after awarding funding under subsection (3), funding remains from the
16 allocation under subsection (1), the department may award additional payments to districts
17 and intermediate districts on a competitive basis for the purposes of implementing cyber
18 security controls identified under subdivision (3)(c), and for training to avoid phishing
19 attacks, for implementation of multi-factor authentication, and for deployment of off-site
20 backup options. A district or intermediate district is only eligible for funding under this
21 subsection if it was awarded funding under subsection (3). The department must prioritize
22 funding under this subsection toward districts or intermediate districts based on the
23 projected costs of implementing controls identified in subsection (3)(c) and the ability of
24 the district or intermediate district to pay for these costs based on the available fund
25 balance of the district or intermediate district.

26 (5) The funds allocated under this section for 2023-2024 are a work project
27 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
28 The purpose of the work project is to increase cybersecurity in districts and intermediate
29 districts. The estimated completion date of the work project is September 30, 2025.

30 (6) For the purposes of this section, the department, in consultation with the
31 department of technology, management and budget shall determine a list of eligible
32 cybersecurity risk assessment providers for the purposes of this section.

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

3 Sec. 98. (1) From the general fund money appropriated in section 11, there is
4 allocated an amount not to exceed ~~\$8,000,000.00~~ **\$9,300,000.00** for ~~2022-2023~~ **2023-2024** for
5 the purposes described in this section. ~~It is the intent of the legislature that, for 2023-~~
6 ~~2024, the allocation from the general fund money appropriated in section 11 for purposes~~
7 ~~described in this section will be \$7,500,000.00.~~ The Michigan Virtual University shall
8 provide a report to the legislature not later than November 1 of each fiscal year for which
9 funding is allocated under this section that includes its mission, its plans, and proposed
10 benchmarks it must meet, including a plan to achieve the organizational priorities
11 identified in this section, in order to receive full funding for the next fiscal year for
12 which funding is allocated under this section. Not later than March 1 of each fiscal year
13 for which funding is allocated under this section, the Michigan Virtual University shall
14 provide an update to the house and senate appropriations subcommittees on school aid to
15 show the progress being made to meet the benchmarks identified.

16 (2) The Michigan Virtual University shall operate the Michigan Virtual Learning
17 Research Institute. The Michigan Virtual Learning Research Institute shall do all of the
18 following:

19 (a) Support and accelerate innovation in education through the following activities:

20 (i) Test, evaluate, and recommend as appropriate new technology-based instructional
21 tools and resources.

22 (ii) Research, design, and recommend virtual education delivery models for use by
23 pupils and teachers that include age-appropriate multimedia instructional content.

24 (iii) Research, develop, and recommend annually to the department criteria by which
25 cyber schools and virtual course providers should be monitored and evaluated to ensure a
26 quality education for their pupils.

27 (iv) Based on pupil completion and performance data reported to the department or the
28 center from cyber schools and other virtual course providers operating in this state,
29 analyze the effectiveness of virtual learning delivery models in preparing pupils to be
30 college- and career-ready and publish a report that highlights enrollment totals,
31 completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research
32 Institute shall submit the report to the house and senate appropriations subcommittees on

1 school aid, the state budget director, the house and senate fiscal agencies, the
2 department, districts, and intermediate districts not later than March 31 of each fiscal
3 year for which funding is allocated under this section.

4 (v) Provide an extensive professional development program to at least 30,000
5 educational personnel, including teachers, school administrators, and school board members,
6 that focuses on the effective integration of virtual learning into curricula and
7 instruction. The Michigan Virtual Learning Research Institute is encouraged to work with
8 the MiSTEM council described in section 99s to coordinate professional development of
9 teachers in applicable fields. In addition, the Michigan Virtual Learning Research
10 Institute and external stakeholders are encouraged to coordinate with the department for
11 professional development in this state, **including professional development for employees in**
12 **childcare facilities, early childhood facilities, and after-school programs.** Not later than
13 December 1 of each fiscal year for which funding is allocated under this section, the
14 Michigan Virtual Learning Research Institute shall submit a report to the house and senate
15 appropriations subcommittees on school aid, the state budget director, the house and senate
16 fiscal agencies, and the department on the number of teachers, school administrators, and
17 school board members who have received professional development services from the Michigan
18 Virtual University. The report must also include both of the following:

19 (A) The identification of barriers and other opportunities to encourage the adoption
20 of virtual learning in the public education system.

21 (B) A link to, and explanation of, the Michigan Virtual University's online course
22 standards for professional development programming. The standards described in this sub-
23 subparagraph must inform learners how to file a complaint about course content and detail
24 the steps that will be taken for the review and resolution of complaints.

25 (vi) Identify and share best practices for planning, implementing, and evaluating
26 virtual and blended education delivery models with intermediate districts, districts, and
27 public school academies to accelerate the adoption of innovative education delivery models
28 statewide.

29 (b) Provide leadership for this state's system of virtual learning education by doing
30 the following activities:

31 (i) Develop and report policy recommendations to the governor and the legislature
32 that accelerate the expansion of effective virtual learning in this state's schools.

1 (ii) Provide a clearinghouse for research reports, academic studies, evaluations, and
2 other information related to virtual learning.

3 (iii) Promote and distribute the most current instructional design standards and
4 guidelines for virtual teaching.

5 (iv) In collaboration with the department and interested colleges and universities in
6 this state, support implementation and improvements related to effective virtual learning
7 instruction.

8 (v) Pursue public/private partnerships that include districts to study and implement
9 competency-based technology-rich virtual learning models.

10 (vi) Create a statewide network of school-based mentors serving as liaisons between
11 pupils, virtual instructors, parents, and school staff, as provided by the department or
12 the center, and provide mentors with research-based training and technical assistance
13 designed to help more pupils be successful virtual learners.

14 (vii) Convene focus groups and conduct annual surveys of teachers, administrators,
15 pupils, parents, and others to identify barriers and opportunities related to virtual
16 learning.

17 (viii) Produce an annual consumer awareness report for schools and parents about
18 effective virtual education providers and education delivery models, performance data, cost
19 structures, and research trends.

20 (ix) Provide an internet-based platform that educators can use to create student-
21 centric learning tools and resources for sharing in the state's open educational resource
22 repository and facilitate a user network that assists educators in using the content
23 creation platform and state repository for open educational resources. As part of this
24 initiative, the Michigan Virtual University shall work collaboratively with districts and
25 intermediate districts to establish a plan to make available virtual resources that align
26 to Michigan's K-12 curriculum standards for use by students, educators, and parents.

27 (x) Create and maintain a public statewide catalog of virtual learning courses being
28 offered by all public schools and community colleges in this state. The Michigan Virtual
29 Learning Research Institute shall identify and develop a list of nationally recognized best
30 practices for virtual learning and use this list to support reviews of virtual course
31 vendors, courses, and instructional practices. The Michigan Virtual Learning Research
32 Institute shall also provide a mechanism for intermediate districts to use the identified

1 best practices to review content offered by constituent districts. The Michigan Virtual
2 Learning Research Institute shall review the virtual course offerings of the Michigan
3 Virtual University, and make the results from these reviews available to the public as part
4 of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure
5 that the statewide catalog is made available to the public on the Michigan Virtual
6 University website and shall allow the ability to link it to each district's website as
7 provided for in section 21f. The statewide catalog must also contain all of the following:

8 (A) The number of enrollments in each virtual course in the immediately preceding
9 school year.

10 (B) The number of enrollments that earned 60% or more of the total course points for
11 each virtual course in the immediately preceding school year.

12 (C) The pass rate for each virtual course.

13 (xi) Support registration, payment services, and transcript functionality for the
14 statewide catalog and train key stakeholders on how to use new features.

15 (xii) Collaborate with key stakeholders to examine district level accountability and
16 teacher effectiveness issues related to virtual learning under section 21f and make
17 findings and recommendations publicly available.

18 (xiii) Provide a report on the activities of the Michigan Virtual Learning Research
19 Institute.

20 (3) To further enhance its expertise and leadership in virtual learning, the Michigan
21 Virtual University shall continue to operate the Michigan Virtual School as a statewide
22 laboratory and quality model of instruction by implementing virtual and blended learning
23 solutions for Michigan schools in accordance with the following parameters:

24 (a) The Michigan Virtual School must maintain its accreditation status from
25 recognized national and international accrediting entities.

26 (b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the
27 amount allocated under this section to subsidize the cost paid by districts for virtual
28 courses.

29 (c) In providing educators responsible for the teaching of virtual courses as
30 provided for in this section, the Michigan Virtual School shall follow the requirements to
31 request and assess, and the department of state police shall provide, a criminal history
32 check and criminal records check under sections 1230 and 1230a of the revised school code,

1 MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a
2 school district under those sections.

3 (4) From the funds allocated under subsection (1), the Michigan Virtual University
4 shall allocate up to \$500,000.00 to support the expansion of new online and blended
5 educator professional development programs.

6 (5) If the course offerings are included in the statewide catalog of virtual courses
7 under subsection (2) (b) (x), the Michigan Virtual School operated by the Michigan Virtual
8 University may offer virtual course offerings, including, but not limited to, all of the
9 following:

10 (a) Information technology courses.

11 (b) College level equivalent courses, as that term is defined in section 1471 of the
12 revised school code, MCL 380.1471.

13 (c) Courses and dual enrollment opportunities.

14 (d) Programs and services for at-risk pupils.

15 (e) High school equivalency test preparation courses for adjudicated youth.

16 (f) Special interest courses.

17 (g) Professional development programs for teachers, school administrators, other
18 school employees, and school board members.

19 (6) If a home-schooled or nonpublic school student is a resident of a district that
20 subscribes to services provided by the Michigan Virtual School, the student may use the
21 services provided by the Michigan Virtual School to the district without charge to the
22 student beyond what is charged to a district pupil using the same services.

23 (7) Not later than December 1 of each fiscal year for which funding is allocated
24 under this section, the Michigan Virtual University shall provide a report to the house and
25 senate appropriations subcommittees on school aid, the state budget director, the house and
26 senate fiscal agencies, and the department that includes at least all of the following
27 information related to the Michigan Virtual School for the preceding fiscal year:

28 (a) A list of the districts served by the Michigan Virtual School.

29 (b) A list of virtual course titles available to districts.

30 (c) The total number of virtual course enrollments and information on registrations
31 and completions by course.

32 (d) The overall course completion rate percentage.

1 (8) In addition to the information listed in subsection (7), the report under
2 subsection (7) must also include a plan to serve at least 600 schools with courses from the
3 Michigan Virtual School or with content available through the internet-based platform
4 identified in subsection (2) (b) (ix).

5 (9) The governor may appoint an advisory group for the Michigan Virtual Learning
6 Research Institute established under subsection (2). The members of the advisory group
7 serve at the pleasure of the governor and without compensation. The purpose of the advisory
8 group is to make recommendations to the governor, the legislature, and the president and
9 board of the Michigan Virtual University that will accelerate innovation in this state's
10 education system in a manner that will prepare elementary and secondary students to be
11 career and college ready and that will promote the goal of increasing the percentage of
12 residents of this state with high-quality degrees and credentials to at least 60% by 2025.

13 (10) Not later than November 1 of each fiscal year for which funding is allocated
14 under this section, the Michigan Virtual University shall submit to the house and senate
15 appropriations subcommittees on school aid, the state budget director, and the house and
16 senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on
17 its projected costs to deliver virtual educational services to districts and a summary of
18 the anticipated fees to be paid by districts for those services. Not later than March 1
19 each fiscal year for which funding is allocated under this section, the Michigan Virtual
20 University shall submit to the house and senate appropriations subcommittees on school aid,
21 the state budget director, and the house and senate fiscal agencies a breakdown on its
22 actual costs to deliver virtual educational services to districts and a summary of the
23 actual fees paid by districts for those services based on audited financial statements for
24 the immediately preceding fiscal year.

25 (11) As used in this section:

26 (a) "Blended learning" means a hybrid instructional delivery model where pupils are
27 provided content, instruction, and assessment, in part at a supervised educational facility
28 away from home where the pupil and a teacher with a valid Michigan teaching certificate are
29 in the same physical location and in part through internet-connected learning environments
30 with some degree of pupil control over time, location, and pace of instruction.

31 (b) "Cyber school" means a full-time instructional program of virtual courses for
32 pupils that may or may not require attendance at a physical school location.

1 (c) "Virtual course" means a course of study that is capable of generating a credit
2 or a grade and that is provided in an interactive learning environment in which the
3 majority of the curriculum is delivered using the internet and in which pupils are
4 separated from their instructor or teacher of record by time or location, or both.

5 **Sec. 98d. (1) From the state school aid fund money appropriated under section 11,**
6 **there is allocated for 2023-2024 only an amount not to exceed \$5,000,000.00 to Northern**
7 **Michigan University to support the MLC as described in this section. Northern Michigan**
8 **University shall not retain any portion of the funding received under this section for**
9 **administrative purposes and shall provide funding to support the MLC. All of the following**
10 **apply to the MLC:**

11 (a) The MLC must expand literacy programming over-the-air, online, and in communities
12 that is aligned with this state's pre-K to 12 educational standards.

13 (b) The MLC shall provide over-the-air broadcasts 24 hours each day for 7 days each
14 week of quality instructional content that is aligned with this state's pre-K to 12
15 educational standards. Over-the-air broadcasts as described in this subdivision must be
16 streamed live and must be archived for on-demand viewing on a companion website, along with
17 additional learning materials relevant to lessons.

18 (c) The MLC must be managed and operated by DPTV, and DPTV shall assume all risk,
19 liability, and responsibility for the MLC in accordance with regulations by the United
20 States Federal Communications Commission, PBS broadcast standards, and standard nonprofit
21 business standards. DPTV shall serve as the fiduciary agent and service manager for the
22 MLC. The MLC shall originate from a central operations center that is responsible for
23 providing the infrastructure, content, and engagement of the MLC in partnership with this
24 state's educational leadership organizations.

25 (d) The MLC shall require that DPTV provide technology, funding, staff training, and
26 central management of the MLC to station partners to insert additional channels into each
27 station's broadcast streams and to support staffing and engagement as outlined in a
28 memorandum of understanding among the stations.

29 (e) The MLC shall require that DPTV partner with at least 5 other Michigan public
30 television stations including, but not limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to
31 deliver the over-the-air MLC broadcasts described in this section and to support engagement
32 with local educators. Stations described in this subdivision must be able to use the

1 infrastructure provided by the MLC to develop their own local content that best serves
2 their communities.

3 (f) The MLC shall not use the funds received from Northern Michigan University under
4 this section in support of the MLC for any purposes fully funded by the governor's
5 emergency education relief fund grant.

6 (2) Not later than February 1, 2024, the MLC shall provide a report to the house and
7 senate appropriations subcommittees responsible for school aid, the house and senate fiscal
8 agencies, and the state budget director detailing the MLC's compliance with ensuring that
9 conditions listed under subsection (1) were met.

10 (3) Notwithstanding section 17b, the department shall make payments under this
11 section not later than December 1, 2023.

12 (4) As used in this section:

13 (a) "DPTV" means Detroit public television.

14 (b) "MLC" means the Michigan learning channel.

15 Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there
16 is allocated an amount not to exceed ~~\$5,223,200.00~~ **\$5,323,200.00** for ~~2022-2023-2023-2024~~
17 for competitive grants to districts and intermediate districts, ~~and from the general fund~~
18 ~~money appropriated in section 11, there is allocated \$600,000.00 for 2022-2023 for~~
19 ~~competitive grants to nonpublic schools,~~ that provide pupils in grades pre-K to 12 with
20 expanded opportunities to improve mathematics, science, and technology skills by
21 participating in competitions hosted by a science and technology development program known
22 as FIRST (for inspiration and recognition of science and technology) Robotics, including JR
23 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics competition,
24 or other competitive robotics programs or equipment vendors, including VEX, Square One, and
25 those hosted by the Robotics Education and Competition (REC) Foundation. ~~It is the intent~~
26 ~~of the legislature that, for 2023-2024, the allocation from the state school aid fund money~~
27 ~~appropriated in section 11 for purposes described in this section will be \$4,723,200.00.~~
28 Programs funded under this section are intended to increase the number of pupils
29 demonstrating proficiency in science and mathematics on the state assessments and to
30 increase the number of pupils who are college- and career-ready upon high school
31 graduation. Notwithstanding section 17b, the department shall make grant payments to
32 districts, ~~nonpublic schools,~~ and intermediate districts under this section on a schedule

1 determined by the department. The department shall set maximum grant awards for each
2 different level of programming and competition in a manner that both maximizes the number
3 of teams that will be able to receive funds and expands the geographical distribution of
4 teams. **Districts and intermediate districts that receive funds under this section must**
5 **provide relevant student participation information, as determined by the department, to**
6 **program competition providers described in this section. For a district or intermediate**
7 **district to count a program competition provider for purposes of payments under this**
8 **section, the program competition providers must agree to aggregate data received by**
9 **districts and intermediate districts and provide this information to the department in a**
10 **form and manner determined by the department.**

11 (2) The department shall do all of the following for purposes of this section:

12 (a) Both of the following by not later than 60 days after the K to 12 appropriations
13 bill for the current fiscal year is enacted into law or October 1 of the current fiscal
14 year, whichever is later:

15 (i) Open applications for funding under this section to all districts, ~~nonpublic~~
16 ~~schools,~~ and intermediate districts.

17 (ii) Publish a list of approved programs and vendors for purposes of this section in a
18 manner that is accessible to all applicants. To obtain approval under this subparagraph, a
19 program or vendor must do both of the following:

20 (A) Submit to the department registration information, including any fees; pledge
21 that it will post this information on its website; and, by not later than January 1, ~~2023,~~
22 ~~and January 1 each year thereafter,~~ **of the current fiscal year** submit this information to
23 the department for publication on the department's website.

24 (B) Pledge that it will not require a payment of any team described in this section,
25 including, but not limited to, registration fees, if the team does not receive a grant
26 under this section.

27 (b) By not later than 30 days after applications are opened as described in
28 subdivision (a), close applications under this section.

29 (c) By not later than 60 days after applications are closed as described in
30 subdivision (b), make all determinations concerning funding under this section.

31 (d) By not later than July 1, ~~2023,~~ and by not later than July 1 each year
32 ~~thereafter,~~ **of the current fiscal year**, publish a document listing the requirements for

1 becoming an approved program or vendor under subdivision (a).

2 (3) Except as otherwise provided under this subsection, if funding under this section
3 is insufficient to fulfill all funding requests by qualified applicants under this section,
4 the department shall prorate the total funding allocated under this section equally among
5 all qualified applicants. However, for funding under this section toward grants under
6 subsection (5) (b), in its proration under this subsection, the department shall ensure that
7 each district is paid in an amount equal to the percentage the department would have paid
8 the district in grant funding under subsection (5) (b), but for proration under this
9 subsection, with no district receiving a grant under subsection (5) (b) in an amount that is
10 greater than the district's total accrued costs under subsection (5) (b).

11 (4) A district, ~~nonpublic school,~~ or intermediate district applying for a grant under
12 this section must submit an application in a form and manner prescribed by the department.
13 To be eligible for a grant, a district, ~~nonpublic school,~~ or intermediate district must
14 demonstrate in its application that the district, ~~nonpublic school,~~ or intermediate
15 district has established a partnership for the purposes of the robotics program with at
16 least 1 sponsor, business entity, higher education institution, or technical school, shall
17 submit a spending plan, and shall provide a local in-kind or cash match from other private
18 or local funds of at least 25% of the cost of the robotics program award.

19 (5) The department shall distribute the grant funding under this section for the
20 following purposes:

21 (a) Grants to districts, ~~nonpublic schools,~~ or intermediate districts to pay for
22 stipends not to exceed \$1,500.00 per building for coaching.

23 (b) Grants to districts, ~~nonpublic schools,~~ or intermediate districts for event
24 registrations, materials, travel costs, and other expenses associated with the preparation
25 for and attendance at robotics events and competitions. **Expenses are allowable for up to**
26 **ten teams per building.**

27 (c) Grants to districts, ~~nonpublic schools,~~ or intermediate districts for awards to
28 teams that advance to the next levels of competition as determined by the department. The
29 department shall determine an equal amount per team for those teams that advance.

30 ~~(6) The funds allocated under this section for 2022-2023 are a work project~~
31 ~~appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.~~
32 ~~The purpose of the work project is to continue support of programs under this section. The~~

1 ~~estimated completion date of the work project is September 30, 2024.~~

2 ~~(7) A nonpublic school that receives a grant under this section may use the funds for~~
3 ~~either robotics or Science Olympiad programs.~~

4 ~~(8) To be eligible to receive funds under this section, a nonpublic school must be a~~
5 ~~nonpublic school registered with the department and must meet all applicable state~~
6 ~~reporting requirements for nonpublic schools.~~

7 (5) ~~(9)~~ For purposes of this section, an approved program or vendor under this
8 section that provides a program under this section shall not work with the department to
9 set prices or policies for the program.

10 (6) ~~(10)~~ As used in this section, "current fiscal year" means the fiscal year for
11 which an allocation is made under this section.

12 Sec. 99s. (1) From state school aid fund money appropriated under section 11, there
13 is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$7,634,300.00 for Michigan
14 science, technology, engineering, and mathematics (MiSTEM) programs. The MiSTEM network may
15 receive funds from private sources. If the MiSTEM network receives funds from private
16 sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM
17 strategy. Programs funded under this section are intended to increase the number of pupils
18 demonstrating proficiency in science and mathematics on the state assessments, to increase
19 the number of pupils who are college- and career-ready upon high school graduation, and to
20 promote certificate and degree attainment in STEM fields. Notwithstanding section 17b, the
21 department shall make payments under this section on a schedule determined by the
22 department.

23 (2) The MiSTEM council annually shall review and make recommendations to the
24 governor, the legislature, and the department concerning changes to the statewide strategy
25 adopted by the council for delivering STEM education-related opportunities to pupils. The
26 MiSTEM council shall use funds received under this subsection to ensure that its members or
27 their designees are trained in the Change the Equation STEMworks rating system program for
28 the purpose of rating STEM programs.

29 (3) The MiSTEM council shall make specific funding recommendations for the funds
30 allocated under subsection (4) by December 15 of each fiscal year. Each specific funding
31 recommendation must be for a program approved by the MiSTEM council. All of the following
32 apply:

1 (a) To be eligible for MiSTEM council approval as described in this subsection, a
2 program must satisfy all of the following:

3 (i) Align with this state's academic standards.

4 (ii) Have STEMworks certification.

5 (iii) Provide project-based experiential learning, student programming, or educator
6 professional learning experiences.

7 (iv) Focus predominantly on classroom-based STEM experiences or professional learning
8 experiences.

9 (b) The MiSTEM council shall approve programs that represent all network regions and
10 include a diverse array of options for students and educators and at least 1 program in
11 each of the following areas:

12 (i) Robotics.

13 (ii) Computer science or coding.

14 (iii) Engineering or bioscience.

15 (c) The MiSTEM council is encouraged to work with the MiSTEM network to develop
16 locally and regionally developed programs and professional learning experiences for the
17 programs on the list of approved programs.

18 (d) If the MiSTEM council is unable to make specific funding recommendations by
19 December 15 of a fiscal year, the department shall award and distribute the funds allocated
20 under subsection (4) on a competitive grant basis that at least follows the statewide STEM
21 strategy plan and rating system recommended by the MiSTEM council. Each grant must provide
22 STEM education-related opportunities for pupils.

23 (e) The MiSTEM council shall work with the department of labor and economic
24 opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

25 (4) From the state school aid fund money allocated under subsection (1), there is
26 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$3,050,000.00 for the purpose of
27 funding programs under this section for ~~2022-2023~~**2023-2024** as recommended by the MiSTEM
28 council.

29 (5) From the state school aid fund money allocated under subsection (1), there is
30 allocated an amount not to exceed \$3,834,300.00 for ~~2022-2023~~**2023-2024** to support the
31 activities and programs of the MiSTEM network regions. From the money allocated under this
32 subsection, the department shall award the fiscal agent for each MiSTEM network region

1 \$200,000.00 for the base operations of each region. The department shall distribute the
2 remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K
3 to 12 pupils enrolled in districts within each region in the immediately preceding fiscal
4 year.

5 (6) A MiSTEM network region shall do all of the following:

6 (a) Collaborate with the career and educational advisory council that is located in
7 the MiSTEM region to develop a regional strategic plan for STEM education that creates a
8 robust regional STEM culture, that empowers STEM teachers, that integrates business and
9 education into the STEM network, and that ensures high-quality STEM experiences for pupils.

10 At a minimum, a regional STEM strategic plan should do all of the following:

11 (i) Identify regional employer need for STEM.

12 (ii) Identify processes for regional employers and educators to create guided pathways
13 for STEM careers that include internships or externships, apprenticeships, and other
14 experiential engagements for pupils.

15 (iii) Identify educator professional learning opportunities, including internships or
16 externships and apprenticeships, that integrate this state's science standards into high-
17 quality STEM experiences that engage pupils.

18 (b) Facilitate regional STEM events such as educator and employer networking and STEM
19 career fairs to raise STEM awareness.

20 (c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to
21 further the mission of STEM in this state in coordination with the MiSTEM council and the
22 department of labor and economic opportunity.

23 (d) Facilitate application and implementation of state and federal funds under this
24 subsection and any other grants or funds for the MiSTEM network region.

25 (e) Work with districts to provide STEM programming and professional learning.

26 (f) Coordinate recurring discussions and work with the career and educational
27 advisory council to ensure that feedback and best practices are being shared, including
28 funding, program, professional learning opportunities, and regional strategic plans.

29 (7) From the state school aid fund money allocated under subsection (1), the
30 department shall distribute for ~~2022-2023~~**2023-2024** an amount not to exceed \$750,000.00, in
31 a form and manner determined by the department, to those network regions able to further
32 the statewide STEM strategy recommended by the MiSTEM council.

1 (8) In order to receive state or federal funds under subsection (5) or (7), or to
2 receive funds from private sources as authorized under subsection (1), a grant recipient
3 must allow access for the department or the department's designee to audit all records
4 related to the program for which it receives those funds. The grant recipient shall
5 reimburse the state for all disallowances found in the audit.

6 (9) In order to receive state funds under subsection (5) or (7), a grant recipient
7 must provide at least a 10% local match from local public or private resources for the
8 funds received under this subsection.

9 (10) Not later than July 1 of each fiscal year for which funding is allocated under
10 this section, a MiSTEM network region that receives funds under subsection (5) shall report
11 to the executive director of the MiSTEM network in a form and manner prescribed by the
12 executive director on performance measures developed by the MiSTEM network regions and
13 approved by the executive director. The performance measures must be designed to ensure
14 that the activities of the MiSTEM network are improving student academic outcomes.

15 (11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7)
16 may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network
17 region.

18 (12) As used in this section:

19 (a) "Career and educational advisory council" means an advisory council to the local
20 workforce development boards located in a prosperity region consisting of educational,
21 employer, labor, and parent representatives.

22 (b) "DED" means the United States Department of Education.

23 (c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

24 (d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and
25 Mathematics Education Advisory Council created as an advisory body within the department of
26 labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.

27 (e) "STEM" means science, technology, engineering, and mathematics delivered in an
28 integrated fashion using cross-disciplinary learning experiences that can include language
29 arts, performing and fine arts, and career and technical education.

30 Sec. 104. (1) In order to receive state aid under this article, a district shall
31 comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL
32 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to

1 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in
2 section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
3 \$37,509,400.00 for payments on behalf of districts for costs associated with complying with
4 those provisions of law. In addition, from the federal funds appropriated in section 11,
5 there is allocated for ~~2022-2023~~**2023-2024** an amount estimated at \$6,250,000.00 funded from
6 DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the individuals
7 with disabilities education act, 20 USC 1411 to 1419, plus any carryover federal funds from
8 previous year appropriations, for the purposes of complying with the every student succeeds
9 act, Public Law 114-95.

10 (2) The results of each test administered as part of the Michigan student test of
11 educational progress (M-STEP), including tests administered to high school students, must
12 include an item analysis that lists all items that are counted for individual pupil scores
13 and the percentage of pupils choosing each possible response. The department shall work
14 with the center to identify the number of students enrolled at the time assessments are
15 given by each district. In calculating the percentage of pupils assessed for a district's
16 scorecard, the department shall use only the number of pupils enrolled in the district at
17 the time the district administers the assessments and shall exclude pupils who enroll in
18 the district after the district administers the assessments.

19 (3) The department shall distribute federal funds allocated under this section in
20 accordance with federal law and with flexibility provisions outlined in Public Law 107-116,
21 and in the education flexibility partnership act of 1999, Public Law 106-25.

22 (4) The department may recommend, but may not require, districts to allow pupils to
23 use an external keyboard with tablet devices for online M-STEP testing, including, but not
24 limited to, open-ended test items such as constructed response or equation builder items.

25 (5) Notwithstanding section 17b, the department shall make payments on behalf of
26 districts, intermediate districts, and other eligible entities under this section on a
27 schedule determined by the department.

28 (6) From the allocation in subsection (1), there is allocated an amount not to exceed
29 \$500,000.00 for ~~2022-2023~~**2023-2024** for the operation of an online reporting tool to
30 provide student-level assessment data in a secure environment to educators, parents, and
31 pupils immediately after assessments are scored. The department and the center shall ensure
32 that any data collected by the online reporting tool do not provide individually

1 identifiable student data to the federal government.

2 (7) As used in this section:

3 (a) "DED" means the United States Department of Education.

4 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

5 (c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative
6 Services.

7 Sec. 104i. (1) From the state school aid fund money appropriated under section 11,
8 there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed \$11,500,000.00 to
9 districts and intermediate districts with enrolled K to 8 pupils to begin implementation of
10 a benchmark assessment system for the ~~2023-2024~~**2024-2025** school year. All of the following
11 apply to the benchmark assessment system described in this subsection:

12 (a) The system must provide for all of the following:

13 (i) That, within the first 9 weeks of the ~~2023-2024~~**2024-2025** school year, the
14 district or intermediate district shall administer 1 or more benchmark assessments provided
15 by a provider approved under subsection (6), benchmark assessments described in subdivision
16 (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K
17 to 8 to measure proficiency in reading and mathematics.

18 (ii) That, in addition to the benchmark assessment or benchmark assessments
19 administered under subparagraph (i), by not later than the last day of the ~~2023-2024~~**2024-**
20 **2025** school year, the district or intermediate district shall administer 1 or more
21 benchmark assessments provided by a provider approved under subsection (6), benchmark
22 assessments described in subdivision (b), or local benchmark assessments, or any
23 combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and
24 mathematics. **To support fall to spring growth calculations, the same benchmark assessment**
25 **administered in the fall must be administered in the spring.**

26 (b) A district or intermediate district may administer 1 or more of the following
27 benchmark assessments toward meeting the requirements under subdivision (a):

28 (i) A benchmark assessment in reading for students in grades K to 9 that contains
29 progress monitoring tools and enhanced diagnostic assessments.

30 (ii) A benchmark assessment in math for students in grades K to 8 that contains
31 progress monitoring tools.

32 (c) The system must provide that, to the extent practicable, if a district or

1 intermediate district administers a benchmark assessment or benchmark assessments under
2 this section, the district or intermediate district shall administer the same benchmark
3 assessment or benchmark assessments provided by a provider approved under subsection (6),
4 benchmark assessment or benchmark assessments described in subdivision (b), or local
5 benchmark assessment or local benchmark assessments that it administered to pupils in
6 previous school years, as applicable.

7 (d) The system must provide that, if a district or intermediate district administers
8 a benchmark assessment or benchmark assessments under this section, the district or
9 intermediate district shall provide each pupil's data from the benchmark assessment or
10 benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days
11 of administering the benchmark assessment or benchmark assessments.

12 (e) The system must provide that, if a local benchmark assessment or local benchmark
13 assessments are administered under subdivision (a), the district or intermediate district
14 shall report to the department and the center, in a form and manner prescribed by the
15 center, the local benchmark assessment or local benchmark assessments that were
16 administered and how that assessment or those assessments measure changes, including any
17 losses, as applicable, in learning, and the district's or intermediate district's plan for
18 addressing any losses in learning.

19 (f) The system must provide that, by not later than 30 days after a benchmark
20 assessment or benchmark assessments are administered under subdivision (a) (ii), or within a
21 time frame specified by the department, the district or intermediate district shall send
22 benchmark assessment data, including grade level, student demographics, and mode of
23 instruction, to the department in a form and manner prescribed by the department, from all
24 benchmark assessments administered in the ~~2023-2024~~-**2024-2025** school year, excluding data
25 from a local benchmark assessment, as applicable. If available, the data described in this
26 subdivision must include information concerning pupil growth from fall ~~2023-2024~~ to spring
27 ~~2024-2025~~.

28 (2) To receive funding under this section, a district or intermediate district must
29 apply for the funding in a form and manner prescribed by the department.

30 (3) The department shall pay an ~~amount equal to \$12.50~~ **equal amount** per membership
31 pupil in grades K to 8 in the district or intermediate district to each district or
32 intermediate district that applies for funding under this section. **To be eligible for**

1 funding, the district must do all of the following:

2 (a) Administer one or more of the assessments described under subsection (6)
3 excluding the assessment(s) provided for in subsection (4).

4 (b) Administer the same benchmark assessment(s) in both the fall and spring
5 administrations.

6 (c) Meet all reporting requirements for assessment and mode of instruction data
7 outlined in this section.

8 (4) The department shall make 1 of the benchmark assessments provided by a provider
9 approved under subsection (6) available to districts and intermediate districts at no cost
10 to the districts and intermediate districts for purposes of meeting the requirements under
11 this section. The benchmark assessment described in this subsection must meet all of the
12 following:

13 (a) Be aligned to the content standards of this state.

14 (b) Complement the state's summative assessment system.

15 (c) Be internet-delivered and include a standards-based assessment.

16 (d) Provide information on pupil achievement with regard to learning content required
17 in a given year or grade span.

18 (e) Provide timely feedback to pupils and teachers.

19 (f) Be nationally normed.

20 (g) Provide information to educators about student growth and allow for multiple
21 testing opportunities.

22 (5) By not later than ~~September 25, 2024,~~ **November 15, 2025**, the department shall
23 submit a report to the house and senate appropriations committees, the house and senate
24 appropriations subcommittees on school aid, and the house and senate fiscal agencies
25 regarding the benchmark assessment data received under this section, disaggregated by grade
26 level and demographic subgroup for each district and intermediate district. If information
27 concerning pupil growth is included in the data described in this subsection, it must be
28 incorporated in the report described in this subsection.

29 (6) The department shall approve at least 4 but not more than 6 providers of
30 benchmark assessments for the purposes of this section. The department shall inform
31 districts and intermediate districts of all of the providers approved under this subsection
32 in an equitable manner. The benchmark assessments, with the exclusion of the benchmark

1 assessment described in subsection (4), provided by approved providers under this
2 subsection must meet all of the following:

3 (a) Be aligned to the content standards of this state.

4 (b) Complement the state's summative assessment system.

5 (c) Be internet-delivered and include a standards-based remote, in-person, or both
6 remote and in-person assessment using a computer-adaptive model to target the instructional
7 level of each pupil.

8 (d) Provide information on pupil achievement with regard to learning content required
9 in a given year or grade span.

10 (e) Provide immediate feedback to pupils and teachers.

11 (f) Be nationally normed.

12 (g) Provide multiple measures of growth and provide for multiple testing
13 opportunities.

14 Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not
15 to exceed ~~\$30,000,000.00~~ **\$45,000,000.00** for ~~2022-2023~~ **2023-2024** for adult education
16 programs authorized under this section. Except as otherwise provided under subsections (14)
17 and (15), funds allocated under this section are restricted for adult education programs as
18 authorized under this section only. A recipient of funds under this section shall not use
19 those funds for any other purpose.

20 (2) To be eligible for funding under this section, an eligible adult education
21 provider shall employ certificated teachers and qualified administrative staff and shall
22 offer continuing education opportunities for teachers to allow them to maintain
23 certification.

24 (3) To be eligible to be a participant funded under this section, an individual must
25 be enrolled in an adult basic education program, an adult secondary education program, an
26 adult English as a second language program, a high school equivalency test preparation
27 program, or a high school completion program, that meets the requirements of this section,
28 and for which instruction is provided, and the individual must be at least 18 years of age
29 by July 1 of the program year and the individual's graduating class must have graduated.

30 (4) By April 1 of each fiscal year for which funding is allocated under this section,
31 the intermediate districts within a prosperity region or subregion shall determine which
32 intermediate district will serve as the prosperity region's or subregion's fiscal agent for

1 the next fiscal year and shall notify the department in a form and manner determined by the
2 department. The department shall approve or disapprove of the prosperity region's or
3 subregion's selected fiscal agent. From the funds allocated under subsection (1), an amount
4 as determined under this subsection is allocated to each intermediate district serving as a
5 fiscal agent for adult education programs in each of the prosperity regions or subregions
6 identified by the department. An intermediate district shall not use more than 5% of the
7 funds allocated under this subsection for administration costs for serving as the fiscal
8 agent. The allocation provided to each intermediate district serving as a fiscal agent must
9 be calculated as follows:

10 (a) Sixty percent of this portion of the funding must be distributed based upon the
11 proportion of the state population of individuals between the ages of 18 and 24 that are
12 not high school graduates that resides in each of the prosperity regions or subregions
13 located within the intermediate district, as reported by the most recent 5-year estimates
14 from the American Community Survey (ACS) from the United States Census Bureau.

15 (b) Thirty-five percent of this portion of the funding must be distributed based upon
16 the proportion of the state population of individuals age 25 or older who are not high
17 school graduates that resides in each of the prosperity regions or subregions located
18 within the intermediate district, as reported by the most recent 5-year estimates from the
19 ACS from the United States Census Bureau.

20 (c) Five percent of this portion of the funding must be distributed based upon the
21 proportion of the state population of individuals age 18 or older who lack basic English
22 language proficiency that resides in each of the prosperity regions or subregions located
23 within the intermediate district, as reported by the most recent 5-year estimates from the
24 ACS from the United States Census Bureau.

25 (5) To be an eligible fiscal agent, an intermediate district must agree to do the
26 following in a form and manner determined by the department:

27 (a) Distribute funds to adult education programs in a prosperity region or subregion
28 as described in this section.

29 (b) Collaborate with the career and educational advisory council, which is an
30 advisory council of the workforce development boards located in the prosperity region or
31 subregion, or its successor, to develop a regional strategy that aligns adult education
32 programs and services into an efficient and effective delivery system for adult education

1 learners, with special consideration for providing contextualized learning and career
2 pathways and addressing barriers to education and employment.

3 (c) Collaborate with the career and educational advisory council, which is an
4 advisory council of the workforce development boards located in the prosperity region or
5 subregion, or its successor, to create a local process and criteria that will identify
6 eligible adult education providers to receive funds allocated under this section based on
7 location, demand for services, past performance, quality indicators as identified by the
8 department, and cost to provide instructional services. The fiscal agent shall determine
9 all local processes, criteria, and provider determinations. However, the local processes,
10 criteria, and provider services must be approved by the department before funds may be
11 distributed to the fiscal agent.

12 (d) Provide oversight to its adult education providers throughout the program year to
13 ensure compliance with the requirements of this section.

14 (e) Report adult education program and participant data and information as prescribed
15 by the department.

16 (6) An adult basic education program, an adult secondary education program, or an
17 adult English as a second language program operated on a year-round or school year basis
18 may be funded under this section, subject to all of the following:

19 (a) The program enrolls adults who are determined by a department-approved
20 assessment, in a form and manner prescribed by the department, to be below twelfth grade
21 level in reading or mathematics, or both, or to lack basic English proficiency.

22 (b) The program tests individuals for eligibility under subdivision (a) before
23 enrollment and upon completion of the program in compliance with the state-approved
24 assessment policy.

25 (c) A participant in an adult basic education program is eligible for reimbursement
26 until 1 of the following occurs:

27 (i) The participant's reading and mathematics proficiency are assessed at or above
28 the ninth grade level.

29 (ii) The participant fails to show progress on 2 successive assessments after having
30 completed at least 450 hours of instruction.

31 (d) A participant in an adult secondary education program is eligible for
32 reimbursement until 1 of the following occurs:

1 (i) The participant's reading and mathematics proficiency are assessed above the
2 twelfth grade level.

3 (ii) The participant fails to show progress on 2 successive assessments after having
4 at least 450 hours of instruction.

5 (e) A funding recipient enrolling a participant in an English as a second language
6 program is eligible for funding according to subsection (9) until the participant meets 1
7 of the following:

8 (i) The participant is assessed as having attained basic English proficiency as
9 determined by a department-approved assessment.

10 (ii) The participant fails to show progress on 2 successive department-approved
11 assessments after having completed at least 450 hours of instruction. The department shall
12 provide information to a funding recipient regarding appropriate assessment instruments for
13 this program.

14 (7) A high school equivalency test preparation program operated on a year-round or
15 school year basis may be funded under this section, subject to all of the following:

16 (a) The program enrolls adults who do not have a high school diploma or a high school
17 equivalency certificate.

18 (b) The program administers a pre-test approved by the department before enrolling an
19 individual to determine the individual's literacy levels, administers a high school
20 equivalency practice test to determine the individual's potential for success on the high
21 school equivalency test, and administers a post-test upon completion of the program in
22 compliance with the state-approved assessment policy.

23 (c) A funding recipient receives funding according to subsection (9) for a
24 participant, and a participant may be enrolled in the program until 1 of the following
25 occurs:

26 (i) The participant achieves a high school equivalency certificate.

27 (ii) The participant fails to show progress on 2 successive department-approved
28 assessments used to determine readiness to take a high school equivalency test after having
29 completed at least 450 hours of instruction.

30 (8) A high school completion program operated on a year-round or school year basis
31 may be funded under this section, subject to all of the following:

32 (a) The program enrolls adults who do not have a high school diploma.

1 (b) The program tests participants described in subdivision (a) before enrollment and
2 upon completion of the program in compliance with the state-approved assessment policy.

3 (c) A funding recipient receives funding according to subsection (9) for a
4 participant in a course offered under this subsection until 1 of the following occurs:

5 (i) The participant passes the course and earns a high school diploma.

6 (ii) The participant fails to earn credit in 2 successive semesters or terms in which
7 the participant is enrolled after having completed at least 900 hours of instruction.

8 (9) The department shall make payments to a funding recipient under this section in
9 accordance with all of the following:

10 (a) Statewide allocation criteria, including 3-year average enrollments, census data,
11 and local needs.

12 (b) Participant completion of the adult basic education objectives by achieving an
13 educational gain as determined by the national reporting system levels; for achieving basic
14 English proficiency, as determined by the department; for achieving a high school
15 equivalency certificate or passage of 1 or more individual high school equivalency tests;
16 for attainment of a high school diploma or passage of a course required for a participant
17 to attain a high school diploma; for enrollment in a postsecondary institution, or for
18 entry into or retention of employment, as applicable.

19 (c) Participant completion of core indicators as identified in the **workforce**
20 innovation and opportunity act.

21 (d) Allowable expenditures.

22 (10) An individual who is not eligible to be a participant funded under this section
23 may receive adult education services upon the payment of tuition. In addition, an
24 individual who is not eligible to be served in a program under this section due to the
25 program limitations specified in subsection (6), (7), or (8) may continue to receive adult
26 education services in that program upon the payment of tuition. The local or intermediate
27 district conducting the program shall determine the tuition amount.

28 (11) An individual who is an inmate in a state correctional facility is not counted
29 as a participant under this section.

30 (12) A funding recipient shall not commingle money received under this section or
31 from another source for adult education purposes with any other funds and shall establish a
32 separate ledger account for funds received under this section. This subsection does not

1 prohibit a district from using general funds of the district to support an adult education
2 or community education program.

3 (13) A funding recipient receiving funds under this section may establish a sliding
4 scale of tuition rates based upon a participant's family income. A funding recipient may
5 charge a participant tuition to receive adult education services under this section from
6 that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per
7 participant must not exceed the actual operating cost per participant minus any funds
8 received under this section per participant. A funding recipient may not charge a
9 participant tuition under this section if the participant's income is at or below 200% of
10 the federal poverty guidelines published by the United States Department of Health and
11 Human Services.

12 (14) In order to receive funds under this section, a funding recipient shall furnish
13 to the department, in a form and manner determined by the department, all information
14 needed to administer this program and meet federal reporting requirements; shall allow the
15 department or the department's designee to review all records related to the program for
16 which it receives funds; and shall reimburse the state for all disallowances found in the
17 review, as determined by the department. In addition, a funding recipient shall agree to
18 pay to a career and technical education program under section 61a the amount of funding
19 received under this section in the proportion of career and technical education coursework
20 used to satisfy adult basic education programming, as billed to the funding recipient by
21 programs operating under section 61a. In addition to the funding allocated under subsection
22 (1), there is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed \$500,000.00 to
23 reimburse funding recipients for administrative and instructional expenses associated with
24 commingling programming under this section and section 61a. The department shall make
25 payments under this subsection to each funding recipient in the same proportion as funding
26 calculated and allocated under subsection (4).

27 (15) From the amount appropriated in subsection (1), an amount not to exceed
28 \$4,000,000.00 is allocated for ~~2022-2023~~ **2023-2024** for grants to adult education or state-
29 approved career technical center programs that connect adult education participants with
30 employers as provided under this subsection. The department shall determine the amount of
31 the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible
32 for funding under this subsection, a program must provide a collaboration linking adult

1 education programs within the county, the area career technical center, and local
2 employers. To receive funding under this subsection, an eligible program must satisfy all
3 of the following:

4 (a) Connect adult education participants directly with employers by linking adult
5 education, career and technical skills, and workforce development.

6 (b) Require adult education staff to work with Michigan Works! agency to identify a
7 cohort of participants who are most prepared to successfully enter the workforce. Except as
8 otherwise provided under this subdivision, participants identified under this subsection
9 must be dually enrolled in adult education programming and in at least 1 state-approved
10 technical course at the area career and technical center. A program that links participants
11 identified under this subsection with adult education programming and commercial driver
12 license courses does not need to enroll the participants in at least 1 state-approved
13 technical course at the area career and technical center to be considered an eligible
14 program under this subsection.

15 (c) Employ an individual staffed as an adult education navigator who will serve as a
16 caseworker for each participant identified under subdivision (b). The navigator shall work
17 with adult education staff and potential employers to design an educational program best
18 suited to the personal and employment needs of the participant and shall work with human
19 service agencies or other entities to address any barrier in the way of participant access.

20 (16) Each program funded under subsection (15) will receive funding for 3 years.
21 After 3 years of operations and funding, a program must reapply for funding.

22 (17) Not later than December 1 of each year, a program funded under subsection (15)
23 shall provide a report to the senate and house appropriations subcommittees on school aid,
24 to the senate and house fiscal agencies, and to the state budget director identifying the
25 number of participants, graduation rates, and a measure of transition to employment.

26 (18) Except as otherwise provided in this subsection, participants under subsection
27 (15) must be concurrently enrolled and actively working toward obtaining a high school
28 diploma or a high school equivalency certificate. Concurrent enrollment is not required
29 under this subsection for a participant that was enrolled in adult education during the
30 same program year and obtained a high school diploma or a high school equivalency
31 certificate prior to enrollment in an eligible career and technical skills program under
32 subsection (15). Up to ~~15%~~ 10% of adult education participants served under subsection (15)

1 may already have a high school diploma or a high school equivalency certificate at the time
2 of enrollment in an eligible career and technical skills program under subsection (15) and
3 receive remediation services. It is intended that the cap described in the immediately
4 preceding sentence is continually lowered on an annual basis until it eventually is 0%.

5 (19) The department shall approve at least ~~3~~² high school equivalency tests and
6 determine whether a high school equivalency certificate meets the requisite standards for
7 high school equivalency in this state.

8 (20) As used in this section:

9 (a) "Career and educational advisory council" means an advisory council to the local
10 workforce development boards located in a prosperity region consisting of educational,
11 employer, labor, and parent representatives.

12 (b) "Career pathway" means a combination of rigorous and high-quality education,
13 training, and other services that comply with all of the following:

14 (i) Aligns with the skill needs of industries in the economy of this state or in the
15 regional economy involved.

16 (ii) Prepares an individual to be successful in any of a full range of secondary or
17 postsecondary education options, including apprenticeships registered under the act of
18 August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50 et seq.

19 (iii) Includes counseling to support an individual in achieving the individual's
20 education and career goals.

21 (iv) Includes, as appropriate, education offered concurrently with and in the same
22 context as workforce preparation activities and training for a specific occupation or
23 occupational cluster.

24 (v) Organizes education, training, and other services to meet the particular needs of
25 an individual in a manner that accelerates the educational and career advancement of the
26 individual to the extent practicable.

27 (vi) Enables an individual to attain a secondary school diploma or its recognized
28 equivalent, and at least 1 recognized postsecondary credential.

29 (vii) Helps an individual enter or advance within a specific occupation or
30 occupational cluster.

31 (c) "Department" means the department of labor and economic opportunity.

32 (d) "Eligible adult education provider" means a district, intermediate district, a

1 consortium of districts, a consortium of intermediate districts, or a consortium of
2 districts and intermediate districts that is identified as part of the local process
3 described in subsection (5)(c) and approved by the department.

4 **Sec. 107a. (1) From the state school aid fund money appropriated in section 11, there**
5 **is allocated for 2023-2024 only an amount not to exceed \$15,000,000.00 to the department of**
6 **labor and economic opportunity to create adult education innovation programs. Programs**
7 **funded under this section are intended to improve enrollment in and completion of adult**
8 **basic education programs including, but not limited to, synchronous and asynchronous**
9 **program delivery methods, wraparound support, alignment between high school completion with**
10 **postsecondary education, co-locating adult education with Michigan Works and/or community**
11 **colleges, and high-quality professional development.**

12 **(2) The department of labor and economic opportunity must award competitive funds**
13 **under this section to eligible adult education providers, community colleges, and**
14 **organizations with experience serving adult learners for the purposes described in**
15 **subsection (1).**

16 **(3) Adult education providers must apply for funding in a form and manner determined**
17 **by the department of labor and economic opportunity. Adult education providers that are not**
18 **a district, intermediate district, or community college must identify in their application**
19 **a partnership with a district, intermediate district, or community college to serve as a**
20 **fiscal agent for funds received under this section.**

21 **(4) In a form and manner determined by the department of labor and economic**
22 **opportunity, for pilot programs funded under this section, each adult education provider**
23 **must perform a program evaluation, facilitation of communities of practice, and**
24 **identification of best practices to scale pilot programs statewide. Adult education**
25 **providers may use up to 5% of the funds received for this these purposes.**

26 **(5) No later than September 30 of each fiscal year funds allocated under subsection**
27 **(1) are spent by adult education providers, the department of labor and economic**
28 **opportunity must provide a report to the to the chairs of the house and senate**
29 **appropriations subcommittees on school aid, to the house and senate fiscal agencies, and to**
30 **the state budget director indicating how funds received under this section are being spent,**
31 **detailing the amounts spent, the services being provided with the funding, adult learners**
32 **being reached with the funding, outcomes metrics, and recommendations for how programs**

1 could be scaled statewide.

2 (6) The funds allocated under this section for 2023-2024 are a work project
3 appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025.
4 The purpose of the work project is to improve enrollment in and completion of adult basic
5 education programs. The estimated completion date of the work project is September 30,
6 2026.

7 Sec. 121. (1) The valuation of a whole or fractional district shall be the total
8 taxable value of the property contained in the whole or fractional district as last
9 determined by the state tax commission and placed on the ad valorem tax roll. For purposes
10 of computations made under this act, except as provided in section 26, the taxable value of
11 a district or intermediate district shall include the value of property used to calculate
12 the tax imposed on lessees or users of tax-exempt property under 1953 PA 189, MCL 211.181
13 to 211.182, and the value of property used to calculate the state payment in lieu of taxes
14 on state purchased property under section 2153 of the natural resources and environmental
15 protection act, 1994 PA 451, MCL 324.2153. Adjustments to this taxable value shall be made
16 for all of the following:

17 (a) State tax tribunal decisions.

18 (b) Court decisions.

19 (c) Local board of review adjustments made after the state tax commission
20 determination.

21 (d) Lands deeded to the state for jurisdictions without delinquent tax revolving
22 funds or for jurisdictions that have required repayment to the delinquent tax revolving
23 funds.

24 (e) The requirements of this act.

25 (2) ~~Adjustments under subsection (1) shall not be made for more than the 6 state~~
26 ~~fiscal years immediately preceding the state fiscal year in which the adjustment is made,~~
27 ~~except that an~~ An adjustment pursuant to a state tax tribunal decision or court decision
28 shall be made for the tax years involved in the decision and any subsequent years affected
29 by the decision.

30 Sec. 147. (1) The allocation for ~~2022-2023~~ **2023-2024** for the public school employees'
31 retirement system pursuant to the public school employees retirement act of 1979, 1980 PA
32 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age

1 normal cost method of valuation and risk assumptions adopted by the public school employees
2 retirement board and the department of technology, management, and budget.

3 (2) The annual level percentage of payroll contribution rates for the ~~2022-2023~~**2023-**
4 **2024** fiscal year, as determined by the retirement system, are estimated as follows:

5 (a) For public school employees who first worked for a public school reporting unit
6 before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level
7 percentage of payroll contribution rate is estimated at ~~44.88%~~**48.23%** with ~~28.23%~~**31.34%**
8 paid directly by the employer.

9 (b) For public school employees who first worked for a public school reporting unit
10 on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual
11 level percentage of payroll contribution rate is estimated at ~~41.96%~~**44.37%** with ~~25.31%~~
12 **27.48%** paid directly by the employer.

13 (c) For public school employees who first worked for a public school reporting unit
14 on or after July 1, 2010 and who participate in the personal healthcare fund, the annual
15 level percentage of payroll contribution rate is estimated at ~~41.10%~~**43.12%** with ~~24.45%~~
16 **26.23%** paid directly by the employer.

17 (d) For public school employees who first worked for a public school reporting unit
18 on or after September 4, 2012, who elect defined contribution, and who participate in the
19 personal healthcare fund, the annual level percentage of payroll contribution rate is
20 estimated at ~~37.61%~~**37.85%** with 20.96% paid directly by the employer.

21 (e) For public school employees who first worked for a public school reporting unit
22 before July 1, 2010, who elect defined contribution, and who are enrolled in the health
23 premium subsidy, the annual level percentage of payroll contribution rate is estimated at
24 ~~38.47%~~**39.10%** with ~~21.82%~~**22.21%** paid directly by the employer.

25 (f) For public school employees who first worked for a public school reporting unit
26 before July 1, 2010, who elect defined contribution, and who participate in the personal
27 healthcare fund, the annual level percentage of payroll contribution rate is estimated at
28 ~~37.61%~~**37.85%** with 20.96% paid directly by the employer.

29 (g) For public school employees who first worked for a public school reporting unit
30 before July 1, 2010 and who participate in the personal healthcare fund, the annual level
31 percentage of payroll contribution rate is estimated at ~~44.02%~~**46.98%** with ~~27.37%~~**30.09%**
32 paid directly by the employer.

1 (h) For public school employees who first worked for a public school reporting unit
2 after January 31, 2018 and who elect to become members of the MPSERS plan, the annual level
3 percentage of payroll contribution rate is estimated at ~~43.81%~~ **44.05%** with 27.16% paid
4 directly by the employer.

5 (3) In addition to the employer payments described in subsection (2), the employer
6 shall pay the applicable contributions to the Tier 2 plan, as determined by the public
7 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

8 (4) The contribution rates in subsection (2) reflect an amortization period of ~~16-15~~
9 years for ~~2022-2023.~~ **2023-2024**. The public school employees' retirement system board shall
10 notify each district and intermediate district by February 28 of each fiscal year of the
11 estimated contribution rate for the next fiscal year.

12 Sec. 147a. (1) From the state school aid fund money appropriated in section 11, there
13 is allocated for ~~2021-2022 an amount not to exceed \$100,000,000.00 and for 2022-2023-2023-~~
14 **2024** an amount not to exceed ~~\$100,000,000.00~~ **\$111,939,000.00** for payments to participating
15 ~~districts.~~ **entities**. A participating ~~district~~ **entity** that receives money under this
16 subsection shall use that money solely for the purpose of offsetting a portion of the
17 retirement contributions owed by the ~~district~~ **entity** for the fiscal year in which it is
18 received. The amount allocated to each participating ~~district~~ **entity** under this subsection
19 is **calculated as follows:**

20 (a) **For each participating district, \$100,000,000.00 multiplied by each participating**
21 **district's percentage of the total statewide payroll for all participating districts.**

22 (b) **For each participating intermediate district, \$11,912,000.00 multiplied by each**
23 **participating intermediate district's percentage of the total statewide payroll for all**
24 **participating intermediate districts.**

25 (c) **For each participating district library, \$27,000.00 multiplied by each**
26 **participating district library's percentage of the total statewide payroll for all**
27 **participating district libraries.** ~~based on each participating district's percentage of the~~
28 ~~total statewide payroll for all participating districts for the immediately preceding~~
29 ~~fiscal year. As used in this subsection, "participating district" means a district that is~~
30 ~~a reporting unit of the Michigan public school employees' retirement system under the~~
31 ~~public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and~~
32 ~~that reports employees to the Michigan public school employees' retirement system for the~~

1 ~~applicable fiscal year.~~

2 (2) In addition to the allocation under subsection (1), from the state school aid
3 fund money appropriated under section 11, there is allocated an amount not to exceed
4 ~~\$197,000,000.00 for 2021-2022 and an amount not to exceed \$191,700,000.00~~ **\$357,700,000.00**
5 for ~~2022-2023~~ **2023-2024** for payments to participating districts and intermediate districts
6 and from the general fund money appropriated under section 11, there is allocated an amount
7 not to exceed ~~\$60,000.00 for 2021-2022 and an amount not to exceed \$50,000.00~~ **\$100,000.00**
8 for ~~2022-2023~~ **2023-2024** for payments to participating district libraries. The amount
9 allocated to each participating entity under this subsection is based on each participating
10 entity's reported quarterly payroll for members that became tier 1 prior to February 1,
11 2018 for the current fiscal year. A participating entity that receives money under this
12 subsection shall use that money solely for the purpose of offsetting a portion of the
13 normal cost contribution rate.

14 **(3) As used in this ~~subsection:~~ section:**

15 (a) "District library" means a district library established under the district
16 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

17 (b) "Participating entity" means a district, intermediate district, or district
18 library that is a reporting unit of the Michigan public school employees' retirement system
19 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
20 38.1437, and that reports employees to the Michigan public school employees' retirement
21 system for the applicable fiscal year.

22 Sec. 147c. (1) From the state school aid fund money appropriated in section 11, there
23 is allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed ~~\$1,478,000,000.00,~~
24 **\$1,849,200,000.00,** and from the ~~MPSERS retirement obligation reform reserve fund money~~
25 ~~appropriated in section 11, there is allocated for 2022-2023 only an amount needed,~~
26 ~~estimated at \$140,400,000.00,~~ for payments to districts and intermediate districts that are
27 participating entities of the Michigan public school employees' retirement system. In
28 addition, from the general fund money appropriated in section 11, there is allocated for
29 ~~2022-2023~~ **2023-2024** an amount not to exceed \$500,000.00 for payments to district libraries
30 that are participating entities of the Michigan public school employees' retirement system.
31 **From the state school aid fund money allocated in this section in 2023-2024, it is intended**
32 **that \$202,000,000.00** ~~It is the intent of the legislature that money allocated from the~~

1 ~~MPSERS retirement obligation reform reserve fund under this section for 2022-2023~~
2 represents the amount necessary to reduce the payroll growth assumption to ~~1.75%~~ **0.75%**.
3 All of the following apply to funding under this section:

4 (a) Except as otherwise provided in this subdivision, for ~~2022-2023,~~ **2023-2024**, the
5 amounts allocated under this section are estimated to provide an average MPSERS rate cap
6 per pupil amount of ~~\$1,042.00~~ **\$1,157.00** and are estimated to provide a rate cap per pupil
7 for districts ranging between ~~\$5.00~~ **\$4.00** and ~~\$3,700.00~~ **\$5,020.00**. ~~For 2022-2023, if the~~
8 ~~retirement system determines the average MPSERS rate cap per pupil amount and rate cap per~~
9 ~~pupil for districts estimated in the immediately preceding sentence need to be adjusted,~~
10 ~~the estimated average MPSERS rate cap per pupil amount and estimated rate cap per pupil for~~
11 ~~districts under this subdivision are the estimations determined by the retirement system.~~
12 ~~If the retirement system makes a determination as described in the immediately preceding~~
13 ~~sentence, it shall issue its estimations publicly and describe the need for the adjustment~~
14 ~~described in the immediately preceding sentence.~~

15 (b) Payments made under this section (are equal to the difference between the unfunded
16 actuarial accrued liability contribution rate as calculated pursuant to section 41 of the
17 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated
18 without taking into account the maximum employer rate of 20.96% included in section 41 of
19 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
20 maximum employer rate of 20.96% included in section 41 of the public school employees
21 retirement act of 1979, 1980 PA 300, MCL 38.1341.

22 (c) The amount allocated to each participating entity under this section is based on
23 each participating entity's proportion of the total covered payroll for the immediately
24 preceding fiscal year for the same type of participating entities. A participating entity
25 that receives funds under this section shall use the funds solely for the purpose of
26 retirement contributions as specified in subdivision (d).

27 (d) Each participating entity receiving funds under this section shall forward an
28 amount equal to the amount allocated under subdivision (c) to the retirement system in a
29 form, manner, and time frame determined by the retirement system.

30 (e) Funds allocated under this section should be considered when comparing a
31 district's growth in total state aid funding from 1 fiscal year to the next.

32 (f) Not later than December 20 of each fiscal year for which funding is allocated

1 under this section, the department shall publish and post on its website an estimated
2 MPSERS rate cap per pupil for each district.

3 (g) The office of retirement services shall first apply funds allocated under this
4 section to pension contributions and, if any funds remain after that payment, shall apply
5 those remaining funds to other postemployment benefit contributions.

6 ~~(2) In addition to the funds allocated under subsection (1), from the state school
7 aid fund money appropriated in section 11, there is allocated for 2022-2023 only
8 \$1,000,000,000.00 for payments to districts and intermediate districts that are
9 participating entities of the Michigan public school employees' retirement system. The
10 amount allocated to each participating entity under this subsection must be based on each
11 participating entity's proportion of the total covered payroll for the immediately
12 preceding fiscal year. A participating entity that receives funds under this subsection
13 shall use the funds solely for purposes of this subsection. Each participating entity
14 receiving funds under this subsection shall forward an amount equal to the amount allocated
15 under this subsection to the retirement system in a form, manner, and time frame determined
16 by the retirement system. The retirement system shall recognize funds received under this
17 subsection as additional assets being contributed to the system and shall not categorize
18 them as unfunded actuarial liability contributions or normal cost contributions.~~

19 (2) ~~(3)~~ As used in this section:

20 (a) "District library" means a district library established under the district
21 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

22 (b) "MPSERS rate cap per pupil" means an amount equal to the quotient of the
23 district's payment under this section divided by the district's pupils in membership.

24 (c) "Participating entity" means a district, intermediate district, or district
25 library that is a reporting unit of the Michigan public school employees' retirement system
26 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
27 38.1437, and that reports employees to the Michigan public school employees' retirement
28 system for the applicable fiscal year.

29 (d) "Retirement system" means the Michigan public school employees' retirement system
30 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
31 38.1437.

32 Sec. 147e. (1) From the state school aid fund money appropriated in section 11, there

1 is allocated for ~~2021-2022~~ an amount not to exceed \$50,000,000.00 and there is allocated
2 ~~for 2022-2023-2023-2024~~ an amount not to exceed ~~\$54,000,000.00~~ **\$82,400,000.00** for payments
3 to participating entities.

4 (2) The payment to each participating entity under this section is the sum of the
5 amounts under this subsection as follows:

6 (a) An amount equal to the contributions made by a participating entity for the
7 additional contribution made to a qualified participant's Tier 2 account in an amount equal
8 to the contribution made by the qualified participant not to exceed 3% of the qualified
9 participant's compensation as provided for under section 131(6) of the public school
10 employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

11 (b) Beginning October 1, 2017, an amount equal to the contributions made by a
12 participating entity for a qualified participant who is only a Tier 2 qualified participant
13 under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL
14 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the
15 qualified participant's compensation.

16 (c) An amount equal to the increase in employer normal cost contributions under
17 section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL
18 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in
19 Tier 1, compared to the employer normal cost contribution for a member under section 41b(1)
20 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

21 (3) As used in this section:

22 (a) "Member" means that term as defined under the public school employees retirement
23 act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

24 (b) "Participating entity" means a district, intermediate district, or community
25 college that is a reporting unit of the Michigan public school employees' retirement system
26 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
27 38.1437, and that reports employees to the Michigan public school employees' retirement
28 system for the applicable fiscal year.

29 (c) "Qualified participant" means that term as defined under section 124 of the
30 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

31 Sec. 152a. (1) As required by the court in the consolidated cases known as Adair v
32 State of Michigan, 486 Mich 468 (2010), from the state school aid fund money appropriated

1 in section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
2 ~~\$38,000,500.00~~**\$42,300,500.00** to be used solely for the purpose of paying necessary costs
3 related to the state-mandated collection, maintenance, and reporting of data to this state.
4 **From this amount, \$1,300,000.00 is allocated for the purpose of supporting the Michigan**
5 **data hub network and the collection, aggregation, and reporting of data collected by the**
6 **state, and \$3,000,000.00 is allocated for costs associated with collecting data necessary**
7 **to provide reporting to tribal governments on the status of students affiliated with their**
8 **particular tribe and data necessary to determine student participation in federal programs**
9 **funded under title VI of the elementary and secondary education act of 1965, 20 USC 7401 to**
10 **7546 and participation in federal programs funded under the Johnson-O'Malley supplemental**
11 **Indian education program modernization act, Public Law 115-404.**

12 (2) From the allocation in subsection (1), the department shall make payments to
13 districts and intermediate districts in an equal amount per pupil based on the total number
14 of pupils in membership in each district and intermediate district. The department shall
15 not make any adjustment to these payments after the final installment payment under section
16 17b is made.

17 Sec. 163. (1) Except as otherwise provided in the revised school code, the board of a
18 district or intermediate district shall not permit any of the following:

19 (a) An individual who is not appropriately placed under a valid certificate, valid
20 substitute permit, authorization, or approval issued under rules promulgated by the
21 department to teach in an elementary or secondary school.

22 (b) An individual who does not satisfy the requirements of section 1233 of the
23 revised school code, MCL 380.1233, and rules promulgated by the department to provide
24 school counselor services to pupils in an elementary or secondary school.

25 (c) An individual who does not satisfy the requirements of section 1246 of the
26 revised school code, MCL 380.1246, **and rules promulgated by the department to be employed**
27 **as a superintendent, principal, or assistant principal, or as an individual whose primary**
28 **responsibility is to administer instructional programs in an elementary or secondary school**
29 **or in a district or intermediate district, unless the individual is ~~or who is not~~ working**
30 **under a valid substitute permit issued under rules promulgated by the department. ~~, to be~~**
31 **~~employed as a superintendent, principal, or assistant principal, or as an individual whose~~**
32 **~~primary responsibility is to administer instructional programs in an elementary or~~**

1 ~~secondary school or in a district or intermediate district.~~

2 (2) Except as otherwise provided in the revised school code, this subsection, or
3 subsection (4) or (7), a district or intermediate district employing an individual in
4 violation of this section before July 1, 2021 must have deducted an amount equal to the
5 amount paid to the individual for the period of employment that is in violation of this
6 section. Except as otherwise provided under subsection (4) or (7), a district or
7 intermediate district employing an individual in violation of this section on or after July
8 1, 2021 must have deducted an amount equal to 50% of the amount paid to the individual for
9 the period of employment that is in violation of this section. Except as otherwise provided
10 under subsection (4), beginning July 1, 2021, if a district or intermediate district is
11 notified by the department that it is employing an individual in violation of this section
12 and it continues to employ the individual in violation of this section 10 business days
13 after receiving the notification, both of the following apply:

14 (a) The district or intermediate district must have deducted an amount equal to 50%
15 of the amount paid to the individual for the period of employment that is in violation of
16 this section that occurs before the expiration of the 10-day period described in this
17 subsection.

18 (b) The district or intermediate district must have deducted an amount equal to 100%
19 of the amount paid to the individual for the period of employment that is in violation of
20 this section that occurs after the 10-day period described in this subsection.

21 (3) For purposes of subsection (2), if a district or intermediate district on behalf
22 of an individual or an individual successfully completes the credential application process
23 through the department, including the submission of an appropriate application, required
24 fees, and all required supporting documentation, the individual's employment with the
25 district or intermediate district after this completion is not considered a period of
26 employment that is in violation of this section.

27 (4) A deduction under subsection (2) for employment in violation of this section that
28 occurs on or after July 1, 2021, may be less than the amount required under that subsection
29 if the superintendent of public instruction finds that the district or intermediate
30 district was hindered in its ability to obtain a substitute credential to enable the
31 district or intermediate district to employ the individual in compliance with this section
32 due to unusual and extenuating circumstances resulting from conditions not within the

1 control of school authorities, including, but not limited to, a natural disaster, death or
2 serious illness of the individual or another employee, an emergency school closure, fraud
3 or other intentional wrongdoing of the individual or another employee, or an emergency
4 health condition as defined by city, county, or state health authorities.

5 (5) For employment of an individual in violation of this section that occurs on or
6 after July 1, 2021, upon request by a district or intermediate district, the department
7 shall credit the amount of an adjustment in payments under section 15 that is based on the
8 employment of the individual that gave rise to the deduction under subsection (2) or (4)
9 against the amount of the deduction under subsection (2) or (4). The amount of the credit
10 under this subsection must not be in an amount that is greater than the deduction assessed
11 under subsection (2) or (4).

12 (6) If a school official is notified by the department that he or she is employing an
13 individual in violation of this section and knowingly continues to employ that individual,
14 the school official is guilty of a misdemeanor punishable by a fine of \$1,500.00 for each
15 incidence. This penalty is in addition to all other financial penalties otherwise specified
16 in this article.

17 (7) There must be no deduction under subsection (2) for a period of employment in
18 violation of this section that occurs between July 1, 2020 and June 30, 2021.

19 **Sec. 164i. (1) No money appropriated in this act shall be used to restrict or**
20 **interfere with actions related to diversity, equity and inclusion (DEI); to restrict or**
21 **impede a marginalized community's access to government resources, programs or facilities;**
22 **or to diminish, interfere with, or restrict an individual's ability to exercise the right**
23 **to reproductive freedom.**

24 **(2) From the funds appropriated in this act, districts, intermediate districts, and**
25 **public institutions of higher education shall report to the department any action or policy**
26 **that attempts to restrict or interfere with the duties of local health officers.**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

ARTICLE II

STATE AID TO COMMUNITY COLLEGES

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2023~~, **2024**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$530,258,000.00.~~ **\$492,593,200.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$530,258,000.00.~~ **\$492,593,200.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$81,200,000.00.~~ **\$0.00**.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$449,058,000.00.~~ **\$492,593,200.00**

(v) State general fund/general purpose money, \$0.00.

(2) Subject to subsection (3), the amount appropriated for community college

1 operations is ~~\$341,224,400.00~~, **\$354,404,200.00**, allocated as follows:

2 (a) The appropriation for Alpena Community College is ~~\$6,040,500.00~~, ~~\$5,753,300.00~~
3 ~~for operations, \$273,500.00 for performance funding, and \$13,700.00 for costs incurred~~
4 ~~under the North American Indian tuition waiver.~~ **\$6,272,400.00, \$6,026,800.00 for**
5 **operations, \$219,100.00 for performance funding, and \$26,500.00 for costs incurred under**
6 **the North American Indian tuition wavier.**

7 (b) The appropriation for Bay de Noc Community College is ~~\$5,986,700.00~~,
8 ~~\$5,602,800.00 for operations, \$274,200.00 for performance funding, and \$109,700.00 for~~
9 ~~costs incurred under the North American Indian tuition waiver.~~ **\$6,237,600.00, \$5,877,000.00**
10 **for operations, \$246,700.00 for performance funding, and \$113,900.00 for costs incurred**
11 **under the North American Indian tuition wavier.**

12 (c) The appropriation for Delta College is ~~\$15,928,400.00~~, ~~\$15,160,500.00 for~~
13 ~~operations, \$727,700.00 for performance funding, and \$40,200.00 for costs incurred under~~
14 ~~the North American Indian tuition waiver.~~ **\$16,539,700.00, \$15,888,200.00 for operations,**
15 **\$603,300.00 for performance funding, and \$48,200.00 for costs incurred under the North**
16 **American Indian tuition wavier.**

17 (d) The appropriation for Glen Oaks Community College is ~~\$2,802,100.00~~, ~~\$2,651,200.00~~
18 ~~for operations, \$150,900.00 for performance funding, and \$0.00 for costs incurred under the~~
19 ~~North American Indian tuition waiver.~~ **\$2,911,600.00, \$2,802,100.00 for operations,**
20 **\$109,500.00 for performance funding, and \$0.00 for costs incurred under the North American**
21 **Indian tuition wavier.**

22 (e) The appropriation for Gogebic Community College is ~~\$5,145,800.00~~, ~~\$4,873,700.00~~
23 ~~for operations, \$229,600.00 for performance funding, and \$42,500.00 for costs incurred~~
24 ~~under the North American Indian tuition waiver.~~ **\$5,322,300.00, \$5,103,300.00 for operations,**
25 **\$181,100.00 for performance funding, and \$37,900.00 for costs incurred under the North**
26 **American Indian tuition wavier.**

27 (f) The appropriation for Grand Rapids Community College is ~~\$19,950,600.00~~,
28 ~~\$18,773,100.00 for operations, \$993,100.00 for performance funding, and \$184,400.00 for~~
29 ~~costs incurred under the North American Indian tuition waiver.~~ **\$20,750,700.00,**
30 **\$19,766,200.00 for operations, \$862,500.00 for performance funding, and \$122,000.00 for**
31 **costs incurred under the North American Indian tuition wavier.**

32 (g) The appropriation for Henry Ford College is ~~\$23,731,400.00~~, ~~\$22,533,100.00 for~~

1 ~~operations, \$1,167,000.00 for performance funding, and \$31,300.00 for costs incurred under~~
2 ~~the North American Indian tuition waiver. \$24,698,000.00, \$23,700,100.00 for operations,~~
3 ~~\$983,800.00 for performance funding, and \$14,100.00 for costs incurred under the North~~
4 ~~American Indian tuition wavier.~~

5 (h) The appropriation for Jackson College is ~~\$13,337,700.00, \$12,756,200.00 for~~
6 ~~operations, \$538,900.00 for performance funding, and \$42,600.00 for costs incurred under~~
7 ~~the North American Indian tuition waiver. \$13,775,600.00, \$13,295,100.00 for operations,~~
8 ~~\$447,200.00 for performance funding, and \$33,300.00 for costs incurred under the North~~
9 ~~American Indian tuition wavier.~~

10 (i) The appropriation for Kalamazoo Valley Community College is ~~\$13,832,700.00,~~
11 ~~\$13,099,900.00 for operations, \$676,200.00 for performance funding, and \$56,600.00 for~~
12 ~~costs incurred under the North American Indian tuition waiver. \$14,398,200.00,~~
13 ~~\$13,776,100.00 for operations, \$564,600.00 for performance funding, and \$57,500.00 for~~
14 ~~costs incurred under the North American Indian tuition wavier.~~

15 (j) The appropriation for Kellogg Community College is ~~\$10,781,400.00, \$10,267,100.00~~
16 ~~for operations, \$487,300.00 for performance funding, and \$27,000.00 for costs incurred~~
17 ~~under the North American Indian tuition waiver. \$11,187,300.00, \$10,754,400.00 for~~
18 ~~operations, \$411,900.00 for performance funding, and \$21,000.00 for costs incurred under~~
19 ~~the North American Indian tuition wavier.~~

20 (k) The appropriation for Kirtland Community College is ~~\$3,601,000.00, \$3,358,400.00~~
21 ~~for operations, \$219,500.00 for performance funding, and \$23,100.00 for costs incurred~~
22 ~~under the North American Indian tuition waiver. \$3,753,900.00, \$3,577,900.00 for operations,~~
23 ~~\$156,200.00 for performance funding, and \$19,800.00 for costs incurred under the North~~
24 ~~American Indian tuition wavier.~~

25 (l) The appropriation for Lake Michigan College is ~~\$5,990,800.00, \$5,702,700.00 for~~
26 ~~operations, \$275,700.00 for performance funding, and \$12,400.00 for costs incurred under~~
27 ~~the North American Indian tuition waiver. \$6,253,700.00, \$5,978,400.00 for operations,~~
28 ~~\$271,700.00 for performance funding, and \$3,600.00 for costs incurred under the North~~
29 ~~American Indian tuition wavier.~~

30 (m) The appropriation for Lansing Community College is ~~\$34,339,200.00, \$32,852,000.00~~
31 ~~for operations, \$1,376,900.00 for performance funding, and \$110,300.00 for costs incurred~~
32 ~~under the North American Indian tuition waiver. \$35,460,600.00, \$34,228,900.00 for~~

1 operations, \$1,168,200.00 for performance funding, and \$63,500.00 for costs incurred under
2 the North American Indian tuition wavier.

3 (n) The appropriation for Macomb Community College is ~~\$35,950,400.00, \$34,276,100.00~~
4 ~~for operations, \$1,635,800.00 for performance funding, and \$38,500.00 for costs incurred~~
5 ~~under the North American Indian tuition waiver.~~ \$37,317,100.00, \$35,911,900.00 for
6 operations, \$1,378,700.00 for performance funding, and \$26,500.00 for costs incurred under
7 the North American Indian tuition wavier.

8 (o) The appropriation for Mid Michigan Community College is ~~\$5,555,700.00,~~
9 ~~\$5,184,400.00 for operations, \$273,700.00 for performance funding, and \$97,600.00 for costs~~
10 ~~incurred under the North American Indian tuition waiver.~~ \$5,741,500.00, \$5,458,100.00 for
11 operations, \$227,800.00 for performance funding, and \$55,600.00 for costs incurred under
12 the North American Indian tuition wavier.

13 (p) The appropriation for Monroe County Community College is ~~\$5,005,000.00,~~
14 ~~\$4,746,200.00 for operations, \$257,400.00 for performance funding, and \$1,400.00 for costs~~
15 ~~incurred under the North American Indian tuition waiver.~~ \$5,230,600.00, \$5,003,600.00 for
16 operations, \$224,900.00 for performance funding, and \$2,100.00 for costs incurred under the
17 North American Indian tuition wavier.

18 (q) The appropriation for Montcalm Community College is ~~\$3,767,400.00, \$3,570,600.00~~
19 ~~for operations, \$188,300.00 for performance funding, and \$8,500.00 for costs incurred under~~
20 ~~the North American Indian tuition waiver.~~ \$3,927,000.00, \$3,758,900.00 for operations,
21 \$158,600.00 for performance funding, and \$9,500.00 for costs incurred under the North
22 American Indian tuition wavier.

23 (r) The appropriation for C.S. Mott Community College is ~~\$17,127,100.00,~~
24 ~~\$16,440,000.00 for operations, \$658,300.00 for performance funding, and \$28,800.00 for~~
25 ~~costs incurred under the North American Indian tuition waiver.~~ \$17,684,500.00,
26 \$17,098,300.00 for operations, \$554,700.00 for performance funding, and \$31,500.00 for
27 costs incurred under the North American Indian tuition wavier.

28 (s) The appropriation for Muskegon Community College is ~~\$9,775,400.00, \$9,289,100.00~~
29 ~~for operations, \$444,300.00 for performance funding, and \$42,000.00 for costs incurred~~
30 ~~under the North American Indian tuition waiver.~~ \$10,128,100.00, \$9,733,400.00 for
31 operations, \$382,000.00 for performance funding, and \$12,700.00 for costs incurred under
32 the North American Indian tuition wavier.

1 (t) The appropriation for North Central Michigan College is ~~\$3,779,800.00,~~
2 ~~\$3,389,300.00 for operations, \$226,600.00 for performance funding, and \$163,900.00 for~~
3 ~~costs incurred under the North American Indian tuition waiver.~~ **\$3,960,400.00, \$3,615,900.00**
4 **for operations, \$202,300.00 for performance funding, and \$142,200.00 for costs incurred**
5 **under the North American Indian tuition wavier.**

6 (u) The appropriation for Northwestern Michigan College is ~~\$10,162,300.00,~~
7 ~~\$9,567,100.00 for operations, \$439,700.00 for performance funding, and \$155,500.00 for~~
8 ~~costs incurred under the North American Indian tuition waiver.~~ **\$10,397,700.00,**
9 **\$10,006,800.00 for operations, \$373,200.00 for performance funding, and \$17,700.00 for**
10 **costs incurred under the North American Indian tuition wavier.**

11 (v) The appropriation for Oakland Community College is ~~\$23,505,300.00, \$22,211,700.00~~
12 ~~for operations, \$1,257,800.00 for performance funding, and \$35,800.00 for costs incurred~~
13 ~~under the North American Indian tuition waiver.~~ **\$24,503,100.00, \$23,469,500.00 for**
14 **operations, \$1,011,300.00 for performance funding, and \$22,300.00 for costs incurred under**
15 **the North American Indian tuition wavier.**

16 (w) The appropriation for Schoolcraft College is ~~\$13,960,700.00, \$13,196,200.00 for~~
17 ~~operations, \$743,300.00 for performance funding, and \$21,200.00 for costs incurred under~~
18 ~~the North American Indian tuition waiver.~~ **\$14,588,100.00, \$13,939,500.00 for operations,**
19 **\$617,900.00 for performance funding, and \$30,700.00 for costs incurred under the North**
20 **American Indian tuition wavier.**

21 (x) The appropriation for Southwestern Michigan College is ~~\$7,359,900.00,~~
22 ~~\$6,979,400.00 for operations, \$353,400.00 for performance funding, and \$27,100.00 for costs~~
23 ~~incurred under the North American Indian tuition waiver.~~ **\$7,625,500.00, \$7,332,800.00 for**
24 **operations, \$280,000.00 for performance funding, and \$12,700.00 for costs incurred under**
25 **the North American Indian tuition wavier.**

26 (y) The appropriation for St. Clair County Community College is ~~\$7,805,200.00,~~
27 ~~\$7,385,200.00 for operations, \$401,400.00 for performance funding, and \$18,600.00 for costs~~
28 ~~incurred under the North American Indian tuition waiver.~~ **\$8,141,700.00, \$7,786,600.00 for**
29 **operations, \$339,100.00 for performance funding, and \$16,000.00 for costs incurred under**
30 **the North American Indian tuition wavier.**

31 (z) The appropriation for Washtenaw Community College is ~~\$14,875,000.00,~~
32 ~~\$13,855,900.00 for operations, \$995,400.00 for performance funding, and \$23,700.00 for~~

1 ~~costs incurred under the North American Indian tuition waiver. \$15,723,300.00,~~
2 **\$14,851,300.00 for operations, \$859,300.00 for performance funding, and \$12,700.00 for**
3 **costs incurred under the North American Indian tuition wavier.**

4 (aa) The appropriation for Wayne County Community College is ~~\$18,384,700.00,~~
5 ~~\$17,593,400.00 for operations, \$782,700.00 for performance funding, and \$8,600.00 for costs~~
6 ~~incurred under the North American Indian tuition waiver. \$19,034,500.00, \$18,376,100.00 for~~
7 **operations, \$653,800.00 for performance funding, and \$4,600.00 for costs incurred under the**
8 **North American Indian tuition wavier.**

9 (bb) The appropriation for West Shore Community College is ~~\$2,742,200.00,~~
10 ~~\$2,585,600.00 for operations, \$135,400.00 for performance funding, and \$21,200.00 for costs~~
11 ~~incurred under the North American Indian tuition waiver. \$2,839,500.00, \$2,721,000.00 for~~
12 **operations, \$104,100.00 for performance funding, and \$14,400.00 for costs incurred under**
13 **the North American Indian tuition wavier.**

14 (3) The amount appropriated in subsection (2) for community college operations is
15 ~~\$341,224,400.00~~ **\$354,404,200.00** and is appropriated from the state school aid fund.

16 (4) From the appropriations described in subsection (1), both of the following apply:

17 (a) Subject to section 207a, the amount appropriated for fiscal year ~~2022-2023-2023-~~
18 **2024** to offset certain fiscal year ~~2022-2023-2023-2024~~ retirement contributions is
19 ~~\$1,733,600.00,~~ **\$7,189,000.00**, appropriated from the state school aid fund.

20 (b) For fiscal year ~~2022-2023,~~ **2023-2024**, there is allocated an amount not to exceed
21 ~~\$10,800,000.00~~ **\$23,000,000.00** for payments to participating community colleges,
22 appropriated from the state school aid fund. A community college that receives money under
23 this subdivision shall use that money solely for the purpose of offsetting the normal cost
24 contribution rate.

25 (5) From the appropriations described in subsection (1), subject to section 207b, the
26 amount appropriated for payments to community colleges that are participating entities of
27 the retirement system is ~~\$92,600,000.00,~~ **\$105,800,000.00**, appropriated from the state
28 school aid fund.

29 (6) From the appropriations described in subsection (1), subject to section 207c, the
30 amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated
31 from the state school aid fund. Each community college receiving funds in this subsection
32 shall accrue these payments to its institutional fiscal year ending June 30, ~~2023-~~ **2024**.

1 ~~(7) From the appropriations described in subsection (1), subject to section 216, the~~
2 ~~amount appropriated for the Michigan reconnect grant program short-term training grants is~~
3 ~~\$6,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the~~
4 ~~American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.~~

5 ~~(8) From the appropriations described in subsection (1), there is appropriated~~
6 ~~\$9,200,000.00 from the coronavirus state fiscal recovery funds under the American rescue~~
7 ~~plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only,~~
8 ~~to the nonprofit organization Talent 2025, for the creation and operation of the Michigan~~
9 ~~center for adult college success to focus on research, support models, and best practices~~
10 ~~on ensuring enrollment and completion of college degrees and certificates among adults~~
11 ~~returning to further their education due to being unemployed or underemployed, including,~~
12 ~~but not limited to, those whose employment opportunities have been adversely affected by~~
13 ~~the COVID-19 pandemic. The goal of the research is to identify barriers that prevent these~~
14 ~~individuals from completing degree and certificate programs, create greater support systems~~
15 ~~within colleges and universities for these students that address these barriers, and as a~~
16 ~~result increase the number of adults completing degree and certificate programs. This~~
17 ~~research is meant to serve the overarching aim of increasing the skills and training of~~
18 ~~Michiganders impacted by the COVID-19 pandemic. Talent 2025 shall provide information on~~
19 ~~request to the house and senate appropriations subcommittees on community colleges, the~~
20 ~~house and senate fiscal agencies, and the state budget director on the use of these funds~~
21 ~~until the project is completed.~~

22 ~~(9) From the appropriations described in subsection (1), subject to section 216a,~~
23 ~~there is appropriated \$10,000,000.00, from the coronavirus state fiscal recovery funds~~
24 ~~under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for~~
25 ~~fiscal year 2022-2023 only, to the Michigan Community College Association, for the~~
26 ~~community college academic catch-up program.~~

27 ~~(11) From the appropriations described in subsection (1), subject to section 216b,~~
28 ~~the amount appropriated for the Michigan ADN to BSN completion grant program is~~
29 ~~\$56,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the~~
30 ~~American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.~~

31 Sec. 202. All appropriations authorized under this article are subject to the
32 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

1 Sec. 202a. As used in this article:

2 ~~(a) "ADN" means an associate of science degree in nursing, an associate of applied~~
3 ~~science in nursing, or a similar 2-year degree in nursing.~~

4 ~~(b) "BSN" means a bachelor of science degree in nursing.~~

5 (a) ~~(e)~~-"Center" means the center for educational performance and information created
6 in section 94a.

7 (b) ~~(d)~~-"College level equivalent credit examination" means an examination that is
8 administered by an independent testing service and that is used by colleges and
9 universities generally to award postsecondary credit for achievement of a particular score,
10 and includes, but is not limited to, advanced placement examinations, the DANTES Subject
11 Standardized Test (DSST), and college-level examination program (CLEP) examinations.

12 (c) ~~(e)~~-"Participating college" means a community college that is a reporting unit of
13 the retirement system and that reports employees to the retirement system for the state
14 fiscal year.

15 (d) ~~(f)~~-"Retirement system" means the Michigan public school employees' retirement
16 system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
17 to 38.1437.

18 Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds
19 appropriated in section 201 are appropriated for community colleges with fiscal years
20 ending June 30, ~~2023-2024~~ and must be paid out of the state treasury and distributed by the
21 state treasurer to the respective community colleges in 11 monthly installments on the
22 sixteenth of each month, or the next succeeding business day, beginning with October 16,
23 ~~2022-2023~~. Each community college shall accrue its July and August ~~2023-2024~~ payments to
24 its institutional fiscal year ending June 30, ~~2023-2024~~.

25 (2) The funds appropriated in section 201(4)(b) are appropriated for community
26 colleges with fiscal years ending June 30, ~~2023-2024~~ and must be distributed to the
27 respective community colleges in quarterly installments on the sixteenth of each November,
28 February, May, and August. Each community college shall accrue its August ~~2023-2024~~
29 payments to its institutional fiscal year ending June 30, ~~2023-2024~~.

30 ~~(3) If the state budget director determines that a community college failed to submit~~
31 ~~any of the following information in the form and manner specified by the center, the state~~
32 ~~treasurer shall, subject to subsection (4), withhold the monthly installments from that~~

1 ~~community college until those data are submitted.~~

2 ~~(a) The Michigan community colleges verified data inventory data for the preceding~~
3 ~~academic year to the center by the first business day of November of each year as specified~~
4 ~~in section 217.~~

5 ~~(b) The college credit opportunity data set as specified in section 209.~~

6 ~~(c) The longitudinal data set for the preceding academic year to the center as~~
7 ~~specified in section 219.~~

8 ~~(d) The annual independent audit as specified in section 222.~~

9 ~~(e) Tuition and mandatory fees information for the current academic year as specified~~
10 ~~in section 225.~~

11 ~~(f) The number and type of associate degrees and other certificates awarded during~~
12 ~~the previous academic year as specified in section 226.~~

13 ~~(4) The state budget director shall notify the chairs of the house and senate~~
14 ~~appropriations subcommittees on community colleges at least 10 days before withholding~~
15 ~~funds from any community college under subsection (3).~~

16 Sec. 207a. The following apply to the allocation of the fiscal year ~~2022-2023~~ **2023-**
17 **2024** appropriations described in section 201(4):

18 (a) A community college that receives money under section 201(4) shall use that money
19 solely for the purpose of offsetting a portion of the retirement contributions owed by the
20 college for that fiscal year.

21 (b) The amount allocated to each participating community college under section
22 201(4)(a) must be based on each college's percentage of the total covered payroll for all
23 community colleges that are participating colleges in the immediately preceding fiscal
24 year.

25 (c) The amount allocated to each participating community college under section
26 201(4)(b) must be based on each college's reported quarterly payroll for members for the
27 current fiscal year.

28 Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2022-2023~~
29 **2023-2024** appropriations described in section 201(5) for payments to community colleges
30 that are participating entities of the retirement system:

31 (a) The amount of a payment under section 201(5) must be the difference between the
32 unfunded actuarial accrued liability contribution rate as calculated under section 41 of

1 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated
2 without taking into account the maximum employer rate of 20.96% included in section 41 of
3 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
4 maximum employer rate of 20.96% under section 41 of the public school employees retirement
5 act of 1979, 1980 PA 300, MCL 38.1341.

6 (b) The amount allocated to each community college under section 201(5) must be based
7 on each community college's percentage of the total covered payroll for all community
8 colleges that are participating colleges in the immediately preceding fiscal year. A
9 community college that receives funds under this subdivision shall use the funds solely for
10 the purpose of retirement contributions under section 201(5).

11 (c) Each participating college that receives funds under section 201(5) shall forward
12 an amount equal to the amount allocated under subdivision (b) to the retirement system in a
13 form and manner determined by the retirement system.

14 Sec. 207c. All of the following apply to the allocation of the appropriations
15 described in section 201(6) to community colleges described in section 12(3) of the
16 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

17 (a) The amount allocated to each community college under section 201(6) for fiscal
18 year ~~2022-2023-2023-2024~~ must be based on that community college's proportion of total
19 revenue lost by community colleges as a result of the exemption of property taxes levied in
20 ~~2022-2023~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

21 (b) The appropriations described in section 201(6) must be made to each eligible
22 community college within 60 days after the department of treasury certifies to the state
23 budget director that it has received all necessary information to properly determine the
24 amounts payable to each eligible community college under section 12 of the Michigan
25 renaissance zone act, 1996 PA 376, MCL 125.2692.

26 **Sec. 217a. (1) If the state budget director determines that a community college**
27 **failed to submit any of the information described in this section in the form and manner**
28 **specified by the center, the state treasurer may withhold the monthly installments, subject**
29 **to section 206, from that community college until those data are submitted. If a community**
30 **college does not submit any of the information described in this section by the end of the**
31 **fiscal year, the community college forfeits any withheld amount. The state budget director**
32 **shall notify the chairs of the house and senate appropriations subcommittee on community**

1 colleges at least 10 days before withholding funds from any community college.

2 (a) The Michigan community colleges verified data inventory data for the preceding
3 academic year to the center by the first business day of November of each year as specified
4 in section 217.

5 (b) Tuition and mandatory fees information as specified in section 217b.

6 (c) The longitudinal data set to the center as specified in section 219.

7 (d) The number and type of associate degrees and other certificates awarded as
8 specified in section 219.

9 (e) The annual independent audit as specified in section 222.

10 (2) It is intended that accountability reporting for public community colleges will
11 be streamlined through the center. The state budget director and the center will work to
12 combine the reporting requirements outlined in subsection (3), (4), (5), (6) and section
13 217b to the existing "Michigan Community College Data Inventory" collection cycle.
14 Community colleges shall send reports outlined in subsection (3), (4), (5), (6) and section
15 217b to the house and senate fiscal agencies and the state budget director.

16 (3) No later than the first business day of November of each year, each community
17 college shall make all of the following information available through a link on its website
18 homepage. For statewide consistency and public visibility, community colleges must use the
19 icon badge provided by the department of technology, management, and budget consistent with
20 the icon badge developed by the department of education for K-12 school districts. It must
21 appear on the front of each community college's homepage. The size of the icon may be
22 reduced to 150 x 150 pixels.

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

24 (b) A link to the most recent "Michigan Community College Data Inventory Report".

25 (c) General fund revenue and expenditure projections for the current fiscal year and
26 the next fiscal year.

27 (d) A listing of all debt service obligations, detailed by project, anticipated
28 payment of each project, and total outstanding debt for the current fiscal year.

29 (e) Links to all of the following for the community college:

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

31 (ii) Each health care benefits plan, including, but not limited to, medical, dental,
32 vision, disability, long-term care, or any other type of benefits that would constitute

1 health care services, offered to any bargaining unit or employee of the community college.

2 (iii) Audits and financial reports for the most recent fiscal year for which they are
3 available.

4 (iv) A copy of the board of trustees resolution regarding compliance with best
5 practices for the local strategic value component described in section 230(2).

6 (f) A map that includes the boundaries of the community college district.

7 (4) No later than the first business day of November of each year, a public community
8 college shall develop, maintain, and update a "campus safety information and resources"
9 link, prominently displayed on the homepage of its website, that links to a section
10 containing all of the information required under subdivision (a).

11 (a) The "campus safety information and resources" section of a public community
12 college's website must include, but not be limited to, all of the following information:

13 (i) Emergency contact numbers for police, fire, health, and other services.

14 (ii) Hours, locations, phone numbers, and email contacts for campus public safety
15 offices and title IX offices.

16 (iii) A list of safety and security services provided by the community college,
17 including transportation, escort services, building surveillance, anonymous tip lines, and
18 other available security services.

19 (iv) A public community college's policies applicable to minors on community college
20 property.

21 (v) A directory of resources available at the community college or surrounding
22 community for students or employees who are survivors of sexual assault or sexual abuse.

23 (vi) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors,
24 Friends and Family", published in 2018.

25 (vii) Campus security policies and crime statistics pursuant to the student right-to-
26 know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include
27 all material prepared pursuant to the public information reporting requirements under the
28 crime awareness and campus security act of 1990, title II of the student right-to-know and
29 campus security act, Public Law 101-542, 104 Stat 2381.

30 (5) No later than the first business day of November of each year, each community
31 college receiving funds under section 201 shall report to the senate and house
32 appropriations subcommittees on community colleges, the senate and house fiscal agencies,

1 and the state budget director its annual title IX report, also known as the student sexual
2 misconduct report, issued by the title IX coordinator, as required under the federal campus
3 SaVE act of 2013, Public Law 113-4, section 304, 127 Stat 54, 89-92 (2013).

4 (6) No later than the first business day of November of each year, each community
5 college receiving funds under section 201 shall certify that the institution has complied
6 with all the following.

7 (a) The institution complies with the federal regulations for title IX, as required
8 by the United States Department of Education. Including but not limited to:

9 (i) Prohibited uses of medical experts that have an actual or apparent conflicts of
10 interest.

11 (ii) Prohibited issuance of divergent title IX reports to complainants and
12 respondents.

13 (iii) Notification of resources to each individual who reports having experienced
14 sexual assault by a member of the community college.

15 Sec. 217b. (1) Each community college shall report to the center by the last business
16 day of August of each year the tuition and mandatory fees paid by a full-time in-district
17 student and a full-time out-of-district student as established by the college governing
18 board for the current academic year. This report should also include the annual cost of
19 tuition and fees based on a full-time course load of 30 credits. This report must also
20 specify the amount that tuition and fees have increased for each institution from the prior
21 academic year. Each community college shall also report any revisions to the reported
22 current academic year tuition and mandatory fees adopted by the college governing board to
23 the center within 15 days of being adopted. The center shall provide this information and
24 any revisions to the house and senate fiscal agencies and the state budget director.

25 (2) Public community colleges must certify to the state budget director by the last
26 business day of August that its board will not adopt an increase in tuition and fee rates
27 for in-district students for the 2023-2024 academic year that is greater than 4.5% or
28 \$205.00, whichever is greater. As used in this subsection:

29 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all
30 in-district students at least once during their enrollment at a community college. A
31 community college increasing a fee that applies to a specific subset of students or courses
32 shall provide sufficient information to prove that the increase applied to that subset will

1 not cause the increase in the average amount of board-authorized total tuition and fees
2 paid by in-district students in the 2023-2024 academic year to exceed the limit established
3 in this section.

4 (b) "Tuition and fee rate" means the average of full-time rates paid by a majority of
5 students in each class, based on an unweighted average of the rates authorized by the
6 community college board and actually charged to students, deducting any uniformly rebated
7 or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-
8 district enrollment during the academic year.

9 (3) Community colleges that exceed the tuition and fee rate cap described in
10 subsection (2) are not eligible to receive payments under section 201 for performance
11 funding for fiscal year 2023-2024.

12 (4) Notwithstanding any other provision of this act, the legislature may at any time
13 adjust appropriations for a community college that adopts an increase in tuition and fee
14 rates for in-district students that exceeds the rate cap established in subsection (2).

15 Sec. 219. (1) By October 15 of each year, each community college shall provide its
16 longitudinal data system data set for the preceding academic year to the center for
17 inclusion in the statewide P-20 education longitudinal data system described in section
18 94a.

19 (2) Each community college shall report to the center by October 15 of each year the
20 numbers and type of associate degrees and other certificates awarded by the community
21 college during the previous academic year for inclusion in the statewide P-20 longitudinal
22 data system.

23 (3) A community college receiving an appropriation in section 201 shall place a
24 prominent link to the website created under section 260 on its website homepage.

25 (4) Using the data provided by the community colleges as required under this section,
26 the center shall use the P-20 longitudinal data system to inform interested Michigan high
27 schools and the public of the aggregate academic status of its students for the previous
28 academic year. The center shall work with the Michigan Community College Association and in
29 cooperation with the Michigan Association of Secondary School Principals. Community
30 colleges shall cooperate with the center to maintain a systematic approach for
31 accomplishing this work.

32 Sec. 229a. Included in the fiscal year ~~2022-2023~~ 2023-2024 appropriations for the

1 department of technology, management, and budget are appropriations totaling ~~\$32,981,600.00~~
2 **\$33,081,600.00** to provide funding for the state share of costs for previously constructed
3 capital projects for community colleges. Those appropriations for state building authority
4 rent represent additional state general fund support for community colleges, and the
5 following is an estimate of the amount of that support to each community college:

- 6 (a) Alpena Community College, ~~\$902,600.00.~~ **\$ 866,800.00.**
- 7 (b) Bay de Noc Community College, ~~\$520,600.00.~~ **\$ 522,100.00.**
- 8 (c) Delta College, ~~\$2,732,600.00.~~ **\$ 2,724,100.00.**
- 9 (d) Glen Oaks Community College, ~~\$194,600.00.~~ **\$ 406,500.00.**
- 10 (e) Gogebic Community College, ~~\$56,600.00.~~ **\$ 56,800.00.**
- 11 (f) Grand Rapids Community College, ~~\$1,097,700.00.~~ **\$ 1,101,000.00.**
- 12 (g) Henry Ford College, ~~\$1,174,500.00.~~ **\$ 1,178,300.00.**
- 13 (h) Jackson College, ~~\$2,187,400.00.~~ **\$ 2,193,900.00.**
- 14 (i) Kalamazoo Valley Community College, ~~\$1,963,000.00.~~ **\$ 1,968,800.00.**
- 15 (j) Kellogg Community College, ~~\$686,300.00.~~ **\$ 688,400.00.**
- 16 (k) Kirtland Community College, ~~\$227,400.00.~~ **\$ 228,100.00.**
- 17 (l) Lake Michigan College, ~~\$976,400.00.~~ **\$ 979,300.00.**
- 18 (m) Lansing Community College, ~~\$1,153,300.00.~~ **\$ 1,156,800.00.**
- 19 (n) Macomb Community College, ~~\$1,966,900.00.~~ **\$ 1,972,800.00.**
- 20 (o) Mid Michigan Community College, ~~\$1,632,400.00.~~ **\$ 1,637,300.00.**
- 21 (p) Monroe County Community College, ~~\$1,556,600.00.~~ **\$ 1,561,300.00.**
- 22 (q) Montcalm Community College, ~~\$450,800.00.~~ **\$ 452,200.00.**
- 23 (r) C.S. Mott Community College, ~~\$2,125,700.00.~~ **\$ 2,132,100.00.**
- 24 (s) Muskegon Community College, ~~\$992,600.00.~~ **\$ 995,600.00.**
- 25 (t) North Central Michigan College, ~~\$692,400.00.~~ **\$ 654,900.00.**
- 26 (u) Northwestern Michigan College, ~~\$1,806,300.00.~~ **\$ 1,811,700.00.**
- 27 (v) Oakland Community College, \$0.00.
- 28 (w) Schoolcraft College, ~~\$2,371,300.00.~~ **\$ 2,262,900.00.**
- 29 (x) Southwestern Michigan College, ~~\$831,400.00.~~ **\$ 833,900.00.**
- 30 (y) St. Clair County Community College, ~~\$725,800.00.~~ **\$ 727,900.00.**
- 31 (z) Washtenaw Community College, ~~\$1,734,600.00.~~ **\$ 1,739,800.00.**
- 32 (aa) Wayne County Community College, ~~\$1,477,900.00.~~ **\$ 1,482,300.00.**

1 (bb) West Shore Community College, ~~\$743,900.00.~~ **\$ 746,000.00.**

2 Sec. 230. (1) Subject to subsection (4), money included in the appropriations for
3 community college operations under section 201(2) for performance funding is distributed
4 based on the following formula:

5 (a) Allocated proportionate to fiscal year ~~2021-2022~~**-2022-2023** base appropriations,
6 30%.

7 (b) Based on a weighted student contact hour formula as provided for in the 2016
8 recommendations of the performance indicators task force, 30%.

9 (c) Based on the performance improvement as provided for in the 2016 recommendations
10 of the performance indicators task force and based on data provided by the center, 10%.

11 (d) Based on the performance completion number as provided for in the 2016
12 recommendations of the performance indicators task force, 10%.

13 (e) Based on the performance completion rate as provided for in the 2016
14 recommendations of the performance indicators task force and based on data provided by the
15 center, 10%.

16 (f) Based on administrative costs, 5%.

17 (g) Based on the local strategic value component, as developed in cooperation with
18 the Michigan Community College Association and described in subsection (2), 5%.

19 (2) Money included in the appropriations for community college operations under
20 section 201(2) for local strategic value is allocated only to each community college that
21 certifies to the state budget director, through a board of trustees resolution on or before
22 October 15, ~~2022,~~**2023**, that the college has met 4 out of 5 best practices listed in each
23 category described in subsection (3). The resolution must provide specifics as to how the
24 community college meets each best practice measure within each category. One-third of
25 funding available under the strategic value component is allocated to each category
26 described in subsection (3). Amounts distributed under local strategic value must be on a
27 proportionate basis to each college's fiscal year ~~2021-2022~~**-2022-2023** operations funding.
28 Payments to community colleges that qualify for local strategic value funding must be
29 distributed with the November installment payment described in section 206.

30 (3) For purposes of subsection (2), the following categories of best practices
31 reflect functional activities of community colleges that have strategic value to the local
32 communities and regional economies:

1 (a) For Category A, economic development and business or industry partnerships, the
2 following:

3 (i) The community college has active partnerships with local employers including
4 hospitals and health care providers.

5 (ii) The community college provides customized on-site training for area companies,
6 employees, or both.

7 (iii) The community college supports entrepreneurship through a small business
8 assistance center or other training or consulting activities targeted toward small
9 businesses.

10 (iv) The community college supports technological advancement through industry
11 partnerships, incubation activities, or operation of a Michigan technical education center
12 or other advanced technology center.

13 (v) The community college has active partnerships with local or regional workforce
14 and economic development agencies.

15 (b) For Category B, educational partnerships, the following:

16 (i) The community college has active partnerships with regional high schools,
17 intermediate school districts, and career-tech centers to provide instruction through dual
18 enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

19 (ii) The community college hosts, sponsors, or participates in enrichment programs for
20 area K-12 students, such as college days, summer or after-school programming, or Science
21 Olympiad.

22 (iii) The community college provides, supports, or participates in programming to
23 promote successful transitions to college for traditional age students, including grant
24 programs such as talent search, upward bound, or other activities to promote college
25 readiness in area high schools and community centers.

26 (iv) The community college provides, supports, or participates in programming to
27 promote successful transitions to college for new or reentering adult students, such as
28 adult basic education, a high school equivalency test preparation program and testing, or
29 recruiting, advising, or orientation activities specific to adults. As used in this
30 subparagraph, "high school equivalency test preparation program" means that term as defined
31 in section 4.

32 (v) The community college has active partnerships with regional 4-year colleges and

1 universities to promote successful transfer, such as articulation, 2+2, or reverse transfer
2 agreements or operation of a university center.

3 (c) For Category C, community services, the following:

4 (i) The community college provides continuing education programming for leisure,
5 wellness, personal enrichment, or professional development.

6 (ii) The community college operates or sponsors opportunities for community members to
7 engage in activities that promote leisure, wellness, cultural or personal enrichment such
8 as community sports teams, theater or musical ensembles, or artist guilds.

9 (iii) The community college operates public facilities to promote cultural,
10 educational, or personal enrichment for community members, such as libraries, computer
11 labs, performing arts centers, museums, art galleries, or television or radio stations.

12 (iv) The community college operates public facilities to promote leisure or wellness
13 activities for community members, including gymnasiums, athletic fields, tennis courts,
14 fitness centers, hiking or biking trails, or natural areas.

15 (v) The community college promotes, sponsors, or hosts community service activities
16 for students, staff, or community members.

17 (4) Payments for performance funding under section 201(2) must be made to a community
18 college only if that community college actively participates in the Michigan Transfer
19 Network sponsored by the Michigan Association of Collegiate Registrars and Admissions
20 Officers and submits timely updates, including updated course equivalencies at least every
21 6 months, to the Michigan transfer network. The state budget director shall determine if a
22 community college has not satisfied this requirement. The state budget director may
23 withhold payments for performance funding until a community college is in compliance with
24 this subsection.

25 ~~(5) Payments under section 201 for performance funding for fiscal year 2022-2023 must~~
26 ~~be made only to a public community college that certifies to the state budget director by~~
27 ~~the last business day of August that its board will not adopt an increase in tuition and~~
28 ~~fee rates for in-district students for the 2022-2023 academic year that is greater than~~
29 ~~5.0% or \$226.00, whichever is greater. As used in this subsection:~~

30 ~~(a) "Fee" means any board authorized fee that will be paid by more than 1/2 of all~~
31 ~~in-district students at least once during their enrollment at a community college. A~~
32 ~~community college increasing a fee that applies to a specific subset of students or courses~~

1 ~~shall provide sufficient information to prove that the increase applied to that subset will~~
2 ~~not cause the increase in the average amount of board-authorized total tuition and fees~~
3 ~~paid by in-district students in the 2022-2022 academic year to exceed the limit established~~
4 ~~in this section.~~

5 ~~(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of~~
6 ~~students in each class, based on an unweighted average of the rates authorized by the~~
7 ~~community college board and actually charged to students, deducting any uniformly rebated~~
8 ~~or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-~~
9 ~~district enrollment during the academic year.~~

10 ~~(6) Community colleges that exceed the tuition and fee rate cap described in~~
11 ~~subsection (5) must not receive a planning or construction authorization for a state-funded~~
12 ~~capital outlay project in fiscal year 2022-2023 or 2023-2024~~

13 ~~(7) Notwithstanding any other provision of this act, the legislature may at any time~~
14 ~~adjust appropriations for a community college that adopts an increase in tuition and fee~~
15 ~~rates for in-district students that exceeds the rate cap established in subsection (5).~~

16 ~~(8) A task force must be formed by September 15, 2022 to review, evaluate, discuss,~~
17 ~~and make recommendations regarding community college operations funding, with a focus on~~
18 ~~addressing disparities and ensuring that funding levels are equitable across tuition, state~~
19 ~~support, and local tax revenue. All of the following apply to this task force:~~

20 ~~(a) The task force must consist of the following members:~~

21 ~~(i) The chairs and minority vice chairs of the house and senate appropriations~~
22 ~~subcommittees on higher education and community colleges.~~

23 ~~(ii) The state budget director or designee.~~

24 ~~(iii) The director of the Michigan Community Colleges Association.~~

25 ~~(iv) Three members from Michigan public community colleges, designated by the~~
26 ~~Michigan Community College Association, that represent various-sized colleges and~~
27 ~~geographical distribution.~~

28 ~~(b) The task force may engage legislative staff, the house and senate fiscal~~
29 ~~agencies, the state budget office, the department of treasury, former state officials, and~~
30 ~~other stakeholders with relevant technical expertise to support its work.~~

31 ~~(c) The task force shall review whether the current performance metrics used for the~~
32 ~~performance funding formula are the most appropriate and reliable performance indicators~~

1 ~~available and determine the most efficient methodology for connecting state funding to~~
2 ~~those indicators. The task force shall also review, examine, and suggest methodology~~
3 ~~concerning equitable and appropriate funding levels to community colleges.~~

4 ~~(d) The task force shall publish a report containing its findings and recommendations~~
5 ~~by December 15, 2022.~~

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

ARTICLE III

STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2023~~, **2024** from the funds indicated in this section. The following is a summary of the appropriations in this section and section 236j:

(a) The gross appropriation is ~~\$2,016,635,700.00~~. **\$2,189,681,200.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$2,016,635,700.00~~. **\$2,189,681,200.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

- (i) Total federal revenues, \$128,526,400.00.
 - (ii) Total local revenues, \$0.00.
 - (iii) Total private revenues, \$0.00.
 - (iv) Total other state restricted revenues, ~~\$347,888,300.00~~. **\$352,268,300.00**
 - (v) State general fund/general purpose money, ~~\$1,540,221,000.00~~. **\$1,708,886,500.00.**
- (c) The totals and subtotals reflected in subdivisions (a) and (b) do not include

1 amounts appropriated under subsection ~~(7)(f) or (8)(e)~~ **(6)(f) or (7)(c)** to avoid
2 duplicating totals of amounts appropriated in this section and section 236j.

3 (2) Amounts appropriated for public universities are as follows:

4 (a) The appropriation for Central Michigan University is ~~\$91,145,100.00,~~
5 ~~\$87,600,000.00 for operations, \$0.00 for per-student floor funding, \$1,752,000.00 for~~
6 ~~operations increase, and \$1,793,100.00 for costs incurred under the North American Indian~~
7 ~~tuition waiver.~~ **\$94,551,300.00, \$89,352,000.00 for operations, \$0.00 for per-student floor**
8 **funding, \$3,574,100.00 for operations increase, and \$1,625,200.00 for costs incurred under**
9 **the North American Indian tuition wavier.**

10 (b) The appropriation for Eastern Michigan University is ~~\$79,152,400.00,~~
11 ~~\$77,253,700.00 for operations, \$0.00 for per-student floor funding, \$1,545,100.00 for~~
12 ~~operations increase, and \$353,600.00 for costs incurred under the North American Indian~~
13 ~~tuition waiver.~~ **\$82,356,800.00, \$78,798,800.00 for operations, \$0.00 for per-student floor**
14 **funding, \$3,152,000.00 for operations increase, and \$406,000.00 for costs incurred under**
15 **the North American Indian tuition wavier.**

16 (c) The appropriation for Ferris State University is ~~\$56,952,900.00, \$55,025,500.00~~
17 ~~for operations, \$0.00 for per-student floor funding, \$1,100,500.00 for operations increase,~~
18 ~~and \$826,900.00 for costs incurred under the North American Indian tuition waiver.~~
19 **\$59,085,200.00, \$56,126,000.00 for operations, \$0.00 for per-student floor funding,**
20 **\$2,245,000.00 for operations increase, and \$714,200.00 for costs incurred under the North**
21 **American Indian tuition wavier.**

22 (d) The appropriation for Grand Valley State University is ~~\$81,253,800.00,~~
23 ~~\$72,313,500.00 for operations, \$7,661,000.00 for per-student floor funding, \$0.00 for~~
24 ~~operations increase, and \$1,279,300.00 for costs incurred under the North American Indian~~
25 ~~tuition waiver.~~ **\$88,607,800.00, \$79,974,500.00 for operations, \$4,180,500.00 for per-student**
26 **floor funding, \$3,199,000.00 for operations increase, and \$1,253,800.00 for costs incurred**
27 **under the North American Indian tuition wavier.**

28 (e) The appropriation for Lake Superior State University is ~~\$14,361,900.00,~~
29 ~~\$13,307,000.00 for operations, \$0.00 for per-student floor funding, \$266,100.00 for~~
30 ~~operations increase, and \$788,800.00 for costs incurred under the North American Indian~~
31 ~~tuition waiver.~~ **\$15,054,500.00, \$13,573,100.00 for operations, \$0.00 for per-student floor**
32 **funding, \$542,900.00 for operations increase, and \$938,500.00 for costs incurred under the**

1 **North American Indian tuition wavier.**

2 (f) The appropriation for Michigan State University is ~~\$372,054,800.00,~~
3 ~~\$287,331,700.00 for operations, \$0.00 for per-student floor funding, \$14,349,600.00 for~~
4 ~~operations increase, \$2,046,400.00 for costs incurred under the North American Indian~~
5 ~~tuition waiver, \$36,684,200.00 for MSU AgBioResearch, and \$31,642,900.00 for MSU Extension.~~
6 **\$386,752,600.00, \$301,681,300.00 for operations, \$0.00 for per-student floor funding,**
7 **\$12,067,300.00 for operations increase, \$1,943,800.00 for costs incurred under the North**
8 **American Indian tuition wavier, \$38,151,600.00 for MSU AgBioResearch, and \$32,908,600.00**
9 **for MSU Extension.**

10 (g) The appropriation for Michigan Technological University is ~~\$51,951,000.00,~~
11 ~~\$50,101,600.00 for operations, \$0.00 for per-student floor funding, \$1,002,000.00 for~~
12 ~~operations increase, and \$847,400.00 for costs incurred under the North American Indian~~
13 ~~tuition waiver.~~ **\$54,014,600.00, \$51,103,600.00 for operations, \$0.00 for per-student floor**
14 **funding, \$2,044,100.00 for operations increase, and \$866,900.00 for costs incurred under**
15 **the North American Indian tuition wavier.**

16 (h) The appropriation for Northern Michigan University is ~~\$50,751,100.00,~~
17 ~~\$47,809,100.00 for operations, \$0.00 for per-student floor funding, \$1,780,700.00 for~~
18 ~~operations increase, and \$1,161,300.00 for costs incurred under the North American Indian~~
19 ~~tuition waiver.~~ **\$52,911,900.00, \$49,589,800.00 for operations, \$0.00 for per-student floor**
20 **funding, \$1,983,600.00 for operations increase, and \$1,338,500.00 for costs incurred under**
21 **the North American Indian tuition wavier.**

22 (i) The appropriation for Oakland University is ~~\$60,761,900.00, \$53,147,400.00 for~~
23 ~~operations, \$7,259,200.00 for per-student floor funding, \$0.00 for operations increase, and~~
24 ~~\$355,300.00 for costs incurred under the North American Indian tuition waiver.~~
25 **\$66,008,500.00, \$60,406,600.00 for operations, \$2,853,800.00 for per-student floor funding,**
26 **\$2,416,300.00 for operations increase, and \$331,800.00 for costs incurred under the North**
27 **American Indian tuition wavier.**

28 (j) The appropriation for Saginaw Valley State University is ~~\$32,274,600.00,~~
29 ~~\$30,583,800.00 for operations, \$132,900.00 for per-student floor funding, \$1,369,600.00 for~~
30 ~~operations increase, and \$188,300.00 for costs incurred under the North American Indian~~
31 ~~tuition waiver.~~ **\$33,573,700.00, \$32,086,300.00 for operations, \$0.00 for per-student floor**
32 **funding, \$1,283,500.00 for operations increase, and \$203,900.00 for costs incurred under**

1 **the North American Indian tuition wavier.**

2 (k) The appropriation for University of Michigan - Ann Arbor is ~~\$339,198,000.00,~~
3 ~~\$321,970,100.00 for operations, \$0.00 for per-student floor funding, \$16,390,200.00 for~~
4 ~~operations increase, and \$837,700.00 for costs incurred under the North American Indian~~
5 ~~tuition waiver.~~ **\$353,185,200.00, \$338,360,300.00 for operations, \$0.00 for per-student**
6 **floor funding, \$13,534,400.00 for operations increase, and \$1,290,500.00 for costs incurred**
7 **under the North American Indian tuition wavier.**

8 (l) The appropriation for University of Michigan - Dearborn is ~~\$28,115,900.00,~~
9 ~~\$26,167,000.00 for operations, \$1,702,700.00 for per-student floor funding, \$0.00 for~~
10 ~~operations increase, and \$246,200.00 for costs incurred under the North American Indian~~
11 ~~tuition waiver.~~ **\$29,462,500.00, \$27,869,700.00 for operations, \$292,500.00 for per-student**
12 **floor funding, \$1,114,800.00 for operations increase, and \$185,500.00 for costs incurred**
13 **under the North American Indian tuition wavier.**

14 (m) The appropriation for University of Michigan - Flint is ~~\$25,159,200.00,~~
15 ~~\$23,616,200.00 for operations, \$953,900.00 for per-student floor funding, \$204,700.00 for~~
16 ~~operations increase, and \$384,400.00 for costs incurred under the North American Indian~~
17 ~~tuition waiver.~~ **\$26,157,000.00, \$24,774,800.00 for operations, \$0.00 for per-student floor**
18 **funding, \$991,000.00 for operations increase, and \$391,200.00 for costs incurred under the**
19 **North American Indian tuition wavier.**

20 (n) The appropriation for Wayne State University is ~~\$213,639,700.00, \$202,996,700.00~~
21 ~~for operations, \$0.00 for per-student floor funding, \$10,289,900.00 for operations~~
22 ~~increase, and \$353,100.00 for costs incurred under the North American Indian tuition~~
23 ~~wavier.~~ **\$222,221,700.00, \$213,286,600.00 for operations, \$0.00 for per-student floor**
24 **funding, \$8,531,500.00 for operations increase, and \$403,600.00 for costs incurred under**
25 **the North American Indian tuition wavier.**

26 (o) The appropriation for Western Michigan University is ~~\$114,351,900.00,~~
27 ~~\$111,522,200.00 for operations, \$0.00 for per-student floor funding, \$2,230,400.00 for~~
28 ~~operations increase, and \$599,300.00 for costs incurred under the North American Indian~~
29 ~~tuition waiver.~~ **\$118,846,400.00, \$113,752,600.00 for operations, \$0.00 for per-student floor**
30 **funding, \$4,550,100.00 for operations increase, and \$543,700.00 for costs incurred under**
31 **the North American Indian tuition wavier.**

32 (3) The amount appropriated in subsection (2) for public universities is

1 ~~\$1,611,124,200.00~~, **\$1,682,789,700.00**, appropriated from the following:

2 (a) State school aid fund, \$343,168,300.00.

3 (b) State general fund/general purpose money, ~~\$1,267,955,900.00~~, **\$1,339,621,400.00**.

4 ~~(4) The amount appropriated for Michigan public school employees' retirement system~~
5 ~~reimbursement is \$70,000.00, appropriated from the state school aid fund.~~

6 **(4)** ~~(5)~~ The amount appropriated for state and regional programs is \$316,800.00,
7 appropriated from general fund/general purpose money and allocated as follows:

8 (a) Higher education database modernization and conversion, \$200,000.00.

9 (b) Midwestern Higher Education Compact, \$116,800.00.

10 **(5)** ~~(6)~~ The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa
11 Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and
12 allocated as follows:

13 (a) Select student support services, \$1,956,100.00.

14 (b) Michigan college/university partnership program, \$586,800.00.

15 (c) Morris Hood, Jr. educator development program, \$148,600.00.

16 **(6)** ~~(7)~~ Subject to subsection ~~(8)~~, **(7)**, the amount appropriated for grants and
17 financial aid is ~~\$397,783,200.00~~, **\$494,783,200.00**, allocated as follows:

18 (a) State competitive scholarships, ~~\$29,861,700.00~~, **\$26,861,700.00**.

19 (b) Tuition grants, \$42,021,500.00.

20 (c) Tuition incentive program, \$71,300,000.00.

21 (d) Children of veterans and officer's survivor tuition grant programs,
22 \$1,400,000.00.

23 (e) Project GEAR-UP, \$3,200,000.00.

24 (f) Michigan achievement scholarships, ~~\$250,000,000.00~~, **\$350,000,000.00**. From this
25 amount, up to \$10,000,000.00 may be used to award skills scholarships under section 248a.

26 **(7)** ~~(8)~~ The money appropriated in subsection ~~(7)~~, **(6)** for grants and financial aid is
27 appropriated from the following:

28 (a) Federal revenues under the United States Department of Education, Office of
29 Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

30 (b) Federal revenues under the social security act, temporary assistance for needy
31 families, \$125,326,400.00.

32 (c) Postsecondary scholarship fund, ~~\$250,000,000.00~~, **\$350,000,000.00**.

1 (d) State general fund/general purpose money, ~~\$19,256,800.00.~~ **\$16,256,800.00.**

2 **(8)** ~~(9)~~ For fiscal year ~~2022-2023~~ only **2023-2024**, in addition to the allocation under
3 ~~subsection (4)~~, from the appropriations described in subsection (1), there is allocated an
4 amount not to exceed ~~\$4,650,000.00~~ **\$9,100,000.00** for payments to participating public
5 universities, appropriated from the state school aid fund. A university that receives money
6 under this subsection shall use that money solely for the purpose of offsetting the normal
7 cost contribution rate. As used in this subsection, "participating public universities"
8 means public universities that are a reporting unit of the Michigan public school
9 employees' retirement system under the public school employees retirement act of 1979, 1980
10 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school
11 employees' retirement system for the state fiscal year.

12 Sec. 236b. In addition to the funds appropriated in section 236, there is
13 appropriated for grants and financial aid in fiscal year ~~2022-2023~~ **2023-2024** an amount not
14 to exceed \$6,000,000.00 for federal contingency authorization. These funds are not
15 available for expenditure until they have been transferred under section 393(2) of the
16 management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this
17 article.

18 Sec. 236c. In addition to the funds appropriated for fiscal year ~~2022-2023~~ **2023-2024**
19 in section 236, appropriations to the department of technology, management, and budget in
20 the act providing general appropriations for fiscal year ~~2022-2023~~ **2023-2024** for state
21 building authority rent, totaling an estimated ~~\$132,295,300.00,~~ **\$134,595,300.00**, provide
22 funding for the state share of costs for previously constructed capital projects for state
23 universities. These appropriations for state building authority rent represent additional
24 state general fund support provided to public universities, and the following is an
25 estimate of the amount of that support to each university:

26 (a) Central Michigan University, ~~\$12,973,000.00.~~ **\$ 13,013,100.00.**

27 (b) Eastern Michigan University, ~~\$6,049,500.00.~~ **\$ 6,068,200.00.**

28 (c) Ferris State University, ~~\$8,392,700.00.~~ **\$ 9,756,300.00.**

29 (d) Grand Valley State University, ~~\$8,653,400.00.~~ **\$ 8,680,100.00.**

30 (e) Lake Superior State University, ~~\$2,340,600.00.~~ **\$ 2,246,100.00.**

31 (f) Michigan State University, ~~\$16,673,800.00.~~ **\$ 16,725,300.00.**

32 (g) Michigan Technological University, ~~\$3,421,600.00.~~ **\$ 4,030,700.00.**

- 1 (h) Northern Michigan University, ~~\$7,342,400.00.~~ **\$ 7,768,000.00.**
- 2 (i) Oakland University, ~~\$9,488,200.00.~~ **\$ 9,517,400.00.**
- 3 (j) Saginaw Valley State University, ~~\$7,855,700.00.~~ **\$ 7,880,000.00.**
- 4 (k) University of Michigan - Ann Arbor, ~~\$12,065,900.00.~~ **\$ 11,757,500.00.**
- 5 (l) University of Michigan - Dearborn, ~~\$10,774,000.00.~~ **\$ 10,807,200.00.**
- 6 (m) University of Michigan - Flint, ~~\$6,084,700.00.~~ **\$ 6,103,500.00.**
- 7 (n) Wayne State University, ~~\$10,118,000.00.~~ **\$ 10,092,800.00.**
- 8 (o) Western Michigan University, ~~\$10,061,800.00.~~ **\$ 10,149,100.00.**

9 Sec. 236j. (1) The postsecondary scholarship fund is created in the department of
10 treasury for the purpose of providing scholarship awards to eligible students who attend
11 eligible postsecondary educational institutions in this state, as provided in subsection
12 (5).

13 (2) The state treasurer may receive money or other assets from any source for deposit
14 into the postsecondary scholarship fund. The state treasurer shall direct the investment of
15 the postsecondary scholarship fund. The state treasurer shall credit to the postsecondary
16 scholarship fund interest and earnings from postsecondary scholarship fund investments.

17 (3) ~~Except as otherwise provided in subsection (5)(c), money~~ **Money** in the
18 postsecondary scholarship fund at the close of the fiscal year must remain in the
19 postsecondary scholarship fund and not lapse to the general fund.

20 (4) The department of treasury shall be the administrator of the postsecondary
21 scholarship fund for auditing purposes.

22 (5) ~~The expenditure of money from the postsecondary scholarship fund is subject to~~
23 ~~all of the following:~~

24 ~~(a)~~ Money must be expended from the postsecondary scholarship fund only for the
25 purpose of providing **Michigan achievement** scholarship awards to eligible students who
26 attend eligible postsecondary educational institutions in this state.

27 ~~(b) Criteria for student and institutional eligibility under subdivision (a), along~~
28 ~~with all other program requirements, must be established pursuant to a postsecondary~~
29 ~~scholarship program enacted into the law of this state that is effective by not later than~~
30 ~~September 30, 2023.~~

31 ~~(c) If a postsecondary scholarship program is not enacted into law with an effective~~
32 ~~date as described in subdivision (b), money in the postsecondary scholarship fund must~~

1 ~~remain in the postsecondary scholarship fund and not lapse to the general fund.~~

2 (6) For the fiscal year ending September 30, ~~2023, \$250,000,000.00~~ **2024,**
3 **\$350,000,000.00** is deposited into the postsecondary scholarship fund from the state general
4 fund/general purpose money.

5 (7) It is the intent of the legislature that the postsecondary scholarship fund
6 serves as the primary funding source of the Michigan achievement scholarship. To ensure the
7 Michigan achievement scholarship provides ongoing supports for students, it is the intent
8 of the legislature to increase annual deposits into the postsecondary scholarship fund by
9 \$50,000,000.00 per year until the fully implemented costs of the Michigan achievement
10 scholarship are deposited annually into the postsecondary scholarship fund.

11 Sec. 236k. (1) The amounts appropriated in section 236 for per-student floor funding
12 are distributed to those public universities whose annual state appropriations per fiscal
13 year equated student is less than \$4,500.00 and are to be allocated each year, **beginning**
14 **with the fiscal year ending September 30, 2023,** over 3 years until a funding floor of
15 \$4,500.00 is met.

16 (2) The per-student floor funding allocation for fiscal year ~~2022-2023~~ **2023-2024** is
17 an amount equal to (the difference between \$4,500.00 and the amount calculated by dividing
18 the annual state appropriations for fiscal year ~~2020-2021~~ **2021-2022** by total fiscal year
19 equated students for all public universities for fiscal year ~~2020-2021~~ **2021-2022**) divided
20 by ~~3~~ **2**. The amount paid to an eligible public university is the amount calculated in the
21 immediately preceding sentence multiplied by that university's fiscal year equated students
22 for fiscal year ~~2020-2021~~ **2021-2022**. If a calculation under this section results in an
23 amount less than \$0.00, the payment under this section is equal to \$0.00. It is intended
24 that each university will reach a minimum funding level of at least \$4,500.00 over 3 years.

25 (3) As used in this section:

26 (a) "Annual state appropriations" means the total of those amounts allocated in
27 section 236(2) with the exception of MSU AgBioResearch and MSU Extension for the fiscal
28 year ending September 30, ~~2021~~ **2022**.

29 (b) "Fiscal year equated students" means that term as used in the higher education
30 institutional data inventory for the fiscal year ending September 30, ~~2021~~ **2022**.

31 Sec. 241. ~~(1)~~ Subject to sections **241a, 241b, and 241c, and 244 and 265a** the funds
32 appropriated in section 236 to public universities must be paid out of the state treasury

1 and distributed by the state treasurer to the respective institutions in 11 equal monthly
2 installments on the sixteenth of each month, or the next succeeding business day, beginning
3 with October 16, ~~2022~~, **2023**. Except for Wayne State University, each institution shall
4 accrue its July and August ~~2022~~**2024** payments to its institutional fiscal year ending June
5 30, ~~2023~~**2024**.

6 ~~(2) All public universities shall submit higher education institutional data
7 inventory (HEIDI) data and associated financial aid program information requested by and in
8 a manner prescribed by the state budget director. For public universities with fiscal years
9 ending June 30, these data must be submitted to the state budget director by October 15 of
10 each fiscal year. Public universities with a fiscal year ending September 30, 2022 shall
11 submit preliminary HEIDI data by November 15, 2022 and final data by December 15, 2022. If
12 a public university fails to submit HEIDI data and associated financial aid program
13 information in accordance with this reporting schedule, the state treasurer may withhold
14 the monthly installments under subsection (1) to the public university until those data are
15 submitted.~~

16 **Sec. 241a. (1) All public universities shall submit higher education institutional
17 data inventory (HEIDI) data and associated financial aid program information requested by
18 and in a manner prescribed by the state budget director. For public universities with
19 fiscal years ending June 30, these data must be submitted to the state budget director by
20 October 15 of each fiscal year. Public universities with a fiscal year ending September 30,
21 2023 shall submit preliminary HEIDI data by November 15, 2023 and final data by December
22 15, 2023.**

23 **(2) It is intended to streamline accountability reporting for public universities
24 through HEIDI. The state budget director and the center will work to combine the reporting
25 requirements outlined in subsection (3), (4), section 241b, and section 241c to the
26 existing HEIDI collection cycle.**

27 **(a) Public universities shall send reports outlined in subsection (3), (4), section
28 241b, and section 241c to the house and senate fiscal agencies and the state budget
29 director.**

30 **(b) If a public university fails to submit HEIDI data and associated financial aid
31 program information in accordance with this reporting schedule, the state treasurer may
32 withhold the monthly installments under section 241 to the public university until those**

1 data are submitted. If a public university does not comply with the following information
2 by the end of the fiscal year, the university forfeits the amount withheld. The state
3 budget director shall notify the chairs of the house and senate appropriations subcommittee
4 on higher education at least 10 days before withholding funds from any university.

5 (3) No later than October 15 each year, a public university shall maintain a public
6 transparency website available through a link on its website homepage. The website shall
7 include all of the following concerning the public university:

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

9 (b) A summary of current expenditures for the most recent fiscal year for which they
10 are available, expressed as pie charts in the following 2 categories:

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

12 (A) Earnings and wages.

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

15 (C) Retirement benefit costs.

16 (D) All other personnel costs.

17 (ii) A chart of all current expenditures the public university reported as part of its
18 higher education institutional data inventory data under section 241a(1), broken into the
19 same subcategories in which it reported those data.

20 (c) Links to all of the following for the public university:

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

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

25 (iii) Audits and financial reports for the most recent fiscal year for which they are
26 available.

27 (d) General fund revenue and expenditure projections for the current fiscal year and
28 the next fiscal year.

29 (e) A listing of all debt service obligations, detailed by project, anticipated
30 fiscal year payment for each project, and total outstanding debt for the current fiscal
31 year.

32 (f) The institution's policy regarding the transferability of core college courses

1 between community colleges and the university.

2 (g) A listing of all community colleges that have entered into reverse transfer
3 agreements with the university.

4 (h) On the website required under subsection (3), a public university shall provide a
5 dashboard or report card demonstrating the university's performance in several "best
6 practice" measures. The dashboard or report card shall include at least all of the
7 following for the 3 most recent academic years for which the data are available:

8 (i) Enrollment.

9 (ii) Student retention rate.

10 (iii) Six-year graduation rates.

11 (iv) Number of Pell grant recipients and graduating Pell grant recipients.

12 (v) Geographic origination of students, categorized as in-state, out-of-state, and
13 international.

14 (vi) Faculty to student ratios and total university employee to student ratios.

15 (vii) Teaching load by faculty classification.

16 (viii) Graduation outcome rates, including employment and continuing education.

17 (i) For statewide consistency and public visibility, public universities must use the
18 icon badge provided by the department of technology, management, and budget consistent with
19 the icon badge developed by the department of education for K-12 school districts. It must
20 appear on the front of each public university's homepage. The size of the icon may be
21 reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent
22 with other documents on each university's website.

23 (j) A public university shall collect and report the number and percentage of all
24 enrolled students who complete the Free Application for Federal Student Aid, broken out by
25 undergraduate and graduate/professional classifications, to the center and post the
26 information on its website under the budget transparency icon badge.

27 (4) No later than October 15 each year, a public university shall develop, maintain,
28 and update a "campus safety information and resources" link, prominently displayed on the
29 homepage of its website, to a section of its website containing all of the information
30 required under subsection (a).

31 (a) The "campus safety information and resources" section of a public university's
32 website must include, but not be limited to, all of the following information:

1 (i) Emergency contact numbers for police, fire, health, and other services.

2 (ii) Hours, locations, telephone numbers, and email contacts for campus public safety
3 offices and title IX offices.

4 (iii) A listing of safety and security services provided by the university, including
5 transportation, escort services, building surveillance, anonymous tip lines, and other
6 available security services.

7 (iv) The university's policies applicable to minors on university property.

8 (v) A directory of resources available at the university or surrounding community for
9 students or employees who are survivors of sexual assault or sexual abuse.

10 (vi) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors,
11 Friends and Family", published in 2018.

12 (vii) Campus security policies and crime statistics pursuant to the student right-to-
13 know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include
14 all material prepared pursuant to the public information reporting requirements under the
15 crime awareness and campus security act of 1990, title II of the student right-to-know and
16 campus security act, Public Law 101-542, 104 Stat 2381.

17 Sec. 241b. (1) No later than October 15 each year, each public university receiving
18 funds under section 236 shall report its annual security report, also known as the Clery
19 Act Report, as required under 20 USC 1092(f). Each university shall include a title IX
20 summary report that includes all of the following information:

21 (a) The amounts and descriptions of all fees incurred in title IX-related civil and
22 criminal litigation.

23 (b) The number of title IX complaints.

24 (c) The average length of time for investigation and resolution of title IX
25 complaints.

26 (d) The aggregate number of title IX cases, investigations, and complaints for each
27 of the categories described in subparagraphs (i) to (v), subject to subparagraph (vi), as
28 follows:

29 (i) Cases investigated for less than 15 days.

30 (ii) Cases investigated for at least 15 days and less than 30 days.

31 (iii) Cases investigated for at least 30 days and less than 60 days.

32 (iv) Cases investigated for at least 60 days and less than 90 days.

1 (v) Cases investigated for 90 days or more.

2 (vi) If, for any category of cases under subparagraphs (i) to (v), there is an
3 aggregate of fewer than 5 cases investigated, the university shall not report the aggregate
4 number of cases and instead shall report that fewer than 5 cases were investigated.

5 (e) The number of title IX appeals and the resolutions of those appeals.

6 (f) The number of title IX-related complaints filed by the university with law
7 enforcement agencies.

8 (2) No later than October 15 each year, each university receiving funds under section
9 236 shall certify that the university has complied with all the following.

10 (a) The university complies with the federal regulations for title IX, as required by
11 the United States Department of Education. Including but not limited to:

12 (i) Prohibited uses of medical experts that have an actual or apparent conflicts of
13 interest.

14 (ii) Prohibited issuance of divergent title IX reports to complainants and
15 respondents.

16 (iii) Notification of resources to each individual who reports having experienced
17 sexual assault by a university member.

18 (iv) Consistent annual training for title IX staff and law enforcement.

19 (b) The university provides both of the following:

20 (i) For all freshmen and incoming transfer students enrolled, an in-person sexual
21 misconduct prevention presentation or course, which must include contact information for
22 the title IX office of the university.

23 (ii) For all students not considered freshmen or incoming transfer students, an online
24 or electronic sexual misconduct prevention presentation or course.

25 (c) The university had a third party review its title IX compliance office and
26 related policies and procedures by the end of the 2018-2019 academic year. A copy of the
27 third-party review must be transmitted to the state budget director, the house and senate
28 appropriations subcommittees on higher education, and the house and senate fiscal agencies.
29 Each university shall have a third-party review once every four years and a copy of the
30 third-party review must be transmitted to the state budget director, the house and senate
31 appropriations subcommittees on higher education, and the house and senate fiscal agencies.

32 (d) The university requires that the governing board and the president or chancellor

1 of the university receive quarterly reports from their title IX coordinator or title IX
2 office. The report must contain aggregated data of the number of sexual misconduct reports
3 that the office received for the academic year, the types of reports received, including
4 reports received against employees, and a summary of the general outcomes of the reports
5 and investigations. A member of the governing board may request to review a title IX
6 investigation report involving a complaint against an employee, and the university shall
7 provide the report in a manner it considers appropriate. The university shall protect the
8 complainant's anonymity, and the report must not contain specific identifying information.

9 (e) If allegations against an employee are made in more than 1 title IX complaint
10 that resulted in the university finding that no misconduct occurred, the university
11 requires that the title IX officer promptly notify the president or chancellor and a member
12 of the university's governing board in writing and take all appropriate steps to ensure
13 that the matter is being investigated thoroughly, including hiring an outside investigator
14 for future cases involving that employee. A third-party title IX investigation under this
15 subdivision does not prohibit the university from simultaneously conducting its own title
16 IX investigation through its own title IX coordinator.

17 (f) Each public university that receives an appropriation in section 236 shall also
18 certify that its president or chancellor and a member of its governing board has reviewed
19 all title IX reports involving the alleged sexual misconduct of an employee of the
20 university.

21 (g) For purposes of this section, "sexual misconduct" includes, but is not limited
22 to, intimate partner violence, nonconsensual sexual conduct, sexual assault, sexual
23 exploitation, sexual harassment, and stalking.

24 Sec. 241c. (1) No later than the last business day of August each year, each
25 university receiving funds under section 236, shall submit the amount of tuition and fees
26 actually charged to a full-time resident undergraduate student for academic year 2023-2024
27 as part of their higher education institutional data inventory (HEIDI) data. A public
28 university shall report any revisions of tuition and fee charges for any semester of the
29 reported academic year to HEIDI within 15 days after being adopted.

30 (2) Payments under section 236 for operations increase and per-student floor funding
31 in section 236 for fiscal year 2023-2024 must only be made to a public university that
32 certifies to the state budget director by the last business day of August of each year that

1 its board did not adopt an increase in tuition and fee rates for resident undergraduate
2 students after September 1, 2022 for the 2022-2023 academic year and that its board will
3 not adopt an increase in tuition and fee rates for resident undergraduate students for the
4 2023-2024 academic year that is greater than 4.5% or \$676, whichever is greater. As used in
5 this subsection:

6 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all
7 resident undergraduate students at least once during their enrollment at a public
8 university, as described in the higher education institutional data inventory (HEIDI) user
9 manual. A university increasing a fee that applies to a specific subset of students or
10 courses shall provide sufficient information to prove that the increase applied to that
11 subset will not cause the increase in the average amount of board-authorized total tuition
12 and fees paid by resident undergraduate students in the 2023-2024 academic year to exceed
13 the limit established in this subsection.

14 (b) "Tuition and fee rate" means the average of full-time rates paid by a majority of
15 students in each undergraduate class, based on an unweighted average of the rates
16 authorized by the university board and actually charged to students, deducting any
17 uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-
18 time equated resident undergraduate enrollment during the academic year, as described in
19 the higher education institutional data inventory (HEIDI) user manual.

20 (2) The state budget director shall implement uniform reporting requirements to
21 ensure that a public university receiving a payment under section 236 for operations
22 increase and per-student floor funding has satisfied the tuition restraint requirements of
23 this section. The state budget director has the sole authority to determine if a public
24 university has met the requirements of this section. Information reported by a public
25 university to the state budget director under this subsection must also be reported to the
26 house and senate appropriations subcommittees on higher education and the house and senate
27 fiscal agencies.

28 Sec. 244. By October 15 of each year, a public university receiving funds in section
29 236 shall provide its longitudinal data system data set for the preceding academic year to
30 the center for inclusion in the statewide P-20 longitudinal data system described in
31 section 94a. If the state budget director finds that a university has not complied with
32 this section, the state budget director is authorized to withhold the monthly installments

1 provided to that university under section 241 until ~~he or she finds~~**they find** the
2 university has complied with this section.

3 Sec. 248. (1) The funds appropriated in section 236 for Michigan achievement
4 scholarships must be distributed as provided in this section and section 248a, pursuant to
5 the administrative procedures for Michigan achievement scholarships of the department.

6 (2) As used in this section:

7 (a) "Department" means the department of treasury.

8 (b) "Eligible institution" means a public university that receives an appropriation
9 in section 236, a community college that receives an appropriation in section 201, a
10 federally recognized tribal college in this state, or an independent nonprofit college or
11 university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

12 (c) "Gift aid" includes federal Pell grants under 20 USC 1070a, tuition incentive
13 program benefits under section 256, state tuition grants under section 252, awards received
14 for minimum payments awarded in subsection (4), higher education expenses paid under the
15 Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other
16 federal, state, local, or institutional aid in the form of grants, scholarships, or
17 discounts applied toward tuition and mandatory fees. Gift aid does not include student
18 loans, work-study awards, qualified withdrawals made from education savings accounts to pay
19 higher education expenses pursuant to the Michigan education savings program act, 2000 PA
20 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan
21 education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL
22 390.1421 to 390.1442.

23 (d) "High school equivalency certificate" means that term as defined in section 4.

24 (3) An individual must meet all of the following criteria and financial thresholds
25 each year to be eligible for a Michigan achievement scholarship awarded under this section:

26 (a) Be a resident of this state for at least the immediately preceding year.

27 (b) Have graduated from high school in this state with a diploma or certificate of
28 completion or achieved a high school equivalency certificate in 2023 or after.

29 (c) Be a full-time undergraduate student at an eligible institution, as defined by
30 that eligible institution, and be a first-time enrollee in an eligible institution during
31 the 2023-2024 academic year, or a subsequent academic year, within 15 months after high
32 school graduation or attainment of a high school equivalency certificate or have received a

1 Michigan achievement scholarship in a previous academic year. For the purposes of this
2 subdivision, participation in a dual enrollment, early college, or other similar program
3 while attending high school does not disqualify a student from being considered a first-
4 time enrollee.

5 (d) Maintain satisfactory academic progress, as defined by the eligible institution
6 in which the student is enrolled.

7 (e) Not be incarcerated in a corrections institution.

8 (f) Not be in default on a federal student loan.

9 (g) Timely complete the Free Application for Federal Student Aid and have an expected
10 family contribution of \$25,000.00 or less.

11 (h) Timely apply for all available gift aid for each academic year in which the
12 individual applies for a Michigan achievement scholarship.

13 (4) Michigan achievement scholarships are subject to all of the following:

14 (a) Subject to section 248a(3) (f) (i), an eligible student may receive an award under
15 this section or section 248a for a maximum of 5 academic years, not more than 3 of which
16 may be for attending eligible institutions that are community colleges or federally
17 recognized tribal colleges. A student may not receive an award under this subsection and
18 section 248a(3) (f) (i) during the same academic year.

19 (b) The amount awarded to an eligible student at an eligible institution that is a
20 community college or federally recognized tribal college must equal the sum of following:

21 (i) A minimum payment of \$1,750.00, which is comprised of a base payment of \$1,000.00
22 plus an additional payment of \$750.00.

23 (ii) The lesser of \$1,000.00 or the student's last-dollar payment amount.

24 (c) The amount awarded to an eligible student at an eligible institution that is a
25 public university must equal the sum of following:

26 (i) A minimum payment of \$2,500.00, which is comprised of a base payment of \$1,000.00
27 plus an additional payment of \$1,500.00.

28 (ii) The lesser of \$3,000.00 or the student's last-dollar payment amount.

29 (d) The amount awarded to an eligible student at an eligible institution that is an
30 independent nonprofit college or university must equal the sum of the following:

31 (i) A minimum payment of \$1,000.00.

32 (ii) The lesser of \$3,000.00 or the student's last-dollar payment amount.

1 (e) Money awarded under this subsection for a Michigan achievement scholarship must
2 be paid to the eligible institution for credit to the student's account.

3 (f) As used in this subsection:

4 (i) "Last-dollar payment amount" means an amount equal to the tuition cost for an
5 eligible student's courses at the resident rate, regardless of whether the student actually
6 incurred that rate, plus the student's mandatory fees, minus all gift aid received by the
7 student.

8 (ii) "Resident rate" means the lowest tuition rate charged to in-state students by the
9 eligible institution, including, if any, an in-district tuition rate.

10 (5) The department shall work closely with participating institutions to provide the
11 highest level of participation and ensure that all requirements of the program are met.

12 (6) The department shall ensure that Michigan achievement scholarships are well
13 publicized and that high school students are provided information on the program. The
14 department shall provide the necessary funding and staff to fully operate the program.

15 (7) The following reporting obligations apply to the Michigan achievement scholarship
16 program:

17 (a) ~~Beginning December 1, 2023, by~~ **By** December 1 of each year, the department shall
18 provide a written report, organized by eligible institution, to the house and senate
19 appropriations subcommittees on higher education, the house and senate fiscal agencies, and
20 the state budget director that includes the following information for the previous academic
21 year:

22 (i) The number of students who qualified for a Michigan achievement scholarship.

23 (ii) The number of students who received a Michigan achievement scholarship.

24 (iii) The average number of credits earned by students who received a Michigan
25 achievement scholarship.

26 (iv) The number of Michigan achievement scholarships that were canceled due to
27 failure to maintain satisfactory academic progress under subsection (3)(d).

28 (v) The number of Michigan achievement scholarships that were canceled due to a
29 student ceasing attendance at an eligible institution. The number must not include any
30 known transfers to another eligible institution.

31 (vi) The number of Michigan achievement scholarships that were canceled due to a
32 student's failure to maintain full-time status.

1 (b) Each eligible institution whose students receive awards under this section shall
2 cooperate with the department in a timely manner to facilitate the creation of the report
3 under subdivision (a).

4 (8) ~~Beginning April 1, 2024, by~~ **By** April 1 of each year, each eligible institution
5 shall submit a report that provides the following information to the department, the state
6 budget office, and the house and senate fiscal agencies:

7 (a) A description of each financial aid or scholarship program offered by the
8 eligible institution to undergraduate students attending that institution, including the
9 minimum and maximum dollar amounts available to a qualifying student for each program and
10 the types of costs that awards from each program may cover. At a minimum, this report must
11 include the amount of institutional aid, including student loans, work-study awards, merit-
12 based scholarships, and need-based grants, offered by the institution.

13 (b) A description of any changes made to institutional undergraduate financial aid
14 programs between the current academic year and prior academic year.

15 (c) The total institutional grant aid per full-year equated undergraduate student for
16 the current institution fiscal year and for the immediately preceding 3 institution fiscal
17 years. If the institution does not maintain total institutional grant aid per full-year
18 equated undergraduate student at the average amount provided over the immediately preceding
19 3 institution fiscal years, the institution must include in the report a description of
20 changes to institutional finances or the student population that prevented the institution
21 from maintaining support for institutional aid. An institution's report of total
22 institutional grant aid per full-year equated undergraduate student pursuant to this
23 subdivision must be consistent with data most recently reported to the Integrated
24 Postsecondary Education Data System.

25 (d) The number of students who received an award and the total dollar amount of
26 awards for each program described under subdivision (a).

27 (9) For each fiscal year, an eligible institution becomes ineligible for funding
28 under this section if, in the immediately preceding fiscal year, the institution exceeds 1
29 of the following tuition restraint requirements, as applicable:

30 (a) For an eligible institution that is a community college, the tuition restraint
31 described in section ~~230(5)~~ **217b**.

32 (b) For an eligible institution that is a public university or independent nonprofit

1 college or university, the tuition restraint described in section ~~265.~~**241c.**

2 (10) It is the intent of the legislature that an eligible institution will not make
3 changes to scholarship or financial aid programs offered by that eligible institution that
4 have the goal or net effect of shifting the cost burden of those programs to the program
5 described in this section.

6 Sec. 248a. (1) The funds appropriated in section 236 for Michigan achievement
7 scholarships must be distributed as provided in this section and section 248, pursuant to
8 the administrative procedures for Michigan achievement scholarship private training program
9 of the department.

10 (2) As used in this section:

11 (a) "Department" means the department of labor and economic opportunity.

12 ~~(b) "Gift aid" means that term as defined in section 248.~~

13 (b) ~~(e)~~ "High school equivalency certificate" means that term as defined in section
14 4.

15 (c) ~~(d)~~ "Qualified occupational training program" and "qualified private training
16 institution" mean those terms as defined in section 13 of the Michigan reconnect grant
17 recipient act, 2020 PA 68, MCL 390.1713.

18 (3) The department shall do all of the following:

19 (a) Develop and implement a process by which those seeking to participate in the
20 Michigan achievement scholarship private training program as a qualified private training
21 institutions offering qualified occupational training programs must apply to the
22 department.

23 (b) Approve as a qualified occupational training program a program for which an
24 application is submitted under subdivision (a) that meets all of the criteria to qualify as
25 a qualified occupational training program, and post these criteria to the department's
26 website.

27 (c) Ensure that an applicant under subdivision (a) is first included on this state's
28 eligible training provider list as a qualified private training institution before each of
29 the applicant's programs receives separate approval from the department as being a
30 qualified occupational training program.

31 (d) Require that qualified private training institutions accepted to participate in
32 the Michigan achievement scholarship private training program comply with data requests

1 from the department as a condition of continued participation. For purposes of this
2 subdivision, the department shall require institutions operating apprenticeship programs
3 subject to this section to provide data that tracks relevant work experience required to
4 verify a student's status as an apprentice.

5 (e) Maintain on its website a list of all qualified occupational training program
6 options available to potential skills scholarship recipients.

7 (f) Award skills scholarships, subject to all of the following:

8 (i) A skills scholarship is a grant not to exceed \$2,000.00 per year to contribute to
9 tuition costs for a qualified occupational training program at a qualified private training
10 institution, both of which are approved under this section, for a training program
11 participant who meets the requirements of subparagraph (ii). A skills scholarship ~~is~~
12 ~~available under this section only if the program participant has applied for all other gift~~
13 ~~aid, if any is available, and must not cause the total amount of all gift aid, including a~~
14 ~~skills scholarship awarded under this section, if any, to~~ **must not** exceed the full amount
15 of the tuition charged for the training program. A program participant may receive a skills
16 scholarship under this section for a maximum of 2 academic years.

17 (ii) To receive the skills scholarship described in subparagraph (i), a qualified
18 occupational training program participant must meet all of the following:

19 (A) Be a resident of this state for at least the immediately preceding year.

20 (B) Have graduated from a high school in this state with a diploma or certificate of
21 completion or achieved a high school equivalency certificate in 2023 or after.

22 (C) Not have previously earned an associate or baccalaureate degree.

23 (D) Not have previously earned a degree, certificate, or other credential using a
24 skills scholarship awarded under this section.

25 (E) Timely complete a Michigan achievement scholarship private training program
26 skills scholarship application in a form and manner determined by the department.

27 ~~(F) Timely apply for all other gift aid, if any is available, for the qualified~~
28 ~~occupational training program.~~

29 ~~(iii) Subject to subparagraph (iv), the~~ **The** department may award skills scholarships
30 under this section only until money appropriated to the Michigan achievement scholarship
31 private training program has been fully committed.

32 ~~(iv) Once money allocated to the Michigan achievement scholarship private training~~

1 ~~program in section 236 has been fully committed, the department may continue to award~~
2 ~~skills scholarships under this section using money appropriated for Michigan reconnect~~
3 ~~grant program short-term training grants under section 201(7).~~

4 (g) Inform each recipient of a skills scholarship that the recipient will remain
5 eligible for the Michigan achievement scholarship under section 248 for a maximum of 5
6 years, less any years of eligibility used for a skills scholarship awarded under this
7 section, to pursue an associate degree, baccalaureate degree, or occupational certificate
8 upon completion of a certification course of study at a qualified private training
9 institution.

10 (4) Except as otherwise provided in subsection (5), the department shall promulgate
11 rules to implement subsection (3)(a), (b), and (d) only, pursuant to the administrative
12 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:

13 (a) Under subsection (3)(a), the department is limited to developing the form for the
14 application described in subsection (3)(a) and prescribing the time and manner of its
15 completion.

16 (b) Under subsection (3)(b), the department is limited to applying the eligibility
17 criteria described in subsection (3)(b) and shall not apply any other eligibility criteria.

18 (c) Under subsection (3)(d), the department is limited to requiring compliance with
19 data requests as described in subsection (3)(d).

20 (5) To facilitate implementation of the Michigan achievement scholarship private
21 training program prior to final rules being adopted, the department may develop and
22 administer the program in accordance with its proposed rules or other policy or directive
23 of the department established pursuant to this section.

24 (6) It is the intent of the legislature that a qualified private training institution
25 will not make changes to scholarship or financial aid programs offered by that qualified
26 private training institution that have the goal or net effect of shifting the cost burden
27 of those programs to the program described in this section.

28 Sec. 251. (1) Payments of the amounts included in section 236 for the state
29 competitive scholarship program must be distributed pursuant to 1964 PA 208, MCL 390.971 to
30 390.981.

31 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury
32 shall determine an actual state competitive scholarship award per student, which must be

1 \$1,500.00, that ensures that the aggregate payments for the state competitive scholarship
2 program do not exceed the appropriation contained in section 236 for the state competitive
3 scholarship program. If the department determines that insufficient funds are available to
4 establish an award amount equal to \$1,500.00, the department shall immediately report to
5 the house and senate appropriations subcommittees on higher education, the house and senate
6 fiscal agencies, and the state budget director regarding the estimated amount of additional
7 funds necessary to establish a \$1,500.00 award amount. For the purpose of determining a
8 student's financial need under section 6 of 1964 PA 208, MCL 390.976, the department of
9 treasury shall presume that a student who receives a Michigan achievement scholarship under
10 section 248(4)(b) or (c) has no need for a state competitive scholarship under this
11 section. **Any student enrolling in college for the first time after the fiscal year ending
12 on September 30, 2023 would be ineligible for the Michigan competitive scholarship. It is
13 intended that a student who graduates high school after the fiscal year ending on September
14 30, 2023 may be eligible for the Michigan achievement scholarship.**

15 (3) The department of treasury shall implement a proportional competitive scholarship
16 award level for recipients enrolled less than full-time in a given semester or term.

17 (4) If a student who receives an award under this section has ~~his or her~~ **their**
18 tuition and fees paid under the Michigan educational trust program, pursuant to the
19 Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has
20 financial need, the funds awarded under this section may be used for educational expenses
21 other than tuition and fees.

22 (5) If the department of treasury increases the award per eligible student from that
23 provided in the previous fiscal year, it must not have the effect of reducing the number of
24 eligible students receiving awards in relation to the total number of eligible applicants.
25 Any increase in the award must be proportional for all eligible students receiving awards.

26 (6) Veterans Administration benefits must not be considered in determining
27 eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

28 Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant
29 program must be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

30 (2) Tuition grant awards must be made to all eligible Michigan residents enrolled in
31 undergraduate degree programs who are qualified and who apply by March 1 of each year for
32 the next academic year.

1 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6)
2 and (7), the department of treasury shall determine an actual tuition grant award per
3 student, which must be \$3,000.00, that ensures that the aggregate payments for the tuition
4 grant program do not exceed the appropriation contained in section 236 for the state
5 tuition grant program. If the department determines that insufficient funds are available
6 to establish an award amount equal to \$3,000.00, the department shall immediately report to
7 the house and senate appropriations subcommittees on higher education, the house and senate
8 fiscal agencies, and the state budget director regarding the estimated amount of additional
9 funds necessary to establish a \$3,000.00 award amount. If the department determines that
10 sufficient funds are available to establish an award amount equal to \$3,000.00, the
11 department shall immediately report to the house and senate appropriations subcommittees on
12 higher education, the house and senate fiscal agencies, and the state budget director
13 regarding the award amount established and the projected amount of any projected year-end
14 appropriation balance based on that award amount. By February 18 of each fiscal year, the
15 department shall analyze the status of award commitments, shall make any necessary
16 adjustments, and shall confirm that those award commitments will not exceed the
17 appropriation contained in section 236 for the tuition grant program. The determination and
18 actions must be reported to the state budget director and the house and senate fiscal
19 agencies no later than the final day of February of each year. If award adjustments are
20 necessary, the students must be notified of the adjustment by March 4 of each year.

21 (4) The department of treasury shall continue a proportional tuition grant award
22 level for recipients enrolled less than full-time in a given semester or term.

23 (5) If the department of treasury increases the award per eligible student from that
24 provided in the previous fiscal year, it must not have the effect of reducing the number of
25 eligible students receiving awards in relation to the total number of eligible applicants.
26 Any increase in the grant must be proportional for all eligible students receiving awards
27 for that fiscal year.

28 (6) The department of treasury shall not award more than \$5,000,000.00 in tuition
29 grants to eligible students enrolled in the same independent nonprofit college or
30 university in this state. Any decrease in the grant must be proportional for all eligible
31 students enrolled in that college or university, as determined by the department. ~~The limit~~
32 ~~described in this subsection does not apply to any other student financial aid program or~~

1 ~~in combination with any other student financial aid program.~~

2 (7) The department of treasury shall not award tuition grants to otherwise eligible
3 students enrolled in an independent college or university that does not report, in a form
4 and manner directed by and satisfactory to the department of treasury, by October 31 of
5 each year, all of the following:

6 (a) The number of students in the most recently completed academic year who in any
7 academic year received a state tuition grant at the reporting institution and successfully
8 completed a program or graduated.

9 (b) The number of students in the most recently completed academic year who in any
10 academic year received a state tuition grant at the reporting institution and took a
11 remedial education class.

12 (c) The number of students in the most recently completed academic year who in any
13 academic year received a Pell grant at the reporting institution and successfully completed
14 a program or graduated.

15 (8) By February 1 of each year, each independent college and university participating
16 in the tuition grant program shall report to the house and senate appropriations
17 subcommittees on higher education, the house and senate fiscal agencies, and the state
18 budget director on its efforts to develop and implement sexual assault response training
19 for the institution's title IX coordinator, campus law enforcement personnel, campus public
20 safety personnel, and any other campus personnel charged with responding to on-campus
21 incidents, including information on sexual assault response training materials and the
22 status of implementing sexual assault response training for institutional personnel.

23 Sec. 254. The sums appropriated in section 236 for the state competitive scholarship,
24 tuition incentive, and tuition grant programs shall be paid out of the state treasury and
25 shall be distributed to the respective institutions under a quarterly payment system as
26 follows:

27 (a) For the state competitive scholarship and tuition grant programs, 50% shall be
28 paid at the beginning of the state's first fiscal quarter, 30% during the state's second
29 fiscal quarter, 10% during the state's third fiscal quarter, and 10% during the state's
30 fourth fiscal quarter.

31 (b) For the tuition incentive program **and Michigan achievement scholarship**, 65% shall
32 be paid at the beginning of the state's first fiscal quarter, and 35% during the state's

1 second fiscal quarter.

2 Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program
3 must be distributed as provided in this section and pursuant to the administrative
4 procedures for the tuition incentive program of the department of treasury.

5 (2) As used in this section:

6 (a) "Phase I" means the first part of the tuition incentive program defined as the
7 academic period of 80 semester or 120 term credits, or less, leading to an associate degree
8 or certificate. Students must be enrolled in a certificate or associate degree program and
9 taking classes within the program of study for a certificate or associate degree. Tuition
10 will not be covered for courses outside of a certificate or associate degree program.

11 (b) "Phase II" means the second part of the tuition incentive program that provides
12 assistance in the third and fourth year of 4-year degree programs.

13 (c) "Department" means the department of treasury.

14 (d) "High school equivalency certificate" means that term as defined in section 4.

15 (3) An individual must meet the following basic criteria and financial thresholds to
16 be eligible for tuition incentive program benefits:

17 (a) To be eligible for phase I, an individual must meet all of the following
18 criteria:

19 (i) Be less than 20 years of age at the time ~~he or she~~**they** graduate~~s~~ from high
20 school with a diploma or certificate of completion or achieves a high school equivalency
21 certificate or, for students attending a 5-year middle college approved by the Michigan
22 department of education, be less than 21 years of age when ~~he or she~~**they** graduate~~s~~ from
23 high school.

24 (ii) Be a United States citizen and a resident of this state according to
25 institutional criteria.

26 (iii) Be at least a half-time student, earning less than 80 semester or 120 term
27 credits at a participating educational institution within 4 years of high school graduation
28 or achievement of a high school equivalency certificate. All program eligibility expires 10
29 years after initial enrollment at a participating educational institution.

30 (iv) Meet the satisfactory academic progress policy of the educational institution ~~he~~
31 ~~or she attends.~~**they attend.**

32 (b) To be eligible for phase II, an individual must meet either of the following

1 criteria in addition to the criteria in subdivision (a):

2 (i) Complete at least 56 transferable semester or 84 transferable term credits.

3 (ii) Obtain an associate degree or certificate at a participating institution.

4 (c) To be eligible for phase I or phase II, an individual must be financially
5 eligible as determined by the department. An individual is financially eligible for the
6 tuition incentive program if ~~he or she was~~ **they are** eligible for Medicaid from this state
7 for 24 months within **any** 36 months prior to completion of high school or achievement of a
8 high school equivalency certificate. The department shall accept certification of Medicaid
9 eligibility only from the department of health and human services for the purposes of
10 verifying if a person is Medicaid eligible for 24 months within **any** 36 months prior to
11 completion of high school or achievement of a high school equivalency certificate.
12 Certification of eligibility may begin in the sixth grade.

13 (4) For phase I, the department shall provide payment on behalf of a person eligible
14 under subsection (3). The department shall only accept standard per-credit hour tuition
15 billings and shall reject billings that are excessive or outside the guidelines for the
16 type of educational institution.

17 (5) For phase I, all of the following apply:

18 (a) Payments for associate degree or certificate programs must not be made for more
19 than 80 semester or 120 term credits for any individual student at any participating
20 institution. The department shall not do either of the following:

21 (i) Adopt or apply any total semester-credit or term-credit maximum that is less than
22 the 80 semester-credit or 120 term-credit maximum provided in this subdivision.

23 (ii) Adopt or apply any per-semester or per-term credit maximum for a student whose
24 semester-credit or term-credit load will not result in exceeding the total 80 semester-
25 credit or 120 term-credit maximum provided in this subdivision.

26 (b) For persons enrolled at a Michigan community college, the department shall pay
27 the current in-district tuition and mandatory fees. For persons residing in an area that is
28 not included in any community college district, the out-of-district tuition rate may be
29 authorized.

30 (c) For persons enrolled at a Michigan public university, the department shall pay
31 lower division resident tuition and mandatory fees for the current year.

32 (d) For persons enrolled at a Michigan independent, nonprofit degree-granting college

1 or university, a Michigan federal tribally controlled community college, or Focus: HOPE,
2 the department shall pay mandatory fees for the current year and a per-credit payment that
3 does not exceed the average community college in-district per-credit tuition rate as
4 reported by the last business day of August for the immediately preceding academic year.

5 (6) A person participating in phase II may be eligible for additional funds not to
6 exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the
7 following conditions:

8 (a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year
9 college or university.

10 (b) The tuition reimbursement is for coursework completed within 30 months of
11 completion of the phase I requirements.

12 (7) The department shall work closely with participating institutions to provide the
13 highest level of participation and ensure that all requirements of the program are met.

14 (8) The department shall notify students of their financial eligibility for the
15 program any time after the student begins sixth grade.

16 (9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant act,
17 2020 PA 84, MCL 390.1703, and section 17 of the Michigan reconnect grant recipient act,
18 2020 PA 68, MCL 390.1717, each institution shall ensure that all known available restricted
19 grants for tuition and fees are used before billing the tuition incentive program for any
20 portion of a student's tuition and fees.

21 (10) The department shall ensure that the tuition incentive program is well
22 publicized and that eligible Medicaid clients are provided information on the program. The
23 department shall provide the necessary funding and staff to fully operate the program.

24 (11) The department shall collaborate with the center to use the P-20 longitudinal
25 data system to report the following information for each qualified postsecondary
26 institution:

27 (a) The number of phase I students in the most recently completed academic year who
28 in any academic year received a tuition incentive program award and who successfully
29 completed a degree or certificate program. Cohort graduation rates for phase I students
30 must be calculated using the established success rate methodology developed by the center
31 in collaboration with the postsecondary institutions.

32 (b) The number of students in the most recently completed academic year who in any

1 academic year received a Pell grant at the reporting institution and who successfully
2 completed a degree or certificate program. Cohort graduation rates for students who
3 received Pell grants must be calculated using the established success rate methodology
4 developed by the center in collaboration with the postsecondary institutions.

5 (12) If a qualified postsecondary institution does not report the data necessary to
6 complete the reporting in subsection (11) to the P-20 longitudinal data system by October
7 15 for the prior academic year, the department shall not award phase I tuition incentive
8 program funding to otherwise eligible students enrolled in that institution until the data
9 are submitted.

10 Sec. 259. ~~It is the intent of the legislature that the~~ **The** department of treasury **is**
11 **encouraged to** continue an aggressive campaign to inform high school students about the
12 financial aid programs offered by this state and the eligibility requirements for
13 participation in those financial aid programs, including free or reduced tuition programs
14 provided by community colleges and universities in this state.

15 Sec. 260. (1) The department of treasury shall work with student and postsecondary
16 education groups, including the Michigan College Access Network, the Michigan Association
17 of School Counselors, the Michigan Association of State Universities, the Michigan
18 Community College Association, and the Michigan Independent Colleges and Universities, to
19 provide and update an online informational resource for students in grades 9 through 12 and
20 prospective and current students and families. The online informational resource must be a
21 website or a portion of an existing website titled "Paying for College in Michigan" and
22 designed and maintained by the department of treasury that, to the extent practicable,
23 contains information, including, but not limited to, all of the following:

24 (a) A list of public and private community support centers, student debt clinics, and
25 other organizations and their contact information submitted by Michigan College Access
26 Network that provides free information and services for student loan borrowers to help
27 educate them about repayment options and to help them access student loan programs or
28 benefits for which they may be eligible.

29 (b) Links to state and federal financial aid programs, including FAFSA and College
30 Scorecard.

31 (c) Links to each promise zone website and the financial aid website to each
32 community college, public university, and independent college and university in this state.

1 (d) Benefits of federal student loans that may no longer be available if a borrower
2 refinances a loan.

3 (e) Direct links to net price calculators for each community college receiving an
4 appropriation in section 201 and each university receiving an appropriation in section 236.

5 (f) Definitions that clearly delineate the differences between scholarships, grants,
6 and loans.

7 (g) A description of net price calculators and how to use them to create a
8 personalized estimate of a student's out-of-pocket cost for the coming year based on basic
9 family and financial information and likely financial aid eligibility.

10 (h) Information on the fundamentals of borrowing and repayment, including, but not
11 limited to, all of the following:

12 (i) A link to the federal Public Service Loan Forgiveness Program.

13 (ii) Deciding how much to borrow.

14 (iii) Creating a plan for borrowing and repayment.

15 (iv) Estimating how much borrowing is needed for a given school year.

16 ~~(v) Evaluating financial aid offers.~~

17 ~~(v)–(vi)~~ Factors that affect total student loan costs.

18 ~~(vi)–(vii)~~ Tips for graduating with less student loan debt.

19 ~~(vii)–(viii)~~ A loan payment calculator or a link to a loan payment calculator that can
20 be used for different types of loans.

21 ~~(viii)–(ix)~~ Links to federal student loan entrance and exit counseling services and the
22 FACT tool.

23 ~~(ix)–(x)~~ Student loan debt relief scams.

24 ~~(x)–(i)~~ Loan amortization information.

25 (2) A university receiving an appropriation in section 236 shall place a prominent
26 link to the website created under this section on its website homepage.

27 (3) Independent colleges and universities in this state are encouraged to place a
28 link to the website created under this section on their website homepages.

29 (4) By November 1 of each year, the department of treasury shall inform each high
30 school in this state about the website described in this section and encourage them to
31 distribute the information to all students in grades 9 through 12.

32 (5) The department shall audit the website not less than once per year to ensure

1 links continue to be accurate, active, and up-to-date for students and families.

2 Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2022-2023~~
3 **2023-2024** for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in
4 section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is
5 intended to address critical regulatory, food safety, economic, and environmental problems
6 faced by this state's plant-based agriculture, forestry, and processing industries.
7 "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and
8 Economic Needs.

9 (2) The department of agriculture and rural development and Michigan State
10 University, in consultation with agricultural commodity groups and other interested
11 parties, shall develop Project GREEN and its program priorities.

12 Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2022-2023~~
13 **2023-2024** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of
14 America Association. This \$80,000.00 allocation must not supplant any existing support that
15 Michigan State University provides to the Michigan Future Farmers of America Association.

16 Sec. 268. ~~(1) For the fiscal year ending September 30, 2023, it is the intent of the~~
17 ~~legislature that funds be allocated for unfunded North American Indian tuition waiver costs~~
18 ~~incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the~~
19 ~~general fund.~~

20 ~~(1)-(2)~~ By January 15 of each year, the department of civil rights shall annually
21 submit to the state budget director, the house and senate appropriations subcommittees on
22 higher education, and the house and senate fiscal agencies a report on North American
23 Indian tuition waivers for the preceding academic year that includes, but is not limited
24 to, all of the following information:

25 (a) The number of waiver applications received and the number of waiver applications
26 approved.

27 (b) For each university submitting information under subsection (3), all of the
28 following:

29 (i) The number of graduate and undergraduate North American Indian students enrolled
30 each term for the previous academic year.

31 (ii) The number of North American Indian waivers granted each term, including to
32 continuing education students, and the monetary value of the waivers for the previous

1 academic year.

2 (iii) The number of graduate and undergraduate students attending under a North
3 American Indian tuition waiver who withdrew from the university each term during the
4 previous academic year. For purposes of this subparagraph, a withdrawal occurs when a
5 student who has been awarded the waiver withdraws from the institution at any point during
6 the term, regardless of enrollment in subsequent terms.

7 (iv) The number of graduate and undergraduate students attending under a North
8 American Indian tuition waiver who successfully complete a degree or certificate program,
9 separated by degree or certificate level, and the graduation rate for graduate and
10 undergraduate students attending under a North American Indian tuition waiver who complete
11 a degree or certificate within 150% of the normal time to complete, separated by the level
12 of the degree or certificate.

13 ~~(2)-(3)~~ By January 1 of each year, a public university that receives an appropriation
14 in section 236, or a tribal college receiving pass-through funds under section 269 or 270c,
15 shall provide to the department of civil rights any information necessary for preparing the
16 report detailed in subsection (2), using guidelines and procedures developed by the
17 department of civil rights.

18 ~~(3)-(4)~~ The department of civil rights may consolidate the report required under this
19 section with the report required under section 223, but a consolidated report must
20 separately identify data for universities and data for community colleges.

21 Sec. 269. For fiscal year ~~2022-2023~~, **2023-2024**, from the amount appropriated in
22 section 236 to Central Michigan University for costs incurred under the North American
23 Indian tuition waiver, ~~\$31,000.00~~ **\$63,200.00** must be paid to Saginaw Chippewa Tribal
24 College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL
25 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal
26 College provide the department of civil rights the necessary information for the college to
27 be included in the report required under section 268.

28 Sec. 270c. For fiscal year ~~2022-2023~~, **2023-2024** from the amount appropriated in
29 section 236 to Northern Michigan University for costs incurred under the North American
30 Indian tuition waiver, ~~\$87,800.00~~ **\$90,200.00** is to be paid to Keweenaw Bay Ojibwa Community
31 College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL
32 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa

1 Community College provide the department of civil rights the necessary information for the
2 community college to be included in the report required under section 268.

3 Sec. 275. (1) Each public university that receives an appropriation in section 236
4 shall do all of the following:

5 (a) Meet the provisions of section 5003 of the post-911 veterans educational
6 assistance act of 2008, 38 USC 3301 to 3327, including voluntary participation in the
7 Yellow Ribbon GI Education Enhancement Program established in that act in 38 USC 3317. ~~By~~
8 ~~October 1 of each year, each public university shall report to the house and senate~~
9 ~~appropriations subcommittees on higher education, the house and senate fiscal agencies, and~~
10 ~~the Michigan Association of State Universities on whether or not it has chosen to~~
11 ~~participate in the Yellow Ribbon GI Education Enhancement Program. If at any time during~~
12 ~~the fiscal year a university participating in the Yellow Ribbon Program chooses to leave~~
13 ~~the Yellow Ribbon Program, it shall notify the house and senate appropriations~~
14 ~~subcommittees on higher education, the house and senate fiscal agencies, and the Michigan~~
15 ~~Association of State Universities.~~

16 (b) Establish an on-campus veterans' liaison to provide information and assistance to
17 all student veterans.

18 (c) Provide flexible enrollment application deadlines for all veterans.

19 (d) Include in its admission application process a specific question as to whether an
20 applicant for admission is a veteran, an active member of the military, a member of the
21 National Guard or military reserves, or the spouse or dependent of a veteran, active member
22 of the military, or member of the National Guard or military reserves, in order to more
23 quickly identify potential educational assistance available to that applicant.

24 (e) Consider all veterans residents of this state for determining their tuition rates
25 and fees.

26 (f) Waive enrollment fees for all veterans.

27 (g) Provide reasonable programming and scheduling accommodations necessary to
28 facilitate a student's military, National Guard, or military reserves duties and training
29 obligations.

30 (h) Provide college level equivalent credit examination opportunities for veterans
31 and active members of the military, National Guard, or military reserves within the first
32 semester of enrollment.

1 (i) Grant college credit for, or create a structure that evaluates granting college
2 credit for, the service background and experience of veterans and members of the military,
3 National Guard, or military reserves.

4 ~~(2) By October 1 of each year, each public university shall report to the house and~~
5 ~~senate appropriations subcommittees on higher education, the house and senate fiscal~~
6 ~~agencies, and the department of military and veterans affairs regarding services provided~~
7 ~~specifically to veterans and active military duty personnel, including, but not limited to,~~
8 ~~the services described in subsection (1).~~

9 (2) ~~(3)~~ As used in this section, "veteran" means an honorably discharged veteran
10 entitled to educational assistance under section 5003 of the post-911 veterans educational
11 assistance act of 2008, 38 USC 3301 to 3327.

12 Sec. 275b. (1) Each public university receiving an appropriation in section 236 shall
13 ensure that the public university does all of the following in its admission application
14 process if it knows that an applicant for admission is currently serving, or has ever
15 served, as a member of the military, the National Guard, or the military reserves:

16 (a) Inform the applicant that ~~he or she~~ **they** may receive academic credit for college-
17 level training and education ~~he or she~~ **they** received while serving in the military.

18 (b) Inform the applicant that ~~he or she~~ **they** may submit a transcript of ~~his or her~~
19 **their** college-level military training and education to the public university.

20 (c) If the applicant submits a transcript described in subdivision (b), evaluate that
21 transcript and notify the applicant of what transfer credits are available to the applicant
22 from the public university for ~~his or her~~ **their** college-level military training and
23 education.

24 (d) Inform the applicant of college level equivalent credit examination
25 opportunities.

26 (2) As used in this section, "transcript" includes a joint services transcript
27 prepared for the applicant under the American council on education registry of credit
28 recommendations.

29 Sec. 276. (1) Included in the appropriation for fiscal year ~~2022-2023~~ **2023-2024** for
30 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
31 Chavez - Rosa Parks future faculty program that is intended to increase the pool of
32 academically or economically disadvantaged candidates pursuing faculty ~~teaching or~~

1 **administration** careers in postsecondary education in this state. Preference may not be
2 given to applicants on the basis of race, color, ethnicity, gender, or national origin.
3 Institutions should encourage applications from applicants who would otherwise not
4 adequately be represented in the graduate student, ~~and~~ faculty, **or administration**
5 populations. Each public university shall apply the percentage change applicable to every
6 public university in the calculation of appropriations in section 236 to the amount of
7 funds allocated to the future faculty program.

8 (2) Each public university shall administer the program in a manner prescribed by the
9 department of labor and economic opportunity. The department of labor and economic
10 opportunity shall use a good faith effort standard to evaluate whether a fellowship is in
11 default. All of the following apply to the program:

12 (a) By ~~April 15~~ **June 15** of each year, public universities shall report any
13 anticipated unexpended or unencumbered program funds to the department of labor and
14 economic opportunity. Encumbered funds are those funds that were committed by a fellowship
15 agreement that is signed during the current fiscal year or administrative expenses that
16 have been approved by the department of labor and economic opportunity.

17 (b) Before ~~August 1~~ **September 1** of each year, unexpended or unencumbered funds may be
18 transferred, under the direction of the department of labor and economic opportunity, to a
19 future faculty program at another university to be awarded to an eligible candidate at that
20 university.

21 (c) Program allocations not expended or encumbered by September 30, ~~2024-2025~~ must be
22 returned to the department of labor and economic opportunity so that those funds may lapse
23 to the state general fund.

24 (d) Not more than 5% of each public university's allocation for the program may be
25 used for administration of the program.

26 (e) In addition to the appropriation for fiscal year ~~2022-2023~~, **2023-2024**, any
27 revenue received during prior fiscal years by the department of labor and economic
28 opportunity from defaulted fellowship agreements is appropriated for the purposes
29 originally intended.

30 Sec. 277. (1) Included in the appropriation for fiscal year ~~2022-2023~~ **2023-2024** for
31 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
32 Chavez - Rosa Parks college day program that is intended to introduce academically or

1 economically disadvantaged schoolchildren to the potential of a college education in this
2 state. Preference may not be given to participants on the basis of race, color, ethnicity,
3 gender, or national origin. Public universities should encourage participation from those
4 who would otherwise not adequately be represented in the student population.

5 (2) Individual program plans of each public university must include a budget of equal
6 contributions from this program, the participating public university, the participating
7 school district, and the participating independent degree-granting college. College day
8 funds must not be expended to cover indirect costs. Not more than 20% of the university
9 match may be attributable to indirect costs. Each public university shall apply the
10 percentage change applicable to every public university in the calculation of
11 appropriations in section 236 to the amount of funds allocated to the college day program.

12 (3) Each public university shall administer the program described in this section in
13 a manner prescribed by the department of labor and economic opportunity.

14 Sec. 278. (1) Included in section 236 for fiscal year ~~2022-2023~~**2023-2024** is funding
15 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services
16 program for developing academically or economically disadvantaged student retention
17 programs for 4-year public and independent educational institutions in this state.
18 Preference may not be given to participants on the basis of race, color, ethnicity, gender,
19 or national origin. Institutions should encourage participation from those who would
20 otherwise not adequately be represented in the student population.

21 (2) An award made under this program to any 1 institution must not be greater than
22 \$150,000.00, must have an award period of no more than 2 years, and must be matched on a
23 70% state, 30% college or university basis.

24 (3) The department of labor and economic opportunity shall administer the program
25 described in this section.

26 Sec. 279. (1) Included in section 236 for fiscal year ~~2022-2023~~**2023-2024** is funding
27 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership
28 program between 4-year public and independent colleges and universities and public
29 community colleges, which is intended to increase the number of academically or
30 economically disadvantaged students who transfer from community colleges into baccalaureate
31 programs in this state. Preference may not be given to participants on the basis of race,
32 color, ethnicity, gender, or national origin. Institutions should encourage participation

1 from those who would otherwise not adequately be represented in the transfer student
2 population.

3 (2) The grants must be made under the program described in this section to Michigan
4 public and independent colleges and universities. An award to any 1 institution must not be
5 greater than \$150,000.00, must have an award period of no more than 2 years, and must be
6 matched on a 70% state, 30% college or university basis.

7 (3) The department of labor and economic opportunity shall administer the program
8 described in this section.

9 Sec. 280. (1) Included in the appropriation for fiscal year ~~2022-2023~~**2023-2024** for
10 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
11 Chavez - Rosa Parks visiting professors program, which is intended to increase the number
12 of instructors in the classroom to provide role models for academically or economically
13 disadvantaged students. Preference may not be given to participants on the basis of race,
14 color, ethnicity, gender, or national origin. Public universities should encourage
15 participation from those who would otherwise not adequately be represented in the student
16 population.

17 (2) The department of labor and economic opportunity shall administer the program
18 described in this section.

19 (3) The amount allocated to each university is \$10,494.00 and is subject to an award
20 period of no more than 2 years. Each university receiving funds for fiscal year ~~2022-2023~~
21 **2023-2024** under this section shall report to the department of labor and economic
22 opportunity by April 15, ~~2023-2024~~ the amount of its unobligated and unexpended funds as of
23 March 31, ~~2023-2024~~ and a plan to expend the remaining funds by the end of the fiscal year.
24 The amount of funding reported as not being expended may be transferred, under the
25 direction of the department, to another university for use under this section.

26 Sec. 281. (1) Included in the appropriation for fiscal year ~~2022-2023~~**2023-2024** in
27 section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
28 initiative for the Morris Hood, Jr. educator development program, which is intended to
29 increase the number of academically or economically disadvantaged students who enroll in
30 and complete K-12 teacher education programs at the baccalaureate level and teach in this
31 state. Preference may not be given to participants on the basis of race, color, ethnicity,
32 gender, or national origin. Institutions should encourage participation from those who

1 would otherwise not adequately be represented in the teacher education student population.

2 (2) The program described in this section must be administered by each state-approved
3 teacher education institution in a manner prescribed by the department of labor and
4 economic opportunity.

5 (3) Approved teacher education institutions may and are encouraged to use select
6 student support services funding in coordination with the Morris Hood, Jr. funding to
7 achieve the goals of the program described in this section.

8 Sec. 282. (1) Each institution receiving funds for fiscal year ~~2022-2023~~**2023-2024**
9 under section 278, 279, or 281 shall provide to the department of labor and economic
10 opportunity by April 15, ~~2023-2024~~ the unobligated and unexpended funds as of March 31,
11 ~~2023-2024~~ and a plan to expend the remaining funds by the end of the fiscal year.
12 Notwithstanding the award limitations in sections 278 and 279, the amount of funding
13 reported as not being expended will be reallocated to the institutions that intend to
14 expend all funding received under section 278, 279, or 281.

15 (2) Funds received for the purpose of administering programs under sections 278, 279,
16 and 281 must not be used for direct financial aid or indirect financial aid. However, a
17 university may provide academic incentives to motivate participating students as approved
18 by the department. As used in this subsection:

19 (a) "Direct financial aid" includes, but is not limited to, scholarships, payment of
20 tuition, stipends, and work-studies.

21 (b) "Indirect financial aid" includes, but is not limited to, transportation,
22 textbook allowances, child care support, and assistance with medical premiums or expenses.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

ARTICLE IV

SUMMARY OF ANTICIPATED APPROPRIATIONS

Sec. 298. (1) Subject to the conditions set forth in this act, the amounts appropriated in this act for the fiscal year ending September 30, 2024 for the public schools, intermediate school districts, community colleges and public universities of this state, and certain other state purposes relating to education are anticipated to be the same amounts appropriated for the fiscal year ending September 30, 2025, with the following exceptions:

(2) Appropriations for School Aid (Article I)

Drinking Water Declaration of Emergency Early

Childhood Collaborative	1,000,000	0
School Health Centers Facilities Improvements	25,000,000	0
Consolidation Incentive Payments	245,000,000	0
Partnership District Supports	42,137,400	6,137,400
Proposal A Obligation Payment	4,212,000,000	4,086,000,000
Discretionary Payment	6,285,000,000	6,263,000,000
Mathematics Pathways	30,000,000	0

1	Rural Educator Credentialing Hub	15,000,000	0
2	Administrator/Principal Training	5,000,000	0
3	School Meal Required Reimbursements	25,290,400	26,049,400
4	School Meal Debt Forgiveness	1,000,000	0
5	Mental Health Per Pupil Payments	300,000,000	0
6	Before and After School Programs	25,000,000	0
7	3-Year-Old Great Start Readiness Program Pilots	18,000,000	0
8	GOAL Line Detroit	6,000,000	0
9	Michigan Reading Corps	5,000,000	0
10	Literacy Marketing	2,000,000	0
11	Literacy Professional Development Supports	300,000,000	0
12	Detroit Parent Network	3,000,000	0
13	State Special Education Payments - Section 51a	372,900,000	391,300,000
14	Special Education Headlee Obligations	819,200,000	861,300,000
15	Special Education Foundation Allowance Payments	430,700,000	430,000,000
16	CTE Equipment Upgrades	15,000,000	0
17	FAFSA Completion Challenge	15,000,000	0
18	Electric Vehicle Bus Grants	150,000,000	0
19	School Safety Grants	318,000,000	0
20	Cybersecurity Assessments	9,000,000	0
21	Michigan Learning Channel	5,000,000	0
22	Adult Education Pilots	15,000,000	0
23	Michigan Public School Employees Retirement System	2,401,839,000	1,955,939,000
24	(3) Appropriations for Community Colleges (Article II)		
25	Michigan Public School Employees Retirement System	\$ 135,989,000	\$ 94,689,000
26	(4) Appropriations for Universities and Student Financial Aid (Article III)		
27	Michigan Public School Employees Retirement System	\$ 9,100,000	\$ 8,700,000

1 Enacting section 1. (1) In accordance with section 30 of article I of the state
2 constitution of 1963, total state spending on school aid under article I as amended by this
3 amendatory act from state sources for fiscal year 2023-2024 is estimated at
4 \$18,638,468,300.00 and state appropriations for school aid to be paid to local units of
5 government for fiscal year 2023-2024 are estimated at \$17,032,348,500.

6 (2) In accordance with section 30 of article IX of the state constitution of 1963,
7 total state spending from state sources for community colleges for fiscal year 2023-2024
8 under article II as amended by this amendatory act is estimated at \$492,593,200.00 and the
9 amount of that state spending from state sources to be paid to local units of government
10 for fiscal year 2023-2024 is estimated at \$492,593,200.00.

11 (3) In accordance with section 30 of article IX of the state constitution of 1963,
12 total state spending from state sources for higher education for fiscal year 2023-2024
13 under article III as amended by this amendatory act is estimated at \$2,061,154,800.00 and
14 the amount of that state spending from state sources to be paid to local units of
15 government for fiscal year 2023-2024 is estimated at \$0.

16 Enacting section 2. Sections 11w, 11y, 23f, 27b, 27f, 30c, 31c, 31m, 31o, 31p, 31q,
17 31bb, 31cc, 31dd, 31ee, 32u, 35d, 35f, 35g, 35h, 41b, 55, 61i, 67a, 67c, 67d, 67e, 95b,
18 97a, 97b, 97c, 97d, 97e, 97f, 98a, 98b, 98c, 99i, 99j, 99t, 99u, 99x, 99aa, 99cc, 99dd,
19 99ee, 104f, 104h, 152b, 164g, 164h, 166, 166a, 209, 209a, 210h, 215, 216, 216a, 216b, 224,
20 225, 226, 226a, 226b, 226d, 226g, 227, 227a, 228, 236h, 245, 245a, 246, 265, 265a, 265b,
21 265d, 265e, 265f, 265g, 266a, 267, 271a, 274, 274c, 274d, 275d, 275f, 275g, 275h, 275i, and
22 281a of the state school aid act of 1979, 1979 PA 94, MCL 388.1611w, 388.1611y, 388.1623f,
23 388.1627b, 388.1627f, 388.1630c, 388.1631c, 388.1631m, 388.1631o, 388.1631p, 388.1631q,
24 388.1631bb, 388.1631cc, 388.1631dd, 388.1631ee, 388.1632u, 388.1635d, 388.1635f, 388.1635g,
25 388.1635h, 388.1641b, 388.1655, 388.1661i, 388.1667a, 388.1667c, 388.1667d, 388.1667e,
26 388.1695b, 388.1697a, 388.1697b, 388.1697c, 388.1697d, 388.1697e, 388.1697f, 388.1698a,
27 388.1698b, 388.1698c, 388.1699i, 388.1699j, 388.1699t, 388.1699u, 388.1699x, 388.1699aa,
28 388.1699cc, 388.1699dd, 388.1699ee, 388.1704f, 388.1704h, 388.1752b, 388.1764g, 388.1764h,
29 388.1766, 388.1766a, 388.1809, 388.1809a, 388.1810h, 388.1815, 388.1816, 388.1816a,
30 388.1816b, 388.1824, 388.1825, 388.1826, 388.1826a, 388.1826b, 388.1826d, 388.1826g,
31 388.1827, 388.1827a, 388.1828, 388.1836h, 388.1845, 388.1845a, 388.1846, 388.1865,
32 388.1865a, 388.1865b, 388.1865d, 388.1865e, 388.1865f, 388.1865g, 388.1866a, 388.1867,

1 388.1871a, 388.1874, 388.1874c, 388.1874d, 388.1875d, 388.1875f, 388.1875g, 388.1875h,
2 388.1875i, and 388.1881a are repealed effective October 1, 2023.

3 Enacting section 3. This amendatory act takes effect October 1, 2023.