



SCHOOL AID
S.B. XXX

02/13/2025

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FULL-TIME EQUATED (FTE) POSITIONS , FUNDING SOURCE	FY 2024-25	CHANGES FROM FY 2024-25 YEAR-TO		
	YEAR-TO-DATE AS OF 2-5-25	FY 2025-26 GOV'S REC.	<u>GOVERNOR</u> AMOUNT	PERCENT
FTE Positions.....	0.0	0.0	N/A	N/A
GROSS.....	20,770,275,400	21,192,282,600	422,007,200	2.0
Less:				
Interdepartmental Grants Received.....	0	0	0	0.0
ADJUSTED GROSS.....	20,770,275,400	21,192,282,600	422,007,200	2.0
Less:				
Federal Funds.....	2,272,793,500	2,407,708,500	134,915,000	5.9
Local and Private.....	0	0	0	0.0
TOTAL STATE SPENDING.....	18,497,481,900	18,784,574,100	287,092,200	1.6
Less:				
Other State Restricted Funds.....	18,418,651,300	18,730,998,000	312,346,700	1.7
GENERAL FUND/GENERAL PURPOSE..	78,830,600	53,576,100	(25,254,500)	(32.0)
PAYMENTS TO LOCALS.....	17,054,443,900	17,363,633,000	309,189,100	1.8

Includes ongoing and one-time appropriations.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 6 - Definitions

(8) Defines 'pupils in grades K to 12 actually enrolled and in regular daily attendance' as, except as otherwise provided in this section, pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means, except as otherwise provided in this section, pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable.</p> <p>(b) "Class" means either of the following, as applicable:</p> <p>(i) A period of time in 1 day when pupils and an individual who is appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. This subdivision does not apply for the 2020-2021, 2021-2022, 2022-2023, and 2023-2024 school years.</p> <p>(ii) For the 2020-2021, 2021-2022, 2022-2023, and 2023-2024 school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 11 - Total Appropriations Provides a summation of the total School Aid Fund, General Fund, and Federal funding in the Act. Includes a method for proration if revenue is not sufficient to support spending.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriations in FY 2024-25: SAF: \$17,714,751,300 GF/GP: \$78,830,600 CDTF: \$41,000,000 Transportation fund: \$125,000,000 Enrollment stabilization: \$71,000,000 School meals reserve: \$30,000,000 GSRP reserve: \$18,000,000 MPSERS reserve: \$334,100,000 Educator Fellowship Public Provider Fund: \$30,000,000 Appropriations in FY 2025-26: SAF: \$18,486,998,000 GF/GP: \$53,576,100 Transportation fund: \$125,000,000 Enrollment stabilization: \$71,000,000 GSRP reserve: \$18,000,000 Educator Fellowship Public Provider Fund: \$30,000,000			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 11a - School Aid Stabilization Fund Establishes the School Aid Stabilization Fund.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 11j - Debt Service on School Bond Loan Fund FY 2024-25 appropriation of \$23,000,000 for debt service payments on school bond loan revolving fund obligations.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 11k - School Loan Revolving Fund Appropriates from the General Fund to the School Loan Revolving Fund an amount equal to the repayments.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 11m - School Aid Fund Cash Flow Borrowing Costs FY 2024-25 appropriation of \$1,000,000 to pay for cash flow borrowing costs at the State level.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$5,000,000 in FY 2025-26.			
Sec. 11s - Flint Water Emergency Appropriates \$8,075,000 (\$5,000,000 SAF and \$3,075,000 GF/GP) in FY 2024-25 as follows: (2) \$2,425,000 for school nurses, classroom aides, school social workers, and community health workers; for the provision of behavioral or mental health supports, parental engagement activities, community coordination activities, and other support services; and for purchasing program supplies. (3) \$650,000 for nutritional services. (4) \$5,000,000 to Genesee ISD for interventions and supports for K-12 students impacted by the drinking water declaration of emergency. Funds are to be used for behavioral supports, social workers, counselors, psychologists, nursing services, transportation services, parental engagement, community coordination, and other support services.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
<i>FY 2024-25 supplemental request</i>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

... a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding 9-10 fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 2,700 2,600 pupils in membership for a fiscal year after 2016-2017.			
Sec. 11x - School Consolidation and Infrastructure			
Fund is created for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and creating a healthy and safe space for students in this state.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Deposits \$155,000,000 SAF in FY 2025-26 only.			
Sec. 12c - Consolidation Incentive Payments			
Appropriates \$245 million and provides guidance on an existing feasibility study to incentivize the consolidation of back-end school district support activities. Funding would be awarded to districts to find cost efficiencies in consolidating functions like financial services, human resources, technology, and grants management.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
NEW EXEC Sec. 12e – District Infrastructure Emergency			
Appropriates \$25.0 million SAF in FY 2024-25 only for payments to support districts and intermediate districts experiencing infrastructure emergencies.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<i>FY 2024-25 supplemental request</i>			
(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$25,000,000.00 for 2024-2025 only for payments to support districts and intermediate districts experiencing infrastructure emergencies. All of the following			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

apply to emergency infrastructure funding under this section:

(2) Districts and intermediate districts must apply for the funding in a form and manner prescribed by the department.

(3) Before funding may be awarded to a district or intermediate district that applied under this section, the superintendent must submit a request for the funding in writing to the state treasurer and the state budget director that contains all of the following information:

(a) A description of the emergency nature of the funding.

(b) The scope of the funding request.

(c) The estimated cost of the funding request.

(d) Any other information requested by the state treasurer or the state budget director regarding the funding request.

(4) The state treasurer and the state budget director shall evaluate the information received under subsection (3) and determine whether the funding will be used for an eligible purpose as described in this section and whether the district or intermediate district has access to other funds that could be utilized before emergency funding is made available.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(5) If the state treasurer and state budget director provide written concurrence to the superintendent that funding will be utilized in accordance with this section, the department may award emergency funding to the district or intermediate district that applied for funding.

(6) Funding awarded under this section may be utilized only on emergency infrastructure needs that threaten the immediate health and safety of students and staff in the district or intermediate district and prevent or obstruct the use of a building or portion of a building for learning.

(7) The funds allocated under this section for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to address emergency infrastructure needs that threaten the immediate health and safety of students. The estimated completion date of the work project is September 30, 2029.

NEW EXEC Sec. 12f - District Infrastructure Emergency

Appropriates \$150,000,000 SAF in FY 2025-26 only for grants to districts and intermediate districts to support the closure or demolition of underutilized or disused building; for the development, implementation, and state-wide scaling of shared administrative systems to enhance operational efficiencies in districts and intermediate districts; and for incentive payments for district consolidation.

Executive

Senate

House

Conference

(1) From the state school aid fund money appropriated in section 11 there is allocated for 2025-2026 only

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

an amount not to exceed \$150,000,000.00 for grants to districts and intermediate districts to support the closure or demolition of underutilized or disused building; for the development, implementation, and state-wide scaling of shared administrative systems to enhance operational efficiencies in districts and intermediate districts; and for incentive payments for district consolidation.

(2) From the funds allocated under subsection (1) there is allocated an amount not to exceed \$45,000,000.00 for grants to eligible districts and intermediate districts for costs related to the closure or demolition of underutilized or disused school buildings. All of the following apply to funding distributed under this subsection:

(a) Eligible districts and intermediate districts must apply for funding in a form and manner determined by the department.

(b) The department must prioritize funding to applicants based on both of the following:

(i) Applicants that demonstrate the highest level of long-term cost savings associated with the closure or demolition.

(ii) Applicants that have secured a commitment from philanthropic financial resources that will be used to offset the overall cost of the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

closure or demolition.

(3) From the funds allocated under subsection (1) there is allocated an amount not to exceed \$100,000,000.00 for grants to eligible districts and intermediate districts for costs related to the development, implementation, and state-wide scaling of shared administrative systems. All of the following apply to funding distributed under this subsection:

(a) Eligible districts and intermediate districts must apply for funding in a form and manner determined by the department.

(b) Shared administrative systems funded with grants under this subsection may include:

(i) Financial systems including grant management, cash management, and reporting.

(ii) Human resource management systems.

(iii) Information technology management systems and connectivity.

(iv) Student transportation and fleet management systems.

(c) The department must prioritize funding to applicants based on all of the following:

(i) Applicants that demonstrate the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

highest level of long-term cost savings associated deploying the shared administrative system.

(ii) Applicants that have secured a commitment from philanthropic financial resources that will be used to offset the overall cost of developing, implementing, and scaling state-wide shared administrative systems.

(iii) The number of, or the geographic distribution of, districts or intermediate districts who have committed to utilize the shared administrative system.

(d) Districts and intermediate districts may use funding received under this subsection for costs associated with the development of new shared administrative systems, if sufficient systems do not exist, or for the adoption and statewide scaling of existing shared administrative systems in a greater number of districts and intermediate districts.

(4) From the funds allocated under subsection (1) there is allocated an amount not to exceed \$5,000,000.00 for incentive payments for district consolidation. Eligible districts must apply for funding under this subsection in a form and manner determined by the department. A district is eligible for funding under this subsection if the district was formed or reconfigured as a result of the consolidation or annexation of 2

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

or more districts after June 1, 2025. Except as otherwise provided in this subsection, payments to eligible districts are equal to total membership in the resulting district multiplied by \$200.00. If funding allocated in this subsection is insufficient to fully fund payments under this subsection, payments must be prorated on an equal amount per pupil.

(5) The funds allocated under this section for 2025-2026 are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to close or demolish underutilized or disused buildings and for the development, implementation, and state-wide scaling of shared administrative systems to enhance operational efficiencies in districts and intermediate districts. The estimated completion date of the work project is September 30, 2030.

(6) At the close of each fiscal year, unspent funds allocated under this section that are not carried forward in a work project must be deposited into the school consolidation and infrastructure fund created in section 11x.

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

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 11z - Countercyclical Budget and Foundation Stabilization Fund Fund set up to fund appropriations during revenue downturns.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Deposits \$50,000,000 SAF in FY 2025-26 only.			
Sec. 15 - Audits and Apportionments Allows the Department to adjust State aid payments based on audits of current or prior-year programs and funding.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years. <i>FY 2024-25 supplemental request</i> (6) Expenditures made by the department departments under this article that are caused by the write-off of prior year accruals may be funded by revenue from the write-off of prior year accruals.			
NEW EXEC Sec. 16 - Support Category Buildings For districts with buildings identified as additional targeted support (ATS), comprehensive support and improvement (CSI), or targeted support and improvement (TSI), requires 10% of combined at-risk funding and discretionary foundation allowance funding generated by students in such buildings be utilized on best practices and high impact tutoring to improve outcomes for students.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) This section applies to districts with support category buildings. Districts must comply with this section using funding made available to the district under sections 22b and 31a. (2) As used in this section: (a) “Available targeted student support dollars” means the sum of the following:			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(i) The resulting quotient of the total amount received by the district from allocations under section 22b divided by the total number of pupils enrolled in the district multiplied by the number of pupils enrolled in support category buildings.

(ii) The resulting quotient of the total amount received by the district from allocations under section 31a(3) divided by the total number of pupils determined to be economically disadvantaged for the purposes of section 31a multiplied by the number of pupils determined to be economically disadvantaged for the purposes of section 31a who are enrolled in support category buildings.

(b) "Support category buildings" are defined as school buildings identified by the state accountability system as comprehensive support and improvement schools, additional targeted support schools, or targeted support and improvement schools.

(3) The district must allocate at least 10% of available targeted student support dollars for targeted student interventions and supports described in section 16a for students enrolled in support category buildings. These targeted student interventions and supports must be utilized in a way to address goals outlined in the district's Michigan Integrated Continuous Improvement Process (MICIP) plan. The district

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

must ensure that the operation of this section supplements rather than supplants the amount of per student funding allocated to the support category building in the immediately preceding fiscal year. The district must provide documentation in a form, manner, and timeline determined by the Michigan School Turnaround Hub to its intermediate district or an agent of its intermediate district to demonstrate compliance with this section.

(4) Districts must provide information regarding spending activities that were used to comply with subsection (3) to the Michigan School Turnaround Hub, in a form and manner determined by the Michigan School Turnaround Hub, necessary for the Michigan School Turnaround Hub to make updates to the list of eligible targeted student interventions and supports described in section 16a.

(5) By no later than 4 weeks after the start of the school year, the district must provide notification to the parents or legal guardians of students enrolled in support category buildings about available targeted student interventions and supports.

(6) By no later than August 31 of each year, the district must provide an annual report to parents or legal guardians through mail, electronic mail, and through posting on the district's website that summarizes,

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

at a minimum, the services provided with expenditures used to comply with subsection (3) in the immediately preceding school year, the amount spent on those services in that school year, and contact information or methods to enroll students in similar services in the current school year.

(7) The district must furnish to its intermediate district or an agent of its intermediate district, and to the state any information necessary to ensure the district is in compliance with spending requirements under this section.

(8) If a district is determined to be out of compliance with this section by its intermediate district or an agent of the intermediate district, or by the state, the department may seek to recapture an amount equal to up to 10% of available targeted student support dollars awarded to the district.

(9) The operation of this section must not reduce or delay the release of any funding for constitutional obligations of this state. The department must continue to release funding allocated to districts under section 22b and section 31a(3) beginning in October of each fiscal year.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

NEW EXEC Sec. 16a - MiStrategyBank

Requirements for items to be eligible to be included in the MiStrategyBank.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) For the purposes of this article, “targeted student interventions and supports” means items included in the MiStrategyBank. The MiStrategyBank must be updated and maintained by the Michigan School Turnaround Hub to comply with this section.</p> <p>(2) Items within the MiStrategyBank must consist of tutoring programs, including, but not limited to, those created by for-profit vendors, nonprofit vendors, intermediate districts, districts, and the Michigan Schools for the Deaf and Blind, that are aligned with high-impact tutoring standards and that must include all the following criteria:</p> <p>(a) Tutoring is provided in groups of 4 or fewer students.</p> <p>(b) The tutor or tutors provide consistent service to students throughout the school year.</p> <p>(c) Tutoring is provided a minimum of 3 times per week for at least 20 to 30 minutes per session.</p> <p>(d) Except as otherwise provided in this subdivision, tutoring is implemented throughout the school day. Tutoring that is a before- or after-school program may be approved if the tutoring meets the other criteria described in this</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

subsection.

(e) Trained tutors provide the tutoring. Trained tutors may include teachers, paraprofessionals, community providers, AmeriCorps members, or other individuals who have received training.

(f) The program uses a high-quality curriculum that utilizes research-based strategies that are aligned with state academic standards.

(g) Tutoring is data-driven and includes the use of formative assessments and student progress measures that meet criteria in subdivision (h).

(h) Progress monitoring is part of the tutoring program, and includes using curriculum-based measures that include all of the following:

(i) Identification of a valid, reliable progress monitoring assessment tool that is curriculum-based.

(ii) Implementation of standardized procedures for collecting data.

(iii) Standardized repeated assessments over time that are graphed.

(iv) Comparisons with a goal set using validated strategies.

(v) Collecting data with fidelity, documented by direct observation using a checklist with immediate

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

performance feedback.

(vi) Graphed progress monitoring data that is reviewed by a team every 4 to 8 weeks to determine student response to intervention.

(i) Progress monitoring tools that must do all of the following:

(i) Have a sufficient number of alternate forms.

(ii) Specify minimum acceptable growth.

(iii) Provide criterion-referenced or norm-referenced benchmarks.

(iv) Possess validity and reliability for the performance score.

(j) Tutoring fidelity is established through direct observation using a checklist with immediate performance feedback provided by a qualified staff person, such as an instructional coach.

(k) Tutoring does not replace Tier 1 or core instruction time or curricula for reading or math.

(l) Tutoring is supplemental to core academic instruction and not a replacement for core academic instruction.

(m) Tutoring assessment and intervention is evidence-based, with experimental research studies, 1 of which must be published or pending

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

publication in a peer-reviewed publication.

(3) All tutoring programs in the MiStrategyBank must be reviewed by the Michigan School Turnaround Hub established in section 16c. If necessary, the Michigan School Turnaround Hub may convene a committee to review tutoring programs for inclusion in the MiStrategyBank. The committee described in this subsection must include all of the following members:

(a) Two certified teachers representing elementary and secondary schools.

(b) A representative from the MiMTSS TA Center.

(c) A representative from an institution of higher education with a teacher preparation college.

(d) Two representatives of the department.

(e) One representative of the MAISA Michigan Collaboration Hub.

(f) An intermediate district designee with a background in English language arts.

(g) An intermediate district designee with a background in mathematics.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

NEW EXEC Sec. 16b - Best Practices Funding

Appropriates \$232.0 million SAF in FY 2025-26 (\$125.0 million one-time) for district implementation of best practices. Dollars can be used on a pre-defined list of best practices and high impact tutoring that was originally implemented and included in the MiStrategyBank as part of the MI Kids Back-on-Track program.

(2) Districts with CSI, ATS, and TSI buildings are guaranteed funding.

(3) Districts with buildings up to the 50th percentile on the school index score can be eligible for funding on a sliding matching scale.

(5) MDE must make available up to 5% of the funding allocated in subsection (1) to pilot cell phone free school policies in buildings that educate students in grades 9-12.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 an amount not to exceed \$232,000,000.00 to support district efforts to implement educational best practices. It is intended that, for 2026-2027, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be \$107,000,000.00</p> <p>(2) The department must pay at least 75% of the funding allocated in subsection (1) to each district with one or more buildings identified by the state accountability system as a comprehensive support and improvement school, an additional targeted support school, or a targeted support and improvement school. All of the following apply to money paid under this subsection:</p> <p>(a) Payments must be made by the department to districts on an equal per pupil basis, using for the calculation the number of pupils enrolled in buildings identified by the state accountability system as</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

comprehensive support and improvement schools, additional targeted support schools, and targeted support and improvement schools.

(b) Money received by districts must be utilized only for the purpose of implementing targeted student interventions and supports, as described in section 16a, in buildings identified by the state accountability system as a comprehensive support and improvement school, an additional targeted support school, or a targeted support and improvement school.

(c) Targeted student interventions and supports implemented by recipient districts must be aligned with the district's Michigan Integrated Continuous Improvement Process (MICIP) plan.

(d) The department shall make payments to districts in full no later than December 20, 2025.

(3) The department must make available up to 20% of the funding allocated in subsection (1) for matching awards to other eligible districts. As used in this subsection, "other eligible districts" are districts that did not receive money from calculations under subsection (2) and that have one or more building identified in the bottom 50th percentile on the Michigan School Index System. All of the following apply to money paid under this

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

subsection:

(a) Other eligible districts must apply for funding in a form and manner determined by the department. Districts must apply for funding under this subsection by December 20, 2025.

(b) Payments must be made by the department to other eligible districts on an equal per pupil basis. The department must ensure that the per pupil amount paid under this subsection does not exceed the per pupil amount paid under subsection (2).

(c) Other eligible districts must identify matching dollars from other fund sources for money received under this subsection and must use those dollars for the same purposes as funding received under this subsection. By no later than November 20, 2025, the department must develop a sliding scale to determine the matching rate for districts. This sliding scale must require a progressively higher district matching rate the closer the identified building is to the 50th percentile on the Michigan School Index System.

(d) Money received by districts must be utilized only for the purpose of implementing targeted student interventions and supports, as described in section 16a, in buildings identified in the bottom 50th percentile on the Michigan School

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Index System.

(e) Targeted student interventions and supports implemented by recipient districts must be aligned with the district's Michigan Integrated Continuous Improvement Process (MICIP) plan.

(f) Notwithstanding section 17b, the department shall make payments under this subsection by no later than January 20, 2026.

(4) By no later than August 31 of each year, districts receiving funding under subsections (2) or (3) must report to parents or legal guardians through mail, electronic mail, and through posting on the district's website that summarizes, at a minimum, the services provided with funding described in subsection (1) in the immediately preceding school year, the amount spent on those services in that school year, and contact information or methods to enroll students in similar services in the current school year.

(5) The department must make available up to 5% of the funding allocated in subsection (1) to pilot cell phone free school policies in buildings that educate students in grades 9-12. All of the following apply to pilot programs funded under this subsection:

(a) Districts must apply for funding under this subsection in a form and manner determined by the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

department.

(b) Eligible buildings must agree to adopt, implement, and enforce a policy that prohibits students from possessing and accessing cell phones or other personal electronic devices during times of student instruction. Buildings must agree to retain this policy for at least 4 years.

(c) The department may award pilot programming status to up to 50 buildings. No one district may receive pilot programming for multiple buildings. If more than 50 districts apply for and are eligible for funding, the department must prioritize pilot program awards to buildings with the lowest percentile scores on the Michigan School Index System.

(d) Payments under this section must be made on an equal per pupil basis.

(e) Buildings receiving funding may use those dollars for any purpose allowable under section 22b, but must reserve a portion of funding to evaluate the impact of the cell phone free policy, in a form and manner determined by the department.

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

(6) Districts receiving funding under this section must provide

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

<p>information regarding the usage of funding under this section to the Michigan School Turnaround Hub, in a form and manner determined by the Michigan School Turnaround Hub, necessary for the Michigan School Turnaround Hub to make updates to the list of eligible targeted student interventions and supports to include the most impactful programs.</p>			
<p>NEW EXEC Sec. 16c - Accountability Administration / School Turnaround Hub</p> <p>Appropriates \$15.0 million SAF in FY 2025-26 to monitor and provide technical support to constituent districts to improve student academic outcomes and to support the activities described in in this section and in sections 16, 16a, 16b, and 16d.</p> <p>Appropriates \$3.0 million SAF in FY 2025-26 to Clinton County RESA to serve as the Michigan School Turnaround Hub.</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) From the state school aid fund money appropriated in section 11, there is allocated \$18,000,000.00 for the purposes of this section for intermediate districts and consortia of intermediate districts to monitor and provide technical support to constituent districts to improve student academic outcomes and to support the activities described in in this section and in sections 16, 16a, 16b, and 16d.</p> <p>(2) Payments must be allocated as follows:</p> <p>(a) Except as otherwise provided in this subdivision, for each intermediate district receiving funding under section 81, an amount equal to \$100,000.00 or the number of buildings with pupils in membership in constituent districts</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

of the intermediate district multiplied by \$4,500.00, whichever is greater. The total amount allocated to all intermediate districts under this subdivision must not exceed \$15,000,000.00. If payments calculated under this subdivision exceed the amount in the immediately preceding sentence, payments must be prorated on an equal percentage basis, ensuring no intermediate district receives less than \$100,000.00. Intermediate districts must use funding received under this subdivision to do all of the following or to contract with other intermediate districts for the purposes of providing all of the following for constituent districts:

(i) Providing technical assistance to constituent districts to ensure constituent districts comply with sections 16, 16b, and 16d and to review compliance submissions from constituent districts to the Michigan School Turnaround Hub described in this section.

(ii) Supplementing staff resources in constituent districts necessary for reporting of compliance activities associated with sections 16, 16b, and 16d.

(iii) Making determinations of compliance of constituent districts pertaining to the requirements of sections 16, 16b, and 16d and reporting all incompliances to the Michigan School Turnaround Hub in a form and manner determined by

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

the Michigan School Turnaround Hub.

(iv) If a constituent district is determined to be out of compliance with sections 16, 16b, or 16d, providing support and making recommendations to the constituent district on methods to ensure compliance with those sections.

(b) An amount equal to \$3,000,000.00 to Clinton County Regional Educational Service Agency to work with other intermediate districts and the Michigan Association of Intermediate School Administrators (MAISA), to serve as the Michigan School Turnaround Hub to do all of the following:

(i) Develop and implement methods to collect information necessary to make determinations of district compliance with sections 16, 16b, and 16d. Methods developed and implemented under this section must utilize, to the greatest extent practicable, existing data collections and reporting mechanisms, including those utilized by the regional data hubs, the center, the department, and the federal government.

(ii) Provide guidance to intermediate districts on methods to support constituent district implementation of sections 16, 16b, and 16d.

(iii) Update and maintain the MiStrategyBank, including reviewing

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

the eligibility of programs for the inclusion in the MiStrategyBank.

(iv) Collect information from intermediate districts pertaining to districts determined to be out of compliance with sections 16, 16b, or 16d and providing that information to the department in a form and manner determined by the department.

(v) Provide recommendations and work with relevant organizations to better connect existing data collection and intervention systems to ensure information is shared between systems as efficiently as possible. This includes, but is not limited to, working with the MiDataHub, the MiMTSS Technical Assistance Center, the Michigan Early Warning and Intervention Monitoring System, the center, and the department to review and streamline the sharing of data that may be useful in improving student academic outcomes.

(vi) Provide an annual report, by no later than December 1 of each year, to the governor, the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director on best practices being utilized by districts and buildings to provide targeted student interventions and supports and improving parental engagement, including recommendations for state-level changes that would improve student academic

<div>SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS</div> <div>Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</div>			
<div>outcomes.</div> <div>(2) The department must make payments from funds allocated in this section in one lump sum to each eligible recipient by no later than November 20, 2025.</div>			
<div>NEW EXEC Sec. 16d - Parental Notification Requirements for Districts</div> <div>Beginning in FY 2026-27, requires districts to notify parents regarding the status of support category buildings, at-risk funding and uses, and early literacy curriculum and supports. Also requires school boards to hold meetings to discuss ways to improve parental engagement and student benchmarks.</div>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<div>(1) Districts receiving funding under section 22b or section 31a must use a portion of those dollars to ensure the requirements of this section are met.</div> <div>(2) Beginning during the fiscal year ending September 30, 2026, and each year thereafter, for a district with a building identified by the state accountability system as a comprehensive support and improvement school, an additional targeted support school, or a targeted support and improvement school, the district must provide a mailed notification to all parents or legal guardians of students in such buildings that includes the following:</div> <div>(a) The standing of the building under the state accountability system, including whether the building is a comprehensive support and improvement school, an additional targeted support school, or a targeted support and improvement school, and how this designation was determined.</div>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(b) A summary of what the building is doing to improve the standing of the building, including a summary of the strategies being implemented as part of the building's Michigan Integrated Continuous Improvement Process (MICIP).

(c) A method, including contact information, to receive feedback from parents and legal guardians on ways to improve the standing of the building.

(3) Beginning during the fiscal year ending September 30, 2026, and each year thereafter, for a district receiving funding under section 31a through the opportunity index formula, the district must provide a report to parents or legal guardians that details the amount of funding received under that allocation, how the district distributed that funding in a way to target buildings with the highest needs, and what evidenced-based interventions were implemented with those dollars. The report must include a method, including contact information, for parents or legal guardians to provide feedback on the utilization of these dollars as well as to seek more information about services and interventions available for their children.

(4) Beginning during the fiscal year ending September 30, 2026, and at least once every 5 years thereafter, each district must perform a

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

comprehensive review of literacy curriculum utilized by the district in grades K to 5 to determine whether that curriculum is evidence-based and aligned to state standards. If the district determines that curriculum is not evidence-based or not aligned to state standards, the district must provide mailed notification to all parents or legal guardians of students in grades K to 5 receiving instruction with that curriculum that includes all of the following:

(a) A statement informing parents that curriculum utilized by the district is not evidence-based or not aligned to state standards which could negatively impact student academic outcomes.

(b) A plan, including a projected timeline, for when new curriculum will be adopted that is evidenced-based and aligned to state standards.

(5) Beginning during the fiscal year ending September 30, 2026, and each year thereafter, each district must allow time during regular board meetings or board of directors meetings, for presentations, discussions, and public comment on each the following:

(a) Strategies to enhance parental engagement in academic outcomes of the district.

(b) Discussions on available transparency and accountability

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

<p>dashboards with special focus on buildings within the district identified as support schools under the Michigan School Index System, with a focus on what the district is doing to address deficiencies.</p> <p>(c) Periodic reporting, no less than 3 times annually, on student progress on local interim benchmark assessments and other state assessments.</p> <p>(6) Beginning during the fiscal year ending September 30, 2026, and each year thereafter, each district must make available on its website homepage and via an electronic mail communication a link to and explanation for how to use the Parent Dashboard for School Transparency made available on the MI School Data portal.</p>			
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NEW EXEC Sec. 16e - Performance Funding

Recommends the creation of a formula in law to reward district performance and student academic growth in literacy and math, to be implemented beginning in FY 2026-27 to recognize district improvements achieved during FY 2025-26.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) It is intended that, beginning in 2026-2027, there is established an appropriation to distribute funding to districts in a manner that recognizes student performance on state assessments as calculated under this section. Money shall be paid to districts that meet student academic performance funding goals under subsections (2) to (5). Payments received under this section may be used for any purpose for which payments under sections 22a and</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

22b may be used.

(2) The maximum amount of the incentive payment for student academic performance is an amount equal to \$250.00 per pupil. Payments calculated and awarded to qualifying districts under subsections (3) and (4) shall be calculated and awarded separately, and a district may receive a payment under either or both of subsections (3) and (4).

(3) An amount not to exceed 50% of the maximum per pupil amount allocated under subsection (2) shall be used to make performance incentive payments to qualifying districts under this subsection based on pupil performance on state assessments in English Language Arts in grades 3 to 8. The amount of a payment under this subsection is an amount equal to \$125.00 per pupil for all pupils in membership in the district. The department shall determine the qualifying districts under this subsection as follows:

(a) Using a model determined by the department that incorporates the most recent cut scores adopted for the Michigan student test of educational progress (M-STEP) for each pupil in grades 3 to 8 in the 2025-2026 school year, the department shall calculate a point score using a metric that assigns points to each of those pupils as follows:

(i) For each pupil who began the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

school year not performing proficiently in English Language Arts and who declines in proficiency, as determined by the department, over the school year, 0 points.

(ii) For each pupil who began the school year performing proficiently in English Language Arts and declines in proficiency, as determined by the department, over the school year, 0 points.

(iii) For each pupil who began the school year not performing proficiently in English Language Arts and who maintains proficiency, as determined by the department, over the school year, 1 point.

(iv) For each pupil who began the school year performing proficiently in English Language Arts and who maintains proficiency, as determined by the department, over the school year, 2 points.

(v) For each pupil who began the school year not performing proficiently in English Language Arts and who improves in proficiency, as determined by the department, over the school year, 3 points.

(vi) For each pupil who began the school year performing proficiently in English Language Arts and who improves in proficiency, as determined by the department, over the school year, 2 points.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(b) The department shall then calculate a district average for this metric for the 2025-2026 school year by totaling the number of points for all pupils in grades 3 to 8 under subdivision (a) and dividing that total by the number of those pupils.

(c) A district is a qualifying district for the payment under this subsection if the district average for the 2025-2026 school year under subdivision (b) is at least equal to a factor of 1.5, and the district tested at least 95% of its pupils in English Language Arts, and the district had at least 30 full academic year pupils in grades 3 to 8 English Language Arts with a performance level change designation in English Language Arts.

(4) An amount not to exceed 50% of the maximum per pupil amount allocated under subsection (2) shall be used to make performance incentive payments to qualifying districts under this subsection based on pupil performance on state assessments in mathematics in grades 3 to 8. The amount of a payment under this subsection is an amount equal to \$125.00 per pupil for all pupils in membership in a qualifying district. The department shall determine the qualifying districts under this subsection as follows:

(a) Using a model determined by the department that incorporates the most recent cut scores adopted for

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

the Michigan student test of educational progress (M-STEP) for each pupil in grades 3 to 8 in the 2025-2026 school year, the department shall calculate a point score using a metric that assigns points to each of those pupils as follows:

(i) For each pupil who began the school year not performing proficiently in mathematics and who declines in proficiency, as determined by the department, over the school year, 0 points.

(ii) For each pupil who began the school year performing proficiently in mathematics and declines in proficiency, as determined by the department, over the school year, 0 points.

(iii) For each pupil who began the school year not performing proficiently in mathematics and who maintains his or her level of proficiency, as determined by the department, over the school year, 1 point.

(iv) For each pupil who began the school year performing proficiently in mathematics and who maintains his or her level of proficiency, as determined by the department, over the school year, 2 points.

(v) For each pupil who began the school year not performing proficiently in mathematics and who improves in proficiency, as

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

determined by the department, over the school year, 3 points.

(vi) For each pupil who began the school year performing proficiently in mathematics and who improves in proficiency, as determined by the department, over the school year, 2 points.

(b) The department shall then calculate a district average for this metric for the 2025-2026 school year by totaling the number of points for all pupils in grades 3 to 8 under subdivision (a) and dividing that total by the number of those pupils.

(c) A district is a qualifying district for the payment under this subsection if the district average for the 2025-2026 school year under subdivision (b) is at least equal to a factor of 1.5, and the district tested at least 95% of its pupils in mathematics, and the district had at least 30 full academic year pupils in grades 3 to 8 with a performance level change designation in mathematics.

(5) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 20 - Foundation Allowance Calculation

Target foundation allowance is \$9,608 in FY 2024-25.

(3) Sets the foundation allowance for districts above the target foundation allowance.

(6) Sets the foundation allowance for public school academies. The foundation allowance for cyber charter schools is \$9,150 in FY 2024-25.

(10) Payments for special education pupils are not calculated under this section, but rather under Sec. 51e.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Target foundation allowance is \$10,000 in FY 2025-26.			
Cyber charter schools: \$8,000 in FY 2025-26			

Sec. 20d - Revenue per Membership Pupil

Provisions regarding the calculation of revenue per membership pupil.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

Sec. 20f - Categorical Offset Payments

Appropriates \$27,000,000 for FY 2023-24 only to ensure districts received the same per-pupil funding as in FY 2017-18. It is the intent of the legislature that an amount not to exceed \$18,000,000.00 is used in 2023-2024, an amount not to exceed \$9,000,000.00 is used in 2024-2025, and \$0.00 is used in 2025-2026.

This section originally ensured that all districts received at least a \$5 increase in per-pupil funding in FY 2013-14 when comparing foundation allowance, equity, and MPSERS offset payments from FY 2012-13 to FY 2013-14, and to ensure that no district received less than a \$25 per pupil increase when adding together increases in the foundation allowance and At Risk, along with the elimination of Best Practices and District Pupil Performance grants that occurred between FY 2014-15 and FY 2015-16.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			

Sec. 21h - Partnership Model Districts

Appropriates \$6,137,400 in FY 2024-25 to assist eligible districts assigned by the State Superintendent to participate in a partnership to improve student achievement.

Earmarks \$137,400 for those districts that have established a community engagement advisory committee (Benton Harbor).

(2) Requirements for districts to participate.

(3) Academic and financial operating or intervention plan implementation.

(4) Eligible uses of funds.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(5) Data analytics tool.

(7) Appropriates an additional \$36,000,000 in FY 2023-24 only as supplemental funding to be distributed in equal installments over 3 years.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) From the state school aid fund money appropriated in section 11, there is allocated \$6,137,400.00 for 2024-2025-2025-2026 for assisting districts assigned by the superintendent to participate in a partnership and districts that are required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and are located in a city with a population between 8,000 and 10,000 as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department,district agreement to improve student achievement and district financial stability.</p> <p>(2) A district described in subsection (1) is eligible for funding under this section if the district includes at least 1 school that has been identified as low performing under the approved federal accountability system or the state accountability system. A district described in this subsection must do all of the following to be eligible for funding under this section:</p> <p>(a) For a partnership district under this section, within Within 90 days of assignment to the partnership described in this section, and for a district described in subsection (1) that is not a partnership district under this section, complete a comprehensive needs assessment or evaluation in</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

collaboration with an intermediate district, community members, education organizations, and postsecondary institutions, as applicable, that is approved by the superintendent.

~~(b) Develop an academic and financial operating or intervention~~ **a district continuous improvement** plan that has been approved by the superintendent and that addresses the needs identified in the comprehensive needs assessment or evaluation completed under subdivision (a). ~~The intervention~~ **A district continuous improvement** plan must include at least all of the following:

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

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

~~(iii) (c) Craft academic goals~~ **Measurable benchmarks** that put pupils on track to meet or exceed grade level proficiency, increase high school graduation rates, reduce **K-3** class sizes, and improve attendance rates.

~~(c) (d)~~ Provide access to training for district leadership, including, but not limited to, the superintendent or chief administrator and school board or board of directors members, on areas of

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

education fiscal and policy matters. **The department may require training for district leadership and all board members on content at a rate and frequency needed to support measurable academic outcomes for the district.**

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

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

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
professional development for teachers or district or school leadership, increased instructional time, teacher mentors, literacy, numeracy, reducing K-3 class sizes, reducing chronic absenteeism, or other expenditures that directly impact student achievement and cannot be paid from existing district financial resources. (5) From the funds allocated under subsection (1), there is allocated for 2024-2025 2025-2026 an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to be used by districts described in subsection (1).			
Sec. 22a - Proposal A Obligation Payment (The Constitutionally-required portion of the foundation allowance.) FY 2024-25 appropriation of \$3,993,000,000. This section provides funding equal to the FY 1994-95 Proposal A foundation allowance levels multiplied by pupils.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25: \$3,937,000,000			
FY 2025-26: \$3,803,000,000			
Sec. 22b - Discretionary Payment (The discretionary portion of the foundation allowance.) FY 2024-25 appropriation of \$6,213,000,000 from the SAF and GF/GP, and \$41,000,000 from the Community District Trust Fund (CDTF). Includes a sentence indicating that \$70.2 million must be deposited from the general fund to the school aid fund for CDTF costs in excess of \$72.0 million. This funding provides roughly the difference between the current foundation allowance and the 1994-95 foundation allowance, multiplied by general education pupils. Special education funding is paid under Section 51e. (3) Requirements to receive funding under this section.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25: \$6,213,000,000 SAF			
\$41,000,000 CDTF			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

\$77,200,000 deposit from general fund

FY 2025-26: **\$6,576,000,000 SAF**

(1) Except as otherwise provided in this section, for discretionary nonmandated payments to districts under this section, there is allocated for ~~2023-2024 an amount not to exceed \$6,219,000,000.00 from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community district education trust fund appropriation in section 11,~~ and there is allocated for ~~2024-2025~~ **2025-2026** an amount not to exceed ~~\$6,213,000,000.00~~ **\$6,576,000,000.00** from the state school aid fund and general fund appropriations in section 11. ~~and an amount not to exceed \$41,000,000.00 from the community district education trust fund appropriation in section 11. For 2023-2024, \$33,700,000.00 must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For 2024-2025, the amount necessary, estimated at \$70,200,000.00 must be deposited from the general fund into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$41,000,000.00, as required under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. If~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection. Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds~~
Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year.

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

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<p>section 20(4).</p> <p>(3) To receive an allocation under subsection (1), each district must do all of the following:</p> <p>(a) Comply with section 1280b of the revised school code, MCL 380.1280b.</p> <p>(b) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.</p> <p>(c) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.</p> <p>(d) Comply with section 1230g of the revised school code, MCL 380.1230g.</p> <p>(e) Comply with section 21f.</p> <p>(f) For a district that has entered into a partnership agreement with the department, comply with section 22p.</p> <p>(g) Comply with sections 16, 16b, 16c, and 16d.</p>			
Sec. 22c - Equity Payment Includes \$3.0 million to ensure that out-of-formula districts receive a \$171 per-pupil increase. Only districts that received funds under this section in the immediately preceding fiscal year qualify under this section.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 22d - Isolated Districts/Transportation Funding

Appropriates \$12,306,900 in FY 2024-25 to provide \$3,734,400 for island/isolated districts, \$530,400 for island districts that are accessible by bridge, and \$8,042,100 for rural districts as follows:

- \$6.09 million for districts with fewer than 8.0 pupils per square mile, paid on an equal per-pupil basis;
- \$1.95 million allocated to districts with between 8.0 and 9.0 pupils per square mile (75% of what districts with fewer than 8.0 pupils per square mile receive); to districts with between 9.0 and 10.0 pupils per square mile (50% of what districts with fewer than 8.0 pupils per square mile receive); and to districts that have at least 10.0 pupils per square miles, cover more than 250 square miles, and do not receive funding under (2) (100% of what districts with fewer than 8.0 pupils per square mile receive).

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2025-26 total: \$12,816,900 Isolated/island districts: \$3,889,100 Districts less than 8.0 pupils per square mile: \$6,346,000 Other rural districts: \$2,029,400 Island districts accessible by bridge: \$552,400			

Sec. 22e - Public School Academy One-time Lump Sum Payment

Appropriates \$57,000,000 SAF in FY 2024-25 only to grant PSAs that are not a part of the MPSERS system an amount equal to 3.9% of their foundation allowance per pupil.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			

Sec. 22k - School Transportation Fund

Reserve fund to be used to support district transportation costs.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Deposits \$136,000,000 in FY 2025-26 only.			

Sec. 22l - District Transportation

Appropriates \$125 million in FY 2024-25 only from the School Transportation Fund to support district transportation costs.

(2) Appropriates \$200,000 in FY 2022-23 only for a study on district transportation costs.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$125,000,000 in FY 2025-26 only.			
Sec. 22m - Data Hub Network Appropriates \$3,500,000 in FY 2024-25 for integrating local data systems based on common standards and applications that comply with Section 19(6) into the Michigan Data Hub Network.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 22p - Partnership District Agreement Sets rules for partnership district agreements between districts and MDE.			
<p>(1) Subject to subsection (2), to receive funding under section 22b, a district or public school academy that is assigned by the superintendent of public instruction as a partnership district must have a signed 3-year partnership agreement with the department that includes all of the following:</p> <p>(b) Accountability measures to be imposed if the district or public school academy does not achieve the measurable academic outcomes described in subdivision (a) and subdivision (2)(b) of section 21h for each school operated by the district or public school academy that is subject to the partnership agreement.</p> <p>(d) For a district assigned as a partnership district as described in this subsection, a provision that, if reconstitution is imposed on a school that is operated by the district and that is subject to the partnership agreement, reconstitution may require closure of the</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<p>school building, but, if the school building remains open, reconstitution must include, but is not limited to, all of the following:</p> <p>(iii) The reconstitution plan for the school must require the adoption of goals similar to the goals measurable academic outcomes included in the partnership agreement, with a limit of 3 years to achieve the goals. If the goals are not achieved within 3 years, the superintendent of public instruction shall impose a second reconstitution plan.</p>			
Sec. 23h - Mathematics Pathways Appropriates \$25 million in FY 2023-24 only to support math professional development, curriculum, and teaching.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 24 - Court-Placed Pupils Appropriates \$7,650,000 in FY 2024-25 to reimburse districts for the additional costs of educating students placed in the district by the court system.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 24a - Educating Pupils in DHHS Juvenile Justice Service Facilities Appropriates \$1,355,700 in FY 2024-25 for payments to intermediate districts for pupils who are placed in juvenile justice facilities.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 25f - Strict Discipline Academy Supplemental Payments

Allocates \$1,6000,000 in FY 2024-25 for strict discipline academies to compensate for the added cost for court placed pupils.

The total amount allocated is equal to the strict discipline academy's or qualified district's pupil membership in the immediately preceding year multiplied by an amount calculated by dividing the total allocation under the section by the total pupil membership for eligible strict discipline academies and qualified districts in the immediately preceding year.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

Sec. 25g - Dropout Recovery

Appropriates \$3,050,000 SAF in FY 2024-25 (\$750,000 ongoing / \$2,300,000 one-time) to pay for any additional FTE beyond 1.0 in eligible dropout recovery programs. Proration language is included if funding is not sufficient.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$750,000 in FY 2025-26.			

Sec. 26a - Renaissance Zone Reimbursement

In FY 2024-25, appropriates \$14,000,000 from the School Aid Fund to reimburse districts for lost local revenue due to taxes not collected in Renaissance Zones.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

Sec. 26b - PILT Reimbursement

Appropriates \$5,284,000 in FY 2024-25 to reimburse districts for lost local revenue due to taxes not collected on State-owned land.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$5,549,000 in FY 2025-26.			

Sec. 26c - Promise Zone Reimbursement

This categorical is necessary to reimburse local districts and ISDs for Promise Zone reimbursements. FY 2024-25 reimbursement is \$34,500,000.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$37,700,000 in FY 2024-25 and \$43,300,000 in FY 2025-26.			

Sec. 26d - Brownfield Redevelopment Reimbursement

Includes funding of \$14,400,000 in FY 2024-25 pursuant to PA 279 of 2020. Funds are to reimburse ISDs for lost revenue due to Brownfield redevelopment zones.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Update fiscal years.			
Sec. 27a - MI Future Educator Fellowship Program Appropriates \$25 million (\$10 million SAF/ \$10 million Educator Fellowship Public Provider Fund / \$5 million GF/GP) in FY 2024-25 for a Future Educator Scholarship program for students in educator preparation programs. At the close of the fiscal year, unspent funds are deposited into the Educator Fellowship Public (or Private) Provider Fund (as applicable). (12) Report to the legislature.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years. (12) The department of lifelong education, advancement, and potential shall report to the chairpersons of the house appropriations subcommittee on school aid and education and the senate appropriations subcommittee on pre-K to 12 by February 4— 15 of the current fiscal year.			
Sec. 27b - Grow Your Own Programs Appropriates \$155,000,000 Federal CSFR Fund and \$20,000,000 SAF in FY 2022- 23 for districts and ISDs for Grow Your Own programs to enable employees and students to become teachers. (5) Federal funds are intended to respond to the COVID-19 public health emergency. (7) Funds are a work project.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$50,000,000 SAF in FY 2025-26 only. (5) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts. (6) (7)– The funds allocated under this section for 2022-2023-2025-2026 are a work project appropriation, and any unexpended funds for 2022-2023-2025-2026 are carried forward into 2023-			

<div>SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS</div> <div>Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</div>			
<p>2024. 2026-2027. The purpose of the work project is to continue support for grow your own programs in districts and intermediate districts. The estimated completion date of the work project is December 31, 2026-2028.</p>			
<p>Sec. 27c - MI Future Educator Student Teacher Stipend</p> <p>Appropriates \$50,000,000 (\$30 million SAF / \$20 million Educator Fellowship Public Provider Fund) in FY 2024-25 for districts and ISDs for compensation for student teachers. At the close of the fiscal year, unspent funds are deposited into the Educator Fellowship Public Provider Fund.</p> <p>(2) Requirements to receive an award.</p> <p>(3) Award amount.</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Update fiscal years.</p> <p>(2) An eligible student teacher under this subsection must meet all of the following:</p> <p>(a) The individual must be admitted to an eligible educator preparation program, be working toward a teacher certification, and be participating in required student teaching coursework, and be maintaining satisfactory academic progress.</p> <p>(c) The individual must not have received a payment from funds under this subsection previously, unless the individual is enrolled in an eligible educator preparation program that requires multiple semesters of student teaching up to a maximum of two awards under this subsection.</p> <p>(3) The department of lifelong education, advancement, and potential shall pay each eligible educator preparation program an amount not to</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

exceed \$9,600.00 per academic semester for each eligible student teacher working in a district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of lifelong education, advancement, and potential shall pay an amount not to exceed \$9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the amount received to the individual's eligible educator preparation program. ~~If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of lifelong education, advancement, and potential shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received.~~

Sec. 27f - Michigan Education Justice Coalition studies

Appropriates \$4,000,000 SAF in FY 2024-25 only to fund studies related to racial disparities in public education.

Executive

Senate

House

Conference

Repeal.

Sec. 27g - Michigan Educator Workforce Initiative

Appropriates \$12.5 million in FY 2024-25 only for a statewide initiative to boost teacher recruitment, retention, and development.

Executive

Senate

House

Conference

Repeal.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 27k - Student loan repayment assistance pilot

Appropriates \$25,000,000 in FY 2024-25 only (\$24.4 million SAF / \$600,000 GF/GP) to help district and ISD employees who work directly with students to repay their student loans. Payments are capped at the lesser of actual loan payments or \$200 per month, or up to \$400 per month if the employee works in a high-need district (greater than 85% at-risk).

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p><i>FY 2024-25 supplemental request</i></p> <p>(1) From the state school aid fund money appropriated in section 11, \$225,000,000.00 is allocated for 2023-2024 and \$24,400,000.00 is allocated for 2024-2025 only to districts and intermediate districts for the purposes under this section. From the general fund money appropriated in section 11, \$600,000.00 is allocated for 2024-2025 only to the department to contract with a vendor and for administrative costs related to this section.</p> <p>(2) For 2023-2024, to receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.</p> <p>(3) For 2023-2024, a district or intermediate district that receives funding under this section shall use the funding only to implement a student loan repayment program in accordance with guidelines issued by the department. The guidelines must include all of the following criteria:</p> <p>(a) A system through which the district or intermediate district verifies all of the following:</p> <p>(i) That each eligible participant owes federal student loans.</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~(ii) That each eligible participant is eligible for the federal public service loan forgiveness program and is under, pursuant to federal law, a payment plan that makes eligible payments toward federal public service loan forgiveness.~~

~~(iii) That each eligible participant is enrolled in an income-driven repayment plan. Participants may be exempt from this requirement if their loan is not eligible for income-driven repayment.~~

~~(b) A requirement that each eligible participant shall receive up to \$200.00 per month, or, if the eligible participant is employed in a district that is assigned to band 6 in the opportunity index, as described in section 31a, up to \$400.00 per month, for the duration of the program or the total amount of the eligible participant's monthly federal student loan payment, as verified under subdivision (a), whichever is less. As used in this subdivision, "band 6" means the district has an opportunity index, as calculated under section 31a, that is greater than or equal to 85.~~

~~(c) A requirement that payments to eligible participants through the program must be made in equal amounts on a monthly basis.~~

~~(d) A requirement that an eligible participant must only receive funding through the program if the eligible participant continues to meet the criteria of an eligible participant.~~

~~(e) A requirement that an eligible~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~participant annually, or, if the participant leaves the program, on the date the participant leaves the program, certifies to the district or intermediate district that the eligible participant made payments toward the eligible participant's federal student loan with the funding received under this section.~~

~~(f) A requirement that the eligible participant certifies to the district or intermediate district any increases or decreases in the participant's monthly payment toward the eligible participant's federal student loan.~~

~~(2) (4) By not later than October 1, 2024, the~~ **The** department shall contract with a vendor to implement an online portal that allows eligible participants to apply to participate in a student loan repayment program.

~~(3) (5) For 2024-2025, except~~ **Except** as otherwise provided in this subsection, the application in subsection ~~(4) (2)~~ must be submitted directly by the individual who is applying to participate in a student loan repayment program or by that individual's bargaining unit. If the individual who is applying to participate in a student loan repayment program is unable to submit the application due to a disability, another individual may submit the application on the applicant's behalf.

~~(4) (6) For 2024-2025, each~~ **Each** eligible participant shall receive up to \$200.00 per month, or, if the eligible participant is employed in a district that

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

is assigned to band 6 in the opportunity index, as described in section 31a, up to \$400.00 per month, for the duration of the program, or the total amount of the eligible participant's monthly federal student loan payment, as verified under subsection ~~(4)~~, **(2)**, whichever is less. As used in this subdivision, "band 6" means the district has an opportunity index, as calculated under section 31a, that is greater than or equal to 85.

(5) ~~(7)~~—The department shall make payments to the district or intermediate district that employs each eligible participant. ~~For 2023-2024, the department shall provide to each district or intermediate district the eligible payment amounts for each eligible participant in the district or intermediate district. For 2024-2025, the~~ **The** eligible vendor described in subsection ~~(4)~~ **(2)** shall provide the department and each district or intermediate district the eligible payment amounts for each eligible participant in the district or intermediate district. The district or intermediate district that receives payments under this section shall certify that the district or intermediate district will make payments to eligible participants in the amounts provided by the department or the eligible vendor described in subsection ~~(4)~~ **(2)** under this subsection on a monthly basis, in the amounts specified.

~~(10) The funds allocated under this section for 2023-2024 are a work project appropriation, and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~purpose of the work project is to continue support for federal student loan repayment programs as described in this section. The estimated completion date of the work project is December 31, 2026.~~

~~(8) (11) For 2023-2024, if the amount allocated under this section is insufficient to fully make payments to all eligible participants as required under this section, the department shall prorate the amount paid to districts and intermediate districts to distribute to all eligible participants on an equal basis. For 2024-2025, if~~ If the amount allocated under this section is insufficient to fully make payments to all eligible participants as required under this section, the department shall do both of the following:

(a) Make full payments to eligible participants for as many months as possible given the remaining funds.

(b) Prorate the amount paid to all eligible participants on an equal basis.

(9) Subject to the conditions of this subsection, in addition to the money allocated in subsection (1), from the state school aid fund, there is appropriated and allocated for 2024-2025 an amount not to exceed \$203,213,400.00 for the purpose of this section. The appropriation and allocation in the immediately preceding sentence are conditional upon the effective issuance of a directive by the budget director, pursuant to section 451a of the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

management and budget act, 1984 PA 431, MCL 18.451a, to lapse all remaining funding from a work project that was established pursuant to this section in 2023-2024. The amount appropriated and allocated under this subsection may not exceed the amount lapsed from the work project referenced in the immediately preceding sentence.

(12) ~~(14)~~ As used in this section:

(a) "At-risk pupil" means that term as defined in section 31a.

(b) "Eligible participant" means ~~either of the following, as applicable:~~

~~(i) For 2023-2024, an individual who is participating in a federal student loan repayment program described in subsection (3) and who is working 32 hours or more per week at a district or intermediate district in a role in which the individual works directly with pre-K to 12 students, including, but not limited to, educators, counselors, social workers, psychologists, reading specialists, librarians, and school administrators who work directly with students.~~

~~(ii) For 2024-2025, an~~ **An** individual who is participating in a federal student loan repayment program described in subsection ~~(4)~~, **(2)**, who is working 32 hours or more per week at a district or intermediate district, and who works not less than 50% of the individual's weekly scheduled hours in a role in which the individual works directly with pre-K to 12

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
students, including, but not limited to, educators, counselors, social workers, psychologists, reading specialists, librarians, and school administrators who work directly with students.			
Sec. 27I - Salary Incentive Pilot program Appropriates \$67,800,000 In FY 2023-24 only to districts in an equal amount per pupil, intended to be used to increase educator compensation.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 27n - SVSU Saginaw grow your own Appropriates \$2,000,000 SAF to fund the enrollment of employees of Saginaw Public School District in the Accelerated Certification with Residency (ACR) Program at Saginaw Valley State University for the employees to earn their teaching certificate			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 27o – Learner Wallet Appropriates \$2,000,000 GF/GP in FY 2024-25 only for a Learner Wallet pilot tutoring initiative.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 27p - Talent Together Coalition Appropriates \$12.5 million to Talent Together in FY 2024-25 only to run a grow-your-own program through Marquette-Alger RESA. (2) Allowable expenses.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25 supplemental request (2) ... Allowable expenses for grow your own programs under this section include, but are not limited to, all of the following: (a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
degree. As used in this subdivision, "advanced degree" includes, but is not limited to, a postbaccalaureate credential or certificate.			
Sec. 27r - West Michigan Teacher Collaborative Appropriates \$7,000,000 SAF in FY 2024-25 only to to run a grow-your-own program through Kent ISD. (2) Allowable expenses.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25 supplemental request (2) ... Allowable expenses for grow your own programs under this section include, but are not limited to, all of the following: (a) Tuition and fees for an accelerated degree, for a traditional bachelor's degree for current candidates who are not teachers, or for an advanced degree. As used in this subdivision, "advanced degree" includes, but is not limited to, a postbaccalaureate credential or certificate.			
Sec. 27s - Black Male Educators Alliance Appropriates \$2,500,000 SAF in FY 2024-25 only to support the Black Male Educators Alliance.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 28 - Weighted Per-Pupil Education Funding Model Provides a list of sections that provide some type of additional funding in recognition of differentiated costs of instruction: Sec. 22d (isolated, rural) Sec. 22l (transportation costs) Sec. 29 (declining enrollment) Sec. 31a (at risk)			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 32d (great start readiness program)

Sec. 41 (bilingual education)

Sec. 51c (special education mandated percentages)

Sec. 54d (early on)

Sec. 61a (CTE)

Sec. 61d (CTE incentives)

Sec. 147a (Michigan public school employees' retirement system cost offset)

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update amounts to align with selected sections of the bill.			
(k) Section 147a, Michigan public school employees' retirement system cost offset, \$709,939,000.00.			

Sec. 29 - Enrollment Stabilization Fund

(6) Deposits \$314,000,000 in 2022-2023 to the fund to be used to offset reduced foundation allowance payments for districts with declining enrollment.

(7) Appropriates \$71,000,000 in FY 2024-25 to districts.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$71,000,000 in FY 2025-26 only.			

Sec. 30d - Expanded Breakfast and Lunch Programs

Appropriates \$200 million in FY 2024-25 that, when combined with available federal funding, ensures all students in a public school can receive breakfast and lunch at no cost.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$200,000,000 SAF in FY 2025-26.			

Sec. 31a - At-Risk Funding/ Adolescent Health Centers/ Hearing and Vision Screenings

Standard At-Risk funding is \$1,034,924,000 in FY 2024-25. In addition, vision and hearing is \$10,150,000, \$1.5 million GF/GP is added for dental screenings, and child and adolescent health services are appropriated at \$33,000,000.

(4) Standard at-risk funding is determined by each district's opportunity index score, giving higher per-pupil reimbursements to districts with a higher concentration of at-risk pupils. Reimbursements range from 35% - 47% of the target foundation allowance, and are prorated based on available funding.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

- (5) Allowable uses of funds.
- (7) Child and adolescent health services.
- (8) Hearing, vision, and dental screenings.
- (11) If more than 40% of pupils are identified as at risk, districts may use funds for evidence-based, school wide reforms.
- (13) Funds may be used for support staff to assist at-risk pupils.
- (14) A district or public school academy may use up to 60% of the funds it receives under this section for the following purposes:
 - (a) Up to 30% to reduce the teacher to pupil ratio in grades K to 3 in schools for which the percentage of pupils in membership who were determined to be economically disadvantaged in the immediately preceding fiscal year is equal to or greater than the minimum percentage for a district or public school academy to be assigned to opportunity index band 5.
 - (b) Up to 30% to support retention and recruitment efforts that help reduce staff turnover and vacancies of instructional and support staff if the district or public school academy is assigned to opportunity index band 5 or 6.
- (18) up to 10% of funds may be used toward pre-K services.
- (19) Department shall prorate payments if necessary.
- (23) In addition to allocation in (1), \$35,000,000 is appropriated in FY 2023-24 only for updates to primary health care services.
- (24) In addition to allocation in (1), \$10,000,000 is appropriated in FY 2023-24 only for an electronic patient data and health care analytic system.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Standard At-Risk funding is \$1,077,224,000 in FY 2025-26.</p> <p>(2) For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection (7), (8), or (23), or (24), the district or public school academy, for grades K to 12, must comply with the requirements under section 1280f of the revised school code, MCL 380.1280f, must comply with sections 16, 16b, 16c, and 16d, and must use resources to address early literacy and numeracy, and for at least grades K to 12 or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates, must implement</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

a multi-tiered system of supports that is an evidence-based framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs.

(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), (8), ~~or (23), or (24).~~ In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (3), may use the funds it receives under this section for school security or school parent liaison personnel. The uses of the funds described in the immediately preceding sentence must align to the needs assessment and the multi-tiered system of supports model and, for funds spent on parent liaison personnel, must connect parents to the school community. A district or public school academy shall not use any of the money received under this section for administrative costs. The instruction or direct noninstructional services

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year. **Beginning during the fiscal year ending September 30, 2026, for a district with one or more buildings identified by the state accountability system as a comprehensive support and improvement school, an additional targeted support school, or a targeted support and improvement school, the district must make efforts to equitably allocate dollars received under this section such that the overall per student spending with dollars received under this section is greater in such buildings compared to buildings not identified by the state accountability system as comprehensive support and improvement schools, additional targeted support schools, or a targeted support and improvement schools.**

(7) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2023-2024~~ an amount not to exceed \$33,000,000.00, and there is allocated for ~~2024-2025~~ **2025-2026** an amount not to exceed \$33,000,000.00 to support primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. When making funding decisions for new adolescent health centers under this subsection, the department and

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

department of health and human services shall prioritize support for primary health care services in unserved and underserved counties as determined by the department of health and human services. ~~For 2023-2024, an amount not to exceed 4% of the funds allocated for 2023-2024 under this subsection, and for 2024-2025, an~~ **An** amount equal to 4% of the funds allocated for ~~2024-2025~~ **2025-2026** under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state. ~~Funds appropriated under this subsection for 2023-2024 only are a work project appropriation and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to improve child and adolescent health center program sites and improve delivery of patient care. The estimated completion date of the work project is September 30, 2025.~~

(8) Update fiscal years.

~~(23) From the state school aid fund~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~money allocated under subsection (1), there is allocated for 2023-2024 only an amount not to exceed \$35,000,000.00 to support primary health care services provided to children and adolescents up to age 21 and for the provision of space upgrades in child and adolescent health center programs. All of the following apply to this allocation:~~

~~(a) The funds must be used for only the following purposes:~~

~~(i) Modernizing antiquated medical equipment.~~

~~(ii) Improving security and patient safety measures.~~

~~(iii) Investing in new patient-centered technologies.~~

~~(iv) Renovating physical spaces to improve patient privacy and the care setting.~~

~~(b) The funds must be expended in a form and manner determined jointly by the department and the department of health and human services.~~

~~(c) To be eligible to receive funding under this subsection, a child and adolescent health center program that serves students in the current fiscal year must submit an application in a form and manner determined by the department and the department of health and human services.~~

~~(d) An amount equal to 4% of the funds allocated for 2023-2024 under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS			
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<p>departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state.</p> <p>(e) Funds appropriated under this subsection are a work project appropriation and any unexpended funds for 2023-2024 are carried forward into 2024-2025. The purpose of the work project is to continue to improve child and adolescent health center program sites and improve delivery of patient care. The estimated completion date of the work project is September 30, 2025.</p>			
Sec. 31d - School Lunch Program			
Appropriates \$29,553,400 SAF in FY 2024-25 to fund the State share of the school lunch programs as required by the <i>Durant</i> settlement and includes \$916,400,000 Federal.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Update fiscal years.</p> <p>(5) From the federal funds appropriated in section 11, there is allocated for 2024-2025 2025-2026 all available federal funding, estimated at \$901,400,000.00 for child nutrition programs and, for 2024-2025, 2025-2026, all available federal funding, estimated at \$15,000,000.00, \$22,000,000.00 for food distribution programs.</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 31f - School Breakfast Appropriates \$16,900,000 in FY 2024-25 to provide reimbursement for the State school breakfast program.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 31j - Locally Grown Produce in Schools Appropriates \$4,000,000 SAF and \$500,000 GF/GP in FY 2024-25 to support districts and child care centers in the purchase of locally-grown fruits and vegetables. (2) Funding retained by MDE and project partners for administration. (5) Allowable uses of funds.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 31n - School Mental Health and Support Services Appropriates \$106,545,000 from the SAF and \$1,300,000 from the GF/GP to support licensed behavioral health providers for general education students. Funding is distributed as follows: (5) \$14,300,000 to child and adolescent health centers to place a licensed Master's level behavioral health provider in schools without services available to general education students. (6) \$87,245,000 for grants to intermediate school districts (ISDs) for the provision of mental health and support services to general education students. The first \$56,173,600 is distributed as \$1,003,100 to each ISD that distributes a plan approved by MDHHS. The remaining \$31,071,400 is distributed on a per-pupil basis to all ISDs. (11) \$1,300,000 GF/GP for upgrading IT systems and for State administration of the programs. (12) \$5,000,000 to ISDs for administration at the local level.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 31aa - Per-Pupil Mental Health Grant Appropriates \$150 million SAF in FY 2024-25 and \$1.5 million GF/GP for per-pupil grants to districts, intermediate districts, nonpublic schools, and the Michigan Schools for the Deaf and Blind, for activities to improve student mental health and improve student safety. (1) Allowable uses of funds. (2) Funding to be distributed in an equal amount per pupil. (3) Requirements for application. (4) Report on uses of funds.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(7) Affirms that, pursuant to section 18a, recipients may expend funds until the end of the fiscal year immediately following the fiscal year in which the funds are received.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Appropriates \$150,000,000 SAF in FY 2025-26.</p> <p>(1) ... The allowable expenditures of funds under this section are as follows:</p> <p>(v) Implementing cell phone free school policies. As used in this subdivision, a "cell phone free school policy" is a policy that prohibits students from possessing and accessing cell phones or other personal electronic devices during times of student instruction.</p> <p>(2) By not later than December 31 of each fiscal year, from the state school aid fund money allocated in subsection (1), the department shall make payments to districts, intermediate districts, and the Michigan Schools for the Deaf and Blind that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each district, intermediate district, and the Michigan Schools for the Deaf and Blind that opts in and agrees to receive funding. By December 31 of each fiscal year, from the general fund money allocated in subsection (1), the department shall make payments to nonpublic schools that opt in and agree to receive funding in an equal amount per pupil based on the total number of pupils in membership in each nonpublic school that opts in and agrees to receive funding, using pupil counts determined by the department. The department</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts and intermediate districts.~~ Districts, intermediate districts, **and** the Michigan Schools for the Deaf and Blind, ~~and nonpublic schools~~ may opt in and agree to receive funding in a form and manner determined by the department.

(4) The department shall use the information received under subsection (3) to compile a report that includes the number of recipients that have hired school resource officers using funds received under this section and any supporting information provided by the recipients. By not later than August 1 **of each year, 2025, and each August 1 thereafter,** the department shall provide the report compiled under this subsection to the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Michigan commission on law enforcement standards.

(6) To receive funding under this section, a district, intermediate district, or the Michigan Schools for the Deaf and Blind agrees to be subject to a comprehensive investigation, including affirmatively agreeing to waive any privilege that may otherwise protect information from disclosure, in the event of a mass casualty event and must agree to comply with the investigation, as described in this subsection.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(a) The comprehensive investigation will assess the circumstances surrounding the event, including but not limited to:

(i) Emergency response effectiveness.

(ii) Compliance with safety protocols.

(iii) Communication procedures.

(iv) Any factors contributing to the incident.

(b) The governor shall designate an appropriate person or investigative entity to conduct the investigation. This person or investigative entity may include, but is not limited to, state law enforcement agencies, independent review boards, or specially appointed task forces. The person or designated investigative entity has the authority to:

(i) Access relevant records and data from the district.

(ii) Interview witnesses and district personnel involved.

(iii) Issue findings and recommendations based on the investigation.

(c) The person or investigative entity designated in subdivision (b) shall prepare a detailed report of its findings and submit it to the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

governor and relevant legislative committees within 90 days following the conclusion of the investigation. The report must include recommendations for preventing future incidents and improving school safety protocols.

(d) As used in this subsection:

(i) "Mass casualty event" refers to any incident resulting in significant injuries or fatalities on school grounds or at a school-sponsored event, as determined by the governor.

(ii) "School grounds" includes all properties owned or operated by the district, including transportation vehicles owned or operated by the district.

(iii) "School-sponsored event" encompasses any activity organized or sanctioned by the district.

~~(7) As provided under section 18a, recipients may expend funds under this section until the end of the fiscal year immediately following the fiscal year in which the funds are received.~~

Sec. 32d - Great Start Readiness Program (GSRP)

Appropriates \$609,720,000 from the School Aid Fund to operate the district Great Start Readiness Program (GSRP) and \$600,000 GF/GP to continue a longitudinal study of the GSRP.

An ISD or grant recipient that determines that all children at or below 400% of the Federal poverty level (FPL) are being served and none are on the waiting list may then enroll children in families at any income level. The enrollment process shall consider income and risk factors, such that higher-need children are enrolled prior to those with lesser need.

For enrollment across ISD boundaries, the ISDs must enter into a written agreement for payment, in a manner prescribed by the Department.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

All age-eligible children served in foster care or who are experiencing homelessness or who have individualized education plans recommending placement in inclusive preschool are considered to be at 300% FPL regardless of family income.

An ISD or consortium may retain 4% for administration and expenses incurred by subrecipients are considered program costs or a contracted program fee for service.

(4) Program requirements.

(5) The department of lifelong education, advancement, and potential may waive the requirements under subsection (4) in certain circumstances.

(8) Application requirements.

(12) Recipient shall designate an early childhood coordinator.

(15) Enrollment prioritization by household income level.

(17) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation.

(20) Report to CEPI on enrollment data.

(21) Definitions

(22) \$28,000,000 of the total is earmarked for reimbursement for transportation costs, up to \$500 per slot.

(27) Earmarks \$2,000,000 out of the total appropriation for professional development and training materials for educators implementing new curricula, and for child assessment tools.

(29) Appropriates \$25 million in FY 2024-25 only for GSRP classroom startup grants.

(30) Appropriates \$1,950,000 in FY 2024-25 only for a GSRP awareness campaign.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p><i>FY 2024-25 supplemental request</i></p> <p>(5) To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may waive the requirements under subsection (4) and subdivision (8)(c) and a program may be eligible for funding under this section for new or expanding programs if the program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the program meets all of the following:</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(11) To help expand access to great start readiness programs, the department **of lifelong education, advancement, and potential** may allow great start readiness programs to implement Head Start national performance standards for quality as an alternative to great start readiness program policies and regulations if the great start readiness program demonstrates to the satisfaction of the department that the great start readiness program is meeting the requirements of the Head Start national performance standards.

(29)(c) Funds received under this subsection by intermediate districts and consortia of intermediate districts must be paid in full to the entity operating the classroom and may be used for 1 or more of the following purposes:

(i) Costs associated with attracting, recruiting, retaining, and licensing required classroom education personnel to staff new or expanded classrooms.

(ii) Supporting facility improvements or purchasing facility space **or modular classroom units** necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom **including costs to become a licensed facility such as architectural drawings, permits, and other prelicensure inspection fees.**

(iii) Outreach material necessary for public awareness that the great start readiness program has openings in the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

area and for costs associated with enrolling eligible children in new or expanded classrooms.

(iv) Supporting costs in each new or expanded classroom associated with improving a provider's great start to quality ~~rating-level~~.

~~(d) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 do not lapse to the state school aid fund and are carried forward into 2023-2024. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2024.~~

(e) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this subsection on a schedule determined by the department of lifelong education, advancement, and potential.

FY 2025-26 requests

(1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed ~~\$609,720,000.00~~ **\$632,720,000.00** for 2024-2025. ~~It is the intent of the legislature that this section will support universal great start readiness~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

programs in a future fiscal year. ~~2025-2026~~, and from the general fund money appropriated under section 11, there is allocated \$350,000.00 for the purposes of this section, and from the great start readiness reserve fund money appropriated in section 11, there is allocated **\$18,000,000.00** for the purposes of this section. An intermediate district or consortium shall use funds allocated under this section for ~~great start readiness programs to provide part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs that are comprehensive, free, compensatory classroom programs designed to improve the readiness and subsequent achievement of children who meet the participant eligibility and prioritization guidelines as defined by the department of lifelong education, advancement, and potential.~~ **eligible great start readiness program options.**

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed ~~\$607,720,000.00~~ **\$618,770,000.00** for ~~2024-2025~~ **2025-2026** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An intermediate district or consortium of intermediate districts receiving funding

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. To be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. ~~If, due to the number of GSRP extended program or GSRP/Head Start extended blended program slots awarded,~~ the amount allocated in this subsection is insufficient to ~~award at least the same number of part-day program and school-day program slots as awarded in the immediately preceding fiscal year,~~ **fully fund allocations calculated under section 39,** there is appropriated from the great start readiness program reserve fund the amount necessary **and available** to fully ~~award the same number of part-day program and full-day program slots as awarded in the immediately preceding fiscal year.~~ **fund those allocations.**

~~(3) In addition to the allocation under subsection (1), from~~ **From** the general fund money appropriated under ~~section 41,~~ **subsection (1)** there is allocated an amount not to exceed ~~\$600,000.00~~ **\$350,000.00** for ~~2024-2025~~ **2025-2026** for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs. ~~It is the intent of the legislature that the allocation under~~

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Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

this subsection will be \$350,000.00 for 2025-2026.

(4) Except as otherwise provided in subsection (5), to be eligible for funding under this section, a program must prepare children for success in school through ~~comprehensive part-day programs, school-day programs, GSRP extended programs, GSRP/Head Start school-day blended programs, or GSRP/Head Start extended blended programs~~ **eligible great start readiness program options** that contain all of the following program components, as determined by the department of lifelong education, advancement, and potential:

(a) Participation in a collaborative recruitment and enrollment process to ensure that each child is enrolled in the program most appropriate to the child's needs and to maximize the use of federal, state, and local funds. **As part of this requirement, programs receiving funding must provide current enrollment data, including slots open for enrollment and slots filled, to the intermediate district or consortium of intermediate districts from which funding is received for that program. The enrollment process must ensure that children in families with lower income and children with other risk factors, as determined by the department of lifelong education, advancement, and potential, are enrolled before children with lesser needs.**

(b) An age-appropriate educational

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

curriculum that is in compliance with the early childhood standards of quality for ~~prekindergarten~~ **birth to kindergarten** children adopted by the state board, including, at least, the Connect4Learning curriculum.

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

(5) To help expand access to great start readiness programs, the department of lifelong education, advancement, and potential may waive the requirements under subsection (4) and a program may be eligible for funding under this section for new or expanding programs if the program demonstrates to the satisfaction of the department of lifelong education, advancement, and potential that the program meets all of the following:

(a) Is a licensed **group or** child care center or is a licensed program.

(c) Participates in this state's quality ~~rating~~ **improvement** system at a level determined by the department of lifelong education, advancement, and potential.

(8) ~~An application for~~ **Recipients of** funding under this section must **apply for funding in a form and manner determined by the department of lifelong education, advancement, and potential. The application process must demonstrate, at a minimum, compliance with program requirements described in**

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

subsection (4) or (5) and must ensure that recipients will only utilize qualified personnel, as determined by the department of lifelong education, advancement, and potential, for eligible great start readiness program options. ~~provide for the following, in a form and manner determined by the department of lifelong education, advancement, and potential:~~

~~(a) Ensure either of the following:~~

~~(i) That the applicant complies with all program components described in subsection (4).~~

~~(ii) That the applicant meets the requirements of a waiver under subsection (5).~~

~~(b) Except as otherwise provided in this subdivision, ensure that children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than 400% of the federal poverty guidelines. If the intermediate district determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 400% of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is greater than 400% of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than 400% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile. The department of lifelong education, advancement, and potential shall publish the household income thresholds under this subdivision in a clear manner on its website and the great start to quality website.~~

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

~~(i) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, except as otherwise provided in this subparagraph, if an applicant demonstrates to the department of lifelong education, advancement, and potential that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start~~

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~~readiness program, Head Start, or licensed child care center classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential approves, a plan for each teacher to come into compliance with the standards in this subparagraph. Individuals may qualify with at least 3 years of experience and significant training in early childhood education or child development, based on the recommendation of the intermediate district after a classroom observation. A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.~~

~~(ii) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential. However, if an applicant demonstrates to the department of lifelong education, advancement, and potential that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the applicant may use paraprofessionals who have completed at least 1 course that earns college credit in early childhood education or child development or enroll in a child development associate credential with~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

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~~at least 6 months of verified experience in early education and care, if the applicant provides to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses, 60 clock hours, or an equivalent of training per calendar year.~~

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

~~(9) For a grant recipient that enrolls pupils in a school-day program or GSRP extended program funded under this section, each child enrolled in the school-day program or GSRP extended~~

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~~program is counted as described in section 39 for purposes of determining the amount of the grant award.~~

~~(9) (10)~~ For a grant recipient that enrolls pupils in a ~~GSRP/Head Start school-day blended program or GSRP/Head Start extended blended program~~, **an eligible great start readiness program option that blends GSRP and Head Start programming**, the grant recipient shall ensure that all Head Start and GSRP policies and regulations are applied to the blended slots, with adherence to the highest standard from either program, to the extent allowable under federal law. A grant recipient may request a waiver from the department of lifelong education, advancement, and potential to align GSRP policies and regulations with Head Start national standards for quality, including ratios, and the department of lifelong education, advancement, and potential may approve the waiver. Not later than March 1 of each year, the department of lifelong education, advancement, and potential will report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and type of each waiver requested and approved.

~~(10) (11)~~ To help expand access to great start readiness programs, the department **of lifelong education, advancement, and potential** may allow great start readiness programs to implement Head Start national performance standards for quality as an alternative to great start readiness program policies and regulations if the

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great start readiness program demonstrates to the satisfaction of the department **of lifelong education, advancement, and potential** that the great start readiness program is meeting the requirements of the Head Start national performance standards.

(11) An ISD or consortium of ISDs receiving funding under this section must publish on an easily accessible website a data dashboard containing the number of allocations requested from the state, a list of programs offering GSRP in their boundaries, and current enrollment data for each subrecipient, including total slots open for enrollment, slots filled, and waitlist information if applicable. A link to this website must be provided to families on waitlists for any GSRP in their boundaries.

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

~~(15) Each grant recipient shall enroll~~

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Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

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

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(16) ~~(17)~~—An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. ~~For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a GSRP/Head Start school-day blended program, GSRP/Head Start extended blended program, GSRP extended program, and great start readiness school-day program. Children served in a program funded only through Head Start are not counted toward this 30% allocation.~~ **The department of lifelong education, advancement, and potential shall provide guidance to intermediate districts and consortia of intermediate districts on counting children served by Head Start programming for the purposes of this 30% allocation.** An intermediate district or consortium shall report to the department of lifelong education, advancement, and potential, in a manner prescribed by the department of lifelong education, advancement, and potential, ~~a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

of its total allocation allocated to each provider as subrecipient. ~~information necessary for the department of lifelong education, advancement, and potential to determine the intermediate district's or consortium of intermediate districts' compliance with this subsection.~~ If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the intermediate district or consortium shall notify the department of lifelong education, advancement, and potential and, if the department of lifelong education, advancement, and potential verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, the intermediate district or consortium may retain and use all of its allocation as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department of lifelong education, advancement, and potential that the intermediate district or consortium increased the percentage of its total allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department of lifelong education, advancement, and potential, and the department of lifelong education, advancement, and potential must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total allocation as required under this

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

subsection, including, but not limited to, at least all of the following measures:

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

(17) ~~(18)~~ If an intermediate district or consortium of intermediate districts receiving a grant under this section fails to submit satisfactory evidence to demonstrate its effort to contract for at least 30% of its total allocation, as required under subsection ~~(17)~~, **(16)**, the department of lifelong education, advancement, and potential ~~shall~~ **may** reduce the allocation to the intermediate district or consortium by a percentage equal to the difference between the percentage of an intermediate district's or consortium's total allocation awarded to community-based providers and 30% of its total allocation.

(18) ~~(19)~~ To assist intermediate districts and consortia in complying with the requirement to contract with community-based providers, for at least 30% of their total allocation, the department of lifelong education, advancement, and potential shall do all of the following:

(a) Ensure that a great start resource center or the department of lifelong education, advancement, and potential provides each intermediate district or consortium receiving a grant under this

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

section with the contact information for each licensed child care center located in the service area of the intermediate district or consortium by March 1 of each year.

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

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

~~(c) (d)~~ By not later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection ~~(47)~~ **(15)** and report to the legislature and post on a publicly available website a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total allocation

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allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district.

(d) ~~(e)~~ Allow intermediate districts and consortia and eligible community-based providers to utilize materials and supplies purchased for great start readiness programs within their facilities for other early care and education activities, in the following order of priority:

(i) Early care and education activities under a federal award.

(ii) Early care and education activities under other state awards.

(iii) Early care and education activities under local or regional awards.

(19) ~~(20)~~ A recipient of funds under this section shall report to the center in a form and manner prescribed by the center the information necessary to derive the number of children participating in the program who meet the program eligibility criteria under subsection (8)(b), the number of eligible children not participating in the program and on a waitlist, and the total number of children participating in the program by various demographic groups and eligibility factors necessary to analyze equitable and priority access to services for the purposes of subsection (3).

(20) ~~(21)~~ As used in this section:

(a) "Child care center" means that term as defined in section 1 of 1973

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

PA 116, MCL 722.111.

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

~~(b) "GSRP extended program" means a program that operates for at least the same length of day as a district's first grade program for a minimum of 5 days per week, 36 weeks per year.~~

~~(c) "GSRP/Head Start extended blended program" means a program funded under this section and a Head Start program that are combined for an extended program.~~

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

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

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

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~school day to be considered a school-day program.~~

(b) "Eligible great start readiness program options" means a program option that operates on a school-day, part-day, or extended schedule length, as determined by the department. The department of lifelong education, advancement, and potential must maintain and publish on its website requirements for each eligible schedule length including the minimum day length, the minimum number of days per week, and the minimum number of weeks per year. These programs may be blended with Head Start programs, if allowable by federal rules and regulations.

(c) "Licensed child care center" means a child care center that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care center.

(21) ~~(22)~~ From the amount ~~state school aid fund money~~ allocated in subsection ~~(2)~~, ~~(1)~~, there is allocated for ~~2024-2025~~ **2025-2026** an amount not to exceed \$10,000,000.00 and, from the great start readiness program reserve fund ~~appropriated in section 11,~~ **money allocated in subsection (1)** there is allocated for ~~2024-2025~~ **2025-2026** an amount not to exceed \$18,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(22) ~~(23)~~ Subject to, and from the funds allocated under, subsection ~~(22)~~, **(21)** the department of lifelong education, advancement, and potential shall ~~reimburse a program~~ **allow programs to utilize those funds** for ~~transportation~~ costs related to **parent- or guardian provided transportation, or for costs related to** parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. **For reimbursements related to parent- or guardian provided transportation, the department of lifelong education, advancement, and potential shall develop parameters to ensure dollars are utilized in a way that improves access to eligible great start readiness program options for low-income and geographically isolated families.** ~~To be eligible for reimbursement under this subsection,~~ **To utilize funding under this subsection,** a program must submit to the intermediate district or consortia of intermediate districts all of the following:

(23) ~~(24)~~ The department of lifelong education, advancement, and potential shall implement a process to review and approve age-appropriate comprehensive classroom level quality assessments for GSRP grantees that support the early childhood standards of quality for prekindergarten children adopted by the state board. The department of lifelong education, advancement, and potential shall make available to intermediate districts at least 2 classroom level quality

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

assessments that have been approved by the department of lifelong education, advancement, and potential. ~~that were approved in 2018.~~

(26) ~~(27)~~ From the **state school aid fund money funds** allocated under subsection (1), there is allocated for ~~2024-2025~~ **2025-2026** an amount not to exceed \$2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program.

(27) ~~(28)~~ A ~~great start readiness program, a GSRP extended program, a GSRP/Head Start school-day blended program, or a GSRP/Head Start extended blended program~~ **Eligible great start readiness programs** funded under this section ~~is~~ **are** permitted to utilize AmeriCorps Pre-K Reading Corps members in classrooms implementing research-based early literacy intervention strategies.

(28) ~~(29)~~ Appropriates **\$25,000,000** for FY 2025-26 only.

If the allocation is not fully paid in the current fiscal year, the department of lifelong education, advancement, and potential may award any remaining funding during fiscal year ~~2025-2026~~ **2026-2027** for each new or expanded classroom at an equal amount per classroom, based on remaining

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

available funds, not to exceed \$50,000.00 per classroom.

(c) Funds received under this subsection by intermediate districts and consortia of intermediate districts must be paid in full to the entity operating the classroom and may be used for 1 or more of the following purposes:

(i) Costs associated with attracting, recruiting, retaining, and licensing required classroom education personnel to staff new or expanded classrooms.

(ii) Supporting facility improvements or purchasing facility space or modular classroom units necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom including costs to become a licensed facility such as architectural drawings, permits, and other preclosure inspection fees. Supporting facility improvements or purchasing facility space or **modular classroom units** necessary to provide a safe, high-quality learning environment for children in each new or expanded classroom **including costs to become a licensed facility such as architectural drawings, permits, and other preclosure inspection fees.**

(iii) Outreach material necessary for public awareness that the great start readiness program has openings in the area and for costs associated with enrolling eligible children in new or expanded classrooms.

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(iv) Supporting costs in each new or expanded classroom associated with improving a provider's great start to quality ~~rating-level~~.

~~(d) The funds allocated under this subsection for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 do not lapse to the state school aid fund and are carried forward into 2023-2024. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, 2024.~~

~~(d) (e)~~ The funds allocated under this subsection for ~~2024-2025~~ **2025-2026** are a work project appropriation, and any unexpended funds for ~~2024-2025~~ **2025-2026** do not lapse to the state school aid fund and are carried forward into ~~2025-2026~~ **2026-2027**. The purpose of the work project is to continue support for new or expanded great start readiness classrooms. The estimated completion date of the work project is September 30, ~~2026~~ **2027**.

(e) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this subsection on a schedule determined by the department of lifelong education, advancement, and potential.

(29) ~~(30) In addition to funds From the state school aid fund money~~ allocated in subsection (1), there is allocated from

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~the general fund money appropriated under section 11 for 2024-2025 only~~
2025-2026 an amount not to exceed \$1,950,000.00 for an intermediate district or a consortium of intermediate districts to partner with the department of lifelong education, advancement, and potential and community-based organizations to continue implementing statewide outreach and enrollment campaign activities to raise awareness about the availability of services through the great start readiness program, and to promote enrollment, **and to develop a common enrollment and sub-recipient agreement form.**

~~(31) The funds allocated under subsection (30) for 2024-2025 are a work project appropriation, and any unexpended funds for 2024-2025 are carried forward into 2025-2026. The purpose of the work project is to raise awareness of and participation in great start readiness programming. The estimated completion date of the work project is September 30, 2027.~~

~~(33) As used in this section:~~

~~(a) "Child care center" means that term as defined in section 1 of 1973 PA 116, MCL 722.111.~~

~~(b) "Licensed child care center" means a child care center that has been issued a license under 1973 PA 116, MCL 722.111 to 722.128, to operate a child care center.~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 32n - Out-Of-School Time

Appropriates \$75,000,000 SAF in FY 2024-25 (\$50 million ongoing / \$25 million one-time) for before and after school programs for children in grades K-12.

(2) Appropriates \$57 million for competitive grants for before- and after-school programs.

(11) Appropriates \$18 million to the following recipients:

- (a) \$4,000,000 to FFA.
- (b) \$3,000,000 to the Boys and Girls Club of Southeast Michigan.
- (c) \$3,000,000 to HYPE Athletics.
- (d) \$1,500,000 to Brilliant Detroit.
- (e) \$1,200,000 to the State Alliance of Michigan YMCAs.
- (f) \$1,000,000 to the Downtown Boxing Gym in Detroit.
- (g) \$1,000,000 to support the operations of the Flint Center for Educational Excellence.
- (h) \$800,000 to the Detroit Opera.
- (i) \$500,000 to Special Olympics Michigan.
- (j) \$500,000 to the Horatio Williams Foundation.
- (k) \$500,000 to Friends of the Children.
- (l) \$500,000 to the Detroit Police Athletic League.
- (m) \$500,000 to the Detroit Science Center.

(12) Recipients of grants under subsection (11) may not apply for funding under subsection (2).

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) Appropriates \$50,000,000 in FY 2025-26 only.</p> <p>(2) From the state school aid fund money allocated in subsection (1), an amount not to exceed \$57,000,000.00 \$50,000,000.00 is allocated for a grant program for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. An amount not to exceed 0.5% of the amount allocated</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

in this subsection or \$250,000.00, whichever is greater, may be retained by Clinton County RESA for administrative costs.

(5) Subject to subsection (8), the department of lifelong education, advancement, and potential shall prioritize the distribution of grant funding under subsection (2) based on, at a minimum, the following:

(e) Whether an applicant serving children in any of grades K to 8 is a licensed child care organization, is an entity that has an active application to be a licensed child care organization, or has implemented the Michigan Out-of-School Time Standards of Quality if the applicant is an exempt entity **and serves at least 15 school-age youth at a single location in grades K-12.**

(6) Subject to subsection (7), an eligible entity that receives grant funding under subsection (2) shall use the funding only to provide before-school, after-school, before-and-after-school, or summer school programming to children described in subsection (2)(a). The programming offered under subsection (2) must meet all of the following:

(a) For programing that is offered by a licensed child care organization, be provided to children **and youth** in a manner in which the children are physically present at the building or location for which the licensed child care organization received its license under 1973 PA 116, MCL 722.111 to 722.128, or, for programing that is

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

offered by an exempt entity **serving grades K-12**, be provided to children **and youth** in a manner in which the children **and youth** are physically present at a building or location designated by the exempt entity.

~~(11) From the state school aid fund money allocated in subsection (1), Clinton County RESA shall allocate \$18,000,000.00 to recipients under this subsection as follows:~~

~~(12) Recipients of grants under subsection (11) may not apply for funding under subsection (2).~~

~~(12)~~ ~~(13)~~ As used in this section:

(e) "School age" and "school-ager" mean a child who is eligible to attend a grade of kindergarten or higher, but is less than 13 years of age. A child is considered a school-ager on the first day of the school year in which he or she is eligible under R 400.8101(e)(iv) of 1973 PA 116, MCL 722.111.

Sec. 32p - Early Childhood Block Grant Program

Appropriates \$19,400,000 for an early childhood block grant program.

(4) Of the total, \$3,500,000 is earmarked for home visits to at-risk children and their families, to improve school readiness, improve positive parenting practices, and improve family economic self-sufficiency.

(6) In addition to funding in subsection (1), \$4,000,000 is appropriated in FY 2024-25 only for the purpose of improving access to books and other literacy materials for children from birth to age 5.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
(2) Each intermediate district or consortium of intermediate districts that			

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Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

receives funding under this section shall convene a local great start collaborative and a family coalition that includes an active partnership with ~~at least 4~~ **multiple** community-based ~~organization.~~ **organizations.**

(4) From the funds allocated in subsection (1), at least \$3,500,000.00 must be used for the purpose of providing home visits to at-risk children and their families. The home visits must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the department of lifelong education, advancement, and potential. The goals of the home visits funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through community resources and referrals. The department of lifelong education, advancement, and potential shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of

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Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

home visiting programs. An intermediate district or consortia of intermediate districts that receives funding for the purposes described in this subsection for the 2025-2026 shall not carry forward into the next fiscal year an amount exceeding 25% of the amount awarded to the intermediate district or consortia of intermediate districts in 2025-2026. It is intended that the carry forward amount for 2026-2027 will be limited to 20% of the amount awarded to the intermediate district or consortia of intermediate districts for that year and the carry forward amount for 2027-2028 will be limited to 15% of the amount awarded to the intermediate district or consortia of intermediate districts for that year. Each intermediate school district and consortia of intermediate districts shall provide three quarterly interim reports to the department of lifelong education, advancement, and potential, in a form and manner determined by and on a timeline determined by the department of lifelong education, advancement, and potential, detailing the expenditure status and utilization of allocated funds.

Sec. 32t - 3-year-old Preschool Pilot

Appropriates \$18,000,000 SAF in FY 2023-24 only to Clinton County RESA (CCRESA) for a 3-year-old preschool pilot program to provide services to children who do not meet the age eligibility criteria for the great start readiness program, but meet all other eligibility criteria for the great start readiness program.

- (2) Funding to be paid in installments over 3 years.
- (3) Scope of the pilot program.
- (4) Work project.

<div> <div>SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS</div> <div>Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</div> </div>			
Executive	Senate	House	Conference
<p>(1) From the state school aid fund money appropriated in section 11, there is allocated for 2023-2024-2025-2026 only an amount not to exceed \$18,000,000.00 \$61,000,000.00 to Clinton County RESA (CCRESA) for a 3-year-old preschool pilot program to provide services to 3-year-old children who do not meet the age eligibility criteria for the great start readiness program, but meet all other eligibility criteria for the great start readiness program. Eligible children will be those whose age is less than 4 years on September 1 and greater than or equal to 3 years on December 1 of the current school year and whose family income is at or below 250% of the federal poverty level, with priority given to families with lower incomes. Additional factors such as developmental delay, language barriers, or challenging behaviors may also be considered for eligibility. These services must be designed for children who are age 3 and must be similar to the services provided through the great start readiness program. The program described in this section must be administered by CCRESA Strong Beginnings Implementation Team under the direction of the department, office of great start, of lifelong education, advancement, and potential with assessment, data, and collection analysis for the program being provided by Michigan State University.</p> <p>(2) The department must pay the funding under this section to Clinton</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

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County RESA in installments over ~~3-4~~ years. The department **of lifelong education, advancement, and potential** shall determine the amount to be used in each year.

~~(3) This section is intended to provide funding to serve at least 1,000 children over the next 3 school years, evaluate outcomes, and create a scalable 3-year-old preschool model. Clinton County RESA shall maintain funding at no less than the amount received in 2022-2023 under this section for current participants.~~ **provide planning for and implement phase 2 of the pilot preschool program for 3-year-old children, which will scale the program to nearly 4,000 children and 100 classrooms by the 2028-2029 school year. The 2nd phase of the pilot will examine variations of the current program, such as part-day, 5-day per week, multiage grouping with the great start readiness program, and inclusion.**

(4) In order to evaluate the outcomes and impact of strong beginnings, Clinton County RESA and Michigan state university will compare outcomes for children who attend strong beginnings and the great start readiness program with:

(a) Outcomes for children who attend the great start readiness program only.

(b) Outcomes for children who did not attend either program. Data will include, at a minimum, strong

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beginnings waitlist data, strong beginnings child assessment data, the great start readiness program child assessment data, kindergarten attendance data, and elementary standardized testing data.

(5) At the end of the ~~pilot~~, **phase 2**, Clinton County RESA shall provide a report to the department detailing all of the following:

(a) How the **phase 2** pilot was conducted.

(b) Demographics of the children served.

(c) Outcomes achieved.

(d) ~~Challenges~~ **Scope of expansion, including successes and challenges** the pilot faced and how the implementation team responded.

(e) ~~A~~ **An updated model, including phase 2 variations**, this state could use to scale the program statewide, if funding were available.

(4) The funds allocated under this section for ~~2023-2024-2025-2026~~ are a work project appropriation, and any unexpended funds for ~~2023-2024-2025-2026~~ are carried forward into ~~2024-2025-2026-2027~~. The purpose of the work project is to ~~pilot a 3-year-old preschool program as provided under this section.~~ **expand phase 1 of the pilot to additional classrooms and initiate phase 2 of the pilot.** The estimated completion date of the work

<p style="text-align: center;">SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</p>			
<p>project is September 30, 2027. 2029.</p> <p>(5) Notwithstanding section 17b, the department of lifelong education, advancement, and potential shall make payments under this section on a schedule determined by the department.</p>			
<p>Sec. 35a - Early Literacy Programs</p> <p>(1) Appropriates \$82,900,000 SAF in FY 2024-25.</p> <p>Requires the Superintendent to designate staff funded under this section as critical shortage.</p> <p>(4) Allocates \$42,000,000 to ISDs for early literacy coaches Each ISD would be provided at least 2 coaches, with funding for remaining coaches distributed based on each ISD's K-3 free lunch percentage compared to the total.</p> <p>(5) allocates \$19,900,000 to districts that provide additional instruction time to pupils in grades K to 3, with grants on an equal per-first grade pupil basis. Districts must employ MTSS that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. Districts also must use a reading instruction method that focuses on the five fundamental building blocks of reading including phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge to qualify.</p> <p>(7) Allocates \$6,000,000 to an ISD (working with MASA) for literacy essentials.</p> <p>(8) Allocates \$5,000,000 for the Michigan Education Corps.</p> <p>(10) Allocates \$10,000,000 for districts to provide professional learning described in (11) for teachers in grades PreK-3.</p> <p>(11) Specifies the requirements for the provider to be approved under subsection (10).</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p><i>FY 2024-25 supplemental request</i></p> <p>(10) From the allocation under subsection (1), there is allocated an amount not to exceed \$10,000,000.00 for 2024-2025 only to an intermediate district identified by the department for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and then to additional elementary school educators and pre-K to grade 12</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

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certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows:

(a) The ~~department~~ **approved provider** must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The ~~department~~ **approved provider** shall then open voluntary enrollment for the remaining school personnel described in this subsection.

(b) The ~~department~~ **approved provider** must maintain open enrollment until all funds are expended.

(11) For the provision of professional learning to the school personnel described in subsection (10), ~~the department shall approve~~ LETRS ~~as is~~ the approved provider of professional learning, ~~if~~ **as long as** LETRS continues to meet all of the following:

FY 2025-26 request

(1) Appropriates **\$106,050,000.00** in FY 2025-26.

(4) Appropriates **\$45,250,000** in FY 2025-26.

(b) From the allocation under this

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner:

(i) The department shall award each intermediate district grant funding to support the cost of 2 early literacy coaches in an equal amount per early literacy coach, not to exceed \$125,000.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed \$125,000.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district. **The department must ensure that each intermediate district is eligible to receive support for at least 1 early literacy coach under this subparagraph.**

(iii) **When awarding grant funding under subparagraphs (i) and (ii), the department must ensure that each intermediate district is eligible to receive support for at least 3 early literacy coaches.**

(5) Appropriates **\$39,800,000** in FY 2025-26.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal ~~per first-grade-pupil basis~~ **amount per pupil, using for that calculation the number of third grade pupils in each eligible district scoring "not proficient" or "partially proficient" on the English language arts portion of the Michigan student test of educational progress (M-STEP) in the immediately preceding school year.**

~~(c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection are prorated on an equal per-pupil basis based on grade 1 pupils.~~

(7) Update fiscal years.

(8) Appropriates \$5,000,000 in FY 2025-26.

(10) From the allocation under subsection (1), there is allocated an amount not to exceed \$10,000,000.00 ~~for 2024-2025 only~~ **2025-2026 to an intermediate district identified by the department** for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 next to educators in grade 2 and grade 3; and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS			
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
language impairments. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all school personnel described in this subsection as follows: (a) The department approved provider must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The department approved provider shall then open voluntary enrollment for the remaining school personnel described in this subsection. (b) The department approved provider must maintain open enrollment until all funds are expended. (11) For the provision of professional learning to the school personnel described in subsection (10), the department shall approve LETRS as is the approved provider of professional learning, if as long as LETRS continues to meet all of the following:			
Sec. 35d - Orton-Gillingham Dyslexia Tool Appropriates \$1,000,000 in FY 2024-25 only for the Orton-Gillingham dyslexia tool to be used by districts. Funding is distributed on a first-come, first-served basis by the Department to districts that apply for grants to purchase training or components offered by Orton-Gillingham.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			

<p style="text-align: center;">SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</p>			
<p>Sec. 35j - Professional Development, Curriculum, and Supports</p> <p>Appropriates \$140,000,000 in FY 2023-24 (over 2 years) for payments to districts and ISDs for professional development.</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
<p>Sec. 39 - GSRP Formula</p> <p>Provides the formula by which slot allocations for ISDs are calculated.</p> <p>(3) Full day slot is funded at \$10,185 in FY 2024-25. \$5,093 for part-day for GSRP/Head Start blended program. \$12,222 for GSRP extended program. \$6,111 for part-day for GSRP/Head Start extended blended program.</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) The application must include all of the following:</p> <p>(a) The estimated total number of children in the community who meet the criteria of section 32d and the total number of age-eligible children in the community, as provided to the applicant by the department of lifelong education, advancement, and potential utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau.</p> <p>(b) The estimated number of age-eligible children in the community who meet the criteria of section 32d and are being served exclusively by Head Start programs operating in the community.</p> <p>(c) The number of children whom the applicant has will have the capacity to serve in each eligible great start readiness program option who meet the age-eligible criteria of section 32d. including a verification of physical facility and staff resources capacity.</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(2) As used in this section, "great start readiness target foundation" means an amount equal to \$10,577.00

(4) ~~(3) The~~ Subject to subsection (5), the initial allocation to each eligible applicant under section 32d is ~~the lesser of the following:~~ equal to the sum of:

~~(a) The sum of:~~

(a) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be a school-day program multiplied by the great start readiness target foundation.

(b) The number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be a part-day program or a school-day blended with Head Start multiplied by the great start readiness target foundation divided by 2.

(c) The total number of children in the current school year served in a program determined by the department of lifelong education, advancement, and potential to be an extended program multiplied by the great start readiness target foundation multiplied by 1.2.

(d) The number of children in the current school year served in a program determined by the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

department of lifelong education, advancement, and potential to be an extended program blended with Head Start or a part-day extended program multiplied by the great start readiness target foundation multiplied by 0.6. the number of children served in a school-day program in the preceding school year multiplied by \$10,185.00, the number of children served in a GSRP extended program in the preceding school year multiplied by \$12,222.00, the number of children served in a GSRP/Head Start school-day blended program or a part-day program in the preceding school year multiplied by \$5,093.00, and the number of children served in a GSRP/Head Start extended blended program in the preceding school year multiplied by \$6,111.00.

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day program multiplied by \$10,185.00, the number of children served in a GSRP extended program the applicant has the capacity to serve in the current school year multiplied by \$12,222.00, the number of children served in a GSRP/Head Start school-day blended program or a part-day program the applicant has the capacity to serve in the current school year multiplied by \$5,093.00, and the number of children served in a GSRP/Head Start extended blended program the applicant has the capacity to serve in the current school year multiplied by \$6,111.00.

(5) Subject to subsection (6), if the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

calculations under subsection (4) result in a total allocation exceeding the amount available as allocated or appropriated under section 32d(2), initial allocations to each eligible applicant under section 32d are calculated as the sum of the following:

(a) An amount equal to the calculations described in subsection (4) but using for those calculations the lesser of the number of children served in the immediately preceding fiscal year or the number of children the applicant has the capacity to serve in the current fiscal year instead of the number of children served in the current fiscal year.

(b) An amount equal to the remaining available dollars after calculations in subdivision (a) distributed proportionately to eligible applicants where calculations under subdivision (a) are less than the amount originally calculated under subsection (4).

(6) If the calculations under subsection (4) result to a total allocation exceeding the amount available as allocated or appropriated under section 32d(2), the initial allocation to each eligible applicant is the amount calculated under subsection (4) prorated on an equal percentage basis.

~~(4) If funds remain after the allocations under subsection (3), the department of lifelong education, advancement, and~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~potential shall distribute the remaining funds to each intermediate district or consortium of intermediate districts that serves less than the state percentage benchmark determined under subsection (5). The department of lifelong education, advancement, and potential shall distribute these remaining funds to each eligible applicant based upon each applicant's proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in intermediate districts or consortia of intermediate districts serving less than the statewide percentage benchmark. When all applicants have been given the opportunity to reach the statewide percentage benchmark, the statewide percentage benchmark may be reset, as determined by the department of lifelong education, advancement, and potential, until greater equity of opportunity to serve eligible children across all intermediate school districts has been achieved.~~

~~(5) For the purposes of subsection (4), the department of lifelong education, advancement, and potential shall calculate a percentage of children served by each intermediate district or consortium of intermediate districts by adding the number of children served in the immediately preceding year by that intermediate district or consortium with the number of eligible children under section 32d served exclusively by Head Start, as reported in a form and manner prescribed by the department of lifelong education, advancement, and potential, within the intermediate district or~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

<p>consortia service area and dividing that total by the total number of children within the intermediate district or consortium of intermediate districts who meet the criteria of section 32d as determined by the department of lifelong education, advancement, and potential utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department of lifelong education, advancement, and potential shall compare the resulting percentage of eligible children served to a statewide percentage benchmark to determine if the intermediate district or consortium is eligible for additional funds under subsection (4). The statewide percentage benchmark is 100%.</p> <p>(8) As used in this section, "GSRP/Head Start blended program", "GSRP extended program", "part-day program", and "school-day program" mean those terms as defined in section 32d.</p>			
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Sec. 39a - Federal Funds (1) Appropriates \$754,700,000 in FY 2024-25 in Federal No Child Left Behind (NCLB) funds. (2) Appropriates \$60,500,000 in other Federal funds in FY 2024-25.			
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<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) Appropriates \$824,700,000 in FY 2025-26 in Federal No Child Left Behind (NCLB) funds. (e) An amount estimated at \$535,000,000.00 \$585,000,000.00 for 2024-2025 2025-2026 to provide supplemental programs to enable			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(i) An amount estimated at ~~\$35,000,000.00~~ **\$55,000,000.00** for ~~2024-2025~~ **2025-2026** to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(2) Appropriates **\$66,415,000** in other Federal funds in FY 2025-26.

(b) An amount estimated at ~~\$24,000,000.00~~ **\$30,000,000.00** for ~~2024-2025~~ **2025-2026** for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(d) An amount estimated at ~~\$18,000,000.00~~ **\$17,700,000.00** for ~~2024-2025~~ **2025-2026** for the purpose of promoting and expanding high-quality preschool services, funded from HHS-OCC, preschool development funds.

(e) An amount estimated at ~~\$1,500,000.00~~ **\$1,715,000.00** for ~~2024-2025~~ **2025-2026** for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 41 - Bilingual Education

Appropriates \$50,186,100 for bilingual education grants in FY 2024-25.

(2)(a) Distributes \$1,863 per FTE with composite score between 1.0 and 1.9.

(b) Distributes \$1,286 per FTE with composite score between 2.0 and 2.9.

(c) Distributes \$210 per FTE with composite score between 3.0 and 3.9.

(7) By March 1, 2025, MDE must establish English learner program models that establish a minimum number of minutes per week in which districts must provide direct English language development instruction for students according to the student's proficiency levels

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Appropriates \$52,286,100 for bilingual education grants in FY 2025-26.</p> <p>(2)(a) Distributes \$1,940 per FTE with composite score between 1.0 and 1.9.</p> <p>(b) Distributes \$1,340 per FTE with composite score between 2.0 and 2.9.</p> <p>(c) Distributes \$220 per FTE with composite score between 3.0 and 3.9.</p> <p>(7) By not later than March 1, 2025, the The department shall establish English language learner program models that establish a minimum number of minutes per week that districts must provide direct English language development instruction for students according to the student's proficiency levels. These models must be compliant with federal requirements related to English language learner program services. It is the intent of the legislature that, beginning in 2025-2026, to To be considered an eligible recipient of funding under this section, a district must agree to meet or exceed the minimum number of minutes per week, as determined by the department, that the district provides direct English language development instruction.</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 41b - Immigrant Support Services Appropriates \$1,000,000 SAF in FY 2024-25 only for KEYS Grace Academy to partner with Kalasho Education and Youth Services to provide education support services to immigrants, including Afghan refugees.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 51a - Total Special Education Funding (Includes Sections 54 and 56, which are paid out of the appropriation in Section 51a.) Appropriation of \$2,064,096,100 from SAF and \$450,000,000 in Federal funding for special education programs in FY 2024-25. (2) Special education foundations. (3) Payment adjustments are made in the following fiscal year. (5) Special education rules change. (6) Requirements for payments under Sec. 51b through Sec. 58. (10) Special education non-section 52 payments to ISDs			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) From the state school aid fund money in section 11, there is allocated an amount not to exceed \$1,822,546,100.00 for 2023-2024 and there is allocated an amount not to exceed \$2,064,096,100.00 \$2,028,196,100.00 for 2024-2025 and \$2,230,596,100.00 for 2025-2026 from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at \$390,000,000.00 for 2023-2024 and \$450,000,000.00 for 2024-2025 and \$500,000,000.00 for 2025-2026 , plus any carryover federal funds from previous year appropriations. In addition, from the state school aid fund money in section 11, there is allocated an amount not to exceed \$76,150,000.00 for 2023-2024 only to			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~supplement the allocations in this section.~~

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$404,200,000.00 for 2023-2024 and estimated at \$456,800,000.00~~ **\$440,800,000.00 for 2024-2025 and \$491,700,000.00 for 2025-2026**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation.

(5) From the amount allocated in subsection (1), there is allocated an amount not to exceed ~~\$3,200,000.00 for 2023-2024 and there is allocated an amount not to exceed \$3,200,000.00 for 2024-2025~~ **and 2025-2026** to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987.

(10) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$1,700,000.00 for 2023-2024 and estimated at \$1,700,000.00~~ **\$1,500,000.00 for 2024-2025 and 2025-2026**, to pay the foundation allowances for pupils described in this subsection.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 51c - Special Education (Durant Payment) Appropriates \$1,016,400,000 from the appropriation in Sec. 51a(1) in FY 2024-25 to provide funding for costs associated with Durant settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$994,200,000 in FY 2024-25 and \$1,108,900,000 in FY 2025-26.			
Sec. 51d - Federal Special Education Funds Appropriates \$83,000,000 in Federal grants to special education in FY 2024-25.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 51e - Special Education Foundation Payment Appropriates \$499,600,000 from the appropriation in Sec. 51a(1) in FY 2024-25 to give districts and ISDs 100% of the foundation allowance for special education pupils.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$502,100,000 in FY 2024-25 and \$523,900,000 in FY 2025-26.			
Sec. 51g - Special Education Learning Library Appropriates \$3.0 million to develop content for use by special education students, teachers, and others.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 51h - Special Education Equitable Funding Analysis Appropriates \$500,000 SAF in FY 2024-25 only to fund a study on equitable special education funding.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 53a - Special Education Court Placed Pupils Appropriates \$10,500,000 in FY 2024-25.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 54 - MI School for Deaf and Blind Appropriates \$1,688,000 for the MI School for the Deaf and Blind.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 54b - Multi-Tiered System of Supports (MIMTSS) Center Appropriates \$1,600,000 GF/GP to continue MIMTSS, a program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 54d - State Early On Appropriates \$23,670,600 in FY 2024-25 for formulaic grants to ISDs to provide State Early On programs for children birth to 3 years of age with development delays or disabilities.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$28,404,700 in FY 2025-26.			
Sec. 55 - Conductive Learning Center Appropriates \$500,000 SAF in FY 2024-25 for the Conductive Learning Center, which works with children and adults with neuromotor disabilities.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25 supplemental request (1) From the state school aid general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2024-2025 only to Grand Valley State University to collaborate with the Conductive Learning Center operating in cooperation with Grand Valley State University . This funding must be used to support the operational costs of the conductive education model taught at the Conductive Learning Center to maximize the independence and mobility of children and adults with			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<p>neuromotor disabilities. The conductive education model funded under this section must be based on the concept of neuroplasticity and the ability of people to learn and improve when they are motivated, regardless of the severity of their disability.</p> <p>(2) Notwithstanding section 17b, the department shall distribute the funding allocated under this section to Grand Valley State University by not later than December 1, 2024. make payments under this section on a scheduled determined by the department.</p> <p>Repeal October 1, 2025.</p>			
Sec. 56 - ISD Special Education Millage Equalization <p>Appropriates \$40,008,100 in FY 2024-25 to ensure that the millage levied by ISDs for special education brings in a minimum amount per mill. Freezes Wayne RESA at no more than 62.9% of the total appropriation and adjusts taxable value equalization amounts accordingly. Additional language ensures no ISD loses more than 25% funding compared to the prior year.</p> <p>(1) Definitions</p> <p>(3) Reimbursement for millages levied in 2022-2023.</p> <p>(4) Reimbursement for millages levied in 2023-2024.</p> <p>(5) Freezes Wayne RESA at no more than 62.9% of the total appropriation and adjusts taxable value equalization amounts accordingly.</p> <p>(6) Ensures no ISD loses more than 25% funding compared to the prior year.</p> <p>(7) In addition to the allocation under (1), appropriates \$34,200,000 SAF in FY 2024-25 to ISDs levying special education mills at percentages of allowable mills.</p> <p>(8) Requires Treasury to distribute remaining funds in the same proportion as they were allocated under subsections (3) and (4).</p> <p>(9) Additional definitions.</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<i>FY 2024-25 supplemental request</i> <p>(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2022-2023 is made in</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

2023-2024 at an amount per 2022-2023 membership pupil computed by subtracting from \$241,300.00 the 2022-2023 taxable value behind each membership pupil and multiplying the resulting difference by the 2022-2023 millage levied, and then subtracting from that amount the 2022-2023 local community stabilization share revenue for special education purposes and 2022-2023 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in 2023-2024 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~102.5% of the 2017-2018 allocation to that intermediate district.~~

(3) (4)-Except as otherwise provided in this subsection, reimbursement for those millages levied in 2023-2024 is made in 2024-2025 at an amount per 2023-2024 membership pupil computed by subtracting from ~~\$260,200.00~~ **\$260,500.00** the 2023-2024 taxable value behind each membership pupil and multiplying the resulting difference by the 2023-2024 millage levied, and then subtracting from that amount the 2023-2024 local community stabilization share revenue for special education purposes and 2023-2024 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

education millage levied and vocational-technical education millage levied, as defined in section 62. Reimbursement in 2024-2025 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

FY 2025-26 request

(1) For the purposes of this section:

~~(a) "Membership" means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership of the district is not included in the membership of the intermediate district.~~

(a) "Capped local special education property tax revenue" means the amount of revenue that would be received if an intermediate district levied the maximum millage rate permitted for that intermediate district under section 1724a of the revised school code, MCL 380.1724a, capped at the statewide average special education millage rate.

(b) "Millage levied" means the millage levied in the immediately preceding fiscal year for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service obligations.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(c) "Special education head count" means, for a particular fiscal year, the total special education head count of an intermediate district and the districts constituent to the intermediate district from the fall pupil membership count day of the immediately preceding year, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, special education head count of the district is not included in the special education head count of the intermediate district.

(d) "Statewide average special education millage rate" means the statewide levy amount divided by the statewide taxable value.

(e) "Statewide average taxable value per unreimbursed costs" means the statewide taxable value divided by the statewide unreimbursed costs.

(f) ~~(e)~~ "Taxable value" means the total taxable value of the districts constituent to an intermediate district **in the immediately preceding fiscal year**, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not included in the taxable value of the intermediate district. **Taxable value also includes both of the following:**

(i) The value of personal property exempt under the local community

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursed to the intermediate district under section 17 of the local community stabilization authority act, 2024 PA 86, MCL 123.1357.

(ii) Tax increment property captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, and reimbursed to the intermediate district under section 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

(g) "Unreimbursed costs" means the sum of costs reported on the SE-4094 and SE-4096 reports for all districts in the intermediate district, less the amount of reimbursement received under section 51c, and less the capped local special education property tax revenue.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed ~~\$40,008,100.00 for 2023-2024~~ and ~~\$40,008,100.00~~ **\$89,208,100.00 for 2024-2025-2025-2026 for payments** to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. As a

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts must submit for departmental approval and implement a distribution plan.

(3) The department shall provide payments under subsection (2) to each intermediate district described in this subsection as follows:

(a) The department must first calculate a reimbursement for those millages levied in the immediately preceding fiscal year at an amount per special education head count, by subtracting the intermediate district's taxable value per special education head count from the statewide average taxable value per special education head count, and multiplying the resulting difference by the immediately preceding fiscal year millage rate levied, capped at the statewide average special education millage rate.

(b) The department must then calculate a reimbursement for unreimbursed costs by subtracting the quotient of the intermediate district's taxable value and the statewide average taxable value per unreimbursed costs from the intermediate district's unreimbursed costs.

(c) The calculation under subdivision (a) must be greater than \$0.00 for an intermediate district to receive

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

reimbursement under this subsection. For those intermediate districts whose calculation under subdivision (a) is less than or equal to \$0.00, the amount in subdivision (b) is \$0.00 for purposes of the calculation in subdivision (d).

(d) The department must then calculate the average of the amounts calculated under subdivisions (a) and (b) for each intermediate district. For the purpose of this calculation, calculations in subdivision (a) or (b) that result in negative totals are treated as \$0.00.

(e) The amount reimbursed under subsection (2) is the 3-year average of the amount calculated under subdivision (d) for the 3 most recent fiscal years.

(4) If total payments calculated under subsection (3) exceed the amount allocated in subsection (2), the department must prorate the payments on an equal percentage basis.

~~(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2022-2023 is made in 2023-2024 at an amount per 2022-2023 membership pupil computed by subtracting from \$241,300.00 the 2022-2023 taxable value behind each membership pupil and multiplying the resulting difference by the 2022-2023 millage levied, and then subtracting from that amount the 2022-2023 local community stabilization share revenue~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~for special education purposes and 2022-2023 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational technical education millage levied, as defined in section 62. Reimbursement in 2023-2024 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~

~~(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in 2023-2024 is made in 2024-2025 at an amount per 2023-2024 membership pupil computed by subtracting from \$260,200.00 the 2023-~~

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~~2024 taxable value behind each membership pupil and multiplying the resulting difference by the 2023-2024 millage levied, and then subtracting from that amount the 2023-2024 local community stabilization share revenue for special education purposes and 2023-2024 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 62, reimbursements paid under section 26d must be multiplied by the ratio of special education millage levied, as defined in this section, and the sum of special education millage levied and vocational technical education millage levied, as defined in section 62. Reimbursement in 2024-2025 for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

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~~(5) The department shall ensure that the amount paid to a single intermediate district under subsection (2) does not exceed 62.9% of the total amount allocated under subsection (2).~~

~~(6) The department shall ensure that the amount paid to a single intermediate district under subsection (2) is not less than 75% of the amount allocated to the intermediate district under subsection (2) for the immediately preceding fiscal year.~~

~~(7) From the allocation under section 51a(1), there is allocated an amount not to exceed \$34,200,000.00 for 2023-2024 and 2024-2025 to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows:~~

~~(a) For 2023-2024 and 2024-2025, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$251.00 and that is levying at least 46.2% but less than 60.0% of its~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.~~

~~(b) For 2023-2024 and 2024-2025, except as otherwise provided in this subsection, for an intermediate district with a 3-year average special education millage revenue per pupil in the immediately preceding fiscal year that is less than \$296.00 and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$296.00 the 3-year average special education millage revenue per pupil in the immediately preceding fiscal year, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 3-year average membership in the immediately preceding fiscal year, and~~

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then subtracting from that amount the amount allocated under subsection (2) for the current fiscal year. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) After making allocations to eligible intermediate districts under subsections (3), (4), and (7), if funds remain unallocated from the allocations under subsections (2) and (7), the department must allocate remaining funds to intermediate districts proportional to the amounts allocated to intermediate districts under subsections (3) and (4).

(9) As used in subsection (7):

(a) "3-year average membership" means the 3-year average pupil membership for each of the 3 most recent fiscal years.

(b) "3-year average special education millage revenue per pupil" means the 3-year average taxable value per mill levied behind each membership pupil for each of the 3 most recent fiscal years multiplied by the millage levied in the most recent fiscal year.

Sec. 61a - Career and Technical Education

Appropriates \$39,899,800 in FY 2024-25 to support career and technical education programs. Allows a CTE program to provide Adult Education participants under Sec. 107 with an opportunity to enroll in the CTE program. Reimbursement for the traditional CTE program is prioritized based on capital and program expenditures, the CTE programs provided, pupils enrolled, advancement in the program, existence of an articulation agreement with at least one postsecondary institution that provides credit, and program rank in student placement, job openings, and wages, and the length of training period provided.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$41,599,800 in FY 2025-26.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 61b - CTE Early/Middle Colleges

Appropriates \$8,000,000 for Career and Technical Education (CTE) early/middle college programs, to increase the number of residents with high quality degrees or credentials, and increase the number of students who are college and career ready upon high school graduation. Of the total, \$500,000 is earmarked for planning grants, capped at \$50,000 each.

ISDs may use up to 5% for administration.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Appropriates \$8,400,000 in FY 2025-26.</p> <p>(8) Update fiscal years.</p> <p>(10) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis, using for that proration calculation payments made for CTE dual enrollment programs only.</p>			

NEW EXEC Sec. 61c - CTE Skilled Trades Equipment Upgrades

This section previously appropriated \$15,000,000 SAF for FY 2023-24 only for a categorical to improve the capital infrastructure needed to ensure that CTE programs could deliver educational programs in high-wage, high-skill, and high-demand occupations. Funding was first awarded to career education planning districts (CEPDs) with at least 50% of their service area located in an ISD without a CTE millage. If there was remaining funding, additional funds were distributed to the remaining CEPDs.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed \$20,000,000.00 to eligible career education planning districts (CEPDs) for the purposes described in this section.</p> <p>(2) To be eligible to receive funding in the first round of grants under this section, at least 50% of the area</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in 2025. Each eligible CEPD must apply in a form and manner prescribed by the department. An application must include the funding amount requested by the CEPD. Funding to an eligible CEPD must be equal to the quotient of the allocation under subsection (1) and the number of eligible CEPDs applying for funding in the first round of grants, or the individual CEPD's requested funding amount, whichever is less.

(3) If funding remains after the first round of grants under subsection (2), the department may administer a second round of grants under this section. To be eligible to receive funding in the second round of grants, a CEPD must not have been eligible for funding in the first round of grants. Each eligible CEPD must apply in a form and manner prescribed by the department. An application must include the funding amount requested by the CEPD. Funding to each eligible CEPD must be equal to the quotient of the funds remaining after the first round of grants and the number of CEPDs applying for funding in the second round of grants.

(4) At least 50% of the funding allocated to each eligible CEPD must be used to update equipment in current state-approved CTE programs that have been identified in the highest 5 career cluster rankings

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

in any of the prosperity regions in the most recent CEPD regional strategic plans approved by the department; for training on new equipment; for professional development relating to computer science or coding or new equipment purchases; for the replacement of old or outdated equipment or new equipment in existing state-approved CTE programs that align with new technology used in industries; or for new and emerging certified state-approved CTE programs to allow CEPD administrators to provide programming in communities that will enhance economic development. The funding for equipment should be used to support and enhance community areas that have sustained job growth, and act as a commitment to build a more qualified and skilled workforce. In addition, each CEPD is encouraged to explore the option of leasing equipment from local private industry to encourage the use of the most advanced equipment.

(5) The allocation of funds under this section at the local level must be determined by CEPD administrators using data from the state, region, and local sources to make well-informed decisions on program equipment improvements. Grants awarded by CEPD administrators for capital infrastructure costs related to the purchase of new equipment must be used to ensure that state-approved CTE programs can deliver educational programs in high-wage,

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

high-skill, and high-demand occupations. Each CEPD shall continue to ensure that program advisory boards make recommendations on needed improvements for equipment that support job growth and job skill development and retention for both the present and the future.

(6) Not later than December 15 of each fiscal year, each CEPD receiving funding shall annually report to the department, the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and the legislature on equipment purchased under subsection (1). In addition, the report must identify growth data on program involvement, retention, and development of student skills.

(7) As used in this section:

(a) "CEPD" means a career education planning district described in this section.

(b) "CTE" means career and technical education.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Sec. 61d - Payments for CTE Pupils

Appropriates \$5,304,200 for additional payments to districts for pupils enrolled in CTE programs.

Districts are paid \$35 per pupil in Grades 9 to 12 enrolled in at least 1 CTE program.

Districts are paid another \$35 per pupil in grades 9 to 12 enrolled in at least 1 CTE program that provides instruction in critical skills and high-demand career fields.

If funds are insufficient to support payments of \$35 per pupil, those payments are prorated on an equal per-pupil basis.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Appropriates \$5,554,300 in FY 2025-26.</p> <p>(2) The department shall calculate payments to districts under this section in the following manner:</p> <p>(a) A payment of \$35.00—\$37.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.</p> <p>(b) An additional payment of \$35.00 \$37.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program that provides instruction in critical skills and high-demand career fields.</p>			

Sec. 61j - Downriver career and technical consortium

Appropriates \$10,700,000 SAF in FY 2023-24 only to support the Downriver Career and Technical Education Consortium.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 61s - FFA Appropriates \$4,000,000 in FY 2023-24 only to Eaton RESA to support FFA activities.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
NEW EXEC Sec. 61v - CTE Pathways to Success Appropriates \$125,000,000 SAF in FY 2025-26 only to expand CTE programs, including \$2.5 million for a public awareness campaign. (2) District eligibility criteria. (3) Application requirements. (4) Eligible uses of funds. (5) \$2.5 million is allocated for a public awareness campaign. (6) Funds are designated as a work project.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) From the state school aid fund money appropriated in section 11, there is allocated for 2025-2026 only an amount not to exceed \$125,000,000.00 for the purposes of this section. Money allocated under this section is intended to expand student access to, and enrollment in, career and technical education programs. (2) To be eligible to apply for funding under this section, a district must be in a CTE desert or must demonstrate to the satisfaction of the department that the district has a career and technical education opportunity gap. As used in this section, “CTE desert” means a geographic area with limited or inequitable access to career and technical education programs, as determined by the department. (3) Eligible districts must apply on a			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

competitive basis for funding in a form and manner determined by the department. The department shall provide opportunities for at least 3 cohorts of funding. All of the following apply to applications for funding provided under this section:

(a) Applicants must provide a comprehensive local needs assessment, a statement of commitment, including a district capacity and a sustainability plan, a strategy to address the needs of students, and an appropriate and aligned budget.

(b) Districts must demonstrate the ability to continue programs started with funding under this subsection in an ongoing manner after funding received under this section is no longer available.

(c) Applications must be scored on a tiered rating system with criteria that must consider at least all of the following:

(i) Local match committed to by the applicant, such as philanthropic, business and industry contributions, and vocational education millage revenue.

(ii) The magnitude to which the applicant demonstrates an opportunity gap or is in a designated CTE desert.

(iii) Labor market demand for proposed programs.

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Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(iv) Feasibility of planned implementation and evaluation plans.

(4) All of the following apply to awards received by eligible districts under this section:

(a) Awards must be used to create and sustain career and technical education programs aligned with high-skill, high-wage, and high-demand occupations across career clusters aligned with local and regional labor market needs. Programs must be aligned with state career and technical education standards, must integrate stackable credentials, must create a program of study guided by a program advisory committee, and must maintain all requirements of a state-approved program.

(b) If funds are used for a middle school career and technical education program, as determined by the department, the recipient district must demonstrate how the program will align academic content with practical career skills, integrate the flexibilities of the Michigan Merit Curriculum in a program of study from middle school through postsecondary, allow students to earn high school academic and career and technical education credits, and enable a more seamless transition into high school career and technical education pathways. Such programs must utilize the

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Educational Development Plan and the Michigan Career Development Model to provide career and college readiness activities for middle school students.

(c) Awards shall be received over a 3 year period.

(d) Districts may utilize the first year of funding for program startup costs including developing and designing programs of study, creating and furnishing labs for technical skill training, hiring qualified staff, and other eligible purposes as determined by the department.

(e) Funding amounts provided in the second and third year must scale down from levels received in the first year. Districts must increase local financial commitments to sustain the programs.

(5) [From] the funds allocated in subsection (1), there is allocated for an amount not to exceed \$2,500,000.00 to implement a statewide campaign to educate the public on the importance and economic viability of jobs created through career and technical education pathways. Such campaigns are intended to ensure full enrollment in newly created programs by engaging as many students as possible.

(a) Funding under this subsection must be awarded by the department, in a form and manner determined by

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

the department, to an intermediate district or consortia of intermediate districts.

(b) The recipient receiving funding under this subsection must use those funds for a statewide public awareness campaign to promote the value of career and technical education to students, educators, parents, business, and industry by showcasing student participants, how career and technical education aligns with college and career readiness, and how it meets local economic needs. The campaign will foster student, community, and parental understanding of the benefits of career and technical education and encourage broader participation.

(6) The funds allocated in this section are a work project appropriation, and any unexpended funds for 2025-2026 are carried forward into 2026-2027. The purpose of the work project is to create new career and technical education programs and expand access to programming for more students. The estimated completion date of the work project is September 30, 2030.

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

Sec. 62 - Vocational/CTE Education Millage Equalization

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

Appropriates \$9,190,000 to provide funding to intermediate districts that levy vocational education mills to guarantee a minimal amount received per mill levied, on a per-pupil basis.

Freezes Genesee ISD allocation at no more than 38.4% of the total appropriation and adjusts taxable value equalization amounts accordingly.

Further includes a guarantee that no ISD shall lose more than 25% of funding from one year to the next.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(3) Reimbursement for those millages levied in 2022-2023 2023-2024 is made in 2023-2024 2024-2025 at an amount per 2022-2023 2023-2024 membership pupil computed by subtracting from \$251,400.00 \$270,100.00 the 2022-2023 2023-2024 taxable value behind each membership pupil and multiplying the resulting difference by the 2022-2023 2023-2024 millage levied, and then subtracting from that amount the 2022-2023 2023-2024 local community stabilization share revenue for area vocational technical education and 2022-2023 2023-2024 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate district receiving funds under this section and section 56, reimbursements</p>			

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paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.

(3) ~~(4)~~—Reimbursement for those millages levied in ~~2023-2024~~ **2024-2025** is made in ~~2024-2025~~ **2025-2026** at an amount per ~~2023-2024~~ **2024-2025** membership pupil computed by subtracting from ~~\$269,800.00~~ **\$287,400.00** the ~~2023-2024~~ **2024-2025** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2023-2024~~ **2024-2025** millage levied, and then subtracting from that amount the ~~2023-2024~~ **2024-2025** local community stabilization share revenue for area vocational technical education and ~~2023-2024~~ **2024-2025** tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670. For the purposes of the calculation described in the previous sentence only, for an intermediate

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
district receiving funds under this section and section 56, reimbursements paid under section 26d must be multiplied by the ratio of vocational-technical education millage levied, as defined in this section, and the sum of vocational-technical education millage levied and special education millage levied, as defined in section 56.			
Sec. 65 - Detroit Pre-College Engineering Program (DAPCEP) Appropriates \$900,000 SAF for the Detroit Area Pre-College Engineering Program (DAPCEP).			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 67 - MCAN and Outreach Appropriates a total of \$4,000,000 GF/GP in FY 2024-25 (\$1,000,000 one-time) for Michigan College Access Network operations, local college access networks, the Michigan college advising program, subgrants to districts with comprehensive high schools that establish a college access team, the Michigan college access portal, public awareness and outreach campaigns, and subgrants to postsecondary institutions for mentors and college advisors.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$4,000,000 GF/GP in FY 2025-26 (\$1,000,000 one-time).			
Sec. 67a - MITES Appropriates \$50,000 GF/GP to Michigan Industrial Technology Education Society (MITES) for industrial and technological education and workforce preparation.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 67b - PRIME Schools Appropriates \$5,000,000 GF/GP in FY 2024-25 only to provide high schools with engineering and manufacturing programs.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 67d - ProStart/HTM Appropriates \$1,000,000 GF/GP in FY 2024-25 to ProStart/HTM, a CTE program for restaurant management, culinary arts or hospitality, and tourism management.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Repeal.			
Sec. 67f - FAFSA Completion Challenge Appropriates \$10,000,000 SAF in FY 2024-25 only to incentivize high school seniors to complete their Free Application for Federal Student Aid (FAFSA). (4) Pay an equal amount per pupil multiplied by the number of eligible students enrolled and attending Grade 12.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$10,000,000 (ongoing) in FY 2025-26. Update years throughout.			
Sec. 74 - Bus Driver Safety Appropriates \$3,913,500 in FY 2024-25. (2) Of the total appropriation, \$2,025,000 is to reimburse intermediate districts and universities for providing bus driver safety instruction. (4) The remaining \$1,888,500 is to reimburse districts and ISDs for the cost of the Michigan State Police to inspect school buses.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$3,949,900 in FY 2025-26. (2) Appropriates \$2,025,000 in FY 2025-26. (4) Appropriates \$1,924,900 in FY 2025-26.			
NEW EXEC Sec. 74d - Nature Awaits Appropriates \$1,800,000 SAF in FY 2025-26 to support student transportation costs for field trips to state parks.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,800,000.00 for 2025-2026 for payments to eligible districts and intermediate districts to support student transportation costs associated with participation in the Nature Awaits program, which provides experiential field trips to			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

<p>select state parks to support classroom learning.</p> <p>(2) The department of natural resources shall determine district eligibility and transportation payment amounts for entities participating in the program. The department of natural resources shall provide a list of eligible districts and transportation payment amounts to the department before June 30, 2025. If funds allocated in subsection (1) are insufficient to fully fund payments under this section, payments may be prorated on an equal percentage basis.</p> <p>(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.</p>			
<p>Sec. 81 - Intermediate School Districts (ISD) General Operations Funding</p> <p>Appropriates \$79,424,700 in FY 2024-25 for basic operational funding.</p> <p>(2) The amounts equals a 0.0% increase for each ISD from FY 2023-24.</p>			
<p><i>Executive</i></p> <p>Appropriates \$82,664,700 in FY 2025-26.</p> <p>(2) 4.1% increase.</p>	<p><i>Senate</i></p>	<p><i>House</i></p>	<p><i>Conference</i></p>

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 94 - AP and IB Scholarships \$1,200,000 GF/GP is appropriated for efforts to increase the number of pupils who participate and succeed in Advanced Placement (AP) and International Baccalaureate (IB) programs, and to support the college-level examination program (CLEP). Funds are used to cover part or all of the costs of tests for low-income pupils, with payments estimated at \$20 per test completed, or \$150 per IB registration. Students pay at least \$5 toward each test or registration paid for under this section. If funds remain after initial awards, remaining funds may be used to reimburse costs for students whose family income exceeds low-income status.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$2,000,000 in FY 2024-25 and \$2,200,000 in FY 2025-26.			
Sec. 94a - Center for Educational Performance and Information (CEPI) Appropriates \$19,219,200 GF/GP and \$193,500 in Federal funds to support the operations of the CEPI and the development and implementation of a comprehensive P-20 data management and student tracking system. A portion of the funding is to support collaborative efforts on the P-20 longitudinal data system. Grants will be awarded to eligible ISDs or a consortium of ISDs, and activities funded under the grant may include portal hosting, hardware and software acquisition, maintenance, enhancements, and other items.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$20,614,700 GF/GP and \$2,193,500 Federal in FY 2025-26. (4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following: (h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following: (ii) Contains student-level enrollment, demographic, and program participation information, including data associated with students who have been identified as having an affiliation to 1 or more federally recognized Indian tribes and student participation in federal programs funded under 20 USC 7401 to 7546 and participation in federal			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<p>programs funded under the Johnson-O'Malley Supplemental Indian Education Program Modernization Act, Public Law 115-404. Any reports or data access related specifically to tribal affiliation will be done through ongoing consultation with the federally recognized tribes in the state with the expectation that the center, the department, and the tribes will work iteratively toward meaningful reports, access, and use of these records to improve shared education interests and outcomes.</p> <p>(9) From the amount allocated in subsection (5), there is allocated an amount not to exceed \$1,250,000.00 for the support of strategic planning efforts to streamline and modernize required data collections across all platforms for the state's prekindergarten through postsecondary data. This includes but is not limited to advanced analytic capabilities and implementation of customer relationship management tools.</p>			
Sec. 94e - MERI Partnership Appropriates \$1,000,000 SAF in FY 2024-25 for support of the Michigan Education Research Institute.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$1,000,000 (ongoing) in FY 2025-26.			
Sec. 97a - Navigate 360 Appropriates \$500,000 GF/GP in FY 2024-25 only for MVU to support Navigate 360.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 97g - Cyber Security Assessments of School Technology Infrastructure Appropriates \$9,000,000 SAF in FY 2023-24 only to districts to assess and address vulnerabilities of information technology infrastructure.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25 supplemental request (9) Notwithstanding section 18a, funds allocated under this section may be available for expenditure until September 30, 2028. A recipient of funding under this section must return any unexpended funds to the department in the manner prescribed by the department by not later than October 30, 2028.			
Sec. 97h - Firearm Storage Tip Line Appropriates \$1,000,000 SAF in FY 2024-25 only to support a tip line for students to anonymously report improperly stored firearms that are accessible to a minor.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 97j - Early Interventions Appropriates \$250,000 GF/GP in FY 2024-25 only to Raptor Technologies to provide districts with tools that provide a common way of identifying and collecting early behaviors that could require intervention to prevent abuse, self-harm, or violence in schools.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 97k - Student Advocacy Center of Michigan Appropriates \$100,000 SAF in FY 2024-25 only for the Student Advocacy Center of Michigan to support its statewide helpline for families in educational crisis.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 97m - Peer Mentoring / 42 Strong Appropriates \$1,000,000 GF/GP in FY 2024-25 only to 42Strong to implement a peer mentoring program designed to drive outcomes that include, but are not limited to, increasing student connectedness to families, peers, the school, and community; improving student self-esteem; and improving overall student well-being.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 98 - Michigan Virtual University (MVU) Appropriates \$9,800,000 GF/GP in FY 2024-25 (\$1,800,000 one-time) to MVU for operations of the Virtual High School and the Michigan Virtual Learning Research Institute. The Institute is charged with collaborating to examine the need and process for incorporating registration, payment services, and transcript functionality to the statewide catalog, and collaborating to examine district level accountability and teacher effectiveness issues related to online learning under Section 21f. (4) \$500,000 from the total amount is allocated for educator professional development programs. (5) \$500,000 from the total amount is allocated to an AI research center. (10) Advisory group for the Michigan Virtual Learning Research Institute.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$9,800,000 GF/GP (\$1,800,000 one-time) in FY 2025-26. (4) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to \$500,000.00 to support the expansion of new online and blended educator professional development programs. (5) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to \$500,000.00 to operate a comprehensive statewide laboratory designed to function as a hub for cutting-edge research, the identification and dissemination of best practices, rigorous experimentation, policy formulation, and proactive efforts to enhance awareness about the responsible utilization of artificial intelligence in schools. (10) The governor may appoint an advisory group for the Michigan Virtual			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
<p>Learning Research Institute established under subsection (2). The members of the advisory group serve at the pleasure of the governor and without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of residents of this state with high-quality degrees and credentials to at least 60% by 2025-2030.</p>			
Sec. 98d - Michigan Learning Channel Appropriates \$3,000,000 SAF in FY 2024-25 only to the Michigan Learning Channel to support educational content delivered through public television.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99 - District and ISD grants Appropriates \$32,250,000 in FY 2024-25 only for district-specific projects and one-time grants. <p>(2) Peace Literacy: \$500,000</p> <p>(3) IGNITE in Schools: \$1,000,000</p> <p>(4) Dearborn CTE: \$2,500,000</p> <p>(5) Dearborn Green Schools: \$1,500,000</p> <p>(6) Harper Woods Container Project: \$2,000,000</p> <p>(7) Lansing Public Schools: \$2,500,000</p> <p>(8) Clintondale Security Upgrades: \$700,000</p> <p>(9) Algonac Asbestos Remediation: \$500,000</p> <p>(10) South Lyon Student Mental Health: \$700,000</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
(11) Farmington Schools Tutoring: \$200,000 (12) Marygrove Film School: \$2,100,000 (13) Rudyard Area Schools Infrastructure: \$6,000,000 (14) Brookview Montessori School: \$250,000 (15) Okemos Public Montessori School: \$100,000 (16) Wellspring Detroit: \$500,000 (17) MI Student Voices Survey: \$500,000 (18) Safe Sidewalks: \$3,700,000 (19) Detroit Davis Aerospace High School: \$7,000,000			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
FY 2024-25 supplemental request (13) From the general fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$3,900,000.00 , \$2,600,000.00 and from the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$2,100,000.00 — \$3,400,000.00 to Rudyard Area Schools for infrastructure. Repeal October 1, 2025.			
Sec. 99b - Code.org Appropriates \$500,000 SAF in FY 2024-25 only to develop and implement teacher professional development programs for computer science and computational thinking courses and content.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 99c - Playworks Appropriates \$1,000,000 GF/GP for 2024-25 only to Playworks to expand programming.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99d - Teaching diverse histories pilot Appropriates \$6,000,000 SAF in FY 2023-24 only for districts to implement plans to teach diverse American histories.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99g - Helping women period pilot Appropriates \$1,000,000 in FY 2024-25 only to begin a pilot program for schools to distribute feminine hygiene products, upon request, to eligible students.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99h - Robotics Appropriates \$4,723,200 SAF for public schools and \$600,000 GF/GP for nonpublic schools in FY 2024-25 for competitive grants to districts, ISDs, and nonpublic schools that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, computer science, and technology skills by participating in competitions robotics, cybersecurity, and coding competition programs. Districts are required to pay at least 25% of the cost of the program. (2) Requirements to be completed by MDE. (4) Application requirements. (5) Grant distribution criteria. (6) Nonpublic school eligible uses. (7) Nonpublic school eligibility requirements. (8) Recipient requirements.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,723,200.00 for 2024-2025 2025-2026 for competitive grants to districts and intermediate districts, and from the			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~general fund money appropriated in section 11, there is allocated \$600,000.00 for 2024-2025-2025-2026 for competitive grants to nonpublic schools,~~ that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, computer science, and technology skills by participating in robotics competition programs hosted by program providers including, but not limited to, FIRST (for inspiration and recognition of science and technology) Robotics, including FIRST Lego League - Discover, Explore, and Challenge, FIRST Tech challenge, and FIRST Robotics competition, LTU Robofest, MATE (Marine Advanced Technical Education), REC (Robotics Education Competition) Foundation, Square One Education Network, VEX, and other providers approved by the department. All approved providers shall make all programs available to students in this state regardless of geographical location. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, the department shall make grant payments to districts, ~~nonpublic schools,~~ and intermediate districts under this section on a schedule determined by the department.

(2) The department shall do all of the following for purposes of this section:

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(a) Both of the following by not later than 60 days after the state school aid appropriations bill for the current fiscal year is enacted into law or October 1 of the current fiscal year, whichever is later:

(i) Open applications for funding under this section to all districts, ~~nonpublic schools,~~ and intermediate districts.

(4) A district, ~~nonpublic school,~~ or intermediate district applying for a grant under this section must submit an application in a form and manner prescribed by the department. To be eligible for a grant, a district, ~~nonpublic school,~~ or intermediate district must demonstrate in its application that the district, ~~nonpublic school,~~ or intermediate district has established a partnership for the purposes of the robotics program with at least 1 sponsor, business entity, higher education institution, technical school, or individual, must submit a budget, and must provide a local in-kind or cash match from other private or local funds of at least 25% of the cost of the robotics program award.

(5) The department shall distribute the grant funding under this section for the following purposes:

(a) Grants to districts, ~~nonpublic schools,~~ or intermediate districts to pay for stipends not to exceed \$1,500.00 per building for coaching.

(b) Grants to districts, ~~nonpublic schools,~~ or intermediate districts for

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at robotics events and competitions.

(c) Grants to districts, ~~nonpublic schools~~, or intermediate districts for awards to teams that advance to the next levels of competition as determined by the department. The department shall determine an equal amount per team for those teams that advance.

~~(6) A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.~~

~~(7) To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.~~

(6) ~~(8)~~ To be eligible to receive a grant under this section, a district, ~~nonpublic school~~, or intermediate district must do all of the following:

(a) If the district, ~~nonpublic school~~, or intermediate district is requesting funding for more than 1 team for a building, meet the minimum requirements for team size as determined by the approved program provider.

<p align="center">SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS</p> <p align="center">Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</p>			
<p>Sec. 99i - Michigan Council of Women in Technology</p> <p>Appropriates \$250,000 GF/GP in FY 2024-25 only to support the Michigan Council of Women in Technology</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
<p>Sec. 99s - Michigan Science Technology Engineering and Math (MiSTEM) Council, Network, and Initiatives</p> <p>(1) Appropriates a total of \$7,634,300 SAF for this section, as follows:</p> <p>(2) Provides for creation and structure of the MiSTEM Council.</p> <p>(4) \$3,050,000 SAF for MiSTEM council grants to districts.</p> <p>(5) \$3,834,300 SAF to support the MiSTEM Network Regions. Minimum base funding of \$200,000 for each Region; remaining dollars distributed on an equal amount per pupil based on pupils within each region.</p> <p>(7) \$750,000 SAF to those network regions able to provide curriculum and professional development to assist districts in implementing Merit Curriculum components for math and science.</p>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>Appropriates \$7,954,300 in FY 2025-26.</p> <p>(4) Appropriates \$3,050,000 in FY 2025-26.</p> <p>(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed \$3,834,300.00 [\$4,154,300.00] for 2024-2025 2025-2026 to support the activities and programs of the MiSTEM network regions. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region \$200,000.00 \$220,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
immediately preceding fiscal year. (7) Appropriates \$750,000 in FY 2025-26.			
Sec. 99t - Online Algebra Tool (Algebra Nation) Allocates \$1,000,000 GF/GP in FY 2024-25 only for an online tool that would provide students with videos, diagnostics, practice assessments, and assistance in algebra, along with a professional development network for teachers.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99u - Imagine Learning Appropriates \$6,000,000 SAF in FY 2023-24 only for Imagine Learning math and literacy.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99x - Teach for America Appropriates \$3,000,000 SAF in FY 2024-25 only for Teach for America to lead teacher recruitment, training, and retention efforts of high-performing educators in at-risk schools.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99aa - Project SEARCH Appropriates \$1,000,000 SAF in FY 2024-25 only for an ISD that has partnered with Project SEARCH to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment. Provides that funds in FY 2024-25 are a work project and may be carried forward into FY 2025-26.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99ee - Hispanic Collaborative Appropriates \$2,000,000 SAF in FY 2024-25 only for programming provided by the Hispanic Collaborative.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99ff - Junior Achievement			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Appropriates \$1,900,000 SAF in FY 2024-25 only for Wayne RESA, in collaboration with Junior Achievement, to create curricula, educational programs, and professional development to support the implementation of personal finance high school graduation credit requirements.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99hh - City Year Detroit Appropriates \$3,000,000 GF/GP in FY 2024-25 only for City Year Detroit to support student success coach AmeriCorps service members to provide academic interventions in mathematics and English language arts and social-emotional support to K to 12 students.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99ii - Wayne-Westland Drivers Training Grants Appropriates \$250,000 SAF in FY 2023-24 only to run a pilot grant program for eligible students to attend drivers training programs.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 99jj - Dearborn Drivers Training Grants Appropriates \$250,000 SAF in FY 2023-24 only to run a pilot grant program for eligible students to attend drivers training programs.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 101 - Minimum Hours and Days of Instruction Provides guidelines for the minimum number of hours and days pupils must receive instruction for the district to receive State aid. (7) Minimum day and hour guidelines.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(7) In providing the minimum number of hours and days of pupil instruction required under subsection (3), a district shall use the following guidelines, and a district shall maintain records to substantiate its compliance with the following guidelines: (c) Except as otherwise provided in this subdivision, a pupil in grades 9 to 12 for whom a reduced schedule is			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

determined to be in the individual pupil's best educational interest, **or a pupil in grades 6 to 8 for whom a reduced schedule is determined to be in the individual pupil's best educational interest due to the pupil's participation in advanced curriculum**, must be scheduled for a number of hours equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil. A pupil in grades ~~9–6~~ to 12 who is scheduled in a 4-block schedule may receive a reduced schedule under this subsection if the pupil is scheduled for a number of hours equal to at least 75% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.

(d) ~~If~~ **For** a pupil in grades 9 to 12 ~~who is enrolled in a cooperative education program or for a special education pupil, in determining full-time equated membership for that pupil, the pupil is not considered less than a full-time equated pupil solely because of the effect of the pupil's enrollment in the cooperative education program or special education program, including necessary travel time, on the number of class hours provided by the district to the pupil.~~ cannot receive the required minimum number of hours of pupil instruction solely because of travel time between instructional sites during the school day, that travel time, up to a maximum of 3 hours per school week, is considered to be pupil instruction time for the purpose of determining whether

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~the pupil is receiving the required minimum number of hours of pupil instruction. However, if a district demonstrates to the satisfaction of the department that the travel time limitation under this subdivision would create undue costs or hardship to the district, the department may consider more travel time to be pupil instruction time for this purpose.~~

Sec. 104 - Assessment Funding

Appropriates \$37,509,400 from the SAF for reimbursement of costs associated with State student assessment requirements. Also appropriates \$8,000,000 in Federal assessment funding for the purposes of complying with Federal NCLB Act.

Executive

Senate

House

Conference

Update fiscal years.

Sec. 104b - Michigan Merit Examination (MME)

Provides for districts to administer State assessments under Section 1279 or the Michigan Merit Examination, consisting of a college entrance test, work skills test, and the M-STEP, to pupils in grade 11. Also details the timelines, purposes, and requirements of the MME.

Executive

Senate

House

Conference

~~(16) For each report made by the department that includes the statewide assessment results for a school building, the department shall include the scores for the statewide assessment and the graduation rate for consortium pupils with the scores for the school building in the participating district in which the consortium pupil is enrolled or would otherwise attend. The statewide assessment for a consortium pupil may be administered either at the consortium location or at the school building in the participating district in which the consortium pupil is enrolled or would otherwise attend. For the purposes of this subsection, a consortium pupil is a pupil who is~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
enrolled or participating in a participating district in a school or program operated as a consortium or under a cooperative arrangement formed by 2 or more districts or intermediate districts, including, but not limited to, a consortium or cooperative arrangement operated as a program, a shared educational entity, a specialized educational entity, or a special education center program.			
Sec. 104f - Digital Literacy Appropriates \$1,000,000 SAF in FY 2023-24 only for implementation of an assessment digital literacy preparation program for pupils enrolled in grades K-8.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 104h - Benchmark Assessments for School Year 2024-25 (1) Appropriates \$11,500,000 SAF in FY 2024-25 for districts for implementation of a benchmark assessment system for the 2024-25 school year Requires a recipient district to agree to administer benchmark or local benchmark assessments to all pupils in grades K-8 within the first 9 weeks and again by the last day of the 2024-25 school year. Requires a recipient district to submit assessment data, aggregated by grade level and demographic subgroup, to MDE by 30 days after the last assessment is given, or within the timeframe specified by the department.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years. (1) All of the following apply to the benchmark assessment system described in this subsection: (e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district shall report to the department and the center , in a form and manner prescribed by the center , department , the local benchmark assessment or			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS			
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.			
Sec. 107 - Adult Education			
Appropriates \$36,500,000 for standard Adult Education programs and \$4,000,000 for grants to CTE programs that connect adult education participants with employers under (15).			
(4) The distribution to each ISD serving as a fiscal agent is as follows:			
(a) 60% distributed based on the ISD's proportion of the state population of individuals 18-24 who are not high school graduates			
(b) 35% distributed based on the ISD's proportion of the state population of individuals 25 or older who are not high school graduates.			
(c) 5% based on the ISD's proportion of the state population of individuals age 18 or older who lack basic English language proficiency.			
(14) \$500,000 to reimburse funding recipients for administrative and instructional expenses associated with commingling adult education and CTE programs.			
(15) \$4,000,000 for grants to CTE programs that connect adult education participants with employers.			
(17) Requires participants be concurrently enrolled and actively working toward obtaining a high school diploma or a high school equivalency certificate. However, concurrent enrollment is not required for a participant that was enrolled in adult education during the same program year and obtained a diploma or certificate prior to enrollment in an eligible program under subsection (15). Allows for up to 10% of adult education participants served under subsection (15) to already have a diploma or certificate at time of enrollment and receive remediation services. Provides for an intent that the cap be lowered on an annual basis until reaching 0%.			
ISDs are not allowed to spend more than 5% on administration and the Department is required to ensure that the same number of participants are served under the new provider system as under the previous year.			
Adult Education program providers are required to pay to CTE programs any billing that occurs for basic education programming provided by the CTE program under Sec. 61a.			
(18) The department shall approve at least 3 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			

<div>SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS</div> <div>Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)</div>			
<div>Sec. 111 - Tuition Rates</div> <div>Describes the requirements for determining tuition rates for nonresident pupils. The rate must be uniform within each category of tuition pupils; but, for non K-12 districts, for a pupil enrolled in a grade not offered by the resident district, the tuition rate charged to the resident district cannot exceed the greater of the foundation allowance of the resident district or the educating district.</div>			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<div>A district having tuition pupils enrolled on the pupil membership count day of each year may charge the district of residence an amount for tuition that does not exceed the tuition rate computed under section 1401 of the revised school code, MCL 380.1401. The rate charged by a district shall be uniform within each category of tuition pupils enrolled in the district. However, for a tuition pupil who resides in a K-5, K-6, or K-8 district and who is enrolled in a grade not offered by the pupil's district of residence, the tuition rate charged to the pupil's district of residence shall not exceed the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district, whichever is greater. A district receiving funds under this act shall not charge tuition to a parent or custodian of a pupil enrolled in the district as a nonresident pupil.</div>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

jSec. 147 - Retirement Contribution Rate

In FY 2024-25, the employer rates vary between 20.96% and 31.36% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.

The total uncapped rate varies between 31.54% and 41.94%.

The amount under Section 147c represents State support of 28.83% of the unfunded accrued liability costs in FY 2024-25.

Years left in the amortization schedule are 14.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>In FY 2025-26, the employer rates vary between 15.21% and 29.91% of payroll paid by the employer and the remainder of the total retirement contribution rate by the State under Section 147c.</p> <p>The total uncapped rate varies between 30.23% and 44.93%.</p> <p>Years left in the amortization schedule are 13.</p>			

Sec. 147a - MPSERS Payment to Districts

(1) Appropriates \$100,000,000 from the FY 2024-25 SAF for payments to districts (not ISDs) to assist with their current-year MPSERS liabilities.

Distributions are calculated based on share of MPSERS payroll. On a statewide basis, this averages to \$69 per pupil for eligible districts, but varies based on share of MPSERS payroll.

(2) Appropriates a further \$365,100,000 SAF and \$100,000 GF/GP to hold districts, intermediate districts, and libraries harmless from the increased normal cost due to reducing the assumed rate of return (AROR) due to State policy and dedicated gains policy (new AROR of 6.8%). In addition, corrects the basis on which to distribute this funding from all payroll to only that payroll affected by changes in the AROR (i.e., payroll in the basic, MIP, and first pension plus hybrid plans).

(3) Appropriates a further \$11,939,000 SAF in FY 2024-25 only for payments to participating intermediate districts and participating district libraries to assist with their current-year MPSERS liabilities.

(4) Appropriates \$598,000,000 SAF for payments to districts, ISDs, community colleges, and public libraries to partially offset their pension UAAL.

<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
<p>(1) Appropriates \$100,000,000 in FY 2024-25 and FY 2025-26.</p> <p>(2) Appropriates \$378,000,000 SAF and \$100,000 GF/GP in FY 2024-25 and \$336,200,000 SAF and \$100,000 GF/GP in FY 2025-26.</p>			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

(3) In addition to the allocations under subsections (1) and (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2023-2024 and~~ 2024-2025 only an amount not to exceed \$11,939,000.00 for payments to participating intermediate districts and participating district libraries. A participating intermediate district or participating district library shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the participating intermediate district or participating district library for the fiscal year in which it is received. The amount allocated to each participating intermediate district or participating district library under this subsection is calculated as follows:

Sec. 147c - MPSERS Rate Cap

(1) Appropriates \$955,000,000 SAF and \$300,000 GF/GP in FY 2024-25 to districts, intermediate districts, and libraries to pay for the costs of unfunded accrued liabilities above the statutory rate cap of 20.96%, pursuant to Section 41 of the MPSERS Act.

Appropriates the amount needed, estimated at \$84,100,000 from the MPSERS retirement obligation reserve fund to reduce the payroll growth assumption to 0.25%

(2) Appropriates \$250,000,000 from the MPSERS retirement obligation reform reserve fund in FY 2024-25 only to eligible entities as additional assets to the MPSERS system.

Executive

Senate

House

Conference

(1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2024-2025-2025-2026~~ an amount not to exceed ~~\$955,000,000.00 and from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for 2024-2025 only an amount needed, estimated at \$84,100,000.00~~ **\$1,536,500,000.00** for payments to

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2024-2025-2025-~~**2026** an amount not to exceed \$300,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. ~~It is the intent of the legislature that money allocated from the MPERS retirement obligation reform reserve fund under this subsection for 2024-2025 represents the amount necessary to reduce the payroll growth assumption to 0.25%.~~ All of the following apply to funding under this subsection:

(a) Except as otherwise provided in this subdivision, for ~~2024-2025,~~**2025-2026** the amounts allocated under this subsection are estimated to provide an average MPERS rate cap per pupil amount of \$740.00 ~~and are estimated to provide a rate cap per pupil for districts ranging between \$2.00 and \$2,650.00.~~**for districts of \$1,100.00, which represents an average increase of \$362.00 per pupil compared to the immediately preceding state fiscal year.**

~~(2) In addition to the funds allocated under subsection (1), from the MPERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for 2024-2025 only \$250,000,000.00 for payments to participating entities of the Michigan public school employees'~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year. A participating entity that receives funds under this subsection shall use the funds solely for purposes of this subsection. Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under this subsection to the retirement system in a form, manner, and time frame determined by the retirement system. The retirement system shall recognize funds received under this subsection as additional assets being contributed to the system and shall not categorize them as unfunded actuarial liability contributions or normal cost contributions.~~

(2) ~~(3)~~ As used in this section:

~~(a) "Community college" means a community college created under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195.~~

(c) ~~(d)~~—"Participating entity" means, except as otherwise provided in this subdivision, a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year. ~~As~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
used in subsection (2) only, "participating entity" also means a community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.			
Sec. 147e - Reimbursement to Schools for Additional MPSERS Costs Appropriates \$104,700,000 SAF in FY 2024-25 to pay for increased school employer costs associated with PA 92 of 2017.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Appropriates \$99,900,000 in FY 2024-25 and \$118,400,000 in FY 2025-26.			
Sec. 147g - MPSERS Employee Healthcare Reimbursement Appropriates \$181,519,700 SAF in FY 2024-25 only to reimburse employees for costs associated with the health care premium subsidy benefit.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
(1) From the state school aid fund money appropriated in section 11, there is allocated for 2024-2025 only an amount not to exceed \$181,519,700.00 for payments to participating entities to reimburse employees for costs associated with the health care premium subsidy benefit for the time period between October 1, 2024 and September 30, 2025, and for 2025-2026 only an amount not to exceed \$90,000,000.00 for payments to participating entities to reimburse employees for one-half of costs associated with the health care premium subsidy benefit for the time period between October 1, 2025 and September 30, 2026. It is intended			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

that, for 2026-2027, the allocation from the state school aid fund money appropriated in section 11 for the purposes described in this section will be \$0.00.

(2) The amount allocated to each participating entity under this section must be based on the participating entity's members' proportion of the total required contributions by all members for the health care premium subsidy benefit under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e, for the immediately preceding fiscal year. ~~time period between October 1, 2024 and September 30, 2025.~~ The amount allocated to each participating entity under this section must be based on one half of the participating entity's members' proportion of the total required contributions by all members for the health care premium subsidy benefit under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e, for the time period between October 1, 2025 and September 30, 2026.

(3) ~~For 2024-2025,~~ payments to participating entities must be paid to members required to contribute a percentage of their compensation under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e, to reimburse the amount deducted from their pay under section 43e of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1343e. ~~If the~~

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS

Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)

~~requirement in section 43e for employees to contribute 3% of compensation is removed through legislation, the participating entity retains the~~ **For 2025-2026, participating entities must use** funding distributed under this section as an offset for normal costs associated with retiree health benefits.

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

(5) ~~(4)~~—As used in this section, "participating entity" means a district, intermediate district, district library, or community college, **or university** that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(6) In addition to the appropriations in section 11, if the amount allocated in subsection (1) is insufficient to fully fund costs calculated in subsection (2), there is appropriated from the MPSERS retirement obligation reform reserve fund created in section 147b the amount necessary to fully fund these costs.

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
Sec. 152a - Adair Lawsuit: Data Collection Costs Appropriation of \$41,000,500 to pay the necessary costs related to the State-mandated collection, maintenance, and reporting of data. From this allocation, \$3,000,000 is allocated for costs associated with collecting data necessary to provide reporting to tribal governments on the status of students affiliated with their particular tribe and data necessary to determine student participation in federal programs.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Update fiscal years.			
Sec. 152b - Reimbursement for Nonpublic School Mandates Includes \$1,000,000 GF/GP in FY 2024-25 to reimburse nonpublic schools for mandated costs. Provides that funds in FY 2024-25 are a work project and available funds may be expended in future fiscal years. Requires reimbursements to be made for expenses in previous fiscal years using funds remaining in work projects or, if those funds are insufficient, using funds appropriated in FY 2024-25.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
Repeal.			
Sec. 161a - False Report of a Crime under Section 6(6)(f) Allows a court to order a district intentionally falsely claiming that a nonresident pupil is enrolled under Section 6(6)(f) to repay the resident district an amount equal to the resident district's foundation allowance.			
<i>Executive</i>	<i>Senate</i>	<i>House</i>	<i>Conference</i>
If a court determines that a person intentionally violated section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, by making a false report of the commission of a crime described in section 6(6)(f) 6(6)(e) knowing the report to be false for the purpose of having a pupil counted in membership in a district under section 6(6)(f) 6(6)(e) , as part of the restitution ordered under section 30 of chapter XIIA of 1939 PA 288, MCL 712A.30, section 16, 44, or 76 of the crime victim's rights act, 1985 PA 87, MCL 780.766, 780.794, and 780.826, or section 1a of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1a, the court may order the person to pay the pupil's district of			

SCHOOL AID SECTION-BY-SECTION HIGHLIGHTS			
Current Law (FY 2024-25) and Governor's Recommendation (FY 2024-25 and FY 2025-26)			
residence an amount that is not more than the state school aid that district would have received attributable to the pupil if the pupil had been counted in membership in his or her district of residence.			