

**SUBSTITUTE FOR  
HOUSE BILL NO. 5503**

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending sections 3, 11, 11a, 11j, 11k, 11m, 11s, 11x, 15, 20,  
20d, 21h, 22a, 22b, 22d, 22k, 22l, 22m, 22p, 23g, 23i, 24, 24a, 25f,  
25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 27d, 27g, 27m, 27o, 27p,  
28, 29, 30d, 30e, 31a, 31d, 31f, 31j, 31n, 31p, 31aa, 32d, 32n,  
32p, 33, 35a, 35d, 35j, 39, 39a, 41, 51a, 51c, 51d, 51e, 51g, 53a,  
54, 54b, 54d, 56, 61a, 61b, 61c, 61d, 61s, 62, 65, 67, 67f, 74, 81,  
94, 94a, 95b, 97a, 97i, 97k, 98, 98d, 99a, 99b, 99e, 99g, 99h, 99s,  
99t, 99u, 99x, 99aa, 99gg, 99hh, 104, 104h, 107, 147, 147a, 147c,  
147e, 152a, and 163 (MCL 388.1603, 388.1611, 388.1611a, 388.1611j,  
388.1611k, 388.1611m, 388.1611s, 388.1611x, 388.1615, 388.1620,  
388.1620d, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622k,



388.1622*l*, 388.1622*m*, 388.1622*p*, 388.1623*g*, 388.1623*i*, 388.1624, 388.1624*a*, 388.1625*f*, 388.1625*g*, 388.1626*a*, 388.1626*b*, 388.1626*c*, 388.1626*d*, 388.1627*a*, 388.1627*b*, 388.1627*c*, 388.1627*d*, 388.1627*g*, 388.1627*m*, 388.1627*o*, 388.1627*p*, 388.1628, 388.1629, 388.1630*d*, 388.1630*e*, 388.1631*a*, 388.1631*d*, 388.1631*f*, 388.1631*j*, 388.1631*n*, 388.1631*p*, 388.1631*aa*, 388.1632*d*, 388.1632*n*, 388.1632*p*, 388.1633, 388.1635*a*, 388.1635*d*, 388.1635*j*, 388.1639, 388.1639*a*, 388.1641, 388.1651*a*, 388.1651*c*, 388.1651*d*, 388.1651*e*, 388.1651*g*, 388.1653*a*, 388.1654, 388.1654*b*, 388.1654*d*, 388.1656, 388.1661*a*, 388.1661*b*, 388.1661*c*, 388.1661*d*, 388.1661*s*, 388.1662, 388.1665, 388.1667, 388.1667*f*, 388.1674, 388.1681, 388.1694, 388.1694*a*, 388.1695*b*, 388.1697*a*, 388.1697*i*, 388.1697*k*, 388.1698, 388.1698*d*, 388.1699*a*, 388.1699*b*, 388.1699*e*, 388.1699*g*, 388.1699*h*, 388.1699*s*, 388.1699*t*, 388.1699*u*, 388.1699*x*, 388.1699*aa*, 388.1699*gg*, 388.1699*hh*, 388.1704, 388.1704*h*, 388.1707, 388.1747, 388.1747*a*, 388.1747*c*, 388.1747*e*, 388.1752*a*, and 388.1763), sections 3, 11*a*, 11*j*, 11*k*, 11*m*, 11*s*, 11*x*, 15, 20*d*, 21*h*, 22*a*, 22*b*, 22*d*, 22*m*, 22*p*, 24, 24*a*, 25*f*, 25*g*, 26*a*, 26*b*, 26*c*, 26*d*, 27*a*, 27*b*, 27*c*, 28, 31*d*, 31*f*, 31*j*, 31*n*, 31*p*, 31*aa*, 32*d*, 32*n*, 32*p*, 35*a*, 35*d*, 39, 39*a*, 51*d*, 51*e*, 51*g*, 53*a*, 54, 54*b*, 54*d*, 56, 61*a*, 61*b*, 61*c*, 61*d*, 62, 65, 67, 74, 81, 94, 97*a*, 98, 99*h*, 99*s*, 99*t*, 99*u*, 99*x*, 99*aa*, 104, 104*h*, 107, 147, 147*c*, 147*e*, 152*a*, and 163 as amended and sections 22*k*, 23*g*, 23*i*, 27*g*, 27*m*, 27*o*, 27*p*, 29, 30*d*, 30*e*, 33, 35*j*, 67*f*, 97*i*, 98*d*, 99*a*, 99*b*, 99*e*, 99*g*, 99*gg*, and 99*hh* as added by 2023 PA 103, sections 11, 20, 22*l*, 31*a*, 41, 51*a*, 51*c*, 61*s*, 94*a*, 95*b*, 97*k*, and 147*a* as amended by 2023 PA 320, and section 27*d* as added by 2022 PA 144, and by adding sections 27*f*, 27*r*, 27*s*, 27*t*, 31*gg*, 51*h*, 54*f*, 55, 67*d*, 94*e*, 97*m*, 99, 99*c*, 99*bb*, 99*nn*, 147*g*, and 164*j*; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**



1           Sec. 3. (1) "Average daily attendance", for the purposes of  
2 complying with federal law, means 92% of the pupils counted in  
3 membership on the pupil membership count day, as defined in section  
4 6(7).

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

7           (3) "Center" means the center for educational performance and  
8 information created in section 94a.

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

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

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

20           (7) "District" means, except as otherwise specifically  
21 provided in this act, a local school district established under the  
22 revised school code or, except in sections 6(4), 6(6), 11x, ~~11y,~~  
23 ~~11aa, 12e,~~ 13, 20, 22a, 22p, ~~27,~~ 31a, 51a(14), 105, 105c, and 166b,  
24 a public school academy. Except in section 20, district also  
25 includes a community district.

26           (8) "District of residence", except as otherwise provided in  
27 this subsection, means the district in which a pupil's custodial  
28 parent or parents or legal guardian resides. For a pupil described  
29 in section 24b, the pupil's district of residence is the district



1 in which the pupil enrolls under that section. For a pupil  
 2 described in section 6(4)(d), the pupil's district of residence is  
 3 considered to be the district or intermediate district in which the  
 4 pupil is counted in membership under that section. For a pupil  
 5 under court jurisdiction who is placed outside the district in  
 6 which the pupil's custodial parent or parents or legal guardian  
 7 resides, the pupil's district of residence is considered to be the  
 8 educating district or educating intermediate district.

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

11 Sec. 11. (1) ~~For the fiscal year ending September 30, 2023,~~  
 12 ~~there is appropriated for the public schools of this state and~~  
 13 ~~certain other state purposes relating to education the sum of~~  
 14 ~~\$17,290,268,900.00 from the state school aid fund, the sum of~~  
 15 ~~\$124,350,000.00 from the general fund, an amount not to exceed~~  
 16 ~~\$72,000,000.00 from the community district education trust fund~~  
 17 ~~created under section 12 of the Michigan trust fund act, 2000 PA~~  
 18 ~~489, MCL 12.262, an amount not to exceed \$200,000.00 from the~~  
 19 ~~school transportation fund created under section 22k, an amount not~~  
 20 ~~to exceed \$25,000,000.00 from the school meals reserve fund created~~  
 21 ~~under section 30c, and an amount not to exceed \$140,400,000.00 from~~  
 22 ~~the MPERS retirement obligation reform reserve fund created under~~  
 23 ~~section 147b.~~ For the fiscal year ending September 30, 2024, there  
 24 is appropriated for the public schools of this state and certain  
 25 other state purposes relating to education the sum of  
 26 ~~\$18,364,157,800.00~~ **\$18,423,957,800.00** from the state school aid  
 27 fund, the sum of ~~\$87,900,000.00~~ **\$88,400,000.00** from the general  
 28 fund, an amount not to exceed \$72,000,000.00 from the community  
 29 district education trust fund created under section 12 of the



1 Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to  
 2 exceed \$245,000,000.00 from the school consolidation and  
 3 infrastructure fund created under section 11x, an amount not to  
 4 exceed \$125,000,000.00 from the school transportation fund created  
 5 under section 22k, an amount not to exceed \$71,000,000.00 from the  
 6 enrollment stabilization fund created under section 29, an amount  
 7 not to exceed ~~\$60,000,000.00~~ **\$90,000,000.00** from the school meals  
 8 reserve fund created under section 30e, an amount not to exceed  
 9 \$18,000,000.00 from the great start readiness program reserve fund  
 10 created under section 32e, and an amount not to exceed  
 11 \$215,800,000.00 from the MPERS retirement obligation reform  
 12 reserve fund created under section 147b. **For the fiscal year ending**  
 13 **September 30, 2025, there is appropriated for the public schools of**  
 14 **this state and certain other state purposes relating to education**  
 15 **the sum of \$17,677,630,100.00 from the state school aid fund, the**  
 16 **sum of \$70,976,000.00 from the general fund, an amount not to**  
 17 **exceed \$41,000,000.00 from the community district education trust**  
 18 **fund created under section 12 of the Michigan trust fund act, 2000**  
 19 **PA 489, MCL 12.262, an amount not to exceed \$125,000,000.00 from**  
 20 **the school transportation fund created under section 22k, an amount**  
 21 **not to exceed \$92,600,000.00 from the enrollment stabilization fund**  
 22 **created under section 29, an amount not to exceed \$80,000,000.00**  
 23 **from the school meals reserve fund created under section 30e, an**  
 24 **amount not to exceed \$21,000,000.00 from the great start readiness**  
 25 **program reserve fund created under section 32e, an amount not to**  
 26 **exceed \$84,100,000.00 from the MPERS retirement obligation reform**  
 27 **reserve fund created under section 147b, an amount not to exceed**  
 28 **\$45,000,000.00 from the educator fellowship public provider fund**  
 29 **created in section 27d, and an amount not to exceed \$5,000,000.00**



1 **from the educator fellowship private provider fund created in**  
 2 **section 27e.** In addition, all available federal funds are only  
 3 appropriated as allocated in this article for the fiscal years  
 4 ending September 30, ~~2023–2024~~ and September 30, ~~2024–2025~~.

5 (2) The appropriations under this section are allocated as  
 6 provided in this article. Money appropriated under this section  
 7 from the general fund must be expended to fund the purposes of this  
 8 article before the expenditure of money appropriated under this  
 9 section from the state school aid fund.

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

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

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

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

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

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

25 (3) Money available in the school aid stabilization fund may  
 26 not be expended without a specific appropriation from the school  
 27 aid stabilization fund. Money in the school aid stabilization fund  
 28 must be expended only for purposes for which state school aid fund  
 29 money may be expended.



1 (4) The state treasurer shall direct the investment of the  
2 school aid stabilization fund. The state treasurer shall credit to  
3 the school aid stabilization fund interest and earnings from fund  
4 investments.

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

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

22 (7) For ~~2023-2024~~, **2024-2025**, in addition to the  
23 appropriations in section 11, there is appropriated from the school  
24 aid stabilization fund to the state school aid fund the amount  
25 necessary to fully fund the allocations under this article.

26 Sec. 11j. From the state school aid fund money appropriated in  
27 section 11, there is allocated an amount not to exceed  
28 ~~\$111,000,000.00~~ **\$23,000,000.00** for ~~2023-2024~~ **2024-2025** for payments  
29 to the school loan bond redemption fund in the department of



1 treasury on behalf of districts and intermediate districts.  
 2 Notwithstanding section 296 or any other provision of this act,  
 3 funds allocated under this section are not subject to proration and  
 4 must be paid in full.

5       Sec. 11k. For ~~2023-2024~~, **2024-2025**, there is appropriated from  
 6 the general fund to the school loan revolving fund an amount equal  
 7 to the amount of school bond loans assigned to the Michigan finance  
 8 authority, not to exceed the total amount of school bond loans held  
 9 in reserve as long-term assets. As used in this section, "school  
 10 loan revolving fund" means that fund created in section 16c of the  
 11 shared credit rating act, 1985 PA 227, MCL 141.1066c.

12       Sec. 11m. From the state school aid fund money appropriated in  
 13 section 11, there is allocated for ~~2022-2023~~ an amount not to  
 14 exceed ~~\$1,000,000.00~~ and there is allocated for ~~2023-2024~~ **2024-2025**  
 15 an amount not to exceed \$1,000,000.00 for fiscal year cash-flow  
 16 borrowing costs solely related to the state school aid fund  
 17 established under section 11 of article IX of the state  
 18 constitution of 1963.

19       Sec. 11s. (1) From the state school aid fund money  
 20 appropriated in section 11, there is allocated \$5,000,000.00 for  
 21 ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** and from the general fund money  
 22 appropriated in section 11, there is allocated \$3,075,000.00 for  
 23 ~~2022-2023~~ and ~~2023-2024~~ **2024-2025** for the purpose of providing  
 24 services and programs to children who reside within the boundaries  
 25 of a district with the majority of its territory located within the  
 26 boundaries of a city for which an executive proclamation of  
 27 emergency concerning drinking water is issued in the current or  
 28 immediately preceding ~~8-9~~ fiscal years under the emergency  
 29 management act, 1976 PA 390, MCL 30.401 to 30.421, and that has at



1 least 4,500 pupils in membership for the 2016-2017 fiscal year or  
2 has at least 2,800 pupils in membership for a fiscal year after  
3 2016-2017.

4 (2) From the general fund money allocated in subsection (1),  
5 there is allocated to a district with the majority of its territory  
6 located within the boundaries of a city for which an executive  
7 proclamation of emergency concerning drinking water is issued in  
8 the current or immediately preceding ~~8~~9 fiscal years under the  
9 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and  
10 that has at least 4,500 pupils in membership for the 2016-2017  
11 fiscal year or has at least 2,800 pupils in membership for a fiscal  
12 year after 2016-2017, an amount not to exceed \$2,425,000.00 for  
13 ~~2022-2023 and 2023-2024~~ **2024-2025** for the purpose of employing  
14 school nurses, classroom aides, school social workers, and  
15 community health workers; for the provision of behavioral or mental  
16 health supports, parental engagement activities, community  
17 coordination activities, and other support services; and for  
18 purchasing program supplies. The district shall provide a report to  
19 the department in a form, manner, and frequency prescribed by the  
20 department. The department shall provide a copy of that report to  
21 the governor, the house and senate school aid subcommittees, the  
22 house and senate fiscal agencies, and the state budget director  
23 within 5 days after receipt. The report must provide at least the  
24 following information:

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

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

29 (c) How many pupils received each type of service identified



1 in subdivision (b).

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

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

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

23 **(3)** ~~(5) For 2022-2023 and 2023-2024,~~ **2024-2025**, from the  
24 general fund money allocated in subsection (1), there is allocated  
25 an amount not to exceed \$650,000.00 for nutritional services to  
26 children described in subsection (1).

27 **(4)** ~~(6) For 2022-2023,~~ **2024-2025**, from the state school aid  
28 fund money allocated in subsection (1), ~~there is allocated an~~  
29 ~~amount not to exceed \$2,000,000.00 and for 2023-2024,~~ there is



1 allocated an amount not to exceed \$5,000,000.00 to an intermediate  
2 district that has a constituent district described in subsection  
3 (2) for interventions and supports for students in **grades** K to 12  
4 who were impacted by an executive proclamation of emergency  
5 described in subsection (1) concerning drinking water. Funds under  
6 this subsection must be used for behavioral supports, social  
7 workers, counselors, psychologists, nursing services, including,  
8 but not limited to, vision and hearing services, transportation  
9 services, parental engagement, community coordination, and other  
10 support services.

11 ~~(7) In addition to the allocation under subsection (1), from~~  
12 ~~the general fund money appropriated under section 11, there is~~  
13 ~~allocated an amount not to exceed \$1,000,000.00 for 2022-2023 and~~  
14 ~~2023-2024 only for an early childhood collaborative that serves~~  
15 ~~students located in a county with a population of not less than~~  
16 ~~390,000 or more than 450,000. The funds allocated under this~~  
17 ~~subsection must be used to continue the expansion of early~~  
18 ~~childhood services in response to an executive proclamation of~~  
19 ~~emergency described in this section concerning drinking water.~~

20 ~~(8) In addition to other funding allocated and appropriated in~~  
21 ~~this section, there is appropriated an amount not to exceed~~  
22 ~~\$5,000,000.00 for 2022-2023 for state restricted contingency funds.~~  
23 ~~These contingency funds are not available for expenditure until~~  
24 ~~they have been transferred to a section within this article under~~  
25 ~~section 393(2) of the management and budget act, 1984 PA 431, MCL~~  
26 ~~18.1393.~~

27 ~~(5) (9)~~Notwithstanding section 17b, the department shall make  
28 payments under this section on a schedule determined by the  
29 department.



1           Sec. 11x. (1) The school consolidation and infrastructure fund  
2 is created as a separate account within the state school aid fund  
3 for the purpose of improving student academic outcomes, increasing  
4 the efficiency of the state's public education system, and creating  
5 a healthy and safe space for students in this state.

6           (2) The state treasurer may receive money or other assets from  
7 any source for deposit into the school consolidation and  
8 infrastructure fund. The state treasurer shall direct the  
9 investment of the school consolidation and infrastructure fund. The  
10 state treasurer shall credit to the school consolidation and  
11 infrastructure fund interest and earnings from school consolidation  
12 and infrastructure fund investments.

13           (3) Money in the school consolidation and infrastructure fund  
14 at the close of the fiscal year remains in the school consolidation  
15 and infrastructure fund and does not lapse to the state school aid  
16 fund or the general fund.

17           (4) The department of treasury is the administrator of the  
18 school consolidation and infrastructure fund for auditing purposes.

19           (5) Money available in the school consolidation and  
20 infrastructure fund must not be expended without a specific  
21 appropriation.

22           ~~(6) From the state school aid fund money appropriated under~~  
23 ~~section 11, there is allocated for 2022-2023 only an amount not to~~  
24 ~~exceed \$5,000,000.00 for grants to districts and intermediate~~  
25 ~~districts to support the cost of a feasibility study or analysis of~~  
26 ~~consolidation or the consolidation of services among 1 or more~~  
27 ~~buildings within a district, among 1 or more districts, or among 1~~  
28 ~~or more intermediate districts. Districts and intermediate~~  
29 ~~districts may apply for a grant under this subsection to the~~



1 ~~department on a first-come, first-serve basis. The maximum amount~~  
 2 ~~of a grant to be distributed under this subsection may not exceed~~  
 3 ~~\$250,000.00. Notwithstanding section 17b, the department shall make~~  
 4 ~~payments under this subsection on a schedule determined by the~~  
 5 ~~department.~~

6 ~~(7) To be eligible for a grant under subsection (6), a~~  
 7 ~~district or intermediate district must demonstrate to the~~  
 8 ~~department, in the manner prescribed by the department, that it~~  
 9 ~~will conduct a feasibility study or analysis and that all of the~~  
 10 ~~following will be met:~~

11 ~~(a) Within 30 days after completion of the study or analysis,~~  
 12 ~~the district or intermediate district will make the results of the~~  
 13 ~~study or analysis available to all districts and intermediate~~  
 14 ~~districts included in the study or analysis. Within 60 days after~~  
 15 ~~the completion of the study or analysis, the district or~~  
 16 ~~intermediate district will make the results available on a publicly~~  
 17 ~~available website.~~

18 ~~(b) The study or analysis may include, but is not limited to,~~  
 19 ~~consolidation opportunities in the following areas:~~

20 ~~(i) Financial services, which may include, but is not limited~~  
 21 ~~to, the following:~~

22 ~~(A) Budgeting and staffing.~~

23 ~~(B) Payroll.~~

24 ~~(C) Employee benefits.~~

25 ~~(D) State reporting.~~

26 ~~(E) Software consolidation to achieve common software~~  
 27 ~~throughout the intermediate district.~~

28 ~~(ii) Human resources, which may include, but is not limited to,~~  
 29 ~~the following:~~



1 ~~(A) Onboarding.~~

2 ~~(B) Title IX administration.~~

3 ~~(C) Hiring.~~

4 ~~(D) Software consolidation to achieve common software~~  
5 ~~throughout the intermediate district.~~

6 ~~(iii) Information technology, which may include, but is not~~  
7 ~~limited to, the following:~~

8 ~~(A) Software consolidation to achieve common software~~  
9 ~~throughout the intermediate district.~~

10 ~~(B) Fiber projects.~~

11 ~~(C) Cybersecurity.~~

12 ~~(D) One to one device management.~~

13 ~~(iv) Grant management and reporting, which may include, but is~~  
14 ~~not limited to, the following:~~

15 ~~(A) Management of all state grant sites and databases.~~

16 ~~(B) Grant reporting.~~

17 ~~(v) Cash management, which may include, but is not limited to,~~  
18 ~~the opportunities for intermediate districts and districts to~~  
19 ~~contract on cash flow management to maximize interest earnings.~~

20 ~~(vi) Debt issuance and management, including at least all of~~  
21 ~~the following:~~

22 ~~(A) Refunding opportunities.~~

23 ~~(B) New bond issue analysis.~~

24 ~~(vii) School facility consolidation.~~

25 ~~(viii) Consolidation of transportation-related activities.~~

26 ~~(ix) The physical consolidation of districts.~~

27 ~~(8) An intermediate district that receives a grant under this~~  
28 ~~section shall meet with its constituent districts located within~~  
29 ~~the intermediate district to discuss the results of the study or~~



1 ~~analysis and to implement changes where feasible. The application~~  
 2 ~~for an intermediate district must include a brief description of~~  
 3 ~~how the intermediate district will conduct these meetings.~~

4 (6) ~~(9)~~—To be eligible for the receipt of funding for  
 5 infrastructure-related projects appropriated from the school  
 6 consolidation and infrastructure fund created under this section, a  
 7 district must allow for the facility condition assessments  
 8 described in **the former** section 11y to be conducted in the  
 9 district. It is the intent of the legislature that money in the  
 10 school consolidation and infrastructure fund will not be  
 11 appropriated for infrastructure projects until the completion of  
 12 the facility condition assessments described in **the former** section  
 13 11y.

14 Sec. 15. (1) If a district or intermediate district fails to  
 15 receive its proper apportionment, the department, upon satisfactory  
 16 proof that the district or intermediate district was entitled  
 17 justly, shall apportion the deficiency in the next apportionment.  
 18 Subject to subsections (2) and (3), if a district or intermediate  
 19 district has received more than its proper apportionment, the  
 20 department, upon satisfactory proof, shall deduct the excess in the  
 21 next apportionment. Notwithstanding any other provision in this  
 22 article, state aid overpayments to a district, other than  
 23 overpayments in payments for special education or special education  
 24 transportation, may be recovered from any payment made under this  
 25 article other than a special education or special education  
 26 transportation payment, from the proceeds of a loan to the district  
 27 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to  
 28 141.942, or from the proceeds of millage levied or pledged under  
 29 section 1211 of the revised school code, MCL 380.1211. State aid



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

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

26 (3) If, based on an audit by the department or the  
27 department's designee or because of new or updated information  
28 received by the department, the department determines that the  
29 amount paid to a district or intermediate district under this



1 article for the current fiscal year or a prior fiscal year was  
2 incorrect, the department shall make the appropriate deduction or  
3 payment in the district's or intermediate district's allocation in  
4 the next apportionment after the adjustment is finalized. The  
5 department shall calculate the deduction or payment according to  
6 the law in effect in the fiscal year in which the incorrect amount  
7 was paid. If the district does not receive an allocation for the  
8 fiscal year or if the allocation is ~~not sufficient~~**insufficient** to  
9 pay the amount of any deduction, the amount of any deduction  
10 otherwise applicable must be satisfied from the proceeds of a loan  
11 to the district under the emergency municipal loan act, 1980 PA  
12 243, MCL 141.931 to 141.942, or from the proceeds of millage levied  
13 or pledged under section 1211 of the revised school code, MCL  
14 380.1211, as determined by the department.

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

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

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



1 (7) In addition to funds appropriated in section 11 for all  
 2 programs and services, there is appropriated for ~~2023-2024-2024-~~  
 3 **2025** for obligations in excess of applicable appropriations an  
 4 amount equal to the collection of overpayments, but not to exceed  
 5 amounts available from overpayments.

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

7 ~~(a) For 2022-2023, the target foundation allowance is~~  
 8 ~~\$9,150.00.~~

9 ~~(b) For 2023-2024,~~ **2024-2025**, the target foundation allowance  
 10 is ~~\$9,608.00.~~ **\$9,825.00.**

11 (2) The department shall calculate the amount of each  
 12 district's foundation allowance as provided in this section, using  
 13 a target foundation allowance in the amount specified in subsection  
 14 (1).

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

20 (a) For a district that had a foundation allowance for the  
 21 immediately preceding fiscal year that was equal to the target  
 22 foundation allowance for the immediately preceding fiscal year, the  
 23 district receives a foundation allowance in an amount equal to the  
 24 target foundation allowance described in subsection (1) for the  
 25 current fiscal year.

26 (b) For a district that had a foundation allowance for the  
 27 immediately preceding fiscal year that was greater than the target  
 28 foundation allowance for the immediately preceding fiscal year, the  
 29 district's foundation allowance is an amount equal to the lesser of



1 (the sum of the district's foundation allowance for the immediately  
2 preceding fiscal year plus any per pupil amount calculated under  
3 section 20m(2) in the immediately preceding fiscal year plus the  
4 increase in the target foundation allowance for the current fiscal  
5 year, as compared to the immediately preceding fiscal year) or (the  
6 product of the district's foundation allowance for the immediately  
7 preceding fiscal year times the percentage increase in the United  
8 States Consumer Price Index in the calendar year ending in the  
9 immediately preceding fiscal year as reported by the May revenue  
10 estimating conference conducted under section 367b of the  
11 management and budget act, 1984 PA 431, MCL 18.1367b).

12 (c) For a district that had a foundation allowance in the  
13 immediately preceding fiscal year that was less than the target  
14 foundation allowance in effect for that fiscal year, the district's  
15 foundation allowance is an amount equal to the lesser of (the sum  
16 of district's foundation allowance for the immediately preceding  
17 fiscal year plus any per pupil amount calculated under section  
18 20m(2) in the immediately preceding fiscal year plus the increase  
19 in the target foundation allowance for the current fiscal year, as  
20 compared to the immediately preceding fiscal year) or (the product  
21 of the district's foundation allowance for the immediately  
22 preceding fiscal year times the percentage increase in the United  
23 States Consumer Price Index in the calendar year ending in the  
24 immediately preceding fiscal year as reported by the May revenue  
25 estimating conference conducted under section 367b of the  
26 management and budget act, 1984 PA 431, MCL 18.1367b).

27 (d) For a district that has a foundation allowance that is not  
28 a whole dollar amount, the department shall round the district's  
29 foundation allowance up to the nearest whole dollar.



1 (4) Except as otherwise provided in this subsection, the state  
2 portion of a district's foundation allowance is an amount equal to  
3 the district's foundation allowance or the target foundation  
4 allowance for the current fiscal year, whichever is less, minus the  
5 local portion of the district's foundation allowance. Except as  
6 otherwise provided in this subsection, for a district described in  
7 subsection (3) (b) and (c), the state portion of the district's  
8 foundation allowance is an amount equal to the target foundation  
9 allowance minus the district's foundation allowance supplemental  
10 payment per pupil calculated under section 20m and minus the local  
11 portion of the district's foundation allowance. For a district that  
12 has a millage reduction required under section 31 of article IX of  
13 the state constitution of 1963, the department shall calculate the  
14 state portion of the district's foundation allowance as if that  
15 reduction did not occur. For a receiving district, if school  
16 operating taxes continue to be levied on behalf of a dissolved  
17 district that has been attached in whole or in part to the  
18 receiving district to satisfy debt obligations of the dissolved  
19 district under section 12 of the revised school code, MCL 380.12,  
20 the taxable value per membership pupil of property in the receiving  
21 district used for the purposes of this subsection does not include  
22 the taxable value of property within the geographic area of the  
23 dissolved district. For a community district, if school operating  
24 taxes continue to be levied by a qualifying school district under  
25 section 12b of the revised school code, MCL 380.12b, with the same  
26 geographic area as the community district, the taxable value per  
27 membership pupil of property in the community district to be used  
28 for the purposes of this subsection does not include the taxable  
29 value of property within the geographic area of the community



1 district.

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

17 (6) Except as otherwise provided in this subsection, for  
18 pupils in membership, other than special education pupils, in a  
19 public school academy, the allocation calculated under this section  
20 is an amount per membership pupil other than special education  
21 pupils in the public school academy equal to the target foundation  
22 allowance specified in subsection (1), or, for a public school  
23 academy that was issued a contract under section 552 of the revised  
24 school code, MCL 380.552, to operate as a school of excellence that  
25 is a cyber school, \$9,150.00. Notwithstanding section 101, for a  
26 public school academy that begins operations after the pupil  
27 membership count day, the amount per membership pupil calculated  
28 under this subsection must be adjusted by multiplying that amount  
29 per membership pupil by the number of hours of pupil instruction



1 provided by the public school academy after it begins operations,  
2 as determined by the department, divided by the minimum number of  
3 hours of pupil instruction required under section 101(3). The  
4 result of this calculation must not exceed the amount per  
5 membership pupil otherwise calculated under this subsection.

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

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

28 (9) The department shall round each fraction used in making  
29 calculations under this section to the fourth decimal place and



1 shall round the dollar amount of an increase in the target  
2 foundation allowance to the nearest whole dollar.

3 ~~(10) For 2022-2023, state payments related to payment of the~~  
4 ~~foundation allowance for a special education pupil are not~~  
5 ~~calculated under this section but are instead calculated as~~  
6 ~~follows:~~

7 ~~(a) Twenty-five percent is calculated under section 51a.~~

8 ~~(b) Seventy-five percent is calculated under section 51e.~~

9 **(10)** ~~(11) For 2023-2024, state~~ **State** payments related to  
10 payment of the foundation allowance for a special education pupil  
11 are not calculated under this section but are instead calculated  
12 under section 51e.

13 **(11)** ~~(12)~~ To assist the legislature in determining the target  
14 foundation allowance for the subsequent fiscal year, each revenue  
15 estimating conference conducted under section 367b of the  
16 management and budget act, 1984 PA 431, MCL 18.1367b, must  
17 calculate a pupil membership factor, a revenue adjustment factor,  
18 and an index as follows:

19 (a) The pupil membership factor is computed by dividing the  
20 estimated membership in the school year ending in the current  
21 fiscal year, excluding intermediate district membership, by the  
22 estimated membership for the school year ending in the subsequent  
23 fiscal year, excluding intermediate district membership. If a  
24 consensus membership factor is not determined at the revenue  
25 estimating conference, the principals of the revenue estimating  
26 conference shall report their estimates to the house and senate  
27 subcommittees responsible for school aid appropriations not later  
28 than 7 days after the conclusion of the revenue conference.

29 (b) The revenue adjustment factor is computed by dividing the



1 sum of the estimated total state school aid fund revenue for the  
 2 subsequent fiscal year plus the estimated total state school aid  
 3 fund revenue for the current fiscal year, adjusted for any change  
 4 in the rate or base of a tax the proceeds of which are deposited in  
 5 that fund and excluding money transferred into that fund from the  
 6 countercyclical budget and economic stabilization fund under the  
 7 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by  
 8 the sum of the estimated total school aid fund revenue for the  
 9 current fiscal year plus the estimated total state school aid fund  
 10 revenue for the immediately preceding fiscal year, adjusted for any  
 11 change in the rate or base of a tax the proceeds of which are  
 12 deposited in that fund. If a consensus revenue factor is not  
 13 determined at the revenue estimating conference, the principals of  
 14 the revenue estimating conference shall report their estimates to  
 15 the house and senate subcommittees responsible for school aid  
 16 appropriations not later than 7 days after the conclusion of the  
 17 revenue conference.

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

25 (12) ~~(13)~~—Payments to districts and public school academies  
 26 are not made under this section. Rather, the calculations under  
 27 this section are used to determine the amount of state payments  
 28 under section 22b.

29 (13) ~~(14)~~—If an amendment to section 2 of article VIII of the



1 state constitution of 1963 allowing state aid to some or all  
 2 nonpublic schools is approved by the voters of this state, each  
 3 foundation allowance or per-pupil payment calculation under this  
 4 section may be reduced.

5 (14) ~~(15)~~—As used in this section:

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

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

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

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

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

28 (f) "Membership" means the definition of that term under  
 29 section 6 as in effect for the particular fiscal year for which a



1 particular calculation is made.

2 (g) "Nonexempt property" means property that is not a  
3 principal residence, qualified agricultural property, qualified  
4 forest property, supportive housing property, industrial personal  
5 property, commercial personal property, or property occupied by a  
6 public school academy.

7 (h) "Principal residence", "qualified agricultural property",  
8 "qualified forest property", "supportive housing property",  
9 "industrial personal property", and "commercial personal property"  
10 mean those terms as defined in section 1211 of the revised school  
11 code, MCL 380.1211.

12 (i) "Receiving district" means a district to which all or part  
13 of the territory of a dissolved district is attached under section  
14 12 of the revised school code, MCL 380.12.

15 (j) "School operating purposes" means the purposes included in  
16 the operation costs of the district as prescribed in sections 7 and  
17 18 and purposes authorized under section 1211 of the revised school  
18 code, MCL 380.1211.

19 (k) "School operating taxes" means local ad valorem property  
20 taxes levied under section 1211 of the revised school code, MCL  
21 380.1211, and retained for school operating purposes.

22 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6  
23 of the recodified tax increment financing act, 2018 PA 57, MCL  
24 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
25 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

26 (m) "Taxable value per membership pupil" means taxable value,  
27 as certified by the county treasurer and reported to the  
28 department, for the calendar year ending in the current state  
29 fiscal year divided by the district's membership excluding special



1 education pupils for the school year ending in the current state  
2 fiscal year.

3       Sec. 20d. In making the final determination required under  
4 former section 20a of a district's combined state and local revenue  
5 per membership pupil in 1993-94 and in making calculations under  
6 section 20 for ~~2023-2024~~, **2024-2025**, the department and the  
7 department of treasury shall comply with all of the following:

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

23       (b) If a district had an adjustment made to its 1993-94 total  
24 state school aid that excluded payments made under former section  
25 146 and under section 147 on behalf of the district's employees who  
26 provided direct services for intermediate district center programs  
27 operated by the district under former section 51 and sections 51a  
28 to 56, if nonresident pupils attending the center programs were  
29 included in the district's membership for purposes of calculating



1 the combined state and local revenue per membership pupil for 1993-  
 2 94, and if there is a signed agreement by all constituent districts  
 3 of the intermediate district agreeing to an adjustment under this  
 4 subdivision, the department shall calculate the foundation  
 5 allowances for 1995-96 and 1996-97 of all districts that had pupils  
 6 attending the intermediate district center program operated by the  
 7 district that had the adjustment as if their combined state and  
 8 local revenue per membership pupil for 1993-94 included resident  
 9 pupils attending the center program and excluded nonresident pupils  
 10 attending the center program.

11       Sec. 21h. (1) From the state school aid fund money  
 12 appropriated in section 11, there is allocated \$6,137,400.00 for  
 13 ~~2023-2024~~**2024-2025** for assisting districts assigned by the  
 14 superintendent to participate in a partnership and districts that  
 15 have established a community engagement advisory committee in  
 16 partnership with the department of treasury, are required to submit  
 17 a deficit elimination plan or an enhanced deficit elimination plan  
 18 under section 1220 of the revised school code, MCL 380.1220, and  
 19 are located in a city with a population between 8,000 and 10,000 as  
 20 determined by the department, that is in a county with a population  
 21 between 150,000 and 160,000, as determined by the department, to  
 22 improve student achievement and district financial stability. The  
 23 superintendent shall collaborate with the state treasurer to  
 24 identify any conditions that may be contributing to low academic  
 25 performance within a district being considered for assignment to a  
 26 partnership. The purpose of the partnership is to identify district  
 27 needs, develop intervention plans, and partner with public,  
 28 private, and nonprofit organizations to coordinate resources and  
 29 improve student achievement. Assignment of a district to a



1 partnership is made by the superintendent in consultation with the  
2 state treasurer.

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

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

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

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

24 (iii) A review of classroom, instructional, and operational  
25 practices and curriculum to ensure alignment with research-based  
26 instructional practices and state curriculum standards.

27 (b) Develop an academic and financial operating or  
28 intervention plan that has been approved by the superintendent and  
29 that addresses the needs identified in the comprehensive needs



1 assessment or evaluation completed under subdivision (a). The  
2 intervention plan must include at least all of the following:

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

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

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

12 (d) Provide access to training for district leadership,  
13 including, but not limited to, the superintendent or chief  
14 administrator and school board or board of directors members, on  
15 areas of education fiscal and policy matters.

16 (3) Upon approval of the academic and financial operating or  
17 intervention plan developed under subsection (2), the department,  
18 in collaboration with the department of treasury, shall assign a  
19 team of individuals with expertise in comprehensive school and  
20 district reform to partner with the district, the intermediate  
21 district, community organizations, education organizations, and  
22 postsecondary institutions identified in the academic and financial  
23 operating or intervention plan to review the district's use of  
24 existing financial resources to ensure that those resources are  
25 being used as efficiently and effectively as possible to improve  
26 student academic achievement and to ensure district financial  
27 stability. The superintendent of public instruction may waive  
28 burdensome administrative rules for a partnership district for the  
29 duration of the partnership agreement and for a district described



1 in subsection (1) that is not a partnership district under this  
2 section and that receives funding under this section in the current  
3 fiscal year.

4 (4) Funds allocated under this section, excluding funds  
5 allocated under subsection (5), may be used to pay for district  
6 expenditures approved by the superintendent to improve student  
7 achievement. Funds may be used for professional development for  
8 teachers or district or school leadership, increased instructional  
9 time, teacher mentors, or other expenditures that directly impact  
10 student achievement and cannot be paid from existing district  
11 financial resources. An eligible district must not receive funds  
12 under this section for more than 3 years. Notwithstanding section  
13 17b, the department shall make payments to districts under this  
14 section on a schedule determined by the department.

15 (5) From the funds allocated under subsection (1), there is  
16 allocated for ~~2023-2024~~**2024-2025** an amount not to exceed  
17 \$137,400.00 for the purchase of a data analytics tool to be used by  
18 districts described in subsection (1). The superintendent of public  
19 instruction shall require districts described in subsection (1) to  
20 purchase a data analytics tool funded under this subsection as part  
21 of the agreements described in this section.

22 (6) The department, in consultation with the department of  
23 treasury, shall annually report to the legislature on the  
24 activities funded under this section and how those activities  
25 impacted student achievement in districts that received funds under  
26 this section. To the extent possible, participating districts  
27 receiving funding under this section shall participate in the  
28 report.

29 ~~(7) In addition to the allocation under subsection (1), from~~



~~1 the state school aid fund money appropriated in section 11, there~~  
~~2 is allocated an amount not to exceed \$36,000,000.00 to districts~~  
~~3 described in subsection (1) for 2023-2024 only for supplemental~~  
~~4 funding to be used by districts for the purposes of this section in~~  
~~5 equal installments of \$12,000,000.00 in each of the fiscal years~~  
~~6 2023-2024, 2024-2025, and 2025-2026. The funds allocated under this~~  
~~7 subsection for 2023-2024 are a work project appropriation, and any~~  
~~8 unexpended funds for 2023-2024 are carried forward into 2024-2025.~~  
~~9 The purpose of the work project is to provide assistance to~~  
~~10 districts eligible for funding under this section. The estimated~~  
~~11 completion date of the work project described in this subsection is~~  
~~12 September 30, 2026.~~

13       Sec. 22a. (1) From the state school aid fund money  
 14 appropriated in section 11, there is allocated an amount not to  
 15 exceed ~~\$4,327,000,000.00~~ **\$4,149,000,000.00** for ~~2022-2023~~ **2023-2024**  
 16 and there is allocated an amount not to exceed ~~\$4,206,000,000.00~~  
 17 **\$4,008,000,000.00** for ~~2023-2024~~ **2024-2025** for payments to districts  
 18 and qualifying public school academies to guarantee each district  
 19 and qualifying public school academy an amount equal to its 1994-95  
 20 total state and local per-pupil revenue for school operating  
 21 purposes under section 11 of article IX of the state constitution  
 22 of 1963. Pursuant to section 11 of article IX of the state  
 23 constitution of 1963, this guarantee does not apply to a district  
 24 in a year in which the district levies a millage rate for school  
 25 district operating purposes less than it levied in 1994. However,  
 26 subsection (2) applies to calculating the payments under this  
 27 section. Funds allocated under this section that are not expended  
 28 in the fiscal year for which they were allocated, as determined by  
 29 the department, may be used to supplement the allocations under



1 sections 22b and 51c to fully fund those allocations for the same  
2 fiscal year.

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

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



1 membership pupil of property in the receiving district that is  
2 commercial personal property do not include property within the  
3 geographic area of the dissolved district; ad valorem property tax  
4 revenue of the receiving district captured under tax increment  
5 financing acts does not include ad valorem property tax revenue  
6 captured within the geographic boundaries of the dissolved district  
7 under tax increment financing acts; and certified mills do not  
8 include the certified mills of the dissolved district. For a  
9 community district, the department shall reduce the allocation as  
10 otherwise calculated under this section by an amount equal to the  
11 amount of local school operating tax revenue that would otherwise  
12 be due to the community district if not for the operation of  
13 section 386 of the revised school code, MCL 380.386, and the amount  
14 of this reduction is offset by the increase in funding under  
15 section 22b(2).

16 (b) For a district that had a 1994-95 foundation allowance  
17 greater than \$6,500.00, the state payment under this subsection is  
18 the sum of the amount calculated under subdivision (a) plus the  
19 amount calculated under this subdivision. The amount calculated  
20 under this subdivision must be equal to the difference between the  
21 district's 1994-95 foundation allowance minus \$6,500.00 and the  
22 current year hold harmless school operating taxes per pupil. If the  
23 result of the calculation under subdivision (a) is negative, the  
24 negative amount is an offset against any state payment calculated  
25 under this subdivision. If the result of a calculation under this  
26 subdivision is negative, there is not a state payment or a  
27 deduction under this subdivision. The taxable values per membership  
28 pupil used in the calculations under this subdivision are as  
29 adjusted by ad valorem property tax revenue captured under tax



1 increment financing acts divided by the district's membership. For  
2 a receiving district, if school operating taxes are to be levied on  
3 behalf of a dissolved district that has been attached in whole or  
4 in part to the receiving district to satisfy debt obligations of  
5 the dissolved district under section 12 of the revised school code,  
6 MCL 380.12, ad valorem property tax revenue captured under tax  
7 increment financing acts do not include ad valorem property tax  
8 revenue captured within the geographic boundaries of the dissolved  
9 district under tax increment financing acts.

10 (3) For pupils in membership in a qualifying public school  
11 academy, there is allocated under this section to the authorizing  
12 body that is the fiscal agent for the qualifying public school  
13 academy for forwarding to the qualifying public school academy an  
14 amount equal to the 1994-95 per-pupil payment to the qualifying  
15 public school academy under section 20.

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

20 (5) Except as otherwise provided in this subsection, for a  
21 district that is formed or reconfigured after June 1, 2000 by  
22 consolidation of 2 or more districts or by annexation, the  
23 resulting district's 1994-95 foundation allowance under this  
24 section beginning after the effective date of the consolidation or  
25 annexation is the average of the 1994-95 foundation allowances of  
26 each of the original or affected districts, calculated as provided  
27 in this section, weighted as to the percentage of pupils in total  
28 membership in the resulting district in the fiscal year in which  
29 the consolidation takes place who reside in the geographic area of



1 each of the original districts. If an affected district's 1994-95  
 2 foundation allowance is less than the 1994-95 basic foundation  
 3 allowance, the amount of that district's 1994-95 foundation  
 4 allowance is considered for the purpose of calculations under this  
 5 subsection to be equal to the amount of the 1994-95 basic  
 6 foundation allowance. This subsection does not apply to a receiving  
 7 district unless there is a subsequent consolidation or annexation  
 8 that affects the district.

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

10 (7) As used in this section:

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

15 (b) "Certified mills" means the lesser of 18 mills or the  
 16 number of mills of school operating taxes levied by the district in  
 17 1993-94.

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

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



1 district.

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

6 (f) "Hold harmless millage" means, for a district with a 1994-  
7 95 foundation allowance greater than \$6,500.00, the number of mills  
8 by which the exemption from the levy of school operating taxes on a  
9 principal residence, qualified agricultural property, qualified  
10 forest property, supportive housing property, industrial personal  
11 property, commercial personal property, and property occupied by a  
12 public school academy could be reduced as provided in section 1211  
13 of the revised school code, MCL 380.1211, and the number of mills  
14 of school operating taxes that could be levied on all property as  
15 provided in section 1211(2) of the revised school code, MCL  
16 380.1211, as certified by the department of treasury for the 1994  
17 tax year. For a receiving district, if school operating taxes are  
18 to be levied on behalf of a dissolved district that has been  
19 attached in whole or in part to the receiving district to satisfy  
20 debt obligations of the dissolved district under section 12 of the  
21 revised school code, MCL 380.12, school operating taxes do not  
22 include school operating taxes levied within the geographic area of  
23 the dissolved district.

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

27 (h) "Nonexempt property" means property that is not a  
28 principal residence, qualified agricultural property, qualified  
29 forest property, supportive housing property, industrial personal



1 property, commercial personal property, or property occupied by a  
2 public school academy.

3 (i) "Principal residence", "qualified agricultural property",  
4 "qualified forest property", "supportive housing property",  
5 "industrial personal property", and "commercial personal property"  
6 mean those terms as defined in section 1211 of the revised school  
7 code, MCL 380.1211.

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

11 (k) "Receiving district" means a district to which all or part  
12 of the territory of a dissolved district is attached under section  
13 12 of the revised school code, MCL 380.12.

14 (l) "School operating taxes" means local ad valorem property  
15 taxes levied under section 1211 of the revised school code, MCL  
16 380.1211, and retained for school operating purposes as defined in  
17 section 20.

18 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6  
19 of the recodified tax increment financing act, 2018 PA 57, MCL  
20 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield  
21 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

24 (i) For the number of mills by which the exemption from the  
25 levy of school operating taxes on a principal residence, qualified  
26 agricultural property, qualified forest property, supportive  
27 housing property, industrial personal property, commercial personal  
28 property, and property occupied by a public school academy may be  
29 reduced as provided in section 1211 of the revised school code, MCL



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

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

23 Sec. 22b. (1) Except as otherwise provided in this section,  
24 for discretionary nonmandated payments to districts under this  
25 section, there is allocated for ~~2022-2023~~**2023-2024** an amount not  
26 to exceed ~~\$5,663,000,000.00~~**\$6,221,000,000.00** from the state school  
27 aid fund and general fund appropriations in section 11 and an  
28 amount not to exceed \$72,000,000.00 from the community district  
29 education trust fund appropriation in section 11, and there is



1 allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed  
2 ~~\$6,236,200,000.00~~ **\$6,500,000,000.00** from the state school aid fund  
3 and general fund appropriations in section 11 and an amount not to  
4 exceed ~~\$72,000,000.00~~ **\$41,000,000.00** from the community district  
5 education trust fund appropriation in section 11. For ~~2022-2023,~~  
6 ~~\$22,400,000.00~~ **2023-2024, \$32,800,000.00** must be deposited from the  
7 general fund into the state school aid fund to reimburse the state  
8 school aid fund for community district education trust fund costs  
9 in excess of \$72,000,000.00, as required under section 12 of the  
10 Michigan trust fund act, 2000 PA 489, MCL 12.262. For ~~2023-2024,~~  
11 ~~\$28,200,000.00~~ **2024-2025, the amount necessary, estimated at**  
12 **\$68,800,000.00** must be deposited from the general fund into the  
13 state school aid fund to reimburse the state school aid fund for  
14 community district education trust fund costs in excess of  
15 ~~\$72,000,000.00,~~ **\$41,000,000.00**, as required under section 12 of the  
16 Michigan trust fund act, 2000 PA 489, MCL 12.262. If the amount  
17 allocated under this subsection from the community district  
18 education trust fund appropriation under section 11 is insufficient  
19 to pay for an increase under this section, any amount exceeding  
20 that allocation may be paid from other allocations under this  
21 subsection. Except for money allocated under this section from the  
22 community district education trust fund appropriation in section  
23 11, funds allocated under this section that are not expended in the  
24 fiscal year for which they were allocated, as determined by the  
25 department, may be used to supplement the allocations under  
26 sections 22a and 51c to fully fund those allocations for the same  
27 fiscal year.

28 (2) Subject to subsection (3) and section 296, the allocation  
29 to a district under this section is an amount equal to the sum of



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

13 (3) ~~In order to~~ **To** receive an allocation under subsection (1),  
14 each district must do all of the following:

15 (a) Comply with section 1280b of the revised school code, MCL  
16 380.1280b.

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

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

22 (d) Comply with section 1230g of the revised school code, MCL  
23 380.1230g.

24 (e) Comply with section 21f.

25 (f) For a district that has entered into a partnership  
26 agreement with the department, comply with section 22p.

27 (4) Districts are encouraged to use funds allocated under this  
28 section for the purchase and support of payroll, human resources,  
29 and other business function software that is compatible with that



1 of the intermediate district in which the district is located and  
2 with other districts located within that intermediate district.

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

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

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



1 is completed upon resolution of the litigation.

2 (8) If the local claims review board or a court of competent  
3 jurisdiction makes a final determination that this state is in  
4 violation of section 29 of article IX of the state constitution of  
5 1963 regarding state payments to districts, the state budget  
6 director shall use work project funds under subsection (7) or  
7 allocate from the discretionary funds for nonmandated payments  
8 under this section the amount as may be necessary to satisfy the  
9 amount owed to districts before making any payments to districts  
10 under subsection (2).

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

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

26 (11) If a lawsuit challenging payments made to districts  
27 related to costs reimbursed by federal title XIX Medicaid funds is  
28 filed against this state, then, for the purpose of addressing  
29 potential liability under such a lawsuit, the state budget director



1 may place funds allocated under this section in escrow or allocate  
 2 money from the funds otherwise allocated under this section, up to  
 3 a maximum of 50% of the amount allocated in subsection (1). If  
 4 funds are placed in escrow under this subsection, those funds are a  
 5 work project appropriation and the funds are carried forward into  
 6 the following fiscal year. The purpose of the work project is to  
 7 provide for any payments that may be awarded to districts as a  
 8 result of the litigation. The work project is completed upon  
 9 resolution of the litigation. In addition, this state reserves the  
 10 right to terminate future federal title XIX Medicaid reimbursement  
 11 payments to districts if the amount or allocation of reimbursed  
 12 funds is challenged in the lawsuit. As used in this subsection,  
 13 "title XIX" means title XIX of the social security act, 42 USC 1396  
 14 to 1396w-6.

15 ~~(12) For 2022-2023 only, from the allocation in subsection (1)~~  
 16 ~~the department may use the amount necessary, estimated at~~  
 17 ~~\$1,000,000.00, for payments to districts for state compliance with~~  
 18 ~~federal maintenance of equity requirements described in the~~  
 19 ~~American rescue plan act of 2021, Public Law 117-2. Notwithstanding~~  
 20 ~~section 17b, the department shall make calculations and payments~~  
 21 ~~under this subsection in a form and manner determined by the~~  
 22 ~~department.~~

23 **(12)** ~~(13)~~ As used in this section:

24 (a) "Dissolved district" means that term as defined in section  
 25 20.

26 (b) "Local school operating revenue" means school operating  
 27 taxes levied under section 1211 of the revised school code, MCL  
 28 380.1211. For a receiving district, if school operating taxes are  
 29 to be levied on behalf of a dissolved district that has been



1 attached in whole or in part to the receiving district to satisfy  
 2 debt obligations of the dissolved district under section 12 of the  
 3 revised school code, MCL 380.12, local school operating revenue  
 4 does not include school operating taxes levied within the  
 5 geographic area of the dissolved district.

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

8 Sec. 22d. (1) From the state school aid fund money  
 9 appropriated under section 11, ~~an amount not to exceed~~  
 10 ~~\$8,858,000.00 is allocated for 2022-2023 and~~ an amount not to  
 11 exceed \$11,601,000.00 **\$12,455,400.00** is allocated for ~~2023-2024~~  
 12 **2024-2025** for supplemental payments to rural districts under this  
 13 section.

14 (2) From the allocation under subsection (1), there is  
 15 allocated for ~~2022-2023 an amount not to exceed \$1,638,300.00 and~~  
 16 ~~there is allocated for 2023-2024~~ **2024-2025** an amount not to exceed  
 17 ~~\$3,520,200.00~~ **\$3,779,500.00** for payments under this subsection to  
 18 eligible districts. A district that meets all of the following is  
 19 an eligible district under this subsection:

20 (a) Operates grades K to 12.

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

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

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

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

27 (3) The amount of the additional funding to each eligible  
 28 district under subsection (2) is determined under a spending plan  
 29 developed as provided in this subsection and approved by the



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

15 (4) Subject to subsection (7), from the allocation in  
 16 subsection (1), there is allocated for ~~2022-2023 an amount not to~~  
 17 ~~exceed \$7,219,700.00 and there is allocated for 2023-2024~~ **2024-2025**  
 18 an amount not to exceed ~~\$7,580,800.00~~ **\$8,139,000.00** for payments  
 19 under this subsection to districts that have fewer than 10.0 pupils  
 20 per square mile, as determined by the department, or that have  
 21 greater than 250 square miles.

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

24 (a) ~~For 2022-2023, an amount equal to \$5,470,400.00 and for~~  
 25 ~~2023-2024, an~~ **An** amount equal to ~~\$5,743,900.00~~ **\$6,166,900.00** is  
 26 allocated to districts with fewer than 8.0 pupils per square mile,  
 27 as determined by the department, on an equal per-pupil basis.

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



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

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

9 (iii) For districts that have greater than 250 square miles,  
 10 have at least 10.0 pupils per square mile, and do not receive  
 11 funding under subsection (2), as determined by the department, the  
 12 allocation is an amount per pupil equal to 100% of the per-pupil  
 13 amount allocated to districts under subdivision (a).

14 (c) If the total funding allocated under subdivision (b) is  
 15 ~~not sufficient~~ **insufficient** to fully fund payments as calculated  
 16 under that subdivision, the department shall prorate payments to  
 17 districts under subdivision (b) on an equal per-pupil basis. If  
 18 funding allocated under subdivision (b) remains unallocated after  
 19 making calculations under that subdivision, the department may  
 20 provide the remaining unallocated funding on an equal per-pupil  
 21 basis to districts receiving funding under subdivision (b) (i) and  
 22 (ii).

23 (6) Subject to subsection (7), from the allocation under  
 24 subsection (1), there is allocated for ~~2023-2024~~ **2024-2025** an  
 25 amount not to exceed ~~\$500,000.00~~ **\$536,900.00** for payments under  
 26 this subsection to districts where each school building operated by  
 27 the district is located on an island that is accessible by bridge.

28 (7) A district receiving funds allocated under subsection (2)  
 29 is not eligible for funding allocated under subsection (4) or (6).



1 A district receiving funds allocated under subsection (6) is not  
2 eligible for funding under subsection (2) or (4).

3 Sec. 22k. (1) The school transportation fund is created as a  
4 separate account within the state school aid fund for the purpose  
5 of supporting district transportation costs.

6 (2) The state treasurer may receive money or other assets from  
7 any source for deposit into the school transportation fund. The  
8 state treasurer shall direct the investment of the school  
9 transportation fund. The state treasurer shall credit to the school  
10 transportation fund interest and earnings from school  
11 transportation fund investments.

12 (3) Money in the school transportation fund at the close of  
13 the fiscal year remains in the school transportation fund and does  
14 not lapse to the state school aid fund or the general fund.

15 (4) The department of treasury is the administrator of the  
16 school transportation fund for auditing purposes.

17 (5) Money available in the school transportation fund must not  
18 be expended without a specific appropriation.

19 (6) For the fiscal year ending September 30, ~~2023~~**2025** only,  
20 ~~\$350,000,000.00~~**\$150,000,000.00** from the state school aid fund must  
21 be deposited into the school transportation fund.

22 Sec. 22l. (1) From the school transportation fund money  
23 appropriated under section 11, there is allocated for ~~2023-2024~~  
24 **2024-2025** only an amount not to exceed \$125,000,000.00 to districts  
25 and intermediate districts for transportation costs. Funding for  
26 each district or intermediate district is as follows:

27 (a) The department must assign each district and intermediate  
28 district to a ~~quartile~~**an octile** based on the number of riders per  
29 square mile and calculate the median cost per rider for each



1 ~~quartile-octile.~~

2 (b) Funds must be distributed to each district and  
3 intermediate district **as follows:**

4 **(i) An initial amount** at the lesser of the ~~quartile's-octile's~~  
5 median cost per rider or the actual transportation cost per general  
6 education ~~student-rider~~ at the district or intermediate district.

7 **(ii) An additional amount for districts and intermediate**  
8 **districts that have outlier costs per rider that are deemed**  
9 **reasonable, as determined by the department.**

10 (c) If funds are insufficient to fully fund payments under  
11 this section, payments may be prorated on an equal percentage  
12 basis.

13 (2) In addition to the funds allocated under subsection (1),  
14 from the school transportation fund money appropriated under  
15 section 11, there is allocated for 2022-2023 only an amount not to  
16 exceed \$200,000.00 to an intermediate district for a study on  
17 district transportation costs. The intermediate district receiving  
18 funds under this subsection must submit a report to the department,  
19 the state budget director, the house and senate appropriations  
20 subcommittees on school aid, and the house and senate fiscal  
21 agencies by February 29, 2024 on the outcomes of the study under  
22 this subsection. **Notwithstanding section 18a, funds allocated under**  
23 **this subsection may be available for expenditure until September**  
24 **30, 2026. A recipient of funding under this subsection must return**  
25 **any unexpended funds to the department in a manner prescribed by**  
26 **the department by not later than October 30, 2026.**

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



1           Sec. 22m. (1) From the state school aid fund money  
2 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
3 **2025** an amount not to exceed \$3,500,000.00 for supporting the  
4 integration of local data systems into the Michigan data hub  
5 network based on common standards and applications that are in  
6 compliance with section 19(6).

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

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

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

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

25           (6) To receive funding under this section, a regional data hub  
26 must have a governance model that ensures local control of data,  
27 data security, and student privacy issues. The integration of data  
28 within each of the regional data hubs must provide for the  
29 actionable use of data by districts and intermediate districts



1 through common reports and dashboards and for efficiently providing  
2 information to meet state and federal reporting purposes.

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

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

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

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

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

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

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

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

25 (g) Creating a governance model to facilitate sustainable  
26 operations of the infrastructure in the future, including  
27 administration, legal agreements, documentation, staffing, hosting,  
28 and funding.

29 (h) Evaluating future data initiatives at all levels to



1 determine whether the initiatives can be enhanced by using the  
2 standardized environment in the Michigan data hub network.

3 (9) ~~Not~~ **By not** later than January 1 of each fiscal year, the  
4 center shall prepare a summary report of information provided by  
5 each entity that received funds under this section that includes  
6 measurable outcomes based on the objectives described under this  
7 section and a summary of compiled data from each entity to provide  
8 a means to evaluate the effectiveness of the project. The center  
9 shall submit the report to the house and senate appropriations  
10 subcommittees on school aid and to the house and senate fiscal  
11 agencies.

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

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

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

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

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

29 (B) At least 1 proficiency or growth outcome based on a



1 benchmark assessment described in section 104h. ~~or 104i, as~~  
 2 ~~applicable.~~

3 (iii) Outcomes that are intended to measure improved high school  
 4 graduation rates, as applicable.

5 (iv) Outcomes that measure attendance rates.

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

17 (c) For a public school academy assigned as a partnership  
 18 district as described in this subsection, a requirement that, if  
 19 reconstitution is imposed on a school that is operated by the  
 20 public school academy and that is subject to the partnership  
 21 agreement, the school must be reconstituted as described in section  
 22 507, 528, or 561, as applicable, of the revised school code, MCL  
 23 380.507, 380.528, and 380.561.

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



1 the following:

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

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

8 (iii) The reconstitution plan for the school must require the  
9 adoption of goals similar to the goals included in the partnership  
10 agreement, with a limit of 3 years to achieve the goals. If the  
11 goals are not achieved within 3 years, the superintendent of public  
12 instruction shall impose a second reconstitution plan.

13 (2) If a district or public school academy is assigned as a  
14 partnership district as described in subsection (1) during the  
15 current fiscal year, it shall ensure that it has a signed  
16 partnership agreement as described in subsection (1) in place by  
17 not later than 90 days after the date that it is assigned as a  
18 partnership district. If a district or public school academy  
19 described in this subsection does not comply with this subsection,  
20 the department shall withhold funding under section 22b for that  
21 district or public school academy until the district or public  
22 school academy has a signed partnership agreement as described in  
23 subsection (1) in place.

24 Sec. 23g. (1) From the state school aid fund money  
25 appropriated in section 11, there is allocated for 2022-2023 only  
26 an amount not to exceed \$150,000,000.00 for payments to eligible  
27 recipients for implementing the MI Kids Back-on-Track program as  
28 described in this section.

29 (2) The department shall pay to each eligible recipient an



1 equal amount per membership pupil who is not proficient in math or  
2 reading based on the most recent state summative assessment.  
3 Eligible recipients must use funding received under this section  
4 only for costs related to implementation of the MI Kids Back-on-  
5 Track program as described in this section. Implementation costs of  
6 the program include, but are not limited to, costs related to  
7 staffing, high-quality training, curriculum needs, student  
8 transportation needs, technology needs, materials, any purpose for  
9 which any district previously used funds allocated under section  
10 98c, or other costs incurred as a result of the provision of  
11 services for the program.

12 (3) From the allocation in subsection (1), there is allocated  
13 \$600,000.00 to the Clinton County Regional Educational Service  
14 Agency to work with the Michigan Association of Intermediate School  
15 Administrators (MAISA), to do all of the following:

16 (a) Provide a report on tutoring programs eligible to be  
17 purchased by eligible recipients using the funding allocated under  
18 subsection (1).

19 (b) Develop and provide technical assistance to eligible  
20 recipients in selecting high-impact tutoring strategies and include  
21 their integration into eligible recipients' Michigan Integrated  
22 Continuous Improvement Process (MICIP) plans. Developing and  
23 providing technical assistance may include the design and  
24 integration of eligible tutoring programs within the  
25 MiStrategyBank.

26 (c) Collect, aggregate, and report data in collaboration with  
27 the MAISA Michigan Collaborative Hub. An amount not to exceed  
28 \$300,000.00 of the funds allocated under this subsection may be  
29 used for this purpose.



1 (d) Provide an annual report of tutoring programs to the  
2 office of the governor, senate and house education committees, the  
3 senate and house appropriations subcommittees on school aid, the  
4 state budget director, and the department based on the criteria  
5 described in subsection (4) to be included in the MiStrategyBank,  
6 and the educational effectiveness as documented at least through  
7 data submitted through the Michigan data hub.

8 (4) The list of eligible tutoring programs contained within  
9 the MiStrategyBank must only consist of tutoring programs,  
10 including, but not limited to, those created by for-profit vendors,  
11 nonprofit vendors, intermediate districts, districts, and the  
12 Michigan Schools for the Deaf and Blind, that are aligned with  
13 high-impact tutoring that must include all of the following  
14 criteria:

15 (a) Tutoring is provided in groups of 4 or fewer students.

16 (b) The tutor or tutors provide consistent service to students  
17 throughout the school year.

18 (c) Tutoring is provided a minimum of 3 times per week for at  
19 least 20 to 30 minutes per session.

20 (d) Except as otherwise provided in this subdivision, tutoring  
21 is implemented throughout the school day. Tutoring that is a  
22 before- or after-school program may be approved if the tutoring  
23 meets the other criteria described in this subsection.

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

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



1 standards.

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

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

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

10 (ii) Implementation of standardized procedures for collecting  
11 data.

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

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

15 (v) Collecting data with fidelity, documented by direct  
16 observation using a checklist with immediate performance feedback.

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

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

22 (i) Have a sufficient number of alternate forms.

23 (ii) Specify minimum acceptable growth.

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

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

28 (j) Tutoring fidelity is established through direct  
29 observation using a checklist with immediate performance feedback



1 provided by a qualified staff person, such as an instructional  
2 coach.

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

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

7 (m) Tutoring assessment and intervention is evidence-based,  
8 with experimental research studies, 1 of which must be published or  
9 pending publication in a peer-reviewed publication.

10 (5) All tutoring programs in the MiStrategyBank must be  
11 reviewed by MAISA. If necessary, MAISA may convene a committee to  
12 review tutoring programs for inclusion in the MiStrategyBank. The  
13 committee described in this subsection must include all of the  
14 following members:

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

17 (b) A representative from the MiMTSS TA Center.

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

20 (d) Two representatives of the department.

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

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

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

27 (6) A district, intermediate district, or the Michigan Schools  
28 for the Deaf and Blind that meets all of the following is an  
29 eligible recipient under this section:



1 (a) It applies for funding in a form and manner prescribed by  
2 the department. An intermediate district may apply on behalf of its  
3 constituent districts.

4 (b) It posts a MI Kids Back-on-Track plan to its website  
5 homepage that describes evidence-based actions the district,  
6 intermediate district, or Michigan Schools for the Deaf and Blind  
7 is taking to respond to student needs related to unfinished  
8 learning and how funds received under this section will create or  
9 expand these efforts. The plan described in this subdivision must  
10 meet the following criteria:

11 (i) Reflect input from educators, parents and legal guardians,  
12 and community members.

13 (ii) Include an analysis of student data and describe student  
14 needs.

15 (iii) Identify evidence-based best practices to be implemented  
16 or expanded in response to student needs.

17 (iv) Include a plan to implement identified tutoring in the  
18 district's, intermediate district's, or Michigan Schools for the  
19 Deaf and Blind's MICIP plan.

20 (c) It implements and maintains functionality on its website  
21 homepage that allows parents, legal guardians, and students to  
22 request additional assistance through the MI Kids Back-on-Track  
23 program.

24 (d) It provides transparency reporting on the MI Kids Back-on-  
25 Track program spending, including posting on its website a  
26 transparency dashboard concerning funding from the federal  
27 elementary and secondary school emergency relief fund used for the  
28 program, in a form and manner prescribed by the department.

29 (e) It ensures that all tutoring is supported by individuals



1 who provide training and coaching. The individuals described in  
2 this subdivision shall meet all of the following criteria:

3 (i) Have established knowledge and expertise in all aspects of  
4 the tutoring program.

5 (ii) Support the integration of the tutoring into a school's  
6 multi-tiered systems of support framework.

7 (iii) Support and provide initial and ongoing professional  
8 development or training of tutors.

9 (iv) Participate in or lead data review meetings of graphed  
10 progress monitoring data of all students being tutored every 4 to 8  
11 weeks.

12 (v) Provide fidelity checks for program implementation using a  
13 checklist with immediate performance feedback.

14 (f) By September 1 of each fiscal year for which it receives  
15 funding under this section, it pledges to provide data through  
16 MiDataHub that includes the outcomes and performance measures of  
17 the tutoring program, including, but not limited to, the degree to  
18 which tutoring is demonstrating sufficient efficacy and impact. The  
19 data submission under this subdivision must include all of the  
20 following:

21 (i) Children and schools receiving tutoring.

22 (ii) Number of children and schools served.

23 (iii) Demographics of children served.

24 (iv) Dosage of tutoring, including frequency and minutes per  
25 week.

26 (v) Percentage of tutoring occurring on days possible.

27 (vi) Whether the assessments and interventions are implemented  
28 with fidelity. This portion of the report must include details on  
29 the total number of assessments and intervention fidelity checks



1 completed and the range and mean of fidelity.

2 (vii) Student growth rate, such as average linear, and outcomes  
3 by grade or age level, in comparison to a criterion-referenced or  
4 norm-referenced targeted growth rate.

5 (viii) Exit rates of students who successfully complete the  
6 tutoring program.

7 (ix) Percentage of students who exit and then maintain their  
8 learning through the end of the school year as demonstrated by a  
9 valid and reliable assessment designed for this purpose, such as a  
10 universal screening assessment.

11 (x) Percentage of students who exit and then meet or exceed  
12 local spring universal screening targets for their grade level.

13 (xi) The impact of the programs on organizations and  
14 stakeholders, including, but not limited to, school administrators,  
15 teachers, kids, families, and tutors.

16 (7) If the department determines that the eligible recipient  
17 has misused the funds allocated under this section, the eligible  
18 recipient shall reimburse the department for the amount of state  
19 funding misused.

20 (8) If data required under subsection (6)(f) are not submitted  
21 via the MiDataHub by September 1 of the current fiscal year, the  
22 eligible recipient must forfeit future funding and may be required  
23 to reimburse funds.

24 (9) The evaluation of programs under this section must be  
25 conducted by an approved department evaluator. If an alternative  
26 evaluator is desired, the eligible recipient must submit a request  
27 in writing with rationale to the department on or before January 1  
28 of the current fiscal year.

29 (10) The superintendent of public instruction shall provide



1 guidelines to eligible recipients on evidence-based best practices  
2 and effective strategies an eligible recipient may use to respond  
3 to unfinished learning and shall provide resources to assist  
4 eligible recipients in implementing the evidence-based practices,  
5 including through high-impact tutoring programs listed in the  
6 MiStrategyBank described in subsection (4). Guidelines may include  
7 technical assistance that may include, but is not limited to,  
8 planning, implementation, and training or coaching.

9 (11) The funds allocated under this section for 2022-2023 are  
10 a work project appropriation, and any unexpended funds for 2022-  
11 2023 are carried forward into 2023-2024. The purpose of the work  
12 project is to address unfinished learning. The estimated completion  
13 date of the work project is September 30, 2025.

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

17 (13) As used in this section, the "MI Kids Back-on-Track  
18 program" means programs provided before school, during school,  
19 after school, or during the summer, directly by the eligible  
20 recipient or in partnership with community-based organizations for  
21 students in any of grades pre-K to 12 in this state that are  
22 designed to address unfinished learning, get students to grade-  
23 level academic standards, provide additional academic assistance to  
24 students at risk of falling behind their peers, or help high school  
25 students prepare for postsecondary education.

26 **(14) Notwithstanding section 18a, funds allocated under this**  
27 **section may be available for expenditure until September 30, 2027.**  
28 **A recipient of funding under this section must return any**  
29 **unexpended funds to the department in the manner prescribed by the**



1 **department by not later than October 30, 2027.**

2       Sec. 23i. (1) From the ~~state school aid~~ **general** fund money  
3 appropriated under section 11, there is allocated an amount not to  
4 exceed ~~\$397,000.00~~ **\$100.00** for ~~2023-2024~~ **2024-2025** only to River  
5 Rouge School District to partner with a **an organization that is**  
6 **exempt from taxation under section 501(c) (3) nonprofit organization**  
7 **that of the internal revenue code of 1986, 26 USC 501, and that**  
8 employs salaried professional mentors who support youth and their  
9 families from grades K to 12.

10       (2) The funds allocated under subsection (1) must be used for  
11 a salaried professional mentorship program that meets all of the  
12 following:

13       (a) The program employs a 2-generational approach to  
14 supporting youth in and outside of the classroom, particularly in  
15 reading and math comprehension.

16       (b) The program supports students and their families by  
17 connecting them to concrete supports like education and employment  
18 pathways, housing, utility assistance, and food security.

19       (c) The program is located in a city with a population greater  
20 than 600,000 in a county with a population greater than 1,500,000  
21 according to the most recent federal decennial census.

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

25       Sec. 24. (1) From the state school aid fund money appropriated  
26 in section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount  
27 not to exceed \$7,650,000.00 for payments to the educating district  
28 or intermediate district for educating pupils assigned by a court  
29 or the department of health and human services to reside in or to



1 attend a juvenile detention facility or child caring institution  
 2 licensed by the department of health and human services and  
 3 approved by the department to provide an on-grounds education  
 4 program. The amount of the payment under this section to a district  
 5 or intermediate district is calculated as prescribed under  
 6 subsection (2).

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

13 (a) "Added cost" means 100% of the added cost each fiscal year  
 14 for educating all pupils assigned by a court or the department of  
 15 health and human services to reside in or to attend a juvenile  
 16 detention facility or child caring institution licensed by the  
 17 department of health and human services or the department of  
 18 licensing and regulatory affairs and approved by the department to  
 19 provide an on-grounds education program. Added cost is computed by  
 20 deducting all other revenue received under this article for pupils  
 21 described in this section from total costs, as approved by the  
 22 department, in whole or in part, for educating those pupils in the  
 23 on-grounds education program or in a program approved by the  
 24 department that is located on property adjacent to a juvenile  
 25 detention facility or child caring institution. Costs reimbursed by  
 26 federal funds are not included.

27 (b) "Department's approved per-pupil allocation" for a  
 28 district or intermediate district is determined by dividing the  
 29 total amount allocated under this section for a fiscal year by the



1 full-time equated membership total for all pupils approved by the  
 2 department to be funded under this section for that fiscal year for  
 3 the district or intermediate district.

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

13 (4) Special education pupils funded under section 53a are not  
 14 funded under this section.

15 Sec. 24a. From the state school aid fund money appropriated in  
 16 section 11, there is allocated an amount not to exceed  
 17 \$1,355,700.00 for ~~2023-2024~~ **2024-2025** for payments to intermediate  
 18 districts for pupils who are placed in juvenile justice service  
 19 facilities operated by the department of health and human services.  
 20 The amount of the payment to each intermediate district is an  
 21 amount equal to the state share of those costs that are clearly and  
 22 directly attributable to the educational programs for pupils placed  
 23 in facilities described in this section that are located within the  
 24 intermediate district's boundaries. The intermediate districts  
 25 receiving payments under this section shall cooperate with the  
 26 department of health and human services to ensure that all funding  
 27 allocated under this section is utilized by the intermediate  
 28 district and department of health and human services for  
 29 educational programs for pupils described in this section. Pupils



1 described in this section are not eligible to be funded under  
 2 section 24. However, a program responsibility or other fiscal  
 3 responsibility associated with these pupils must not be transferred  
 4 from the department of health and human services to a district or  
 5 intermediate district unless the district or intermediate district  
 6 consents to the transfer.

7       Sec. 25f. (1) From the state school aid fund money  
 8 appropriated in section 11, there is allocated an amount not to  
 9 exceed \$1,600,000.00 for ~~2023-2024~~**2024-2025** for payments to strict  
 10 discipline academies and qualified districts, as provided under  
 11 this section.

12       (2) ~~In order to~~**To** receive funding under this section, a  
 13 strict discipline academy or qualified district must first comply  
 14 with section 25e and use the pupil transfer process ~~under described~~  
 15 **in** that section for changes in enrollment as prescribed under that  
 16 section **and apply annually for funding under section 24.**

17       (3) The total amount allocated to a strict discipline academy  
 18 or qualified district under this section ~~must first be distributed~~  
 19 ~~as the lesser of the strict discipline academy's or qualified~~  
 20 ~~district's added cost or the department's approved per-pupil~~  
 21 ~~allocation for the strict discipline academy or qualified district.~~  
 22 ~~Subject to subsection (7), any funds remaining after the first~~  
 23 ~~distribution must be distributed by prorating on an equal per-pupil~~  
 24 ~~membership basis, not to exceed a strict discipline academy's or~~  
 25 ~~qualified district's added cost.~~ **is equal to the strict discipline**  
 26 **academy's or qualified district's pupil membership in the**  
 27 **immediately preceding year multiplied by an amount calculated by**  
 28 **dividing the total allocation under this section by the total pupil**  
 29 **membership for eligible strict discipline academies and qualified**



1 **districts in the immediately preceding year.** However, the sum of  
 2 the amounts received by a strict discipline academy or qualified  
 3 district under this section and under section 24 must not exceed  
 4 the product of the strict discipline academy's or qualified  
 5 district's per-pupil allocation calculated under section 20  
 6 multiplied by the strict discipline academy's or qualified  
 7 district's full-time equated membership. The department shall  
 8 allocate funds to strict discipline academies and qualified  
 9 districts under this section on a monthly basis.

10 (4) Special education pupils funded under section 53a are not  
 11 funded under this section.

12 ~~(5) If the funds allocated under this section are insufficient~~  
 13 ~~to fully fund the adjustments under subsection (3), the department~~  
 14 ~~shall prorate payments under this section on an equal per-pupil~~  
 15 ~~basis.~~

16 (5) ~~(6)~~—The department shall make payments to strict  
 17 discipline academies and qualified districts under this section  
 18 according to the payment schedule under section 17b.

19 (6) ~~(7)~~—For purposes of this section, the pupil membership for  
 20 the current fiscal year for a qualified district is the actual  
 21 number of pupils that are in the custody of a county juvenile  
 22 agency as described in subsection ~~(8)(e)~~. **(7) (a)** .

23 (7) ~~(8)~~—As used in this section:

24 ~~(a) "Added cost" means 100% of the added cost each fiscal year~~  
 25 ~~for educating all pupils enrolled and in regular daily attendance~~  
 26 ~~at a strict discipline academy or qualified district. Added cost~~  
 27 ~~must be computed by deducting all other revenue received under this~~  
 28 ~~article for pupils described in this subdivision from total costs,~~  
 29 ~~as approved by the department, in whole or in part, for educating~~



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

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

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

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

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

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

26 Sec. 25g. (1) From the state school aid fund money  
 27 appropriated in section 11, there is allocated an amount not to  
 28 exceed ~~\$750,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** for the  
 29 purposes of this section. Except as otherwise provided in this



1 section, if the operation of the special membership counting  
 2 provisions under section 6(4)(dd) and the other membership counting  
 3 provisions under section 6(4) result in a pupil being counted as  
 4 more than 1.0 FTE in a fiscal year, ~~then~~ the payment made for the  
 5 pupil under sections 22a and 22b must not be based on more than 1.0  
 6 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is  
 7 paid under this section in an amount equal to that portion  
 8 multiplied by the educating district's foundation allowance or per-  
 9 pupil payment calculated under section 20.

10 (2) Special education pupils funded under section 53a are not  
 11 funded under this section.

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

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

18 Sec. 26a. From the state school aid fund money appropriated in  
 19 section 11, there is allocated an amount not to exceed  
 20 \$14,000,000.00 for ~~2023-2024~~ **2024-2025** to reimburse districts and  
 21 intermediate districts under section 12 of the Michigan renaissance  
 22 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in ~~2023-~~  
 23 **2024**. The department shall pay the allocations **by** not later than 60  
 24 days after the department of treasury certifies to the department  
 25 and to the state budget director that the department of treasury  
 26 has received all necessary information to properly determine the  
 27 amounts due to each eligible recipient.

28 Sec. 26b. (1) From the state school aid fund money  
 29 appropriated in section 11, there is allocated an amount not to



1 exceed \$5,084,000.00 for ~~2023-2024~~**2024-2025** for payments to  
 2 districts, intermediate districts, and community college districts  
 3 for the portion of the payment in lieu of taxes obligation that is  
 4 attributable to districts, intermediate districts, and community  
 5 college districts under section 2154 of the natural resources and  
 6 environmental protection act, 1994 PA 451, MCL 324.2154.

7 (2) If the amount appropriated under this section is ~~not~~  
 8 ~~sufficient~~**insufficient** to fully pay obligations under this  
 9 section, payments are prorated on an equal basis among all eligible  
 10 districts, intermediate districts, and community college districts.

11 Sec. 26c. (1) From the state school aid fund money  
 12 appropriated under section 11, there is allocated an amount not to  
 13 exceed ~~\$20,500,000.00~~**\$28,300,000.00** for ~~2022-2023~~**2023-2024** and  
 14 there is allocated an amount not to exceed ~~\$26,000,000.00~~  
 15 **\$35,100,000.00** for ~~2023-2024~~**2024-2025** to the promise zone fund  
 16 created in subsection (3). The funds allocated under this section  
 17 reflect the amount of revenue from the collection of the state  
 18 education tax captured under section 17 of the Michigan promise  
 19 zone authority act, 2008 PA 549, MCL 390.1677.

20 (2) Funds allocated to the promise zone fund under this  
 21 section must be used solely for payments to eligible districts and  
 22 intermediate districts, in accordance with section 17 of the  
 23 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,  
 24 that have a promise zone development plan approved by the  
 25 department of treasury under section 7 of the Michigan promise zone  
 26 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and  
 27 intermediate districts shall use payments made under this section  
 28 for reimbursement for qualified educational expenses as that term  
 29 is defined in section 3 of the Michigan promise zone authority act,



1 2008 PA 549, MCL 390.1663.

2 (3) The promise zone fund is created as a separate account  
3 within the state school aid fund to be used solely for the purposes  
4 of the Michigan promise zone authority act, 2008 PA 549, MCL  
5 390.1661 to 390.1679. All of the following apply to the promise  
6 zone fund:

7 (a) The state treasurer shall direct the investment of the  
8 promise zone fund. The state treasurer shall credit to the promise  
9 zone fund interest and earnings from fund investments.

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

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

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

21 Sec. 26d. (1) From the state school aid fund money  
22 appropriated under section 11, there is allocated an amount not to  
23 exceed \$14,400,000.00 ~~for 2022-2023 and 2023-2024~~ **for 2024-2025** for  
24 reimbursements to intermediate districts as required under section  
25 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL  
26 125.2665b.

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



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

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

8 Sec. 27a. (1) From the ~~state school aid~~ **educator fellowship**  
 9 **public provider** fund money appropriated in section 11, there is  
 10 allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed  
 11 \$20,000,000.00 and from the ~~general~~ **educator fellowship private**  
 12 **provider** fund money appropriated in section 11, there is allocated  
 13 for ~~2023-2024~~ **2024-2025** an amount not to exceed \$5,000,000.00 for  
 14 the MI future educator fellowship program. The funds allocated  
 15 under this section must be used to offset tuition costs for  
 16 individuals who are working toward earning their initial teacher  
 17 certification.

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

21 (a) Have graduated from high school with a diploma or  
 22 certificate of completion or achieved a high school equivalency  
 23 certificate.

24 (b) Be admitted to an eligible educator preparation program;  
 25 be working toward a teacher certification; be enrolled in enough  
 26 coursework to be considered enrolled full-time during the academic  
 27 year, as determined by the student's educator preparation program,  
 28 or the equivalent of full-time participation for individuals  
 29 enrolled in an alternative certification program, as defined by the



1 department; and, for students at institutions of higher education,  
 2 be considered at least a junior-level student, as determined by the  
 3 institution of higher education.

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

5 (d) Timely complete a grant application in a form and manner  
 6 prescribed by the department of ~~treasury~~**lifelong education,**  
 7 **advancement, and potential.**

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

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

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

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

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

21 (3) To establish continuing eligibility for an award under  
 22 this section at an eligible educator preparation program, an  
 23 individual must meet all of the following conditions:

24 (a) Maintain full-time continuous enrollment in an eligible  
 25 educator preparation program, as determined by the educator  
 26 preparation program, or the equivalent of full-time participation  
 27 for individuals enrolled in an alternative certification program,  
 28 as defined by the department, excluding any period of time missed  
 29 due to a medical or other emergency, as determined by the



1 department of ~~treasury~~-**lifelong education, advancement, and**  
 2 **potential.**

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

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

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

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

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

17 (4) An award under this section must not exceed \$10,000.00 per  
 18 academic year or the cost of tuition at the eligible educator  
 19 preparation program attended, whichever is less. As used in this  
 20 subsection, the cost of tuition at an educator preparation program  
 21 that is an institution of higher education is the in-district  
 22 resident rate plus other required fees, as determined by the  
 23 department of ~~treasury~~-**lifelong education, advancement, and**  
 24 **potential**; and the cost of tuition at an educator preparation  
 25 program that is an alternative certification provider is the cost  
 26 of tuition plus other required fees, as determined by the  
 27 department of ~~treasury~~-**lifelong education, advancement, and**  
 28 **potential.**

29 (5) Awards under this section must be distributed to eligible



1 educator preparation programs on behalf of an eligible recipient on  
 2 a timeline determined by the department of ~~treasury~~**lifelong**  
 3 **education, advancement, and potential.**

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

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

11 (a) For a recipient of funding under this section who received  
 12 an award for 1 academic year, 3 years of work as a certified  
 13 teacher in a public school or a qualifying public preschool program  
 14 in this state.

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

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

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

28 (8) If an award recipient does not maintain enrollment in  
 29 their educator preparation program as required under subsection



1 (3) (a), does not successfully complete their educator preparation  
 2 program, or does not meet the work requirement described in  
 3 subsection (7), any amount received from funds under this section  
 4 converts to a 0% interest loan that must be repaid to this state  
 5 within 10 years, plus any deferment period as determined and  
 6 approved by the department of ~~treasury~~. **lifelong education,**  
 7 **advancement, and potential.** The amount of repayment must be reduced  
 8 proportionate to the number of years worked in schools or  
 9 qualifying public preschool programs in this state as a  
 10 certificated teacher out of 5 years. The department of ~~treasury~~  
 11 **lifelong education, advancement, and potential** shall develop  
 12 guidance to enforce this subsection.

13 (9) An individual may not concurrently receive funding through  
 14 programs funded under this section and grow your own programs  
 15 funded under section 27b.

16 (10) If the amount allocated in subsection (1) is ~~not~~  
 17 ~~sufficient~~ **insufficient** to fully fund awards under this section,  
 18 there is appropriated from the educator fellowship public provider  
 19 fund **in section 27d** or the educator fellowship private provider  
 20 fund **in section 27e**, as applicable, the amount necessary to fully  
 21 fund these programs. The state budget director shall provide  
 22 notification to the house and senate appropriations subcommittees  
 23 on K to 12 school aid and the house and senate fiscal agencies for  
 24 any additional appropriation described under this subsection.

25 (11) Notwithstanding section 17b, the department of ~~treasury~~  
 26 **lifelong education, advancement, and potential** shall make payments  
 27 under this section on a schedule determined by the department of  
 28 ~~treasury~~. **lifelong education, advancement, and potential.**

29 (12) The department of ~~treasury~~ **lifelong education,**



1 **advancement, and potential** shall report to the chairpersons of the  
 2 house appropriations subcommittee on school aid and education and  
 3 the senate appropriations subcommittee on pre-K to 12 by February 1  
 4 of the current fiscal year. The report must include the following:

5 (a) The number and amount of awards granted in the previous  
 6 fiscal year.

7 (b) The number of recipients in the previous fiscal year that  
 8 had their awards converted to loans under subsection (8).

9 (13) As used in this section, "eligible educator preparation  
 10 program" means a public or nonpublic institution of higher  
 11 education or an alternative route provider that meets all of the  
 12 following, as applicable:

13 (a) Is approved by the department to offer teacher preparation  
 14 programming.

15 (b) Enrolls 1 or more future educator fellowship recipients.

16 (c) Has not increased tuition and fee rates above the  
 17 limitations described in section 241c.

18 Sec. 27b. (1) From the state school aid fund money  
 19 appropriated in section 11, there is allocated for ~~2022-2023~~ **2024-**  
 20 **2025** only an amount not to exceed ~~\$20,000,000.00~~ and from the  
 21 ~~federal funding appropriated under section 11, there is allocated~~  
 22 ~~for 2022-2023 only an amount not to exceed \$155,000,000.00 from the~~  
 23 ~~federal funding awarded to this state from the coronavirus state~~  
 24 ~~fiscal recovery fund under the American rescue plan act of 2021,~~  
 25 ~~title IX, subtitle M of Public Law 117-2, \$50,000,000.00~~ to  
 26 districts and intermediate districts for a grow your own program as  
 27 described in subsection (2).

28 (2) Districts and intermediate districts receiving funding  
 29 under this section shall use the funding to implement a grow your



1 own program. A grow your own program described in this subsection  
 2 must be implemented to improve the teacher talent pipeline and  
 3 provide a no-cost pathway for support staff members to become  
 4 certified teachers. Allowable expenses for grow your own programs  
 5 include, but are not limited to:

6 (a) Tuition and fees for attendance at a state-approved  
 7 education preparation provider for an accelerated degree, for a  
 8 traditional bachelor's degree for current staff who are not  
 9 teachers, or for an advanced degree. As used in this subdivision,  
 10 "advanced degree" includes, but is not limited to, a  
 11 postbaccalaureate credential or certificate.

12 (b) Books.

13 (c) Testing fees.

14 (d) Travel to and from coursework.

15 (e) Substitute employee salary and wages for the duration of  
 16 the educator preparation program attended by the recipient staff of  
 17 the district or intermediate district.

18 (f) Costs for curriculum, materials, professional development,  
 19 and hands-on-learning experiences to implement a program within the  
 20 district or intermediate district to encourage students in any of  
 21 grades 6 ~~through~~ to 12 to consider a career in education. Not more  
 22 than 10% of funds received by a district or intermediate district  
 23 under this section may be used for this purpose.

24 (3) The department shall establish a grant process to  
 25 distribute funds under this section. A district or intermediate  
 26 ~~school~~-district must apply for funds in a form and manner  
 27 prescribed by the department. As part of the application described  
 28 in this subsection, a district or intermediate district must submit  
 29 the following information and assurances:



1 (a) Demonstrated need for funding in the district or  
2 intermediate district or the broader community, including projected  
3 workforce needs, and a proposed spending plan on how the funds will  
4 be utilized that includes expected tuition, fees, and books for the  
5 program.

6 (b) Number of support staff projected to participate in a grow  
7 your own program described in this section.

8 (c) For funds for the purposes described in subsection (2)(f),  
9 a description of the program being implemented and the number of  
10 students the program is intended to reach.

11 (d) Assurances that the pathway will be no cost for  
12 participants and that participants will be compensated as an  
13 employee for the duration of their training, including a paid  
14 residency or student teaching.

15 (e) Identification of eligible recipients and a pledge to hire  
16 an eligible recipient as a full-time teacher upon their receipt of  
17 an initial teaching certificate and provide for student teaching  
18 opportunities.

19 (f) A pledge that, before providing funding under this section  
20 to an eligible recipient, the district or intermediate district  
21 will require that the eligible recipient pledge to serve as a full-  
22 time teacher at the district or intermediate district for at least  
23 the same number of years as the recipient participated in a grow  
24 your own program. If the district or intermediate district is  
25 unable to hire an eligible recipient as required under subdivision  
26 (e), the eligible recipient may serve the years the recipient  
27 pledged to serve under this subdivision at another district,  
28 intermediate district, or nonpublic school.

29 (4) An individual may not concurrently receive funding for



1 programs under this section and programs funded under sections 27a  
2 and 27c.

3 ~~(5) The federal funding allocated under this section is~~  
4 ~~intended to respond to the COVID-19 public health emergency and its~~  
5 ~~negative impacts.~~

6 (5) ~~(6)~~ Notwithstanding section 17b, the department shall make  
7 payments under this section on a schedule determined by the  
8 department.

9 (6) ~~(7)~~ The funds allocated under this section for ~~2022-2023~~  
10 **2024-2025** are a work project appropriation, and any unexpended  
11 funds for ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-~~  
12 **2025-2026**. The purpose of the work project is to continue support  
13 for grow your own programs in districts and intermediate districts.  
14 The estimated completion date of the work project is ~~December 31,~~  
15 **2026. September 30, 2028.**

16 Sec. 27c. (1) From the state school aid fund money  
17 appropriated in section 11, there is allocated ~~\$50,000,000.00~~  
18 **\$25,000,000.00** for ~~2023-2024-2024-2025~~ **and from the educator**  
19 **fellowship public provider fund money appropriated in section 11,**  
20 **there is allocated \$25,000,000.00 for 2024-2025** for the MI future  
21 educator student teacher stipend program. Except as otherwise  
22 provided in this section, the funds allocated under this section  
23 must be paid to eligible educator preparation programs for payments  
24 to eligible student teachers working in a district.

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

27 (a) The individual must be admitted to an eligible educator  
28 preparation program, be working toward a teacher certification, be  
29 participating in required student teaching coursework, and be



1 maintaining satisfactory academic progress. As used in this  
 2 subdivision, "required student teaching coursework" means credit  
 3 hours, or the program equivalent, required by an eligible educator  
 4 preparation program for successful completion of the program. This  
 5 coursework must include regular placement in a district where the  
 6 student gains real-world, first-hand experience working in a  
 7 classroom, teaching students, engaging in the day-to-day activities  
 8 of a certified teacher, and working daily under the guidance of a  
 9 certified teacher.

10 (b) The individual must timely complete an application in a  
 11 form and manner prescribed by the department of ~~treasury~~**-lifelong**  
 12 **education, advancement, and potential**. The application must include  
 13 the district in which the individual is working as a student  
 14 teacher and must include a certification by the district and the  
 15 individual's eligible educator preparation program that the student  
 16 is working as a student teacher. If the individual's eligible  
 17 educator preparation program is not provided by a public  
 18 institution of higher education, the district in which the  
 19 individual is working must also provide an assurance that they will  
 20 forward any amount received under this section from the department  
 21 of ~~treasury~~**-lifelong education, advancement, and potential** for  
 22 purposes of the program described in this section to the  
 23 individual's eligible educator preparation program.

24 (c) The individual must not have received a payment from funds  
 25 under this subsection previously, unless the individual is enrolled  
 26 in an eligible educator preparation program that requires multiple  
 27 semesters of student teaching.

28 (d) If an individual is employed by their district as a  
 29 teacher of record, they are not eligible for payment under this



1 section.

2 (e) An individual that is a current City Year corps member  
3 enrolled in an eligible educator preparation program is eligible  
4 for payment under this section.

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

24 (4) Eligible educator preparation programs shall pay funds  
25 received under this section, in entirety, to the eligible student  
26 teacher.

27 (5) Notwithstanding section 17b, the department of ~~treasury~~  
28 **lifelong education, advancement, and potential** shall make payments  
29 under this section on a schedule determined by the department of



1 ~~treasury~~-lifelong education, advancement, and potential.

2 (6) If the amount allocated in subsection (1) is insufficient  
 3 to fully fund awards under this section, there is appropriated from  
 4 the educator fellowship public provider fund in section 27d the  
 5 amount necessary to fully fund the programs described in this  
 6 section. The state budget director shall notify the house and  
 7 senate appropriations subcommittees on K to 12 school aid and the  
 8 house and senate fiscal agencies of any additional appropriation  
 9 described in this subsection.

10 (7) ~~(6)~~As used in this section, "eligible educator  
 11 preparation program" means an institution of higher education that  
 12 meets all of the following:

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

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

17 (c) Has not increased tuition and fee rates above the  
 18 limitations described in section 241c.

19 Sec. 27d. (1) The educator fellowship public provider fund is  
 20 created as a separate account within the state school aid fund for  
 21 the purpose of improving the educator workforce through recruitment  
 22 efforts for students attending public educator preparation  
 23 programs.

24 (2) The state treasurer may receive money or other assets from  
 25 any source for deposit into the educator fellowship public provider  
 26 fund. The state treasurer shall direct the investment of the  
 27 educator fellowship public provider fund. The state treasurer shall  
 28 credit to the educator fellowship public provider fund interest and  
 29 earnings from educator fellowship public provider fund investments.



1 (3) Money in the educator fellowship public provider fund at  
 2 the close of the fiscal year remains in the educator fellowship  
 3 public provider fund and does not lapse to the state school aid  
 4 fund.

5 (4) The department of treasury is the administrator of the  
 6 educator fellowship public provider fund for auditing purposes.

7 (5) The department of treasury shall expend money from the  
 8 educator fellowship public provider fund, upon appropriation, for  
 9 the purposes described in section ~~27a(10)~~ **27a** for students admitted  
 10 to public educator preparation programs **and for the purposes**  
 11 **described in section 27c.**

12 ~~(6) For the fiscal year ending September 30, 2022 only,~~  
 13 ~~\$235,000,000.00 from the state school aid fund is deposited into~~  
 14 ~~the educator fellowship public programs fund.~~

15 **Sec. 27f. (1) From the state school aid fund money**  
 16 **appropriated in section 11, there is allocated for 2024-2025 only**  
 17 **\$4,000,000.00 to a district or intermediate district to partner**  
 18 **with the Michigan Education Justice Coalition for the purposes of**  
 19 **this section.**

20 (2) From the allocation in subsection (1), \$2,800,000.00 is  
 21 allocated to create and implement a toolkit that is evidence-based  
 22 and provides culturally responsive intervention and solutions to  
 23 address racial disparities in public education in grades K to 12.  
 24 The toolkit described in this subsection must be used in a pilot  
 25 program for the 2024-2025 school year to increase black and  
 26 African-American student achievement.

27 (3) From the allocation in subsection (1), \$600,000.00 is  
 28 allocated to fund a participatory action research study with  
 29 teachers of color in districts with higher concentrations of



1 poverty and lower academic outcomes, as determined by the Michigan  
2 Education Justice Coalition. The purpose of the research in this  
3 subsection is to increase recruitment and retention for educators  
4 in Michigan.

5 (4) From the allocation in subsection (1), \$550,000.00 is  
6 allocated to investigate the school to prison pipeline. The goal of  
7 the research in this subsection is to identify and create long-term  
8 solutions and interventions to reduce incarceration of individuals  
9 who, before incarceration, resided in 1 of the 17 cities in this  
10 state where African-American residents are a majority or plurality  
11 of residents according to the most recent federal decennial census.

12 (5) From the allocation in subsection (1), \$50,000.00 may be  
13 retained by the district or intermediate district for costs related  
14 to the administration of the program and studies described in this  
15 section.

16 (6) By not later than September 30, 2027, a district or  
17 intermediate district that receives funding under this section must  
18 submit a written report to the department, the state budget office,  
19 the senate appropriations subcommittee on pre-K to 12, and the  
20 house appropriations subcommittee on school aid and education. The  
21 report must include a description of the research and results from  
22 the studies funded in subsections (2) to (4). The report must  
23 include recommendations for policymakers to increase black and  
24 African-American student achievement, to increase the number of  
25 educators in this state, and to reduce incarceration rates for  
26 residents of the state.

27 (7) Notwithstanding section 18a, funds allocated under this  
28 section for 2024-2025 may be available for expenditure until  
29 September 30, 2027. A recipient of funding under this section must



1 return any unexpended funds to the department in the manner  
 2 prescribed by the department by not later than October 30, 2027.

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

6 Sec. 27g. (1) From the state school aid fund money  
 7 appropriated in section 11, there is allocated for ~~2022-2023-2024-~~  
 8 ~~2025~~ only an amount not to exceed ~~\$10,000,000.00~~ **\$18,000,000.00** to  
 9 intermediate districts and consortia of intermediate districts  
 10 based on the number of pupils in membership in constituent  
 11 districts of the intermediate district or consortium of  
 12 intermediate districts to support ~~the Talent Together coalition as~~  
 13 ~~described in this section.~~ **educator talent initiatives and programs.**

14 (2) Intermediate districts and consortia of intermediate  
 15 districts shall use the money received under this section to  
 16 partner with 1 eligible nonprofit to provide funding, programs, and  
 17 technical assistance for the following activities:

18 (a) Teacher recruitment, teacher retention, and teacher  
 19 development to ensure greater efficacy, satisfaction, and outcomes.

20 (b) Improve teacher certification programs to increase quality  
 21 and retention, and to foster close relationships with schools.

22 (c) Provide school leader development programs to increase  
 23 educator retention and efficacy.

24 (d) Serve as a convener and hub for innovation and  
 25 conversation to support collaboration and coordination among this  
 26 state's educator talent efforts.

27 (e) Promote research so that this state can learn from its  
 28 investments and innovations and become a top state for educators.

29 (3) Notwithstanding section 17b, the department shall make



1 payments under this section on a schedule determined by the  
2 department.

3 (4) As used in this section, "eligible nonprofit" means an  
4 entity that meets all of the following criteria, as determined by  
5 the department:

6 (a) Is based in this state.

7 (b) Operates statewide.

8 (c) Is ~~a non-higher education institution~~ **an organization that**  
9 **is exempt from taxation** under section 501(c)(3) of the internal  
10 revenue code of 1986, 26 USC 501, **and the organization is not a**  
11 **higher education organization.**

12 (d) Has formal partnerships with more than 35 intermediate  
13 districts in this state.

14 (e) Has launched a statewide grow your own program in  
15 partnership with intermediate districts.

16 (f) Has staff experienced in implementing research-based  
17 programs in all of the following areas:

18 (i) Teacher recruitment.

19 (ii) Teacher development.

20 (iii) Teacher retention.

21 (iv) Teacher certification.

22 (v) School leader development.

23 (vi) School leader retention.

24 (g) Has staff experienced in designing and developing a  
25 department-approved grow your own program.

26 Sec. 27m. (1) From the state school aid fund money  
27 appropriated under section 11, there is allocated for ~~2023-2024~~  
28 ~~only,~~ **2024-2025** \$4,000,000.00 to districts and intermediate  
29 districts to fund financial awards to eligible Michigan teachers



1 who hold National Board Certification.

2 (2) A district or intermediate district must apply in a form  
3 and manner determined by the department. Awards must be granted as  
4 \$4,000.00 to all eligible teachers who hold National Board  
5 Certification, and an additional \$6,000.00 for eligible teachers  
6 who hold National Board Certification and serve in ~~Title~~**title** I  
7 schools.

8 (3) To be eligible to receive an award, eligible teachers must  
9 meet the following, as applicable:

10 (a) Be employed in classroom teaching at least 50% of the  
11 teacher's full-time hours, as determined by the district or  
12 intermediate district.

13 (b) To receive an award under subsection (4), hold National  
14 Board Certification by January 1 ~~, 2024.~~**of the current fiscal year.**

15 (4) Subject to subsection (6), and notwithstanding section  
16 17b, awards under subsection (2) must be paid to the districts and  
17 intermediate districts by April 30 ~~, 2024.~~**of the current fiscal**  
18 **year.**

19 (5) If the amount allocated under subsection (1) is  
20 insufficient to fully make payments to all eligible participants as  
21 required under subsection (1), the department shall prorate the  
22 amount paid to districts and intermediate districts to distribute  
23 to all eligible participants on an equal basis.

24 (6) If funding remains after the awards under subsection (4)  
25 are granted, the department shall grant additional awards under  
26 subsection (2) on a first-come, first-served basis. An eligible  
27 teacher may receive more than 1 award under subsection (2), but  
28 shall not receive more than 1 award in a single fiscal year.

29 (7) ~~In addition to~~**From** the funds allocated in subsection (1),



1 an amount not to exceed \$1,000,000.00 ~~for 2023-2024 only from the~~  
 2 ~~state school aid fund money appropriated in section 11 must be used~~  
 3 **is allocated** for eligible teachers to cover National Board for  
 4 Professional Teaching Standards Certification fees for first-time  
 5 candidates in ~~Title~~-**title** I schools.

6 (8) A district or intermediate district shall apply for  
 7 funding under subsection (7) in a form and manner determined by the  
 8 department. The department shall approve applications under  
 9 subsection (7) on a first-come, first-served basis. Notwithstanding  
 10 section 17b, awards under subsection (7) must be paid on a schedule  
 11 determined by the department.

12 (9) The funds allocated under this section for ~~2023-2024-2024-~~  
 13 **2025** are a work project appropriation, and any unexpended funds for  
 14 ~~2023-2024-2024-2025~~ are carried forward into ~~2024-2025-2025-2026~~.  
 15 The purpose of the work project is to enable and encourage teachers  
 16 to get National Board Certification. The estimated completion date  
 17 of the work project is September 30, ~~2026-2027~~.

18 (10) As used in this section, "eligible teacher" includes  
 19 individuals who hold a valid or expired Michigan teaching  
 20 certificate and are employed by the district or intermediate  
 21 district as teachers, including those in teacher leadership roles  
 22 as a peer assistance and review coach, mentor, or other teacher  
 23 support provider if the position does not require a school  
 24 administrator certificate.

25 Sec. 270. (1) From the ~~state school aid~~ **general** fund money  
 26 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
 27 **2025** only an amount not to exceed ~~\$2,000,000.00~~ **\$100.00** for ~~Eaton~~  
 28 ~~Regional Education Service Agency~~ for a Learner Wallet pilot  
 29 tutoring initiative that includes all of the following:



1 (a) The provision of a real-time student tracking tool for  
 2 each teacher and tutor. The tool described in this subdivision must  
 3 track and record the academic performance results for each student  
 4 who is a candidate for tutoring services. The tool may also track  
 5 academic and nonacademic experiences.

6 (b) The provision of a real-time tracker tool to each student  
 7 engaged in tutoring services. The tool described in this  
 8 subdivision must be a secure, private online data management tool  
 9 to store evidence of the student's academic and skills-based  
 10 achievements. The tool must be tied to the Michigan data hub system  
 11 and allow for exporting and importing into the data hub.

12 (c) The ability for each student engaged in tutoring services  
 13 to share the real-time tracker tool under subdivision (b) with the  
 14 student's tutor and allow the tutor to input credentials to the  
 15 student tracking tool under subdivision (a) to give credit for  
 16 frequency, type, and achievements for the tutoring program.

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

20 Sec. 27p. (1) From the state school aid fund money  
 21 appropriated in section 11, there is allocated for ~~2022-2023-2024-~~  
 22 **2025** only an amount not to exceed ~~\$66,353,000.00~~ **\$42,000,000.00** to  
 23 Marquette-Alger RESA for an apprenticeship model grow your own  
 24 program as part of a consortia of at least 45 intermediate  
 25 districts.

26 (2) The intermediate district receiving funding under this  
 27 section shall use the funding to implement a grow your own program.  
 28 A grow your own program described in this section must be  
 29 implemented to improve the teacher talent pipeline and provide a



1 no-cost pathway for support staff members to become certified  
 2 teachers. Allowable expenses for grow your own programs under this  
 3 section include, but are not limited to, all of the following:

4 (a) Tuition and fees for an accelerated degree, for a  
 5 traditional bachelor's degree for current candidates who are not  
 6 teachers, or for an advanced degree.

7 (b) Books.

8 (c) Testing fees.

9 (d) Travel to and from coursework.

10 (e) Substitute employee salary and wages for the duration of  
 11 the educator preparation program attended by the recipient staff of  
 12 the district or intermediate district.

13 (f) Costs for curriculum, materials, professional development,  
 14 and hands-on-learning experiences to implement a program within the  
 15 district or intermediate district to encourage students in any of  
 16 grades 6 to 12 to consider a career in education. Not more than 10%  
 17 of funds received by a district or intermediate district under this  
 18 section may be used for this purpose.

19 (3) An intermediate district may not concurrently receive  
 20 funding under this section and receive funding under section 27b  
 21 for ~~2022-2023, 2024-2025~~, unless already awarded by the department  
 22 under section 27b before July 1, ~~2023-2024~~. **An intermediate**  
 23 **district receiving funding under this section shall not give**  
 24 **funding received under this section to a constituent district that**  
 25 **is receiving funding under section 27b.**

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

29 (5) The funds allocated under this section for ~~2022-2023-2024-~~



1 2025 are a work project appropriation, and any unexpended funds for  
2 ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-2025-2026~~.  
3 The purpose of the work project is to continue support for the grow  
4 your own programs under this section. The estimated completion date  
5 of the work project is ~~December 31, 2026~~. **September 30, 2027**.

6 **Sec. 27r. (1) From the state school aid fund money**  
7 **appropriated in section 11, there is allocated for 2024-2025 only**  
8 **\$10,000,000.00 to eligible districts to create a teacher leadership**  
9 **program within schools.**

10 (2) A district shall apply in a form and manner determined by  
11 the department. The application must include at least all of the  
12 following:

13 (a) Certification that teacher leaders will be selected from  
14 teachers who work within title I schools.

15 (b) Certification that the district will pay each teacher  
16 leader an additional stipend of at least \$15,000.00 per year for 2  
17 years using the funds under this section.

18 (c) A description of the teacher leader role the district will  
19 use.

20 (d) The criteria that will be used to select teacher leaders.

21 (e) An agreement that the district will share data related to  
22 the program, as requested by the selected district or intermediate  
23 district under subsection (7).

24 (3) The grant amount must be \$60,000.00 per teacher leader  
25 position identified in the application. Teacher leader roles must  
26 be paid an additional stipend of at least \$15,000.00 per year and  
27 the positions must be funded for 2 years. The amount of the grant  
28 remaining after payment of the stipend must be made available to  
29 the district to be used for other costs associated with



1 administering the program, including, but not limited to,  
2 supplementing staff, operational support, professional development,  
3 and other teacher leader related activities. If a selected  
4 candidate is unable to maintain the additional leadership  
5 responsibilities for at least 2 years, as determined either by the  
6 candidate or the district, the district must select another  
7 eligible candidate for the remainder of the 2 years or return a  
8 proportionate amount of the grant to the department.

9 (4) The responsibilities of teacher leaders must include at  
10 least all of following:

11 (a) The teacher must serve as the lead teacher in a classroom  
12 for not less than 50% of the typical school day.

13 (b) The teacher's classroom must serve as a model classroom  
14 for observation.

15 (c) The teacher must lead professional development or serve as  
16 a mentor or coach for novice teachers.

17 (d) The teacher must have some school- or district-level  
18 responsibilities, as determined by the district.

19 (5) Districts shall use the following criteria to select  
20 candidates for the teacher leadership program:

21 (a) A track record of strong student academic outcomes, as  
22 determined by the district.

23 (b) The ability to foster noncognitive skills in the  
24 candidate's students, as determined by the district.

25 (c) The ability to create educational opportunity and equity  
26 inside and outside of the candidate's classroom, as determined by  
27 the district.

28 (d) The ability to serve as an example to other educators, as  
29 determined by the district.



1 (e) Any other qualifications the district determines would  
2 make a candidate ideal for a leadership position within a school.

3 (6) If funding is insufficient to pay full grant amounts for  
4 all eligible applicants, the department must reduce the number of  
5 teacher leader grants approved. In making reductions, the  
6 department shall attempt to ensure that grants are allocated to  
7 urban, suburban, and rural districts in roughly the same proportion  
8 as the total distribution of pupils.

9 (7) From the funds allocated in subsection (1), \$2,000,000.00  
10 is allocated to a district or an intermediate district to study the  
11 impact of the teacher leadership program. The selected district or  
12 intermediate district shall assist the department to answer  
13 questions from districts regarding the teacher leadership program.  
14 The selected district or intermediate district shall collect data  
15 from participating districts to help determine the success of the  
16 teacher leadership program. By not later than December 31, 2026,  
17 the selected district or intermediate district shall share the  
18 selected district's or intermediate district's findings with the  
19 department, the state budget office, the senate appropriations  
20 subcommittee on pre-K to 12, and the house appropriations  
21 subcommittee on school aid and education.

22 (8) The funds allocated under this section for 2024-2025 are a  
23 work project appropriation, and any unexpended funds for 2024-2025  
24 are carried forward into 2025-2026. The purpose of the work project  
25 is to fund teacher leadership programs and to study the impact of  
26 the teacher leadership program. The estimated completion date of  
27 the work project is September 30, 2026.

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



1 department.

2       Sec. 27s. (1) From the state school aid fund money  
3 appropriated in section 11, there is allocated for 2024-2025 only  
4 \$2,500,000.00 to a district or an intermediate district to support  
5 the activities of the Black Male Educators Alliance. The district  
6 or intermediate district shall use the funding allocated in this  
7 section to partner with the Black Male Educator Alliance.

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

11       Sec. 27t. (1) From the state school aid fund money  
12 appropriated in section 11, there is allocated for 2024-2025 only  
13 \$1,000,000.00 to Delta-Schoolcraft Intermediate School District to  
14 partner with the Michigan Association of Secondary School  
15 Principals to implement the Michigan Leadership for Equity and  
16 Transformation Fellowship.

17       (2) The Michigan Leadership for Equity and Transformation  
18 Fellowship must do all of the following:

19       (a) Enroll at least 5 cohorts of at least 20 assistant  
20 principals each.

21       (b) Select fellows to prioritize regional, cultural, and  
22 gender diversity.

23       (c) Use the Center for Educational Leadership's Four  
24 Dimensions of Leadership to develop the capacity of the emerging  
25 principals.

26       (d) Engage fellows in collaborative action research to study  
27 and create solutions for current problems of practice on equity and  
28 post-secondary attainment that challenge students in this state  
29 within the students' current school context and design and test



1 solutions that can be applied to address the broader challenges  
2 facing this state.

3 (3) The funds allocated under this section for 2024-2025 are a  
4 work project appropriation, and any funds for 2024-2025 are carried  
5 forward into 2025-2026. The purpose of the work project is to  
6 implement the Michigan Leadership for Equity and Transformation  
7 Fellowship as described in this section. The estimated completion  
8 date of the work project is September 30, 2029. It is the intent of  
9 the legislature that up to \$200,000.00 be expended for each cohort  
10 described in subsection (2) (a).

11 Sec. 28. (1) To recognize differentiated instructional costs  
12 for different types of pupils **as well as additional costs to**  
13 **provide essential services** in ~~2023-2024, 2024-2025~~, the following  
14 sections provide a weighted foundation allocation or an additional  
15 payment of some type in the following amounts, as allocated under  
16 those sections:

17 (a) Section 22d, isolated and rural districts,  
18 ~~\$11,601,000.00.~~ **\$12,455,400.00.**

19 (b) Section 22l, transportation reimbursement, \$125,000,000.00.

20 (c) **Section 29, declining enrollment, \$92,600,000.00.**

21 (d) ~~(e)~~ Section 31a, at risk,  
22 ~~\$952,000,000.00.~~ **\$1,022,100,000.00.**

23 (e) **Section 32d, great start readiness program,**  
24 **\$639,370,000.00.**

25 (f) ~~(d)~~ Section 41, bilingual education for English language  
26 learners, ~~\$39,766,500.00.~~ **\$44,727,500.00**

27 (g) ~~(e)~~ Section 51c, special education, mandated percentages,  
28 ~~\$820,000,000.00.~~ **\$1,014,500,000.00.**

29 (h) **Section 54d, early on, \$39,313,000.00.**



1           (i) ~~(f)~~—Section 61a, career and technical education, standard  
2 reimbursement, \$48,011,300.00.

3           (j) ~~(g)~~—Section 61d, career and technical education  
4 incentives, \$5,000,000.00.

5           (k) **Section 147a(1), Michigan public school employees'**  
6 **retirement system cost offset, \$402,739,000.00.**

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

10           Sec. 29. (1) The enrollment stabilization fund is created as a  
11 separate account in the state school aid fund for the purpose of  
12 stabilizing the effects of declining enrollment.

13           (2) The state treasurer may receive money or other assets from  
14 any source for deposit into the enrollment stabilization fund. The  
15 state treasurer shall direct the investment of the enrollment  
16 stabilization fund. The state treasurer shall credit to the  
17 enrollment stabilization fund interest and earnings from enrollment  
18 stabilization fund investments.

19           (3) Money in the enrollment stabilization fund at the close of  
20 the fiscal year remains in the enrollment stabilization fund and  
21 does not lapse to the state school aid fund or the general fund.

22           (4) The department of treasury is the administrator of the  
23 enrollment stabilization fund for auditing purposes.

24           (5) Money available in the enrollment stabilization fund must  
25 not be expended without a specific appropriation.

26           (6) For the fiscal year ending September 30, ~~2023–2025~~ only,  
27 ~~\$314,000,000.00~~ **\$100,000,000.00** from the state school aid fund is  
28 deposited into the enrollment stabilization fund.

29           (7) From the enrollment stabilization fund money appropriated



1 under section 11, there is allocated an amount not to exceed  
 2 ~~\$71,000,000.00~~ **\$92,600,000.00** for ~~2023-2024~~ **2024-2025** for districts  
 3 and intermediate districts for which membership in the immediately  
 4 preceding fiscal year, as calculated under section 6 in the  
 5 immediately preceding fiscal year, exceeds membership in the  
 6 current fiscal year, as calculated under section 6 in the current  
 7 fiscal year.

8 (8) The allocation under subsection (7) must be an amount  
 9 equal to the sum of the product of .50 and the district's or  
 10 intermediate district's membership for the immediately preceding  
 11 fiscal year, as calculated under section 6 of the immediately  
 12 preceding fiscal year, and the product of .50 and the district's or  
 13 intermediate district's membership in the current fiscal year, as  
 14 calculated under section 6 of the current fiscal year, minus the  
 15 district's or intermediate district's membership in the current  
 16 fiscal year, as calculated under section 6 of the current fiscal  
 17 year, multiplied by the target foundation allowance for the current  
 18 fiscal year.

19 **(9) If the amount allocated under subsection (7) is**  
 20 **insufficient to provide funding as calculated under subsection (8),**  
 21 **there is appropriated from the enrollment stabilization fund the**  
 22 **amount necessary to fully provide funding.**

23 Sec. 30d. (1) From the state school aid fund money  
 24 appropriated in section 11, there is allocated an amount not to  
 25 exceed \$100,000,000.00 for 2023-2024, and **an amount not to exceed**  
 26 **\$120,000,000.00 for 2024-2025,** and from the school meals reserve  
 27 fund money appropriated in section 11, there is allocated an amount  
 28 not to exceed ~~\$25,000,000.00~~ **\$90,000,000.00** for ~~2022-2023~~ **2023-2024**  
 29 and an amount not to exceed ~~\$60,000,000.00~~ **\$80,000,000.00** for ~~2023-~~



1 ~~2024-2024-2025~~ for the purpose of making payments to participating  
2 entities to provide free school lunch and breakfast to public  
3 school pupils in grades pre-K to 12.

4 (2) ~~In order to~~**To** receive funding ~~from~~**under** this section, a  
5 participating entity must participate in the National School Lunch  
6 Program and must do all of the following:

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

10 (b) ~~Except for 2022-2023, submit~~**Submit** information regarding  
11 the number of reimbursable breakfasts and reimbursable lunches  
12 served in a manner prescribed by the department.

13 (c) Maximize federal reimbursement for reimbursable breakfasts  
14 and reimbursable lunches by operating under the CEP if the  
15 participating entity has an identified student percentage greater  
16 than or equal to the minimum requirement to be eligible to  
17 participate in the CEP. For purposes of this subdivision, all  
18 eligible participating entities must elect CEP on behalf of a  
19 single school, a group or groups of schools, or all schools in the  
20 participating entity, as applicable, in a manner that maximizes  
21 federal reimbursement.

22 (d) ~~The participating entity meets~~**Meet** all applicable state  
23 and federal standards in its school breakfast and lunch programs,  
24 as determined by the department.

25 (e) ~~The participating entity takes~~**Take** all efforts to  
26 maximize and implement policies that require parents or guardians  
27 to fill out relevant family income information, in a manner  
28 prescribed by the department, for the purposes of determining  
29 student eligibility for federal free or reduced cost meal



1 reimbursement rates and CEP eligibility determinations.

2 (f) ~~By not later than February 1, 2024, **Forgive** all school~~  
3 ~~meal debt, has been forgiven by the participating entity, as~~  
4 ~~determined by the department.~~

5 (3) Participating entities are encouraged to offer meals that  
6 meet students' dietary restrictions, including the provision of  
7 gluten-free meals, vegetarian meals, vegan meals, and, upon  
8 request, kosher meals, halal meals, and meals meeting any allergy  
9 restrictions as confirmed by a doctor's note.

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

12 (a) The amount equal to the federal rate per student paid per  
13 pupil per free breakfast and lunch under the Child Nutrition Act of  
14 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National  
15 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of  
16 breakfasts and lunches provided by the participating entity to  
17 students, less the federal revenue received by the participating  
18 entity under the school breakfast program and the school lunch  
19 program under the Child Nutrition Act of 1966, 42 USC 21 1771 to  
20 1793, and the Richard B. Russell National School Lunch Act, 42 USC  
21 1751 to 1769j, and other state lunch payments received under  
22 section 31d.

23 (b) The amount equal to the federal rate per student paid per  
24 pupil per free breakfast and lunch under the Child Nutrition Act of  
25 1966, 42 USC 21 1771 to 1793, and the Richard B. Russell National  
26 School Lunch Act, 42 USC 1751 to 1769j, multiplied by the number of  
27 breakfasts and lunches provided by the participating entity, as  
28 applicable, to children participating in the Great Start Readiness  
29 Program under section 32d at the participating entity, less all



1 other federal and state lunch payments made for those children. For  
 2 purposes of this subdivision, compliance with 7 CFR 226.9 is  
 3 required. The department shall assign rates of reimbursement  
 4 pursuant to 7 CFR 226.9, at least annually, on the basis of family  
 5 size and income information reported by each eligible participating  
 6 entity. Assigned rates of reimbursement must be adjusted annually  
 7 to reflect changes in the national average payment rates.

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

11 (6) As used in this section:

12 (a) "CEP" means the Community Eligibility Provision under the  
 13 Richard B. Russell National School Lunch Act, 42 USC 1751 to 1769j.

14 (b) "Participating entity" means a district, intermediate  
 15 district, or the Michigan Schools for the Deaf and Blind.

16 (7) In addition to the appropriations in section 11, if the  
 17 amount allocated in subsection (1) is ~~not sufficient~~ **insufficient**  
 18 to fully reimburse districts for meals as required in this section,  
 19 there is appropriated from the school meals reserve fund created in  
 20 section 30e the amount necessary to fully fund these  
 21 reimbursements.

22 Sec. 30e. (1) The school meals reserve fund is created as a  
 23 separate account in the state school aid fund for the purpose of  
 24 covering the cost of student school meals.

25 (2) The state treasurer may receive money or other assets from  
 26 any source for deposit into the school meals reserve fund. The  
 27 state treasurer shall direct the investment of the school meals  
 28 reserve fund. The state treasurer shall credit to the school meals  
 29 reserve fund interest and earnings from school meals reserve fund



1 investments.

2 (3) Money in the school meals reserve fund at the close of the  
3 fiscal year remains in the school meals reserve fund and does not  
4 lapse to the state school aid fund or the general fund.

5 (4) The department of treasury is the administrator of the  
6 school meals reserve fund for auditing purposes.

7 (5) Money available in the school meals reserve fund must not  
8 be expended without a specific appropriation.

9 (6) For the fiscal year ending September 30, ~~2023-2025~~ only,  
10 ~~\$245,000,000.00~~ **\$50,000,000.00** from the state school aid fund is  
11 deposited into the school meals reserve fund.

12 (7) At the close of each fiscal year, unspent funds from state  
13 sources allocated in sections 30d, 31d, and 31f must be deposited  
14 into the school meals reserve fund.

15 Sec. 31a. (1) ~~From the state school aid fund money~~  
16 ~~appropriated in section 11, there~~ **There** is allocated for 2023-2024  
17 an amount not to exceed \$1,035,150,000.00 ~~, and from~~ **the state**  
18 **school aid fund money appropriated in section 11 and an amount not**  
19 **to exceed \$1,500,000.00 from** the general fund money appropriated in  
20 section 11, **and** there is allocated for ~~2023-2024~~ **2024-2025** an  
21 amount not to exceed ~~\$1,500,000.00~~ **\$1,065,250,000.00 from the state**  
22 **school aid fund money appropriated in section 11 and an amount not**  
23 **to exceed \$1,500,000.00 from the general fund money appropriated in**  
24 **section 11** for payments to eligible districts and eligible public  
25 school academies for the purposes of ensuring that pupils are  
26 proficient in English language arts by the end of grade 3, that  
27 pupils are proficient in mathematics by the end of grade 8, that  
28 pupils are attending school regularly, that high school graduates  
29 are career and college ready, and for the purposes under



1 subsections (7), (8), (19), and (20).

2 (2) For a district or public school academy to be eligible to  
 3 receive funding under this section, other than funding under  
 4 subsection (7), (8), (19), or (20), the district or public school  
 5 academy, for grades K to 12, must comply with the requirements  
 6 under section 1280f of the revised school code, MCL 380.1280f, and  
 7 must use resources to address early literacy and numeracy, and for  
 8 at least grades K to 12 or, if the district or public school  
 9 academy does not operate all of grades K to 12, for all of the  
 10 grades it operates, must implement a multi-tiered system of  
 11 supports that is an evidence-based framework that uses data driven  
 12 problem solving to integrate academic and behavioral instruction  
 13 and that uses intervention delivered to all pupils in varying  
 14 intensities based on pupil needs. The multi-tiered system of  
 15 supports described in this subsection must provide at least all of  
 16 the following essential components:

- 17 (a) Team-based leadership.
- 18 (b) A tiered delivery system.
- 19 (c) Selection and implementation of instruction,  
 20 interventions, and supports.
- 21 (d) A comprehensive screening and assessment system.
- 22 (e) Continuous data-based decision making.

23 (3) From the state school aid fund money allocated under  
 24 subsection (1), there is allocated for 2023-2024 an amount not to  
 25 exceed \$952,000,000.00, **and there is allocated for 2024-2025 an**  
 26 **amount not to exceed \$1,022,100,000.00** to continue a weighted  
 27 foundation per pupil payment for districts and public school  
 28 academies enrolling economically disadvantaged pupils. The  
 29 department shall pay under this subsection to each eligible



1 district or eligible public school academy an amount per pupil  
2 equal to a percentage calculated under subsection (4) multiplied by  
3 the target foundation allowance for the following, as applicable:

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

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

11 (ii) If the district or public school academy is in the  
12 community eligibility program, the number of pupils determined to  
13 be eligible based on the product of the identified student  
14 percentage multiplied by the total number of pupils in the district  
15 or public school academy, as reported to the center in the form and  
16 manner prescribed by the center not later than the fifth Wednesday  
17 after the pupil membership count day of the immediately preceding  
18 fiscal year. These calculations must be made at the building level.  
19 This subparagraph only applies to an eligible district or eligible  
20 public school academy for the fiscal year immediately following the  
21 first fiscal year in which it is in the community eligibility  
22 program. As used in this subparagraph, "identified student  
23 percentage" means the quotient of the number of pupils in an  
24 eligible district or eligible public school academy who are  
25 determined to be economically disadvantaged, as reported to the  
26 center in a form and manner prescribed by the center, not later  
27 than the fifth Wednesday after the pupil membership count day in  
28 the fiscal year preceding the first fiscal year in which the  
29 eligible district or eligible public school academy is in the



1 community eligibility program, divided by the total number of  
2 pupils counted in an eligible district or eligible public school  
3 academy on the pupil membership count day in the fiscal year  
4 preceding the first fiscal year in which the eligible district or  
5 eligible public school academy is in the community eligibility  
6 program.

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

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

23 (d) If, for a particular fiscal year, the number of membership  
24 pupils in a district or public school academy who are determined  
25 under subdivision (a) to be economically disadvantaged or to be  
26 eligible based on the identified student percentage varies by more  
27 than 20 percentage points from the number of those pupils in the  
28 district or public school academy as calculated under subdivision  
29 (a) for the immediately preceding fiscal year caused by an



1 egregious reporting error by the district or public school academy,  
2 the department may choose to have the calculations under  
3 subdivision (a) instead be made using the number of membership  
4 pupils in the district or public school academy who are determined  
5 to be economically disadvantaged, as reported to the center in the  
6 form and manner prescribed by the center not later than the fifth  
7 Wednesday after the supplemental count day of the immediately  
8 preceding fiscal year.

9 (4) Each district or public school academy must be assigned to  
10 an opportunity index score each fiscal year, the value of which is  
11 the quotient of the number of economically disadvantaged pupils as  
12 determined under subsection (3) for the district or public school  
13 academy and the total number of pupils in the district or public  
14 school academy in the immediately preceding fiscal year, multiplied  
15 by 100 and rounded up to the nearest whole number. Each district or  
16 public school academy must be assigned an opportunity index band as  
17 follows:

18 (a) A district or public school academy with an opportunity  
19 index score greater than or equal to 0 but less than 20 must be  
20 assigned to band 1 and shall receive reimbursement under subsection  
21 (3) at a rate of at least 35.0% and less than 36.0%. The  
22 reimbursement rate under this subdivision must be an amount equal  
23 to the district's opportunity index score minus 1, multiplied by  
24 the band adjustment factor applicable to this subdivision, plus  
25 35.0%.

26 (b) A district or public school academy with an opportunity  
27 index score greater than or equal to 20 but less than 44 must be  
28 assigned to band 2 and shall receive reimbursement under subsection  
29 (3) at a rate of at least 36.0% and less than 37.5%. The



1 reimbursement rate under this subdivision must be an amount equal  
2 to the district's opportunity index score minus 20, multiplied by  
3 the band adjustment factor applicable to this subdivision, plus  
4 36.0%.

5 (c) A district or public school academy with an opportunity  
6 index score greater than or equal to 44 but less than 59 must be  
7 assigned to band 3 and shall receive reimbursement under subsection  
8 (3) at a rate of at least 37.5% and less than 39.0%. The  
9 reimbursement rate under this subdivision must be an amount equal  
10 to the district's opportunity index score minus 44, multiplied by  
11 the band adjustment factor applicable to this subdivision, plus  
12 37.5%.

13 (d) A district or public school academy with an opportunity  
14 index score greater than or equal to 59 but less than 73 must be  
15 assigned to band 4 and shall receive reimbursement under subsection  
16 (3) at a rate of at least 39.0% and less than 42.0%. The  
17 reimbursement rate under this subdivision must be an amount equal  
18 to the district's opportunity index score minus 59, multiplied by  
19 the band adjustment factor applicable to this subdivision, plus  
20 39.0%.

21 (e) A district or public school academy with an opportunity  
22 index score greater than or equal to 73 but less than 85 must be  
23 assigned to band 5 and shall receive reimbursement under subsection  
24 (3) at a rate of at least 42.0% and less than 47.0%. The  
25 reimbursement rate under this subdivision must be an amount equal  
26 to the district's opportunity index score minus 73, multiplied by  
27 the band adjustment factor applicable to this subdivision, plus  
28 42.0%.

29 (f) A district or public school academy with an opportunity



1 index score greater than or equal to 85 must be assigned to band 6  
2 and shall receive reimbursement under subsection (3) at a rate of  
3 47.0%.

4 (g) As used in this subsection, "band adjustment factor" means  
5 an amount equal to the difference between the lowest and highest  
6 reimbursement bounds for each band, divided by the number of  
7 possible opportunity index scores in that band.

8 (5) Except as otherwise provided in this section, a district  
9 or public school academy receiving funding under this section shall  
10 use that money only to provide instructional programs and direct  
11 noninstructional services, including, but not limited to, medical,  
12 mental health, or counseling services, for at-risk pupils; for  
13 school health clinics; and for the purposes of subsection (6), (7),  
14 (8), (19), or (20). In addition, a district that is a school  
15 district of the first class or a district or public school academy  
16 in which at least 50% of the pupils in membership were determined  
17 to be economically disadvantaged in the immediately preceding state  
18 fiscal year, as determined and reported as described in subsection  
19 (3), may use the funds it receives under this section for school  
20 security or school parent liaison personnel. The uses of the funds  
21 described in the immediately preceding sentence must align to the  
22 needs assessment and the multi-tiered system of supports model and,  
23 for funds spent on parent liaison personnel, must connect parents  
24 to the school community. A district or public school academy shall  
25 not use any of the money received under this section for  
26 administrative costs. The instruction or direct noninstructional  
27 services provided under this section may be conducted before or  
28 after regular school hours or by adding extra school days to the  
29 school year.



1 (6) A district or public school academy that receives funds  
 2 under this section and that operates a school breakfast program  
 3 under section 1272a of the revised school code, MCL 380.1272a,  
 4 shall use from the funds received under this section an amount, not  
 5 to exceed \$10.00 per pupil for whom the district or public school  
 6 academy receives funds under this section, necessary to pay for  
 7 costs associated with the operation of the school breakfast  
 8 program.

9 (7) From the state school aid fund money allocated under  
 10 subsection (1), there is allocated for 2023-2024 an amount not to  
 11 exceed \$33,000,000.00, **and there is allocated for 2024-2025 an**  
 12 **amount not to exceed \$38,000,000.00** to support primary health care  
 13 services provided to children and adolescents up to age 21. These  
 14 funds must be expended in a form and manner determined jointly by  
 15 the department and the department of health and human services.  
 16 When making funding decisions for new adolescent health centers  
 17 under this subsection, the department and department of health and  
 18 human services shall prioritize support for primary health care  
 19 services in unserved **and underserved** counties **as determined by the**  
 20 **department of health and human services.** ~~as of July 14, 2022. An~~  
 21 **For 2023-2024, an** amount not to exceed 4% of the funds allocated  
 22 for 2023-2024 under this subsection, **and for 2024-2025, an amount**  
 23 **equal to 4% of the funds allocated for 2024-2025 under this**  
 24 **subsection** must be made available for technical support and  
 25 coordination services from a nonprofit organization exclusively  
 26 dedicated to serving adolescent health centers in this state and  
 27 that has a membership that includes federally qualified health  
 28 centers, local public health departments, hospital systems, and  
 29 public school districts. As a requirement of being awarded the



1 funds under this subsection as prescribed under this subsection, a  
 2 nonprofit organization described in this subsection shall make  
 3 readily available technical support and coordination services to  
 4 all child and adolescent health centers in this state. Funds  
 5 appropriated under this subsection **for 2023-2024 only** are a work  
 6 project appropriation and any unexpended funds for 2023-2024 are  
 7 carried forward into 2024-2025. The purpose of the work project is  
 8 to continue to improve child and adolescent health center program  
 9 sites and improve delivery of patient care. The estimated  
 10 completion date of the work project is September 30, 2025.

11 (8) From the state school aid fund money allocated under  
 12 subsection (1), there is allocated for 2023-2024 an amount not to  
 13 exceed \$5,150,000.00 **and for 2024-2025 an amount not to exceed**  
 14 **\$5,150,000.00** for the state portion of the hearing and vision  
 15 screenings as described in part 93 of the public health code, 1978  
 16 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money  
 17 allocated under subsection (1), there is allocated for 2023-2024 an  
 18 amount not to exceed \$1,500,000.00 **and for 2024-2025 an amount not**  
 19 **to exceed \$1,500,000.00** for the state portion of the dental  
 20 screenings as described in part 93 of the public health code, 1978  
 21 PA 368, MCL 333.9301 to 333.9329. A local public health department  
 22 shall pay at least 50% of the total cost of the screenings. The  
 23 frequency of the vision screenings must be as required under R  
 24 325.13091 to R 325.13096 of the Michigan Administrative Code and  
 25 the frequency of the hearing screenings must be as required under R  
 26 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds  
 27 must be awarded in a form and manner approved jointly by the  
 28 department and the department of health and human services.  
 29 Notwithstanding section 17b, the department shall make payments to



1 eligible entities under this subsection on a schedule determined by  
2 the department.

3 (9) Each district or public school academy receiving funds  
4 under this section shall submit to the department by July 15 of  
5 each fiscal year a report, in the form and manner prescribed by the  
6 department, that includes a brief description of each program  
7 conducted or services performed by the district or public school  
8 academy using funds under this section, the amount of funds under  
9 this section allocated to each of those programs or services, the  
10 total number of at-risk pupils served by each of those programs or  
11 services, and the data necessary for the department and the  
12 department of health and human services to verify matching funds  
13 for the temporary assistance for needy families program. In  
14 prescribing the form and manner of the report, the department shall  
15 ensure that districts are allowed to expend funds received under  
16 this section on any activities that are permissible under this  
17 section. If a district or public school academy does not comply  
18 with this subsection, the department shall withhold an amount equal  
19 to the August payment due under this section until the district or  
20 public school academy complies with this subsection. If the  
21 district or public school academy does not comply with this  
22 subsection by the end of the fiscal year, the withheld funds are  
23 forfeited to the school aid fund.

24 (10) To receive funds under this section, a district or public  
25 school academy must allow access for the department or the  
26 department's designee to audit all records related to the program  
27 for which it receives those funds. The district or public school  
28 academy shall reimburse the state for all disallowances found in  
29 the audit.



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

14 (12) A district or public school academy that receives funds  
 15 under this section may use those funds to provide research based  
 16 professional development and to implement a coaching model that  
 17 supports the multi-tiered system of supports framework.  
 18 Professional development may be provided to district and school  
 19 leadership and teachers and must be aligned to professional  
 20 learning standards; integrated into district, school building, and  
 21 classroom practices; and solely related to the following:

22 (a) Implementing the multi-tiered system of supports required  
 23 in subsection (2) with fidelity and utilizing the data from that  
 24 system to inform curriculum and instruction.

25 (b) Implementing section 1280f of the revised school code, MCL  
 26 380.1280f, as required under subsection (2), with fidelity.

27 (13) ~~For 2023-2024 a~~ **A** district or public school academy that  
 28 receives funds under subsection (3) may use funds received under  
 29 subsection (3) for support staff providing services to at-risk



1 pupils. Beginning in 2024-2025, a district of the first class may  
 2 use up to 40% of the funds it receives under subsection (3) for  
 3 salary and benefit increases for currently employed instructional  
 4 staff or to hire additional instructional staff. A district shall  
 5 not use any of the money described in this subsection for  
 6 administrative costs or to supplant existing funding. A district  
 7 shall report its intent to use funds under this subsection to the  
 8 department by not later than November 1 of the current fiscal year.

9 (14) A district or public school academy that receives funds  
 10 under this section may use up to 10% of the funds received under  
 11 this section to provide evidence-based instruction for pre-  
 12 kindergarten instructional and noninstructional services to  
 13 children who meet at least 1 of the criteria in subsection  
 14 (21) (a) (i) to (x).

15 (15) Except as otherwise provided in this subsection, if  
 16 necessary, the department shall prorate payments under this  
 17 section, except payments under subsection (7), (8), (19), or (20),  
 18 by reducing the amount of the allocation as otherwise calculated  
 19 under this section by an equal percentage per district. Subject to  
 20 the availability of funds, if proration is necessary under this  
 21 subsection, the department must ensure that no district receives an  
 22 amount less than 11.5% of the target foundation for each  
 23 economically disadvantaged pupil enrolled in the district.

24 (16) If a district is dissolved pursuant to section 12 of the  
 25 revised school code, MCL 380.12, the intermediate district to which  
 26 the dissolved district was constituent shall determine the  
 27 estimated number of pupils that are economically disadvantaged and  
 28 that are enrolled in each of the other districts within the  
 29 intermediate district and provide that estimate to the department



1 for the purposes of distributing funds under this section within 60  
2 days after the district is declared dissolved.

3 (17) A district or public school academy that receives funds  
4 under this section may use funds received under this section to  
5 provide an anti-bullying or crisis intervention program.

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

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

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

19 (i) Modernizing antiquated medical equipment.

20 (ii) Improving security and patient safety measures.

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

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

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

27 (c) To be eligible to receive funding under this subsection, a  
28 child and adolescent health center program that serves students in  
29 the current fiscal year must submit an application in a form and



1 manner determined by the department and the department of health  
2 and human services.

3 (d) An amount ~~not to exceed~~ **equal to** 4% of the funds allocated  
4 for 2023-2024 under this subsection must be made available for  
5 technical support and coordination services from a nonprofit  
6 organization exclusively dedicated to serving adolescent health  
7 centers in this state and that has a membership that includes  
8 federally qualified health centers, local public health  
9 departments, hospital systems, and public school districts. As a  
10 requirement of being awarded the funds under this subsection as  
11 prescribed under this subsection, a nonprofit organization  
12 described in this subsection shall make readily available technical  
13 support and coordination services to all child and adolescent  
14 health centers in this state.

15 (e) Funds appropriated under this subsection are a work  
16 project appropriation and any unexpended funds for 2023-2024 are  
17 carried forward into 2024-2025. The purpose of the work project is  
18 to continue to improve child and adolescent health center program  
19 sites and improve delivery of patient care. The estimated  
20 completion date of the work project is September 30, 2025.

21 (20) From the state school aid fund money appropriated under  
22 section 11, there is allocated for 2023-2024 only an amount not to  
23 exceed \$10,000,000.00 for an electronic patient data and health  
24 care analytic system to be made available to each child and  
25 adolescent health center program. The department of health and  
26 human services shall collaborate on system implementation with a  
27 nonprofit organization exclusively dedicated to serving child and  
28 adolescent health center programs in this state and that has a  
29 membership that includes federally qualified health centers, local



1 public health departments, hospital systems, and public school  
2 districts, including, but not limited to, technology assessment,  
3 design, coordination, and system implementation with child and  
4 adolescent health center programs.

5 (21) As used in this section:

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

9 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

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



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

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

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

15 **(c)** ~~(e)~~—"English language learner" means limited English  
 16 proficient pupils who speak a language other than English as their  
 17 primary language and have difficulty speaking, reading, writing, or  
 18 understanding English as reported to the center.

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

21 Sec. 31d. (1) From the state school aid fund money  
 22 appropriated in section 11, there is allocated an amount not to  
 23 exceed \$27,553,400.00 for 2022-2023 and there is allocated an  
 24 amount not to exceed \$29,553,400.00 for 2023-2024 **2024-2025** for the  
 25 purpose of making payments to districts and other eligible entities  
 26 under this section.

27 (2) The amounts allocated from state sources under this  
 28 section are used to pay the amount necessary to reimburse districts  
 29 for 6.0127% of the necessary costs of the state mandated portion of



1 lunch programs provided by those districts. The department shall  
 2 calculate the amount due to each district under this section using  
 3 the methods of calculation adopted by the Michigan supreme court in  
 4 the consolidated cases known as *Durant v State of Michigan*, 456  
 5 Mich 175 (1997).

6 (3) The payments made under this section include all state  
 7 payments made to districts so that each district receives at least  
 8 6.0127% of the necessary costs of operating the state mandated  
 9 portion of the lunch program in a fiscal year.

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

16 (5) From the federal funds appropriated in section 11, there  
 17 is allocated for ~~2022-2023 all available federal funding, estimated~~  
 18 ~~at \$901,400,000.00, and there is allocated for 2023-2024-2024-2025~~  
 19 all available federal funding, estimated at \$901,400,000.00 for  
 20 child nutrition programs and, ~~for 2022-2023, all available federal~~  
 21 ~~funding, estimated at \$15,000,000.00, and, for 2023-2024, 2024-~~  
 22 **2025**, all available federal funding, estimated at \$15,000,000.00,  
 23 for food distribution programs.

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

27 (7) In purchasing food for a lunch program funded under this  
 28 section, a district or other eligible entity shall give preference  
 29 to food that is grown or produced by Michigan businesses if it is



1 competitively priced and of comparable quality.

2       Sec. 31f. (1) From the state school aid fund money  
3 appropriated in section 11, there is allocated an amount not to  
4 exceed ~~\$11,900,000.00 for 2022-2023, and there is allocated an~~  
5 ~~amount not to exceed~~ \$16,900,000.00 for ~~2023-2024~~ **2024-2025** for the  
6 purpose of making payments to districts to reimburse for the cost  
7 of providing breakfast.

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

11       (a) The district participates in the federal school breakfast  
12 program and meets all standards as prescribed by 7 CFR parts 210,  
13 220, 225, 226, and 245.

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

16       (3) The payment for a district under this section is at a per  
17 meal rate equal to the lesser of the district's actual cost or 100%  
18 of the statewide average cost of a meal served, as determined and  
19 approved by the department, less federal reimbursement, participant  
20 payments, and state breakfast reimbursements received under section  
21 30d. The department shall determine the statewide average cost  
22 using costs as reported in a manner approved by the department for  
23 the preceding school year.

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

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



1 priced and of comparable quality.

2       Sec. 31j. (1) From the general fund money appropriated in  
 3 section 11, there is allocated for ~~2023-2024~~ **2024-2025** an amount  
 4 not to exceed \$500,000.00 and from the state school aid fund money  
 5 appropriated in section 11, there is allocated an amount not to  
 6 exceed \$8,800,000.00 for ~~2023-2024~~ **2024-2025** for a program to  
 7 support districts and other non-school sponsors in the purchase of  
 8 locally grown fruits, ~~and vegetables,~~ **and legumes** as described in  
 9 this section. ~~It is the intent of the legislature that, for 2024-~~  
 10 ~~2025, the allocation from the state school aid fund money~~  
 11 ~~appropriated in section 11 for purposes described in this section~~  
 12 ~~will be \$4,000,000.00.~~

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

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



1 sponsors and electronic information on Michigan agriculture.

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

6 (5) A district or other non-school sponsor that receives a  
7 grant under this section shall use those funds for the costs  
8 incurred by the district or the sponsor to ~~purchase~~ **do both of the**  
9 **following:**

10 (a) **Purchase** whole or minimally processed fruits, vegetables,  
11 and legumes that meet both of the following:

12 (i) ~~(a)~~ For each fiscal year, were purchased for use in meals  
13 and supportive activities as part of the United States Department  
14 of Agriculture child nutrition programs provided between ~~September~~  
15 **October** 1 through ~~August~~ **September** 30 of that fiscal year.

16 (ii) ~~(b)~~ Are grown in this state and, if minimally processed,  
17 are also processed in this state.

18 (b) **Pay for labor and food transportation of locally grown**  
19 **fruits, vegetables, and legumes that directly support the**  
20 **activities and goals of the program described in this section. The**  
21 **amount paid under this subdivision must not exceed 25% of the grant**  
22 **award.**

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

28 (7) In awarding grants under this section, the department  
29 shall work in consultation with Michigan-based farm to school



1 resource organizations, to develop scoring criteria that assess an  
2 applicant's ability to procure Michigan-grown products, prepare and  
3 menu Michigan-grown products, promote and market Michigan-grown  
4 products, and submit letters of intent from districts or other non-  
5 school sponsors on plans for educational activities that promote  
6 the goals of the program.

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

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

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

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

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

28 (10) As a condition of receiving a grant under this section, a  
29 district or other non-school sponsor shall provide or direct its



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

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

27 (i) The data used to determine the amount of this increase are  
28 the total dollar amount of Michigan or local fruits, vegetables,  
29 and legumes purchased by schools and other non-school sponsors,



1 along with the number of different types of products purchased;  
2 school and non-school sponsor food purchasing trends identified  
3 along with products that are of new and growing interest among food  
4 service directors; the number of businesses impacted; and the  
5 percentage of total food budget spent on Michigan-grown fruits,  
6 vegetables, and legumes.

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

12 (b) The ability to which pupils can access a variety of  
13 healthy Michigan-grown foods through schools and other non-school  
14 sponsor centers and increase their consumption of those foods. All  
15 of the following apply for purposes of this subdivision:

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

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

27 (11) The department shall compile the reports provided by  
28 districts and other non-school sponsors under subsection (10) into  
29 1 legislative report. The department shall provide this report not



1 later than April 1 of each fiscal year following the fiscal year  
 2 for which funding is allocated under this section to the house and  
 3 senate subcommittees responsible for school aid, the house and  
 4 senate fiscal agencies, and the state budget director.

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

8 Sec. 31n. (1) From the state school aid fund money  
 9 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
 10 **2025** for the purposes of this section an amount not to exceed  
 11 ~~\$106,545,000.00~~ **\$111,545,000.00** and from the general fund money  
 12 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
 13 **2025** for the purposes of this section an amount not to exceed  
 14 \$1,300,000.00. The department and the department of health and  
 15 human services shall continue a program to distribute this funding  
 16 to add licensed behavioral health providers for general education  
 17 pupils, and recipients of the funds under subsection (6) shall  
 18 continue to seek federal Medicaid match funding for all eligible  
 19 mental health and support services.

20 (2) The department and the department of health and human  
 21 services shall maintain an advisory council for programs funded  
 22 under this section and any other funding under this act to improve  
 23 or maintain the mental health of students, except for programs  
 24 funded under section 31a(7) and (8). The advisory council shall  
 25 define goals for implementation of programs, and shall provide  
 26 feedback on that implementation. At a minimum, the advisory council  
 27 shall consist of representatives of state associations representing  
 28 school health, school mental health, school counseling, education,  
 29 health care, and other organizations, representatives from the



1 department and the department of health and human services, and a  
 2 representative from the school safety and mental health commission.  
 3 The department and department of health and human services, working  
 4 with the advisory council, shall determine an approach to increase  
 5 capacity for mental health and support services in schools for  
 6 general education pupils, and shall determine where that increase  
 7 in capacity qualifies for federal Medicaid match funding.

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

20 (4) The department of health and human services shall amend  
 21 the state Medicaid plan to obtain appropriate Medicaid waivers as  
 22 necessary for the purpose of generating additional Medicaid match  
 23 funding for school mental health and support services for general  
 24 education pupils, and this expansion is called Caring for Students  
 25 (C4S).

26 (5) From the state school aid fund money allocated under  
 27 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an  
 28 amount not to exceed ~~\$14,300,000.00~~**\$19,300,000.00** to be  
 29 distributed to the network of child and adolescent health centers



1 to place a licensed master's level behavioral health provider in  
2 schools that do not currently have services available to general  
3 education students. Child and adolescent health centers that are  
4 part of the network described in this subsection shall provide a  
5 commitment to maintain services and implement all available federal  
6 Medicaid match methodologies. The department of health and human  
7 services shall use all existing or additional federal Medicaid  
8 match opportunities to maximize funding allocated under this  
9 subsection. The department shall provide funds under this  
10 subsection to child and adolescent health centers that are part of  
11 the network described in this subsection in the same proportion  
12 that funding under section 31a(7) is provided to child and  
13 adolescent health centers that are part of the network described in  
14 this subsection and that are located and operating in those  
15 districts. A payment from funding allocated under this subsection  
16 must not be paid to an entity that is not part of the network  
17 described in this subsection.

18 (6) From the state school aid fund money allocated under  
19 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an  
20 amount not to exceed \$87,245,000.00 to be distributed to  
21 intermediate districts for the provision of mental health and  
22 support services to general education students. Recipients of funds  
23 under this subsection shall continue to seek federal Medicaid match  
24 funding for all eligible mental health and support services. If a  
25 district or intermediate district is not able to procure the  
26 services of a licensed master's level behavioral health provider,  
27 the district or intermediate district shall notify the department  
28 and the department of health and human services and, if the  
29 department and department of health and human services verify that



1 the district or intermediate district attempted to procure services  
2 from a master's level behavioral health provider and was not able  
3 to do so, then the district or intermediate district may instead  
4 procure services from a provider with less than a master's degree  
5 in behavioral health. To be able to use the exemption in the  
6 immediately preceding sentence, the district or intermediate  
7 district must submit evidence satisfactory to the department and  
8 department of health and human services demonstrating that the  
9 district or intermediate district took measures to procure the  
10 services of a licensed master's level behavioral health provider  
11 but was unable to do so, and the department and department of  
12 health and human services must be able to verify this evidence.  
13 From the first \$56,173,600.00 of the funds allocated under this  
14 subsection, the department shall distribute up to \$1,003,100.00 for  
15 ~~2023-2024~~**2024-2025** to each intermediate district that submits a  
16 plan approved by the department and the department of health and  
17 human services by February 1 of each fiscal year for which funds  
18 are allocated under this section. The department shall distribute  
19 the remaining \$31,071,400.00 of the funds allocated under this  
20 subsection for ~~2023-2024~~**2024-2025** to intermediate districts on an  
21 equal per-pupil basis based on the combined total number of pupils  
22 in membership in the intermediate district and its constituent  
23 districts, including public school academies that are considered to  
24 be constituent districts under section 705(7) of the revised school  
25 code, MCL 380.705. The department and department of health and  
26 human services shall work cooperatively in providing oversight and  
27 assistance to intermediate districts and shall monitor the program  
28 upon implementation. An intermediate district shall use funds  
29 awarded under this subsection to provide funding to its constituent



1 districts, including public school academies that are considered to  
2 be constituent districts under section 705(7) of the revised school  
3 code, MCL 380.705, for the provision of mental health and support  
4 services to general education students. In addition to the criteria  
5 identified under subsection (9), an intermediate district shall  
6 consider geography, cost, or other challenges when awarding funding  
7 to its constituent districts. Districts receiving funding under  
8 this subsection are encouraged to provide suicide prevention and  
9 awareness education and counseling.

10 (7) If funding awarded to an intermediate district remains  
11 after funds are provided by the intermediate district to its  
12 constituent districts, the intermediate district shall notify the  
13 department and department of health and human services and submit  
14 evidence satisfactory to the department and department of health  
15 and human services demonstrating how it would like to use funds for  
16 purposes other than hiring licensed behavioral health providers for  
17 general education pupils. With permission from the department and  
18 department of health and human services, the intermediate district  
19 may hire or contract for experts to provide mental health and  
20 support services to general education students residing within the  
21 boundaries of the intermediate district, including, but not limited  
22 to, expanding, hiring, or contracting for staff and experts to  
23 provide those services directly or to increase access to those  
24 services through coordination with outside mental health agencies;  
25 the intermediate district may also contract with 1 or more other  
26 intermediate districts for coordination and the facilitation of  
27 activities related to providing mental health and support services  
28 to general education students residing within the boundaries of the  
29 intermediate district; the intermediate district may also use the



1 funds under this section to create or strengthen school-based  
2 behavioral health assessment teams that focus on providing age-  
3 appropriate interventions, identifying behaviors that suggest a  
4 pupil may be struggling with mental health challenges, providing  
5 treatment and support of the pupil, and using disciplinary  
6 interventions and the criminal justice system as methods of last  
7 resort; and the intermediate district may also use the funds under  
8 this section to provide evidence-based trainings that support  
9 student mental health.

10 (8) If funding awarded to an intermediate district under this  
11 section remains unspent, or if the intermediate district submits an  
12 application requesting a lower allocation than the maximum amount  
13 permitted, the department, in conjunction with the intermediate  
14 district, may reallocate the funds to another intermediate district  
15 or other intermediate districts capable of expending the funds  
16 before the funding deadline in accordance with this section as if  
17 those funds were originally allocated to the intermediate district  
18 or intermediate districts to which the funds are being reallocated.

19 (9) A district requesting funds under this section from the  
20 intermediate district in which it is located shall submit an  
21 application for funding for the provision of mental health and  
22 support services to general education pupils. A district receiving  
23 funding from the application process described in this subsection  
24 shall provide services to nonpublic students upon request. An  
25 intermediate district shall not discriminate against an application  
26 submitted by a public school academy simply on the basis of the  
27 applicant being a public school academy. The department shall  
28 approve grant applications based on the following criteria:

29 (a) The district's commitment to maintain mental health and



1 support services delivered by licensed providers into future fiscal  
2 years.

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

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

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

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

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

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

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

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

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

29 (k) Any other requirements determined by the department or the



1 department of health and human services.

2 (10) Funding under this section, including any federal  
3 Medicaid funds that are generated, must not be used to supplant  
4 existing services.

5 (11) Both of the following are allocated to the department of  
6 health and human services from the general fund money allocated  
7 under subsection (1):

8 (a) For ~~2023-2024~~, **2024-2025**, an amount not to exceed  
9 \$1,000,000.00 for the purpose of upgrading technology and systems  
10 infrastructure and other administrative requirements to support the  
11 programs funded under this section.

12 (b) For ~~2023-2024~~, **2024-2025**, an amount not to exceed  
13 \$300,000.00 for the purpose of administering the programs under  
14 this section and working on generating additional Medicaid funds as  
15 a result of programs funded under this section.

16 (12) From the state school aid fund money allocated under  
17 subsection (1), there is allocated for ~~2023-2024~~ **2024-2025** an  
18 amount not to exceed \$5,000,000.00 to intermediate districts on an  
19 equal per intermediate district basis for the purpose of  
20 administering programs funded under this section. Recipients of the  
21 funds under this subsection shall continue to seek federal Medicaid  
22 match funding for all eligible mental health and support services  
23 and participate in all learning collaboratives about C4S required  
24 by the department and department of health and human services.

25 (13) The department and the department of health and human  
26 services shall work with the advisory council to develop proposed  
27 measurements of outcomes and performance. Those measurements must  
28 include, at a minimum, the number of pupils served, the number of  
29 schools served, and where those pupils and schools were located.



1 The department and the department of health and human services  
 2 shall compile data necessary to measure outcomes and performance,  
 3 and districts and intermediate districts receiving funding under  
 4 this section shall provide data requested by the department and  
 5 department of health and human services for the measurement of  
 6 outcomes and performance. The department and department of health  
 7 and human services shall provide an annual report **by** not later than  
 8 December 1 of each year to the house and senate appropriations  
 9 subcommittees on school aid and health and human services, to the  
 10 house and senate fiscal agencies, and to the state budget director.  
 11 At a minimum, the report must include measurements of outcomes and  
 12 performance, proposals to increase efficacy and usefulness,  
 13 proposals to increase performance, and proposals to expand  
 14 coverage.

15 (14) A district or intermediate district that receives funding  
 16 directly or indirectly under this section may carry over any  
 17 unexpended funds received under this section for up to 2 fiscal  
 18 years beyond the fiscal year in which the funds were received.

19 Sec. 31p. (1) From the ~~federal funding~~ **state school aid fund**  
 20 **money** appropriated under section 11, there is allocated for ~~2022-~~  
 21 ~~2023-2024-2025~~ only an amount not to exceed ~~\$50,000,000.00 from the~~  
 22 ~~federal funding awarded to this state from the coronavirus state~~  
 23 ~~fiscal recovery fund under the American rescue plan act of 2021,~~  
 24 ~~title IX, subtitle M of Public Law 117-2,~~ **\$12,500,000.00** for grants  
 25 to intermediate districts to implement a TRAILS program as  
 26 described in subsection (2).

27 (2) The TRAILS program described in this subsection must  
 28 improve youth access to evidence-based mental health services by  
 29 training school mental health professionals in effective practices,



1 such as cognitive behavioral therapy and mindfulness. **It is**  
2 **intended that a TRAILS program that received federal funding under**  
3 **this section in a prior fiscal year allocated from the American**  
4 **rescue plan act of 2021, title IX, subtitle M of Public Law 117-2,**  
5 **first expend those dollars before spending dollars allocated from**  
6 **state school aid money received from intermediate districts under**  
7 **this section.**

8 (3) The department shall establish a grant process to  
9 distribute funds under this section.

10 ~~(4) The department shall award, in an equal amount, grants~~  
11 ~~under this section to each intermediate district that has an~~  
12 ~~approved grant application for funding under this section.~~  
13 ~~Intermediate districts must forward to the TRAILS program described~~  
14 ~~in subsection (2) an amount equal to the amount awarded to the~~  
15 ~~intermediate district under this subsection to contract with the~~  
16 ~~TRAILS program. The TRAILS program must use funding received from~~  
17 ~~intermediate districts to satisfy the terms of the contracts with~~  
18 ~~the intermediate districts on a statewide basis.~~

19 (4) ~~(5)~~ Notwithstanding section 17b, the department shall make  
20 payments under this section on a schedule determined by the  
21 department.

22 (5) ~~(6)~~ The funds allocated under this section for ~~2022-2023~~  
23 **2024-2025** are a work project appropriation, and any unexpended  
24 funds for ~~2022-2023-2024-2025~~ are carried forward into ~~2023-2024-~~  
25 **2025-2026**. The purpose of the work project is to continue support  
26 for the TRAILS program. The estimated completion date of the work  
27 project is ~~December 31, 2026.~~ **September 30, 2029.**

28 ~~(7) The federal funding allocated under this section is~~  
29 ~~intended to respond to the COVID-19 public health emergency and its~~



1 ~~negative impacts.~~

2       Sec. 31aa. (1) From the state school aid fund money  
3 appropriated in section 11, there is allocated ~~\$310,000,000.00~~  
4 **\$300,000,000.00** for ~~2023-2024 only~~ and from the general fund money  
5 ~~appropriated in section 11, there is allocated \$18,000,000.00 for~~  
6 ~~2023-2024 only~~ **2024-2025, and from the federal fund money**  
7 **appropriated under section 11, there is allocated for 2024-2025**  
8 **only the amount remaining, estimated at \$13,300,000.00, from the**  
9 **federal funding awarded to this state that has reverted to the**  
10 **governor's emergency education relief fund under the provisions of**  
11 **section 2002 of the American rescue plan act of 2021, Public Law**  
12 **117-2, to provide payments to districts, intermediate districts,**  
13 ~~nonpublic schools,~~ and the Michigan Schools for the Deaf and Blind,  
14 for activities to improve student mental health and improve student  
15 safety. **It is the intent of the legislature that, for 2025-2026,**  
16 **the allocation from the state school aid fund money appropriated in**  
17 **section 11 for the purposes described in this section will be**  
18 **\$150,000,000.00.** It is the intent of the legislature that  
19 recipients will use at least 50% of the funds on **evidence-based or**  
20 **emerging best practice** activities related to improving student  
21 mental health **based on a thorough needs assessment that includes**  
22 **community input and resource mapping.** The allowable expenditures of  
23 funds under this section ~~include, but are not limited to, the~~  
24 ~~following:~~ **as follows:**

25       (a) Hiring or contracting for support staff for student mental  
26 health needs. ~~, including, but not limited to, school~~  
27 ~~psychologists, social workers, counselors, and school nurses.~~

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

29       (c) **Purchasing a statewide, integrated technology platform,**



1 such as bhworks, that streamlines behavioral health documentation  
2 and care coordination.

3 (d) ~~(e)~~ Providing school-based mental health personnel access  
4 to consultation with behavioral health clinicians to respond to  
5 complex student mental health needs.

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

8 (e) Purchasing and implementing an online behavioral health  
9 tool moderated and led by licensed behavioral health professionals.

10 (f) Hiring or contracting a behavioral health coordinator.

11 (g) Employee wellness programs.

12 (h) Evidence-based trainings to support mental health.

13 (i) Costs associated with collaboration between school  
14 employees, families, and community partners to address the  
15 academic, behavioral, and social needs of all students through  
16 collaborative partnerships, resource coordination, data collection,  
17 and data sharing.

18 (j) Costs associated with conducting a systematic school  
19 mental health needs assessment and resource mapping that identifies  
20 programmatic and systemic needs and helps staff determine  
21 priorities and create action plans.

22 (k) ~~(e)~~ Coordination with local law enforcement.

23 (l) ~~(f)~~ Training for school staff on threat assessment.

24 (m) ~~(g)~~ Training for school staff and students on threat  
25 response.

26 (n) ~~(h)~~ Training for school staff on crisis communication.

27 (o) ~~(i)~~ Safety infrastructure, including, but not limited to,  
28 cameras, door blocks, hardened vestibules, window screening, and  
29 technology necessary to operate buzzer systems. This may also



1 include firearm detection software that integrates to existing  
 2 security cameras to detect and alert school personnel and first  
 3 responders to visible firearms on school property. ~~The software~~  
 4 ~~described in the immediately preceding sentence must be organically~~  
 5 ~~developed and proprietary to the company it is purchased from and~~  
 6 ~~should not include any third-party or open-source data.~~

7 (p) ~~(j)~~ Age-appropriate training for students and families on  
 8 responsible ~~gun~~ **firearm** ownership, **including safe handling and safe**  
 9 **storage of firearms.**

10 (q) ~~(k)~~ School resource officers.

11 ~~(l) Any other school safety service or product necessary to~~  
 12 ~~improve or maintain security in buildings.~~

13 (r) ~~(m)~~ Student Safety Management System, the information  
 14 technology platform and related services to improve student safety  
 15 by mitigating cyberbullying, school violence, human trafficking,  
 16 and self-harm that supports students from grades K to 12.

17 (s) ~~(n)~~ A secure platform, administered by the department of  
 18 state police, for school officials, emergency responders, and  
 19 emergency management coordinators to house all school safety-  
 20 related items, including, but not limited to, EOP templates, EOP  
 21 guidance, reference documents, and security assessments. The  
 22 platform should use existing password-protected access control  
 23 methods schools currently utilize and, to the extent possible, be  
 24 capable of integrating with existing platforms or technologies used  
 25 by districts for school safety. Through permissions-based access  
 26 control, the platform should be able to relay information clearly  
 27 and in real time to each person or entity necessary to provide a  
 28 unified response to a safety incident, or to take appropriate  
 29 action in response to an anticipated disruption to the normal



1 functions of the surrounding community.

2 (t) **Emergency infrastructure needs to respond to an immediate**  
 3 **threat to the health or safety of students and staff in the**  
 4 **district, intermediate district, or the Michigan Schools for the**  
 5 **Deaf and Blind. A district, intermediate district, or the Michigan**  
 6 **Schools for the Deaf and Blind shall not expend funds for this**  
 7 **purpose without first obtaining approval from the department. In**  
 8 **making a determination of approval, the department shall, at a**  
 9 **minimum, assess whether the district, intermediate district, or the**  
 10 **Michigan Schools for the Deaf and Blind is responding to an**  
 11 **immediate threat to the health or safety of students and staff, and**  
 12 **whether the district, intermediate district, or the Michigan**  
 13 **Schools for the Deaf and Blind has other sources of funding that**  
 14 **should be utilized first.**

15 (u) **A contract with a vendor for a comprehensive safety and**  
 16 **security assessment or a comprehensive safety and security event**  
 17 **assessment in schools operated by the district, intermediate**  
 18 **district, or the Michigan Schools for the Deaf and Blind.**

19 (2) ~~From the state school aid fund money allocated in~~  
 20 ~~subsection (1), the~~ **The** department shall make payments to  
 21 districts, ~~and intermediate districts, and the Michigan Schools for~~  
 22 **the Deaf and Blind** in an equal amount per pupil based on the total  
 23 number of pupils in membership in each district, **intermediate**  
 24 **district, and the Michigan Schools for the Deaf and Blind.** ~~From the~~  
 25 ~~general fund money allocated in subsection (1), the department~~  
 26 ~~shall make payments to nonpublic schools in an equal amount per~~  
 27 ~~pupil, using pupil counts determined by the department. The~~  
 28 ~~department shall ensure that the amount per pupil paid to nonpublic~~  
 29 ~~schools does not exceed the amount per pupil paid to districts and~~



1 ~~intermediate districts.~~

2 (3) If funding remains after the **initial** distribution of funds  
 3 as described in subsection (2), the department may provide  
 4 additional per-pupil allocations to allocate remaining dollars. ~~7~~  
 5 ~~using for those calculations the same requirements described in~~  
 6 ~~subsection (2).~~

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

26 (5) **In addition to the eligible expenses under subsection (1),**  
 27 **a recipient of funding under this section may use the funds for any**  
 28 **other mental health or school safety activities or products if the**  
 29 **recipient receives written permission from the department, in a**



1 form and manner determined by the department.

2 (6) Recipients of funding under this section using those  
3 dollars on products or activities related to improving student  
4 safety shall prioritize needs identified by the district,  
5 intermediate district, or the Michigan Schools for the Deaf and  
6 Blind on its most recent school safety risk assessment.

7 (7) Federal funding received under this section must be used  
8 for allowable uses that respond to the COVID-19 public health  
9 emergency and its negative impacts, as determined by the  
10 department. The department shall develop a process to award and  
11 make federal funding available to districts, intermediate  
12 districts, and the Michigan Schools for the Deaf and Blind on a  
13 time frame that allows districts, intermediate districts, and the  
14 Michigan Schools for the Deaf and Blind to properly obligate these  
15 funds before the federal obligation deadlines for these funds.

16 (8) ~~(5)~~ Districts receiving funds under this section must  
17 coordinate with intermediate school districts to avoid duplication  
18 of services and to streamline delivery of services to students.

19 (9) ~~(6) Notwithstanding section 17b, the~~ The department shall  
20 ~~make payments under this section on a schedule determined by the~~  
21 ~~department.~~ begin distributing funds under this section to  
22 districts, intermediate districts, and the Michigan Schools for the  
23 Deaf and Blind in the October payment under section 17b of the  
24 current fiscal year. The department must ensure that the federal  
25 funding under this section is distributed in the October payment  
26 under section 17b of the current fiscal year.

27 Sec. 31gg. (1) From the state school aid fund money  
28 appropriated in section 11, there is allocated for 2024-2025 an  
29 amount not to exceed \$5,000,000.00 for grants to eligible



1 intermediate districts to hire a school nurse consultant.

2 (2) School nurse consultants hired using funds under this  
3 section shall do at least both of the following:

4 (a) Plan and implement activities supporting the constituent  
5 districts of the intermediate district in developing and  
6 maintaining quality school nursing services, school health  
7 services, and other programs through professional development,  
8 community partnerships, and other whole child initiatives that  
9 support safe and healthy schools.

10 (b) Provide consultant and leadership services to constituent  
11 districts of the intermediate district to promote quality school  
12 nursing and school health policies, programs, and services that  
13 safely, legally, and effectively address the physical, social, and  
14 mental health needs of students.

15 (3) The department shall distribute funding under this section  
16 to intermediate districts demonstrating the highest need for a  
17 school nurse consultant. The department shall ensure that an  
18 intermediate district does not receive funding for more than 1  
19 school nurse consultant.

20 (4) To be eligible for funding under this section, an  
21 intermediate district must apply in a form and manner determined by  
22 the department.

23 Sec. 32d. (1) From the state school aid fund money  
24 appropriated in section 11, there is allocated to eligible  
25 intermediate districts and consortia of intermediate districts for  
26 great start readiness programs an amount not to exceed  
27 ~~\$369,120,000.00 for 2022-2023 and an amount not to exceed~~  
28 ~~\$524,720,000.00~~ **\$616,020,000.00** for 2023-2024. In addition, from  
29 the federal funding appropriated in section 11, there is allocated



1 ~~for 2022-2023 an amount not to exceed \$83,000,000.00 from the~~  
 2 ~~federal funding awarded to this state from the coronavirus state~~  
 3 ~~fiscal recovery fund under the American rescue plan act of 2021,~~  
 4 ~~title IX, subtitle M of Public Law 117-2, to eligible intermediate~~  
 5 ~~districts and consortia of intermediate districts for great start~~  
 6 ~~readiness programs. 2024-2025.~~ An intermediate district or  
 7 consortium shall use funds allocated under this section for great  
 8 start readiness programs to provide part-day, school-day, GSRP  
 9 extended programs, or GSRP/Head Start blended comprehensive free  
 10 compensatory classroom programs designed to improve the readiness  
 11 and subsequent achievement of ~~educationally disadvantaged~~ children  
 12 who meet the participant eligibility and prioritization guidelines  
 13 as defined by the department **of lifelong education, advancement,**  
 14 **and potential.** For a child to be eligible to participate in a  
 15 program under this section, the child must be at least 4, but less  
 16 than 5, years of age as of September 1 of the school year in which  
 17 the program is offered and must meet those eligibility and  
 18 prioritization guidelines. A child who is not 4 years of age as of  
 19 September 1, but who will be 4 years of age **by** not later than  
 20 December 1, is eligible to participate if the child's parent or  
 21 legal guardian seeks a waiver from the September 1 eligibility date  
 22 by submitting a request for enrollment in a program to the  
 23 responsible intermediate district, if the program has capacity on  
 24 or after September 1 of the school year, and if the child meets  
 25 eligibility and prioritization guidelines.

26 (2) From the state school aid fund money allocated under  
 27 subsection (1), an amount not to exceed ~~\$367,120,000.00 for 2022-~~  
 28 ~~2023 and \$522,720,000.00~~ **\$616,020,000.00** for ~~2023-2024,~~ and from  
 29 ~~the federal funds allocated under subsection (1), an amount not to~~



1 ~~exceed \$83,000,000.00 for 2022-2023,~~ **2024-2025** is allocated to  
 2 intermediate districts or consortia of intermediate districts based  
 3 on the formula in section 39. An intermediate district or  
 4 consortium of intermediate districts receiving funding under this  
 5 section shall act as the fiduciary for the great start readiness  
 6 programs. An intermediate district or consortium of intermediate  
 7 districts receiving funding under this section may collaborate with  
 8 local governments to identify children eligible for programs funded  
 9 under this section and may contract with local governments to  
 10 provide services. ~~In order to~~ **To** be eligible to receive funds  
 11 allocated under this subsection from an intermediate district or  
 12 consortium of intermediate districts, a district, a consortium of  
 13 districts, a local government, or a public or private for-profit or  
 14 nonprofit legal entity or agency must comply with this section and  
 15 section 39. If, due to the number of GSRP extended program slots  
 16 awarded, the amount allocated in this subsection is ~~not sufficient~~  
 17 **insufficient** to award at least the same number of part-day program  
 18 and school-day program slots as awarded in the immediately  
 19 preceding fiscal year, there is appropriated from the great start  
 20 readiness program reserve fund the amount necessary to fully award  
 21 the same number of part-day program and full-day program slots as  
 22 awarded in the immediately preceding fiscal year.

23 (3) In addition to the allocation under subsection (1), from  
 24 the general fund money appropriated under section 11, there is  
 25 allocated an amount not to exceed ~~\$500,000.00 for 2022-2023 and~~  
 26 ~~\$600,000.00~~ **\$350,000.00** for ~~2023-2024~~ **2024-2025** for a competitive  
 27 grant to continue a longitudinal evaluation of children who have  
 28 participated in great start readiness programs.

29 (4) To be eligible for funding under this section, a program



1 must prepare children for success in school through comprehensive  
2 part-day, school-day, GSRP extended programs, or GSRP/Head Start  
3 blended programs that contain all of the following program  
4 components, as determined by the department **of lifelong education,**  
5 **advancement, and potential:**

6 (a) Participation in a collaborative recruitment and  
7 enrollment process to ~~assure~~**ensure** that each child is enrolled in  
8 the program most appropriate to the child's needs and to maximize  
9 the use of federal, state, and local funds.

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

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

16 (d) Physical and dental health and developmental screening  
17 services for all program participants.

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

21 (f) Active and continuous involvement of the parents or  
22 guardians of the program participants.

23 (g) A plan to conduct and report annual great start readiness  
24 program evaluations and continuous improvement plans using criteria  
25 approved by the department **of lifelong education, advancement, and**  
26 **potential.**

27 (h) Participation in a school readiness advisory committee  
28 convened as a workgroup of the great start collaborative that  
29 provides for the involvement of classroom teachers, parents or



1 guardians of program participants, and community, volunteer, and  
 2 social service agencies and organizations, as appropriate. The  
 3 advisory committee annually shall review and make recommendations  
 4 regarding the program components listed in this subsection. The  
 5 advisory committee also shall make recommendations to the great  
 6 start collaborative regarding other community services designed to  
 7 improve all children's school readiness.

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

10 (j) Participation in this state's great start to quality  
 11 process with a rating of at least ~~, for 2022-2023, 3 stars, and,~~  
 12 ~~for 2023-2024,~~ enhancing quality level.

13 (5) An application for funding under this section must provide  
 14 for the following, in a form and manner determined by the  
 15 department **of lifelong education, advancement, and potential:**

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

18 (b) Except as otherwise provided in this subdivision, ensure  
 19 that at least 85% of the children participating in an eligible  
 20 great start readiness program for whom the intermediate district is  
 21 receiving funds under this section are children who live with  
 22 families with a household income that is equal to or less than ~~7~~  
 23 ~~for 2022-2023, 250%, and, for 2023-2024, 300%~~ **350%** of the federal  
 24 poverty guidelines. If the intermediate district determines that  
 25 all eligible children are being served and that there are no  
 26 children on the waiting list who live with families with a  
 27 household income that is equal to or less than ~~, for 2022-2023,~~  
 28 ~~250%, and, for 2023-2024, 300%~~ **350%** of the federal poverty  
 29 guidelines, the intermediate district may then enroll children who



1 live with families with a household income that is equal to or less  
 2 than ~~, for 2022-2023, 300%, and, for 2023-2024, 400%~~ **450%** of the  
 3 federal poverty guidelines. The enrollment process must consider  
 4 income and risk factors, such that children determined with higher  
 5 need are enrolled before children with lesser need. For purposes of  
 6 this subdivision, all age-eligible children served in foster care  
 7 or who are experiencing homelessness or who have individualized  
 8 education programs recommending placement in an inclusive preschool  
 9 setting are considered to live with families with household income  
 10 equal to or less than ~~, for 2022-2023, 250%, and, for 2023-2024,~~  
 11 ~~300%~~ **350%** of the federal poverty guidelines regardless of actual  
 12 family income and are prioritized for enrollment within the lowest  
 13 quintile. **The department of lifelong education, advancement, and**  
 14 **potential shall publish the household income thresholds under this**  
 15 **subdivision in a clear manner on its website and the great start to**  
 16 **quality website.**

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

19 (i) Teachers possessing proper training. A lead teacher must  
 20 have a valid Michigan teaching certificate with an early childhood  
 21 or lower elementary endorsement or a bachelor's or higher degree in  
 22 child development or early childhood education with specialization  
 23 in preschool teaching. However, except as otherwise provided in  
 24 this subparagraph, if an applicant demonstrates to the department  
 25 **of lifelong education, advancement, and potential** that it is unable  
 26 to fully comply with this subparagraph after making reasonable  
 27 efforts to comply, teachers or paraprofessionals with at least 5  
 28 years of experience as a paraprofessional in a great start  
 29 readiness program, Head Start, or licensed child care center



1 classroom who have significant but incomplete training in early  
2 childhood education or child development may be used if the  
3 applicant provides to the department **of lifelong education,**  
4 **advancement, and potential,** and the department **of lifelong**  
5 **education, advancement, and potential** approves, a plan for each  
6 teacher to come into compliance with the standards in this  
7 subparagraph. ~~Beginning in 2023-2024, individuals~~ **Individuals** may  
8 qualify with at least 3 years of experience and significant  
9 training in early childhood education or child development, based  
10 on the recommendation of the intermediate district after a  
11 classroom observation. A teacher's compliance plan must be  
12 completed within 3 years of the date of employment. Progress toward  
13 completion of the compliance plan consists of at least 2 courses  
14 per calendar year.

15 (ii) Paraprofessionals possessing proper training in early  
16 childhood education, including an associate degree in early  
17 childhood education or child development or the equivalent, or a  
18 child development associate (CDA) credential. However, if an  
19 applicant demonstrates to the department **of lifelong education,**  
20 **advancement, and potential** that it is unable to fully comply with  
21 this subparagraph after making reasonable efforts to comply, the  
22 applicant may use paraprofessionals who have completed at least 1  
23 course that earns college credit in early childhood education or  
24 child development or, ~~beginning in 2023-2024,~~ enrolls in a child  
25 development associate credential with at least 6 months of verified  
26 experience in early education and care, if the applicant provides  
27 to the department **of lifelong education, advancement, and**  
28 **potential,** and the department **of lifelong education, advancement,**  
29 **and potential** approves, a plan for each paraprofessional to come



1 into compliance with the standards in this subparagraph. A  
2 paraprofessional's compliance plan must be completed within 3 years  
3 of the date of employment. Progress toward completion of the  
4 compliance plan consists of at least 2 courses, 60 clock hours, or  
5 an equivalent of training per calendar year.

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

17 (e) **Include a description of all child care services provided**  
18 **by the provider that are not eligible great start readiness**  
19 **programs. The department of lifelong education, advancement, and**  
20 **potential shall compile the data collected under this subdivision**  
21 **and annually report the results to the house and senate**  
22 **subcommittees on school aid, the house and senate fiscal agencies,**  
23 **and the state budget director.**

24 (6) For a grant recipient that enrolls pupils in a school-day  
25 program or GSRP extended program funded under this section, each  
26 child enrolled in the school-day program or GSRP extended program  
27 is counted as described in section 39 for purposes of determining  
28 the amount of the grant award.

29 (7) For a grant recipient that enrolls pupils in a GSRP/Head



1 Start blended program, the grant recipient shall ensure that all  
2 Head Start and GSRP policies and regulations are applied to the  
3 blended slots, with adherence to the highest standard from either  
4 program, to the extent allowable under federal law. A grant  
5 recipient may request a waiver from the department **of lifelong**  
6 **education, advancement, and potential** to align GSRP policies and  
7 regulations with Head Start national standards for quality,  
8 including ratios, and the department **of lifelong education,**  
9 **advancement, and potential** may approve the waiver. Not later than  
10 March 1 of each year, the department **of lifelong education,**  
11 **advancement, and potential** will report to the legislature and post  
12 on a publicly available website a list by intermediate district or  
13 consortium with the number and type of each waiver requested and  
14 approved.

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

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



1 not to exceed the federal 10% de minimis.

2 (10) An intermediate district or consortium of intermediate  
3 districts may expend not more than 2% of the total grant amount for  
4 outreach, recruiting, and public awareness of the program, if the  
5 intermediate district or consortium of intermediate districts also  
6 participates in related statewide marketing and outreach efforts.

7 (11) Each grant recipient shall enroll children identified  
8 under subsection (5)(b) according to how far the child's household  
9 income is below ~~, for 2022-2023, 250%, and, for 2023-2024, 300%~~  
10 **350%** of the federal poverty guidelines by ranking each applicant  
11 child's household income from lowest to highest and dividing the  
12 applicant children into quintiles based on how far the child's  
13 household income is below ~~, for 2022-2023, 250%, and, for 2023-~~  
14 ~~2024, 300%~~ **350%** of the federal poverty guidelines, and then  
15 enrolling children in the quintile with the lowest household income  
16 before enrolling children in the quintile with the next lowest  
17 household income until slots are completely filled. If the grant  
18 recipient determines that all eligible children are being served  
19 and that there are no children on the waiting list who live with  
20 families with a household income that is equal to or less than ~~7~~  
21 ~~for 2022-2023, 250%, and, for 2023-2024, 300%~~ **350%** of the federal  
22 poverty guidelines, the grant recipient may then enroll children  
23 who live with families with a household income that is equal to or  
24 less than ~~, for 2022-2023, 300%, and, for 2023-2024, 400%~~ **450%** of  
25 the federal poverty guidelines. The enrollment process must  
26 consider income and risk factors, such that children determined  
27 with higher need are enrolled before children with lesser need. For  
28 purposes of this subsection, all age-eligible children served in  
29 foster care or who are experiencing homelessness or who have



1 individualized education programs recommending placement in an  
 2 inclusive preschool setting are considered to live with families  
 3 with household income equal to or less than ~~, for 2022-2023, 250%,~~  
 4 ~~and, for 2023-2024, 300%~~ **350%** of the federal poverty guidelines  
 5 regardless of actual family income and are prioritized for  
 6 enrollment within the lowest quintile.

7 (12) An intermediate district or consortium of intermediate  
 8 districts receiving a grant under this section shall allow parents  
 9 of eligible children who are residents of the intermediate district  
 10 or within the consortium to choose a program operated by or  
 11 contracted with another intermediate district or consortium of  
 12 intermediate districts and shall enter into a written agreement  
 13 regarding payment, in a manner prescribed by the department **of**  
 14 **lifelong education, advancement, and potential.**

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



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

23       ~~(a) The intermediate district or consortium notified each~~  
 24 ~~nonparticipating licensed child care center located in the service~~  
 25 ~~area of the intermediate district or consortium regarding the~~  
 26 ~~center's eligibility to participate, in a manner prescribed by the~~  
 27 ~~department.~~

28       ~~(b) The intermediate district or consortium provided to each~~  
 29 ~~nonparticipating licensed child care center located in the service~~



1 ~~area of the intermediate district or consortium information~~  
 2 ~~regarding great start readiness program requirements and a~~  
 3 ~~description of the application and selection process for community-~~  
 4 ~~based providers.~~

5 ~~(c) The intermediate district or consortium provided to the~~  
 6 ~~public and to participating families a list of community-based~~  
 7 ~~great start readiness program subrecipients with a great start to~~  
 8 ~~quality rating of at least, for 2022-2023, 3 stars, and, for 2023-~~  
 9 ~~2024, enhancing quality level.~~

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

19 ~~(14)~~ ~~(15)~~ ~~In order to~~ **To** assist intermediate districts and  
 20 consortia in ~~complying with the requirement to contract~~ **contracting**  
 21 with community-based providers, ~~for at least 30% of their total~~  
 22 ~~allocation,~~ the department **of lifelong education, advancement, and**  
 23 **potential** shall do all of the following:

24 (a) Ensure that a great start resource center or the  
 25 department **of lifelong education, advancement, and potential**  
 26 provides each intermediate district or consortium receiving a grant  
 27 under this section with the contact information for each licensed  
 28 child care center located in the service area of the intermediate  
 29 district or consortium by March 1 of each year.



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

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

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

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

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



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

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

5 (15) ~~(16)~~—A recipient of funds under this section shall report  
6 to the center in a form and manner prescribed by the center the  
7 information necessary to derive the number of children  
8 participating in the program who meet the program eligibility  
9 criteria under subsection (5) (b), the number of eligible children  
10 not participating in the program and on a waitlist, and the total  
11 number of children participating in the program by various  
12 demographic groups and eligibility factors necessary to analyze  
13 equitable and priority access to services for the purposes of  
14 subsection (3).

15 (16) ~~(17)~~—As used in this section:

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

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

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

26 (d) "Part-day program" means a program that operates at least  
27 4 days per week, 30 weeks per year, for at least 3 hours of  
28 teacher-child contact time per day but for fewer hours of teacher-  
29 child contact time per day than a school-day program.



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

6 (17) ~~(18)~~ An intermediate district or consortium of  
 7 intermediate districts receiving funds under this section shall  
 8 establish and charge tuition according to a sliding scale of  
 9 tuition rates based ~~upon~~ **on** household income for children  
 10 participating in an eligible great start readiness program who live  
 11 with families with a household income that is more than ~~, for 2022-~~  
 12 ~~2023, 250%, and, for 2023-2024, 300%~~ **350%** of the federal poverty  
 13 guidelines to be used by all of its providers, as approved by the  
 14 department **of lifelong education, advancement, and potential.**

15 (18) ~~(19)~~ From the amount allocated in subsection (2), there  
 16 is allocated for ~~2022-2023 and 2023-2024~~ **2024-2025** an amount not to  
 17 exceed \$10,000,000.00 and, from the great start readiness program  
 18 reserve fund appropriated in section 11, there is allocated for  
 19 ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$18,000,000.00~~  
 20 **\$21,000,000.00** for reimbursement of transportation costs for  
 21 children attending great start readiness programs funded under this  
 22 section. **A program receiving state school aid fund money under this**  
 23 **subsection must first expend those dollars before spending dollars**  
 24 **allocated from the great start readiness program reserve fund under**  
 25 **this subsection.** To receive reimbursement under this subsection, **by**  
 26 not later than November 1 of each year, a program funded under this  
 27 section that provides transportation shall submit to the  
 28 intermediate district that is the fiscal agent for the program a  
 29 projected transportation budget. The amount of the reimbursement



1 for transportation under this subsection is no more than the  
 2 projected transportation budget or ~~for 2022-2023, \$300.00, and,~~  
 3 ~~for 2023-2024, \$500.00~~ multiplied by the number of children funded  
 4 for the program under this section. If the amount allocated under  
 5 this subsection is insufficient to fully reimburse the  
 6 transportation costs for all programs that provide transportation  
 7 and submit the required information, the department **of lifelong**  
 8 **education, advancement, and potential** shall prorate the  
 9 reimbursement in an equal amount per child funded. The department  
 10 **of lifelong education, advancement, and potential** shall make  
 11 payments to the intermediate district that is the fiscal agent for  
 12 each program, and the intermediate district shall then reimburse  
 13 the program provider for transportation costs as prescribed under  
 14 this subsection.

15 (19) ~~(20)~~ Subject to, and from the funds allocated under,  
 16 subsection ~~(19)~~, **(18)**, the department **of lifelong education,**  
 17 **advancement, and potential** shall reimburse a program for  
 18 transportation costs related to parent- or guardian-accompanied  
 19 transportation provided by transportation service companies, buses,  
 20 or other public transportation services. To be eligible for  
 21 reimbursement under this subsection, a program must submit to the  
 22 intermediate district or consortia of intermediate districts all of  
 23 the following:

24 (a) The names of families provided with transportation support  
 25 along with a documented reason for the need for transportation  
 26 support and the type of transportation provided.

27 (b) Financial documentation of actual transportation costs  
 28 incurred by the program, including, but not limited to, receipts  
 29 and mileage reports, as determined by the department **of lifelong**



1 **education, advancement, and potential.**

2 (c) Any other documentation or information determined  
3 necessary by the department **of lifelong education, advancement, and**  
4 **potential.**

5 (20) ~~(21)~~—The department **of lifelong education, advancement,**  
6 **and potential** shall implement a process to review and approve age-  
7 appropriate comprehensive classroom level quality assessments for  
8 GSRP grantees that support the early childhood standards of quality  
9 for prekindergarten children adopted by the state board. The  
10 department **of lifelong education, advancement, and potential** shall  
11 make available to intermediate districts at least 2 classroom level  
12 quality assessments that were approved in 2018.

13 (21) ~~(22)~~—An intermediate district that is a GSRP grantee may  
14 approve the use of a supplemental curriculum that aligns with and  
15 enhances the age-appropriate educational curriculum in the  
16 classroom. If the department **of lifelong education, advancement,**  
17 **and potential** objects to the use of a supplemental curriculum  
18 approved by an intermediate district, the superintendent shall  
19 establish a review committee independent of the department **of**  
20 **lifelong education, advancement, and potential.** The review  
21 committee shall meet within 60 days of the department **of lifelong**  
22 **education, advancement, and potential** registering its objection in  
23 writing and provide a final determination on the validity of the  
24 objection within 60 days of the review committee's first meeting.

25 (22) ~~(23)~~—The department **of lifelong education, advancement,**  
26 **and potential** shall implement a process to evaluate and approve  
27 age-appropriate educational curricula that are in compliance with  
28 the early childhood standards of quality for prekindergarten  
29 children adopted by the state board.



1           (23) ~~(24) From the funds~~ **In addition to the amount** allocated  
 2 under subsection (1), **from the state school aid fund money**  
 3 **appropriated under section 11**, there is allocated for ~~2022-2023 an~~  
 4 ~~amount not to exceed \$2,000,000.00 and there is allocated for 2023-~~  
 5 ~~2024-2024-2025~~ an amount not to exceed \$2,000,000.00 for payments  
 6 to intermediate districts or consortia of intermediate districts  
 7 for professional development and training materials for educators  
 8 in programs implementing new curricula or child assessment tools  
 9 approved for use in the great start readiness program.

10           (24) ~~(25)~~ A great start readiness program or a GSRP/Head Start  
 11 blended program funded under this section is permitted to utilize  
 12 AmeriCorps Pre-K Reading Corps members in classrooms implementing  
 13 research-based early literacy intervention strategies.

14           (25) ~~(26)~~ In addition to the allocation under subsection (1),  
 15 from the state school aid fund money appropriated under section 11,  
 16 there is allocated an amount not to exceed ~~\$35,000,000.00~~  
 17 **\$20,000,000.00** for ~~2022-2023 only~~ **2024-2025** for classroom start up  
 18 grants to intermediate districts and consortia of intermediate  
 19 districts for new or expanding great start readiness classrooms.  
 20 All of the following apply to funding allocated under this  
 21 subsection:

22           (a) To receive funding under this subsection, intermediate  
 23 districts and consortia of intermediate districts must apply for  
 24 the funding in a form and manner prescribed by the department **of**  
 25 **lifelong education, advancement, and potential.**

26           (b) The department **of lifelong education, advancement, and**  
 27 **potential** shall pay an amount not to exceed \$25,000.00 for each new  
 28 or expanded classroom. If funding is ~~not sufficient~~ **insufficient** to  
 29 fully fund all eligible applicants, the department **of lifelong**



1 **education, advancement, and potential** must prorate the per-  
 2 classroom amount on an equal basis. If the allocation is not fully  
 3 paid in the current fiscal year, the department **of lifelong**  
 4 **education, advancement, and potential** may award any remaining  
 5 funding during fiscal year ~~2023-2024-2025-2026~~ for each new or  
 6 expanded classroom at an equal amount per classroom, based on  
 7 remaining available funds, not to exceed \$25,000.00 per classroom.

8 (c) Funds received under this subsection by intermediate  
 9 districts and consortia of intermediate districts must ~~be paid in~~  
 10 ~~full to the entity operating the classroom and may be~~ used for any  
 11 of the following purposes:

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

15 (ii) Supporting facility improvements or purchasing facility  
 16 space necessary to provide a safe, high-quality learning  
 17 environment for children in each new or expanded classroom.

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

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

25 (d) **Funds received under this subsection must be used for**  
 26 **classrooms directly operated by the intermediate district,**  
 27 **consortium of intermediate districts, or constituent districts of**  
 28 **the intermediate district or consortium of intermediate districts**  
 29 **and must not be used for classrooms operated by community-based**



1 providers.

2 (e) ~~(d)~~—The funds allocated under this subsection for 2022-  
 3 2023 are a work project appropriation, and any unexpended funds for  
 4 2022-2023 do not lapse to the state school aid fund and are carried  
 5 forward into 2023-2024. The purpose of the work project is to  
 6 continue support for new or expanded great start readiness  
 7 classrooms. The estimated completion date of the work project is  
 8 September 30, 2024. **The director shall lapse the work project funds**  
 9 **described in this subdivision under section 451a of the management**  
 10 **and budget act, 1984 PA 431, MCL 18.1451a, by not later than**  
 11 **October 1, 2024.**

12 ~~(27) In addition to the funds allocated in subsection (1),~~  
 13 ~~there is allocated from the state school aid fund money~~  
 14 ~~appropriated under section 11 for 2022-2023 only an amount not to~~  
 15 ~~exceed \$5,000,000.00 for a consortium of intermediate districts to~~  
 16 ~~partner with the department and community-based organizations to~~  
 17 ~~implement a multiyear statewide campaign to raise awareness about~~  
 18 ~~the availability of services through the great start readiness~~  
 19 ~~program and to develop systems to identify and reach out to~~  
 20 ~~eligible families. All of the following apply to funding under this~~  
 21 ~~subsection:~~

22 ~~(a) Funding under this subsection must be used for the~~  
 23 ~~following purposes:~~

24 ~~(i) Implementing a statewide outreach campaign to make families~~  
 25 ~~aware of the availability of the great start readiness program.~~

26 ~~(ii) Organizing community events and outreach activities to~~  
 27 ~~inform parents about the availability of the great start readiness~~  
 28 ~~program, the positive impacts of early childhood education, and~~  
 29 ~~additional early childhood programs available to families.~~



1 ~~(iii) Developing and implementing a statewide website that~~  
2 ~~allows providers to advertise available great start readiness slots~~  
3 ~~and allows families to connect with providers to fill open slots.~~  
4 ~~The website must include information about additional early~~  
5 ~~childhood programs for families, including, but not limited to, the~~  
6 ~~child development and care program and Head Start.~~

7 ~~(b) The funds allocated under this subsection for 2022-2023~~  
8 ~~are a work project appropriation, and any unexpended funds for~~  
9 ~~2022-2023 are carried forward into 2023-2024. The purpose of the~~  
10 ~~work project is to raise awareness of and participation in great~~  
11 ~~start readiness programming. The estimated completion date of the~~  
12 ~~work project is September 30, 2027.~~

13 ~~(c) Notwithstanding section 17b, the department shall make~~  
14 ~~payments under this subsection on a schedule determined by the~~  
15 ~~department.~~

16 **(f) The funds allocated under this subsection for 2024-2025**  
17 **are a work project appropriation, and any unexpended funds for**  
18 **2024-2025 do not lapse to the state school aid fund and are carried**  
19 **forward into 2025-2026. The purpose of the work project is to**  
20 **continue support for new or expanded great start readiness**  
21 **classrooms. The estimated completion date of the work project is**  
22 **September 30, 2027.**

23 Sec. 32n. (1) From the state school aid fund money  
24 appropriated in section 11, there is allocated for ~~2023-2024~~ **2024-**  
25 **2025** only an amount not to exceed ~~\$50,000,000.00~~ **\$75,000,000.00** to  
26 Clinton County RESA, to collaborate with the department **of lifelong**  
27 **education, advancement, and potential**, for the purposes of this  
28 section. The department **of lifelong education, advancement, and**  
29 **potential** shall develop a competitive grant program to distribute



1 this funding to eligible entities, as described in subsection (2),  
 2 as prescribed under this section.

3 (2) The department **of lifelong education, advancement, and**  
 4 **potential** shall establish competitive grant criteria for the grant  
 5 program described in subsection (1) for eligible applicants to  
 6 expand access to quality, affordable programming before and after  
 7 the school day or during the summer for young people. To be  
 8 eligible for a grant under this section, the applicant must meet,  
 9 at a minimum, all of the following criteria:

10 (a) Serve children in any of grades K to 12.

11 (b) Be a community-based organization that is exempt from  
 12 federal income tax under section 501(c)(3) of the internal revenue  
 13 code, 26 USC 501, an institution of higher education, a community  
 14 or adult education program, a public library, a local government,  
 15 or an intermediate district.

16 (c) Provide before-school, after-school, before-and-after-  
 17 school, or summer school programming to children described in  
 18 subdivision (a). These programs must be used to support expanded  
 19 learning opportunities, including, but not limited to, mentoring,  
 20 leadership, community engagement, agriculture, art, music,  
 21 literacy, science, technology, engineering, mathematics, health,  
 22 and recreation programming.

23 (d) Address measurable goals, including, but not limited to,  
 24 improved school attendance, academic outcomes, positive behaviors,  
 25 and skill acquisition, and include activities linked to research or  
 26 quality practices.

27 (3) The department **of lifelong education, advancement, and**  
 28 **potential** shall establish a competitive grant process for awarding  
 29 funding under this section. The department **of lifelong education,**



1 **advancement, and potential** shall develop the form and manner for  
2 applying for the grants. The application must include a request for  
3 information on the applicant's outreach to children, youth, and  
4 families who are eligible for free or reduced-price meals under the  
5 Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.  
6 The application must be open for not less than 30 calendar days. At  
7 least 30 days before the application is opened, the department **of**  
8 **lifelong education, advancement, and potential** must publish on its  
9 public website the criteria that will be used in evaluating the  
10 application that must include, but are not limited to, priorities  
11 under subsection (5).

12 (4) Subject to subsection (8), in determining award amounts  
13 under this subsection, the department **of lifelong education,**  
14 **advancement, and potential** shall, to the extent practicable, ensure  
15 that eligible entities in all geographic regions of this state are  
16 represented in the distribution of grant funding under this  
17 section.

18 (5) Subject to subsection (8), the department **of lifelong**  
19 **education, advancement, and potential** shall prioritize the  
20 distribution of grant funding under this section based on, at a  
21 minimum, the following:

22 (a) An applicant's demonstrated need.

23 (b) The percentage of low-income families in the geographic  
24 area being served. Prioritization must be determined by the average  
25 percentage of pupils in the district who are eligible for free and  
26 reduced-priced meals as determined under the Richard B. Russell  
27 national school lunch act, 42 USC 1751 to 1769j, where eligible  
28 entities will provide before-and-after-school or summer school  
29 programs.



1 (c) Whether the application provides services for the full  
2 school year.

3 (d) The applicant's track record for providing quality,  
4 affordable before-and-after-school or summer school services.

5 (e) Whether an applicant serving children in any of grades K  
6 through 8 is licensed or is in the process of becoming licensed or  
7 has implemented the Michigan Out-of-School Time Standards of  
8 Quality issued by the state board of education. This does not  
9 preclude a nonlicensed entity from applying for funding under this  
10 section and being funded under this section.

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

17 (a) Be provided to children in a manner in which the children  
18 are physically present at a building or location designated by the  
19 eligible entity.

20 (b) Provide educational programming in core subject areas,  
21 including, but not limited to, mathematics, reading, and science.

22 (c) Provide data to evaluate the program in a form and manner  
23 as prescribed by the department **of lifelong education, advancement,**  
24 **and potential.**

25 (7) Subject to subsections (2), (4), and (5), up to 2% of  
26 funding allocated under this section must be allocated to a  
27 nonprofit entity with experience serving youth-serving  
28 organizations to provide start-up grants and capacity building,  
29 professional development, and technical assistance for



1 implementation of high-quality, evidence-based out-of-school time  
2 learning opportunities.

3 (8) The department of lifelong education, advancement, and  
4 potential shall award no less than 60% of the funding under this  
5 section to community-based organizations.

6 (9) The department of lifelong education, advancement, and  
7 potential shall ensure that at least \$65,000,000.00 of the funds  
8 under this section are awarded to applicants located in districts  
9 for which at least 70% of students are economically disadvantaged.  
10 The department of lifelong education, advancement, and potential  
11 shall collaborate with the department of health and human services  
12 to ensure that at least \$45,000,000.00 of the funds under this  
13 section are allowable expenses for the purposes of meeting state-  
14 level maintenance of effort requirements for the federal temporary  
15 assistance for needy family programs.

16 (10) To ensure that the requirements under subsection (9) are  
17 met, recipients of funding under this section must submit to the  
18 department of lifelong education, advancement, and potential by  
19 July 15 of each fiscal year a report, in the form and manner  
20 prescribed by the department of lifelong education, advancement,  
21 and potential, that includes the following:

22 (a) A description of each program conducted or service  
23 performed by the applicant using funds received under this section.

24 (b) The amount of funds received under this section allocated  
25 to each of the programs or services described in subdivision (a).

26 (c) An assurance that funds were only expended on income-  
27 eligible students.

28 (d) The data necessary for the department of lifelong  
29 education, advancement, and potential and the department of health



1 and human services to verify maintenance of effort funds for the  
2 temporary assistance for needy families program.

3 (11) ~~(9)~~—Notwithstanding section 17b, the department of  
4 **lifelong education, advancement, and potential** shall make payments  
5 under this section in full upon grant award. Grantees that do not  
6 comply with reporting requirements, fail to provide the services  
7 proposed in their grant application, or close during the grant  
8 period may be required to repay the funding they received under  
9 this section to the department of **lifelong education, advancement,**  
10 **and potential.**

11 (12) ~~(10)~~—The department of **lifelong education, advancement,**  
12 **and potential,** in collaboration with the Michigan Afterschool  
13 Partnership, shall convene an advisory committee to review the  
14 program components listed within this section and make  
15 recommendations to the department of **lifelong education,**  
16 **advancement, and potential** for changes on the program described in  
17 this section. The advisory committee shall meet at a schedule set  
18 by the department of **lifelong education, advancement, and**  
19 **potential,** or at least quarterly. The advisory committee shall  
20 provide for the involvement of, but not limited to, community-based  
21 organizations, regional intermediaries, district administrators,  
22 youth, parents, and representatives from the business and  
23 philanthropic communities, as appropriate.

24 Sec. 32p. (1) From the state school aid fund money  
25 appropriated in section 11, there is allocated an amount not to  
26 exceed ~~\$19,400,000.00~~ **\$20,400,000.00** to intermediate districts for  
27 ~~2023-2024~~ **2024-2025** for the purpose of providing early childhood  
28 funding to intermediate districts to support the goals and outcomes  
29 under subsections (2) and (4), and to provide supports for early



1 childhood programs for children from birth through age 8. The  
 2 funding provided to each intermediate district under this section  
 3 is determined by the distribution formula established by the  
 4 ~~department's~~ **department of lifelong education, advancement, and**  
 5 **potential's** office of great start to provide equitable funding  
 6 statewide. ~~In order to~~ **To** receive funding under this section, each  
 7 intermediate district must provide an application to the office of  
 8 great start **by** not later than September 15 of the immediately  
 9 preceding fiscal year indicating the strategies planned to be  
 10 provided.

11 (2) Each intermediate district or consortium of intermediate  
 12 districts that receives funding under this section shall convene a  
 13 local great start collaborative and a family coalition that  
 14 includes an active partnership with at least 1 community-based  
 15 organization. The goal of each great start collaborative and family  
 16 coalition is to ensure the coordination and expansion of local  
 17 early childhood systems and programs that allow every child in the  
 18 community to achieve the following outcomes:

19 (a) Children born healthy.

20 (b) Children healthy, thriving, and developmentally on track  
 21 from birth to grade 3.

22 (c) Children developmentally ready to succeed in school at the  
 23 time of school entry.

24 (d) Children prepared to succeed in fourth grade and beyond by  
 25 reading proficiently by the end of third grade.

26 (3) Each local great start collaborative and family coalition  
 27 shall convene workgroups to make recommendations about community  
 28 services designed to achieve the outcomes described in subsection  
 29 (2) and to ensure that its local great start system includes the



1 following supports for children from birth through age 8:

2 (a) Physical and social-emotional health.

3 (b) Family supports, including, but not limited to, the  
4 provision of basic needs and economic self-sufficiency.

5 (c) Parent leadership and family engagement.

6 (d) Early education, including the child's development of  
7 skills linked to success in foundational literacy, and care.

8 (e) Community infrastructure.

9 (4) From the funds allocated in subsection (1), at least  
10 ~~\$3,500,000.00~~ **\$4,500,000.00** must be used for the purpose of  
11 providing home visits to at-risk children and their families. The  
12 home visits must be conducted as part of a locally coordinated,  
13 family-centered, evidence-based, data-driven home visit strategic  
14 plan that is approved by the department **of lifelong education,**  
15 **advancement, and potential**. The goals of the home visits funded  
16 under this subsection are to improve school readiness using  
17 evidence-based methods, including a focus on developmentally  
18 appropriate outcomes for early literacy, to improve positive  
19 parenting practices, and to improve family economic self-  
20 sufficiency while reducing the impact of high-risk factors through  
21 community resources and referrals. The department **of lifelong**  
22 **education, advancement, and potential** shall coordinate the goals of  
23 the home visit strategic plans approved under this subsection with  
24 other state agency home visit programs in a way that strengthens  
25 Michigan's home visiting infrastructure and maximizes federal funds  
26 available for the purposes of at-risk family home visits. The  
27 coordination among departments and agencies is intended to avoid  
28 duplication of state services and spending, and should emphasize  
29 efficient service delivery of home visiting programs. **The**



1 department of lifelong education, advancement, and potential shall  
 2 collaborate with the department of health and human services to  
 3 ensure that funds spent under this subsection are allowable  
 4 expenses for the purpose of meeting state-level maintenance of  
 5 effort requirements for the federal temporary assistance for needy  
 6 families program.

7 (5) ~~Not~~ **By not** later than December 1 of each year, each  
 8 intermediate district shall provide a report to the department **of**  
 9 **lifelong education, advancement, and potential** detailing the  
 10 strategies actually implemented during the immediately preceding  
 11 school year and the families and children actually served. At a  
 12 minimum, the report must include an evaluation of the services  
 13 provided with additional funding under subsection (4) for home  
 14 visits, using the goals identified in subsection (4) as the basis  
 15 for the evaluation, including the degree to which school readiness  
 16 was improved, the degree to which positive parenting practices were  
 17 improved, the degree to which there was improved family economic  
 18 self-sufficiency, and the degree to which community resources and  
 19 referrals were utilized. The department **of lifelong education,**  
 20 **advancement, and potential** shall compile and summarize these  
 21 reports and submit its summary to the house and senate  
 22 appropriations subcommittees on school aid and to the house and  
 23 senate fiscal agencies **by** not later than February 15 of each year.

24 (6) In addition to the funds allocated in subsection (1), from  
 25 the state school aid fund money appropriated in section 11, there  
 26 is allocated an amount not to exceed \$4,000,000.00 for ~~2023-2024~~  
 27 **2024-2025** only for the purpose of improving access to books and  
 28 other literacy materials for children from birth to age 5. The  
 29 formula described in subsection (1) must be used to allocate funds



1 to intermediate districts under this subsection. An intermediate  
 2 district may use the funding to support programs, including, but  
 3 not limited to, the Dolly Parton Imagination Library, Reach Out and  
 4 Read Michigan, or any other program that provides books and  
 5 literacy materials to children from birth to age 5. If funding  
 6 under this subsection is ~~not sufficient~~ **insufficient** to enroll all  
 7 interested families in the service, each intermediate district must  
 8 prioritize enrollment to those families with the highest levels of  
 9 economic need. If an intermediate district will not fully utilize  
 10 funding under this subsection, those funds must be returned to the  
 11 department **of lifelong education, advancement, and potential** for  
 12 redistribution for the purposes under this subsection.

13 (7) An intermediate district or consortium of intermediate  
 14 districts that receives funding under this section may carry over  
 15 any unexpended funds received under this section into the next  
 16 fiscal year and may expend those unused funds through June 30 of  
 17 the next fiscal year. However, an intermediate district or  
 18 consortium of intermediate districts that receives funding for the  
 19 purposes described in subsection (2) in the current fiscal year  
 20 shall not carry over into the next fiscal year any amount exceeding  
 21 15% of the amount awarded to the intermediate district or  
 22 consortium in the current fiscal year. A recipient of a grant shall  
 23 return any unexpended grant funds to the department **of lifelong**  
 24 **education, advancement, and potential** in the manner prescribed by  
 25 the department **of lifelong education, advancement, and potential**  
 26 not later than September 30 of the next fiscal year after the  
 27 fiscal year in which the funds are received.

28 Sec. 33. (1) From the state school aid fund money appropriated  
 29 in section 11, there is allocated an amount not to exceed



1 \$11,000,000.00 for 2023-2024 only for grants to eligible districts  
2 for the purposes described in this section.

3 (2) To receive a grant under this section, a district must  
4 apply for the grant in a form and manner prescribed by the  
5 department.

6 (3) A district that meets both of the following is an eligible  
7 district under this section:

8 (a) The district must enroll students in grades K to 5. ~~and~~  
9 ~~must not currently have a music education program for grades K to~~  
10 ~~5.~~

11 (b) The district must, in its application described in  
12 subsection (2), pledge to do all of the following:

13 (i) Provide for all pupils in grades K to 5 at least ~~90~~**60**  
14 minutes per week of instruction in music **or visual arts**, taught by  
15 a certificated teacher ~~with a JX or JQ who has, or is working~~  
16 **towards, the appropriate** endorsement issued by the department. **For**  
17 **teaching music, the appropriate endorsement is a JX or JQ**  
18 **endorsement. For teaching visual arts, the appropriate endorsement**  
19 **is an LQ, LX, or LZ endorsement.**

20 (ii) Maintain staffing that includes at least 1 certificated  
21 teacher with a JX or JQ **music endorsement or an LQ, LX, or LZ**  
22 **visual arts** endorsement issued by the department for every 400  
23 pupils enrolled in grades K to 5.

24 (iii) Adopt and implement, **or maintain**, specific curricula for  
25 music **or visual arts**.

26 (iv) Maintain in each elementary school at least 1 space that  
27 is **either dedicated to music or visual arts instruction or**  
28 **designated to be used** for music **or visual arts** instruction and that  
29 allows for effective implementation of the music **or visual arts**



1 curriculum, with consideration given to the physical materials and  
2 tools needed for music **or visual arts** instruction.

3 (v) Establish and maintain a separate dedicated budget for  
4 music **or visual arts** instruction in grades K to 5, **and maintain**  
5 **ongoing funding for this purpose.**

6 (vi) Participate in the collection of data in the fall and  
7 spring of the 2024-2025 school year on changes in course offerings,  
8 instructor qualifications, student course enrollments, and other  
9 aspects of the district's music or visual arts programs as  
10 determined by the department and MI Creative Potential.

11 (vii) Commit to including music and visual arts in district and  
12 school continuous improvement planning using the program review  
13 tool that accompanies the Michigan Blueprint of a Quality Arts  
14 Education, available in the Michigan Integrated Continuous  
15 Improvement Process database.

16 (viii) Adopt and implement a plan to satisfy the recommendations  
17 listed in the Michigan Blueprint of a Quality Arts Education  
18 program.

19 (4) Grants awarded under this section must be awarded for the  
20 coverage of costs for 1 year of additional costs, including 1-time  
21 costs, for the district to implement **or maintain** a music **or visual**  
22 **arts** program.

23 (5) In awarding grants under this section, the department  
24 shall prioritize as follows:

25 (a) The department shall first award grants to districts that  
26 meet 1 of the following:

27 (i) The district currently has a music or visual arts program  
28 that meets the requirements of subsection (3) (b) (i) to (vii) but does  
29 not meet the recommendations listed in the Michigan Blueprint of a



1 Quality Arts Education program and the district will use the grant  
2 to move toward implementing those recommendations.

3 (ii) The district does not currently have a music program that  
4 meets the requirements of subsection (3) (b) (i) to (vii) or does not  
5 currently have a visual arts program that meets the requirements of  
6 subsection (3) (b) (i) to (vii).

7 (b) If there is funding remaining after awarding grants to  
8 districts described in subdivision (a), the department shall award  
9 grants to other eligible districts.

10 (6) ~~(5) All~~ **Notwithstanding section 17b**, grants under this  
11 section must be awarded ~~by not later than February 1, 2024.~~ **in the**  
12 **October payment under section 17b of the fiscal year in which the**  
13 **grant is approved.**

14 (7) ~~(6)~~ **insufficient** If the total funding allocated under this section is  
15 ~~not sufficient~~ **insufficient** to fully fund payments to all eligible  
16 districts under this section, the department shall prorate payments  
17 to all eligible districts on an equal percentage basis.

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

21 (8) The funds allocated under this section for 2023-2024 are a  
22 work project appropriation, and any unexpended funds for 2023-2024  
23 are carried forward into 2024-2025. The purpose of the work project  
24 is to provide for music or visual arts education. The estimated  
25 completion date of the work project is September 30, 2026.

26 (9) Notwithstanding section 18a, funds allocated under this  
27 section may be available for expenditure until September 30, 2027.  
28 A recipient of funding under this subsection must return any  
29 unexpended funds to the department in a manner prescribed by the



1 **department by not later than October 30, 2027.**

2       Sec. 35a. (1) From the appropriations in section 11, there is  
 3 allocated for ~~2023-2024-2024-2025~~ for the purposes of this section  
 4 an amount not to exceed ~~\$77,900,000.00~~ **\$81,150,000.00** from the  
 5 state school aid fund, and there is allocated for ~~2023-2024-2024-~~  
 6 **2025 only** for the purposes of subsection (8) an amount not to  
 7 exceed \$5,000,000.00 from the general fund. Excluding staff or  
 8 contracted employees funded under subsection (8), the  
 9 superintendent shall designate staff or contracted employees funded  
 10 under this section as critical shortage. ~~Programs funded under this~~  
 11 ~~section are intended to ensure that this state will be a top 10~~  
 12 ~~state in grade 4 reading proficiency by 2025 according to the~~  
 13 ~~National Assessment of Educational Progress (NAEP). By December 31~~  
 14 ~~of each fiscal year in which funding is allocated under this~~  
 15 ~~section, the superintendent of public instruction shall do both of~~  
 16 ~~the following:~~

17       ~~(a) Report in person to the house and senate appropriations~~  
 18 ~~subcommittees on school aid regarding progress on the goal~~  
 19 ~~described in this subsection and be available for questioning as~~  
 20 ~~prescribed through a process developed by the chairs of the house~~  
 21 ~~and senate appropriations subcommittees on school aid.~~

22       ~~(b) Submit a written report to the house and senate~~  
 23 ~~appropriations subcommittees on school aid regarding progress on~~  
 24 ~~the goal described in this subsection.~~

25       (2) A district that receives funds under subsection (5) may  
 26 spend up to 5% of those funds for professional development for  
 27 educators in a department-approved research-based training program  
 28 related to current state literacy standards for pupils in grades  
 29 pre-K to 3. The professional development must also include training



1 in the use of screening and diagnostic tools, progress monitoring,  
 2 and intervention methods used to address barriers to learning and  
 3 delays in learning that are diagnosed through the use of these  
 4 tools.

5 (3) A district that receives funds under subsection (5) may  
 6 use up to 5% of those funds to administer department-approved  
 7 screening and diagnostic tools to monitor the development of early  
 8 literacy and early reading skills, and risk factors for word-level  
 9 reading difficulties of pupils in grades pre-K to 3 and to support  
 10 evidence-based professional learning described in subsection (11)  
 11 for educators in administering and using screening, progress  
 12 monitoring, and diagnostic assessment data to inform instruction  
 13 through prevention and intervention in a multi-tiered system of  
 14 supports framework. A department-approved screening and diagnostic  
 15 tool administered by a district using funding under this section  
 16 must include all of the following components: phonemic awareness,  
 17 phonics, fluency, rapid automatized naming (RAN), and  
 18 comprehension. Further, all of the following sub-skills must be  
 19 assessed within each of these components:

20 (a) Phonemic awareness - segmentation, blending, and sound  
 21 manipulation (deletion and substitution).

22 (b) Phonics - decoding (reading) and encoding (spelling).

23 (c) Fluency.

24 (d) Comprehension - making meaning of text.

25 (4) From the allocation under subsection (1), there is  
 26 allocated an amount not to exceed ~~\$42,000,000.00~~ **\$45,250,000.00** for  
 27 ~~2023-2024~~ **2024-2025** for the purpose of providing early literacy  
 28 coaches at intermediate districts to assist teachers in developing  
 29 and implementing instructional strategies for pupils in grades pre-



1 K to 3 so that pupils are reading at grade level by the end of  
2 grade 3. All of the following apply to funding under this  
3 subsection:

4 (a) The department shall develop an application process  
5 consistent with the provisions of this subsection. An application  
6 must provide assurances that literacy coaches funded under this  
7 subsection are knowledgeable about at least the following:

8 (i) Current state literacy standards for pupils in grades pre-K  
9 to 3.

10 (ii) Implementing an instructional delivery model based on  
11 frequent use of formative, screening, and diagnostic tools, known  
12 as a multi-tiered system of supports, to determine individual  
13 progress for pupils in grades pre-K to 3 so that pupils are reading  
14 at grade level by the end of grade 3.

15 (iii) The use of data from diagnostic tools to determine the  
16 necessary additional supports and interventions needed by  
17 individual pupils in grades pre-K to 3 ~~in order to be reading~~ **read**  
18 at grade level.

19 (b) From the allocation under this subsection, the department  
20 shall award grants to intermediate districts for the support of  
21 early literacy coaches. The department shall provide this funding  
22 in the following manner:

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

26 (ii) After distribution of the grant funding under subparagraph  
27 (i), the department shall distribute the remainder of grant funding  
28 for additional early literacy coaches in an amount not to exceed  
29 \$125,000.00 per early literacy coach. The number of funded early



1 literacy coaches for each intermediate district is based on the  
 2 percentage of the total statewide number of pupils in grades K to 3  
 3 who meet the income eligibility standards for the federal free and  
 4 reduced-price lunch programs who are enrolled in districts in the  
 5 intermediate district. **The department shall ensure that each  
 6 intermediate district is eligible to receive funding to support at  
 7 least 1 early literacy coach under this subparagraph.**

8 (c) If an intermediate district that receives funding under  
 9 this subsection uses an assessment tool that screens for  
 10 characteristics of dyslexia, the intermediate district shall use  
 11 the assessment results from that assessment tool to identify pupils  
 12 who demonstrate characteristics of dyslexia.

13 (d) All literacy coaches funded under this subsection must  
 14 have already received, or be making progress toward receiving,  
 15 professional learning by the approved provider described in  
 16 subsection (11).

17 (e) **To be eligible to receive funding under this subsection,  
 18 an intermediate district must provide the department with a list by  
 19 September 1 of the immediately preceding fiscal year containing  
 20 contact information for all literacy coaches funded under this  
 21 subsection, in a form and manner determined by the department. An  
 22 intermediate district shall communicate any personnel changes and  
 23 changes to contact information for literacy coaches funded under  
 24 this subsection to the department within 30 days of the personnel  
 25 change or change in contact information.**

26 (5) From the allocation under subsection (1), there is  
 27 allocated an amount not to exceed \$19,900,000.00 for ~~2023-2024~~  
 28 **2024-2025** to districts that provide additional instructional time  
 29 to those pupils in grades pre-K to 5 who have been identified by



1 using department-approved screening and diagnostic tools as needing  
2 additional supports and interventions ~~in order to be reading~~ **read**  
3 at grade level by the end of grade 3. Additional instructional time  
4 may be provided before, during, and after regular school hours or  
5 as part of a year-round balanced school calendar. All of the  
6 following apply to funding under this subsection:

7 (a) ~~In order to~~ **To** be eligible to receive funding, a district  
8 must demonstrate to the satisfaction of the department that the  
9 district has done all of the following:

10 (i) Implemented a multi-tiered system of supports instructional  
11 delivery model that is an evidence-based model that uses data-  
12 driven problem solving to integrate academic and behavioral  
13 instruction and that uses intervention delivered to all pupils in  
14 varying intensities based on pupil needs. The multi-tiered system  
15 of supports must provide at least all of the following essential  
16 components:

17 (A) Team-based leadership.

18 (B) A tiered delivery system.

19 (C) Selection and implementation of instruction,  
20 interventions, and supports.

21 (D) A comprehensive screening and assessment system.

22 (E) Continuous data-based decision making.

23 (ii) Used department-approved research-based diagnostic tools  
24 to identify individual pupils in need of additional instructional  
25 time.

26 (iii) Used a reading instruction method that focuses on the 5  
27 fundamental building blocks of reading: phonics, phonemic  
28 awareness, fluency, vocabulary, and comprehension and content  
29 knowledge.



1 (iv) Provided teachers of pupils in grades pre-K to 5 with  
 2 research-based professional development in diagnostic data  
 3 interpretation.

4 (v) Complied with the requirements under section 1280f of the  
 5 revised school code, MCL 380.1280f.

6 (b) The department shall distribute funding allocated under  
 7 this subsection to eligible districts on an equal per-first-grade-  
 8 pupil basis.

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

13 (6) ~~Not~~ **By not** later than September 1 of each year, a district  
 14 that receives funding under subsection (5) in conjunction with the  
 15 Michigan student data system, if possible, shall provide to the  
 16 department a report that includes at least both of the following,  
 17 in a form and manner prescribed by the department:

18 (a) For pupils in grades pre-K to 3, the teachers, pupils,  
 19 schools, and grades served with funds under this section and the  
 20 categories of services provided.

21 (b) For pupils in grades pre-K to 3, pupil proficiency and  
 22 growth data that allows analysis both in the aggregate and by each  
 23 of the following subgroups, as applicable:

24 (i) School.

25 (ii) Grade level.

26 (iii) Gender.

27 (iv) Race.

28 (v) Ethnicity.

29 (vi) Economically disadvantaged status.



1 (vii) Disability.

2 (viii) Pupils identified as having reading deficiencies.

3 (7) From the allocation under subsection (1), there is  
 4 allocated an amount not to exceed \$6,000,000.00 for ~~2023-2024-2024-~~  
 5 **2025** to an intermediate district in which the combined total number  
 6 of pupils in membership of all of its constituent districts is the  
 7 fewest among all intermediate districts. All of the following apply  
 8 to the funding under this subsection:

9 (a) Funding under this subsection must be used by the  
 10 intermediate district, in partnership with an association that  
 11 represents intermediate district administrators in this state, to  
 12 implement all of the following:

13 (i) Literacy essentials teacher and principal training modules.

14 (ii) Face-to-face and online professional learning of literacy  
 15 essentials teacher and principal training modules for literacy  
 16 coaches, principals, and teachers.

17 (iii) The placement of regional lead literacy coaches to  
 18 facilitate professional learning for early literacy coaches. These  
 19 regional lead literacy coaches shall provide support for new  
 20 literacy coaches, building teachers, and administrators and shall  
 21 facilitate regional data collection to evaluate the effectiveness  
 22 of statewide literacy coaches funded under this section.

23 (iv) Provide \$500,000.00 from this subsection for literacy  
 24 training, modeling, coaching, and feedback for district principals  
 25 or chief administrators, as applicable. The training described in  
 26 this subparagraph must use the pre-K and K to 3 essential  
 27 instructional practices in literacy created by the general  
 28 education leadership network as the framework for all training  
 29 provided under this subparagraph.



1 (v) Job-embedded professional learning opportunities for  
 2 mathematics teachers through mathematics instructional coaching.  
 3 Funding must be used for professional learning for coaches,  
 4 professional developers, administrators, and teachers; coaching for  
 5 early mathematics educators; the development of statewide and  
 6 regional professional learning networks in mathematics  
 7 instructions; and the development and support of digital  
 8 professional learning modules.

9 (b) Not later than September 1 of each year, the intermediate  
 10 district described in this subsection, in consultation with grant  
 11 recipients, shall submit a report to the chairs of the senate and  
 12 house appropriations subcommittees on school aid, the chairs of the  
 13 senate and house standing committees responsible for education  
 14 legislation, the house and senate fiscal agencies, and the state  
 15 budget director. The report described under this subdivision must  
 16 include student achievement results in English language arts and  
 17 mathematics and survey results with feedback from parents and  
 18 teachers regarding the initiatives implemented under this  
 19 subsection.

20 (c) Up to 2% of funds allocated under this subsection may be  
 21 used by the association representing intermediate district  
 22 administrators that is in partnership with the intermediate  
 23 district specified in this subsection to administer this  
 24 subsection.

25 (8) From the general fund money allocated in subsection (1),  
 26 the department shall allocate the amount of \$5,000,000.00 for ~~2023-~~  
 27 ~~2024-2024-2025~~ only to the Michigan Education Corps for the PreK  
 28 Reading Corps, the K3 Reading Corps, and the Math Corps. All of the  
 29 following apply to funding under this subsection:



1 (a) By September 1 of the current fiscal year, the Michigan  
2 Education Corps shall provide a report concerning its use of the  
3 funding to the senate and house appropriations subcommittees on  
4 school aid, the senate and house fiscal agencies, and the senate  
5 and house caucus policy offices on outcomes and performance  
6 measures of the Michigan Education Corps, including, but not  
7 limited to, the degree to which the Michigan Education Corps'  
8 replication of the PreK Reading Corps, the K3 Reading Corps, and  
9 the Math Corps programs is demonstrating sufficient efficacy and  
10 impact. The report must include data pertaining to at least all of  
11 the following:

12 (i) The current impact of the programs on this state in terms  
13 of numbers of children and schools receiving support. This portion  
14 of the report must specify the number of children tutored,  
15 including dosage and completion, and the demographics of those  
16 children.

17 (ii) Whether the assessments and interventions are implemented  
18 with fidelity. This portion of the report must include details on  
19 the total number of assessments and interventions completed and the  
20 range, mean, and standard deviation.

21 (iii) Whether the literacy or math improvement of children  
22 participating in the programs is consistent with expectations. This  
23 portion of the report must detail at least all of the following:

24 (A) Growth rate by grade or age level, in comparison to  
25 targeted growth rate.

26 (B) Average linear growth rates.

27 (C) Exit rates.

28 (D) Percentage of children who exit who also meet or exceed  
29 spring benchmarks.



1 (iv) The impact of the programs on organizations and  
2 stakeholders, including, but not limited to, school administrators,  
3 internal coaches, and AmeriCorps members.

4 (b) If the department determines that the Michigan Education  
5 Corps has misused the funds allocated under this subsection, the  
6 Michigan Education Corps shall reimburse this state for the amount  
7 of state funding misused.

8 (c) The department may not reserve any portion of the  
9 allocation provided under this subsection for an evaluation of the  
10 Michigan Education Corps, the Michigan Education Corps' funding, or  
11 the Michigan Education Corps' programming unless agreed to in  
12 writing by the Michigan Education Corps. The department shall award  
13 the entire amount allocated under this subsection to the Michigan  
14 Education Corps and shall not condition the awarding of this  
15 funding on the implementation of an independent evaluation.

16 (9) If a district or intermediate district expends any funding  
17 received under subsection (4) or (5) for professional development  
18 in research-based effective reading instruction, the district or  
19 intermediate district shall select a professional development  
20 program from the list described under subdivision (a). All of the  
21 following apply to the requirement under this subsection:

22 (a) The department shall issue a request for proposals for  
23 professional development programs in research-based effective  
24 reading instruction to develop an initial approved list of  
25 professional development programs in research-based effective  
26 reading instruction. The department shall make the initial approved  
27 list public and shall determine if it will, on a rolling basis,  
28 approve any new proposals submitted for addition to its initial  
29 approved list.



1 (b) To be included as an approved professional development  
 2 program in research-based effective reading instruction under  
 3 subdivision (a), an applicant must demonstrate to the department in  
 4 writing the program's competency in all of the following topics:

5 (i) Understanding of phonemic awareness, phonics, fluency,  
 6 vocabulary, and comprehension.

7 (ii) Appropriate use of assessments and differentiated  
 8 instruction.

9 (iii) Selection of appropriate instructional materials.

10 (iv) Application of research-based instructional practices.

11 (c) As used in this subsection, "effective reading  
 12 instruction" means reading instruction scientifically proven to  
 13 result in improvement in pupil reading skills.

14 (10) From the allocation under subsection (1), there is  
 15 allocated an amount not to exceed \$10,000,000.00 for ~~2023-2024~~  
 16 **2024-2025** only for the provision of professional learning by the  
 17 approved provider described in subsection (11), first to educators  
 18 in pre-K, kindergarten, and grade 1 next to educators in grade 2  
 19 and grade 3; and then to additional elementary school educators and  
 20 pre-K to grade 12 certificated special education personnel with  
 21 endorsements in learning disabilities, emotional impairments, or  
 22 speech and language impairments. For purposes of this subsection,  
 23 the department must establish and manage professional learning  
 24 opportunities that are open to all school personnel described in  
 25 this subsection as follows:

26 (a) The department must first open voluntary enrollment for  
 27 any pre-K through grade 3 teacher on a first-come, first-served  
 28 basis, with voluntary enrollment prioritized for pre-K,  
 29 kindergarten, and grade 1 teachers. The department shall then open



1 voluntary enrollment for the remaining school personnel described  
2 in this subsection.

3 (b) The department must maintain open enrollment until all  
4 funds are expended.

5 (11) For the provision of professional learning to the school  
6 personnel described in subsection (10), the department shall  
7 approve LETRS as the approved provider of professional learning, if  
8 LETRS continues to meet all of the following:

9 (a) Be offered through a system of training that provides  
10 educators with the knowledge base to effectively implement any  
11 class-wide, supplemental, or intervention reading approach and to  
12 determine why some students struggle with reading, writing,  
13 spelling, and language.

14 (b) Provide training activities that direct educators to  
15 implement effective reading and spelling instruction supported by  
16 scientifically based research and foster a direct explicit  
17 instructional sequence that uses techniques to support teachers'  
18 independence in using their newly-learned skills with students in  
19 the classroom.

20 (c) Include integrated components for educators and  
21 administrators in pre-K to grade 3 with embedded evaluation or  
22 assessment of knowledge. Evaluation or assessment of knowledge  
23 under this subdivision must incorporate evaluations of learning  
24 throughout each unit and include a summative assessment that must  
25 be completed to demonstrate successful course completion.

26 (d) Build teacher content knowledge and pedagogical knowledge  
27 of the critical components of literacy including how the brain  
28 learns to read, phonological and phonemic awareness; letter  
29 knowledge; phonics; advanced phonics; vocabulary and oral language;



1 fluency; comprehension; spelling and writing; and the organization  
2 of language.

3 (e) Support educators in understanding how to effectively use  
4 screening, progress monitoring, and diagnostic assessment data to  
5 improve literacy outcomes through prevention and intervention for  
6 reading difficulties in a multi-tiered system of supports. The  
7 multi-tiered system of supports must include at least all of the  
8 following essential components:

9 (i) Team-based leadership.

10 (ii) A tiered delivery system.

11 (iii) Selection and implementation of instruction,  
12 interventions, and supports.

13 (iv) A comprehensive screening and assessment system.

14 (v) Continuous data-based decision making.

15 (12) Notwithstanding section 17b, the department shall make  
16 payments made under subsections (7) and (8) on a schedule  
17 determined by the department.

18 (13) As used in this section:

19 (a) "Dyslexia" means both of the following:

20 (i) A specific learning disorder that is neurobiological in  
21 origin and characterized by difficulties with accurate or fluent  
22 word recognition and by poor spelling and decoding abilities that  
23 typically result from a deficit in the phonological component of  
24 language that is often unexpected in relation to other cognitive  
25 abilities and the provision of effective classroom instruction.

26 (ii) A specific learning disorder that may include secondary  
27 consequences, such as problems in reading comprehension and a  
28 reduced reading experience that can impede the growth of vocabulary  
29 and background knowledge and lead to social, emotional, and



1 behavioral difficulties.

2 (b) "Evidence-based" means an activity, program, process,  
3 service, strategy, or intervention that demonstrates statistically  
4 significant effects on improving pupil outcomes or other relevant  
5 outcomes and that meets at least both of the following:

6 (i) At least 1 of the following:

7 (A) Is based on strong evidence from at least 1 well-designed  
8 and well-implemented experimental study.

9 (B) Is based on moderate evidence from at least 1 well-  
10 designed and well-implemented quasi-experimental study.

11 (C) Is based on promising evidence from at least 1 well-  
12 designed and well-implemented correlational study with statistical  
13 controls for selection bias.

14 (D) Demonstrates a rationale based on high-quality research  
15 findings or positive evaluation that the activity, program,  
16 process, service, strategy, or intervention is likely to improve  
17 pupil outcomes or other relevant outcomes.

18 (ii) Includes ongoing efforts to examine the effects of the  
19 activity, program, process, service, strategy, or intervention.

20 (c) "Explicit" means direct and deliberate instruction through  
21 continuous pupil-teacher interaction that includes teacher  
22 modeling, guided practice, and independent practice.

23 (d) "Fluency" means the ability to read with speed, accuracy,  
24 and proper expression.

25 (e) "Multi-tiered system of supports" means a comprehensive  
26 framework that includes 3 distinct tiers of instructional support  
27 and is composed of a collection of evidence-based strategies  
28 designed to meet the individual needs and assets of a whole pupil  
29 at all achievement levels.



1 (f) "Phonemic awareness" means the conscious awareness of all  
2 of the following:

3 (i) Individual speech sounds, including, but not limited to,  
4 consonants and vowels, in spoken syllables.

5 (ii) The ability to consciously manipulate through, including,  
6 but not limited to, matching, blending, segmenting, deleting, or  
7 substituting, individual speech sounds described in subparagraph  
8 (i).

9 (iii) All levels of the speech sound system, including, but not  
10 limited to, word boundaries, rhyme recognition, stress patterns,  
11 syllables, onset-rime units, and phonemes.

12 (g) "Phonological" means relating to the system of contrastive  
13 relationships among the speech sounds that constitute the  
14 fundamental components of a language.

15 (h) "Progress monitoring" means the assessing of students'  
16 academic performance, quantifying students' rates of improvement or  
17 progress toward goals, and determining how students are responding  
18 to instruction.

19 (i) "Rapid automatized naming (RAN)" means a task that  
20 measures how quickly individuals can name objects; pictures;  
21 colors; or symbols, including letters and digits, aloud, which can  
22 predict later reading abilities for preliterate children.

23 Sec. 35d. (1) From the ~~state school aid~~ **general** fund money  
24 appropriated under section 11, for ~~2023-2024~~ **2024-2025** only, there  
25 is allocated an amount not to exceed ~~\$1,000,000.00~~ **\$100.00** for the  
26 department to provide grants to districts and intermediate  
27 districts for the purchase of 1 or more components or trainings  
28 through an eligible teacher training program for children with  
29 dyslexia from a provider of an eligible teacher training program



1 for children with dyslexia as provided under this section.

2 (2) A provider that provides programming that meets all of the  
3 following is considered to be a provider of an eligible teacher  
4 training program for purposes of this section:

5 (a) Allows teachers to incorporate the 5 components essential  
6 to an effective reading program into their daily lessons. The 5  
7 components described in this subdivision are phonemic awareness,  
8 phonics, vocabulary, fluency, and comprehension.

9 (b) Trains educators to teach reading using a proven,  
10 multisensory approach.

11 (c) Educates teachers on how to explicitly and effectively  
12 teach reading to beginning readers.

13 (d) Breaks reading and spelling down into smaller skills  
14 involving letters and sounds, and then builds on these skills over  
15 time.

16 (e) Uses multisensory teaching strategies to teach reading by  
17 using sight, hearing, touch, and movement to help students connect  
18 and learn the concepts being taught.

19 (3) Districts and intermediate districts may apply to the  
20 department for grants to purchase components or training through an  
21 eligible teacher training program from a provider of an eligible  
22 teacher training program, and, upon receiving an application but  
23 except as otherwise provided in this subsection, the department  
24 shall make payments to districts and intermediate districts for  
25 those purchases. The department shall make payments under this  
26 section on a first-come, first-served basis until funds are  
27 depleted.

28 Sec. 35j. (1) From the state school aid fund money  
29 appropriated in section 11, there is allocated for 2023-2024 only



1 an amount not to exceed \$140,000,000.00 for payments to districts  
2 and intermediate districts to improve literacy instructional  
3 practices by investing in quality, research-based best practices,  
4 and professional learning.

5 (2) Subject to subsection (4), to be eligible to receive  
6 funding under this section, a district or intermediate district  
7 must apply for the funding in a form and manner prescribed by the  
8 department. Intermediate districts may apply for funding under this  
9 section on behalf of their constituent districts.

10 (3) From the allocation under subsection (1), the department  
11 shall make payments to eligible districts and intermediate  
12 districts in an equal amount per pupil based on the number of  
13 pupils in the district or intermediate district in grades pre-K to  
14 5. Districts and intermediate districts receiving funding under  
15 this section must use that funding for all of the following  
16 purposes:

17 (a) Providing professional learning for all pre-K to grade 5  
18 teachers, administrators, and instructional coaches in literacy  
19 instruction best practices.

20 (b) Complementing existing efforts to improve literacy  
21 instruction.

22 (c) Developing and implementing a comprehensive literacy  
23 system.

24 (4) For a district or intermediate district to be eligible for  
25 funding under this section, the district or intermediate district  
26 must do all of the following:

27 (a) Use a valid screening tool, as determined by the  
28 department, to identify gaps in current literacy practices and  
29 complete a needs assessment.



1 (b) Submit a plan to the department targeting identified focus  
2 areas to address gaps in literacy practices.

3 (c) Ensure 100% of current pre-K to grade 5 teachers complete  
4 selected training.

5 (d) Report to the department and post on its website which  
6 pre-K to grade 5 literacy curriculum and benchmark assessment the  
7 district or intermediate districts utilized.

8 (5) Except as otherwise provided in this subsection and  
9 notwithstanding section 17b, the department shall make payments  
10 under this section on a schedule determined by the department. The  
11 department must not pay more than 50% of the amount allocated in  
12 subsection (1) in 2023-2024 and must pay remaining eligible  
13 payments during 2024-2025.

14 (6) Funds allocated under this section for 2023-2024 are a  
15 work project appropriation, and any unexpended funds for 2023-2024  
16 are carried forward into 2024-2025. The purpose of the work project  
17 is to improve literacy instructional practices. The estimated  
18 completion date of the work project is September 30, ~~2025~~ **2026**.

19 Sec. 39. (1) An eligible applicant receiving funds under  
20 section 32d shall submit an application, in a form and manner  
21 prescribed by the department **of lifelong education, advancement,**  
22 **and potential**, by a date specified by the department **of lifelong**  
23 **education, advancement, and potential** in the immediately preceding  
24 fiscal year. An eligible applicant is not required to amend the  
25 applicant's current accounting cycle or adopt this state's fiscal  
26 year accounting cycle in accounting for financial transactions  
27 under this section. The application must include all of the  
28 following:

29 (a) The estimated total number of children in the community



1 who meet the criteria of section 32d and the total number of age-  
 2 eligible children in the community, as provided to the applicant by  
 3 the department **of lifelong education, advancement, and potential**  
 4 utilizing the most recent population data available from the  
 5 American Community Survey conducted by the United States Census  
 6 Bureau. The department **of lifelong education, advancement, and**  
 7 **potential** shall ensure that it provides updated American Community  
 8 Survey population data at least once every 3 years.

9 (b) The estimated number of children in the community who meet  
 10 the criteria of section 32d and are being served exclusively by  
 11 Head Start programs operating in the community.

12 (c) The number of children whom the applicant has the capacity  
 13 to serve who meet the criteria of section 32d including a  
 14 verification of physical facility and staff resources capacity.

15 (2) After notification of funding allocations, an applicant  
 16 receiving funds under section 32d shall also submit an  
 17 implementation plan for approval, in a form and manner prescribed  
 18 by the department **of lifelong education, advancement, and**  
 19 **potential**, by a date specified by the department **of lifelong**  
 20 **education, advancement, and potential**, that details how the  
 21 applicant complies with the program components established by the  
 22 department **of lifelong education, advancement, and potential** under  
 23 section 32d.

24 (3) The initial allocation to each eligible applicant under  
 25 section 32d is the lesser of the following:

26 (a) The sum of the number of children served in a school-day  
 27 program in the preceding school year multiplied by ~~\$9,608.00,~~  
 28 **\$10,317.00**, the number of children served in a GSRP extended  
 29 program in the preceding school year multiplied by ~~\$11,530.00,~~



1 **\$12,380.00**, and the number of children served in a GSRP/Head Start  
 2 blended program or a part-day program in the preceding school year  
 3 multiplied by ~~\$4,804.00~~ **\$5,159.00**.

4 (b) The sum of the number of children the applicant has the  
 5 capacity to serve in the current school year in a school-day  
 6 program multiplied by ~~\$9,608.00~~ **\$10,317.00**, the number of children  
 7 served in a GSRP extended program the applicant has the capacity to  
 8 serve in the current school year multiplied by ~~\$11,530.00~~,  
 9 **\$12,380.00**, and the number of children served in a GSRP/Head Start  
 10 blended program or a part-day program the applicant has the  
 11 capacity to serve in the current school year multiplied by  
 12 ~~\$4,804.00~~ **\$5,159.00**.

13 (4) If funds remain after the allocations under subsection  
 14 (3), the department **of lifelong education, advancement, and**  
 15 **potential** shall distribute the remaining funds to each intermediate  
 16 district or consortium of intermediate districts that serves less  
 17 than the state percentage benchmark determined under subsection  
 18 (5). The department **of lifelong education, advancement, and**  
 19 **potential** shall distribute these remaining funds to each eligible  
 20 applicant based upon each applicant's proportionate share of the  
 21 remaining unserved children necessary to meet the statewide  
 22 percentage benchmark in intermediate districts or consortia of  
 23 intermediate districts serving less than the statewide percentage  
 24 benchmark. When all applicants have been given the opportunity to  
 25 reach the statewide percentage benchmark, the statewide percentage  
 26 benchmark may be reset, as determined by the department **of lifelong**  
 27 **education, advancement, and potential**, until greater equity of  
 28 opportunity to serve eligible children across all intermediate  
 29 school districts has been achieved.



1           (5) For the purposes of subsection (4), the department **of**  
2 **lifelong education, advancement, and potential** shall calculate a  
3 percentage of children served by each intermediate district or  
4 consortium of intermediate districts by adding the number of  
5 children served in the immediately preceding year by that  
6 intermediate district or consortium with the number of eligible  
7 children under section 32d served exclusively by Head Start, as  
8 reported in a form and manner prescribed by the department **of**  
9 **lifelong education, advancement, and potential**, within the  
10 intermediate district or consortia service area and dividing that  
11 total by the total number of children within the intermediate  
12 district or consortium of intermediate districts who meet the  
13 criteria of section 32d as determined by the department **of lifelong**  
14 **education, advancement, and potential** utilizing the most recent  
15 population data available from the American Community Survey  
16 conducted by the United States Census Bureau. The department **of**  
17 **lifelong education, advancement, and potential** shall compare the  
18 resulting percentage of eligible children served to a statewide  
19 percentage benchmark to determine if the intermediate district or  
20 consortium is eligible for additional funds under subsection (4).  
21 The statewide percentage benchmark is 100%.

22           (6) If, taking into account the total amount to be allocated  
23 to the applicant as calculated under this section, an applicant  
24 determines that it is able to include additional eligible children  
25 in the great start readiness program without additional funds under  
26 section 32d, the applicant may include additional eligible children  
27 but does not receive additional funding under section 32d for those  
28 children.

29           (7) The department **of lifelong education, advancement, and**



1 **potential** shall review the program components under section 32d and  
 2 under this section at least biennially. The department **of lifelong**  
 3 **education, advancement, and potential** also shall convene a  
 4 committee of internal and external stakeholders at least once every  
 5 5 years to ensure that the funding structure under this section  
 6 reflects current system needs under section 32d.

7 (8) As used in this section, "GSRP/Head Start blended  
 8 program", "GSRP extended program", "part-day program", and "school-  
 9 day program" mean those terms as defined in section 32d.

10 Sec. 39a. (1) From the federal funds appropriated in section  
 11 11, there is allocated for ~~2022-2023 to districts, intermediate~~  
 12 ~~districts, and other eligible entities all available federal~~  
 13 ~~funding, estimated at \$782,600,000.00, and there is allocated for~~  
 14 ~~2023-2024-2024-2025~~ to districts, intermediate districts, and other  
 15 eligible entities all available federal funding, estimated at  
 16 \$754,700,000.00, for the federal programs under the no child left  
 17 behind act of 2001, Public Law 107-110, or the every student  
 18 succeeds act, Public Law 114-95. These funds are allocated as  
 19 follows:

20 (a) An amount estimated at ~~\$1,200,000.00 for 2022-2023 and~~  
 21 \$1,200,000.00 for ~~2023-2024-2024-2025~~ to provide students with  
 22 drug- and violence-prevention programs and to implement strategies  
 23 to improve school safety, funded from DED-OESE, drug-free schools  
 24 and communities funds.

25 (b) An amount estimated at ~~\$100,000,000.00 for 2022-2023 and~~  
 26 \$100,000,000.00 for ~~2023-2024-2024-2025~~ for the purpose of  
 27 preparing, training, and recruiting high-quality teachers and class  
 28 size reduction, funded from DED-OESE, improving teacher quality  
 29 funds.



1 (c) An amount estimated at ~~\$13,000,000.00 for 2022-2023 and~~  
2 \$13,000,000.00 for ~~2023-2024~~ **2024-2025** for programs to teach  
3 English to limited English proficient (LEP) children, funded from  
4 DED-OESE, language acquisition state grant funds.

5 (d) An amount estimated at ~~\$2,800,000.00 for 2022-2023 and~~  
6 \$2,800,000.00 for ~~2023-2024~~ **2024-2025** for rural and low-income  
7 schools, funded from DED-OESE, rural and low income school funds.

8 (e) An amount estimated at ~~\$535,000,000.00 for 2022-2023 and~~  
9 \$535,000,000.00 for ~~2023-2024~~ **2024-2025** to provide supplemental  
10 programs to enable educationally disadvantaged children to meet  
11 challenging academic standards, funded from DED-OESE, title I,  
12 disadvantaged children funds.

13 (f) An amount estimated at ~~\$9,200,000.00 for 2022-2023 and~~  
14 \$9,200,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of  
15 identifying and serving migrant children, funded from DED-OESE,  
16 title I, migrant education funds.

17 (g) An amount estimated at ~~\$40,400,000.00 for 2022-2023 and~~  
18 \$40,400,000.00 for ~~2023-2024~~ **2024-2025** for the purpose of providing  
19 high-quality extended learning opportunities, after school and  
20 during the summer, for children in low-performing schools, funded  
21 from DED-OESE, twenty-first century community learning center  
22 funds.

23 (h) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and~~  
24 \$14,000,000.00 for ~~2023-2024~~ **2024-2025** to help support local school  
25 improvement efforts, funded from DED-OESE, title I, local school  
26 improvement grants.

27 (i) An amount estimated at ~~\$35,000,000.00 for 2022-2023 and~~  
28 \$35,000,000.00 for ~~2023-2024~~ **2024-2025** to improve the academic  
29 achievement of students, funded from DED-OESE, title IV, student



1 support and academic enrichment grants.

2 (j) An amount estimated at ~~\$3,100,000.00 for 2022-2023 and~~  
 3 \$3,100,000.00 for ~~2023-2024~~ **2024-2025** for literacy programs that  
 4 advance literacy skills for students from birth through grade 12,  
 5 including, but not limited to, English-proficient students and  
 6 students with disabilities, funded from DED-OESE, striving readers  
 7 comprehensive literacy program.

8 ~~(k) An amount estimated at \$27,900,000.00 for 2022-2023 only~~  
 9 ~~to establish safer and healthier learning environments, and to~~  
 10 ~~prevent and respond to acts of bullying, violence, and hate that~~  
 11 ~~impact school communities at individual and systemic levels, funded~~  
 12 ~~from DED-OESE, stronger connections grant program.~~

13 **(k)** ~~(l)~~ An amount estimated at ~~\$1,000,000.00 for 2022-2023 and~~  
 14 ~~an amount estimated at \$1,000,000.00 for 2023-2024~~ **2024-2025** for  
 15 grants to support and demonstrate innovative partnerships to train  
 16 school-based mental health service providers, funded from DED-OESE,  
 17 mental health service professional demonstration grant program.

18 (2) From the federal funds appropriated in section 11, there  
 19 is allocated to districts, intermediate districts, and other  
 20 eligible entities all available federal funding, estimated at  
 21 ~~\$60,500,000.00 for 2022-2023 and estimated at \$60,500,000.00 for~~  
 22 ~~2023-2024~~ **2024-2025** for the following programs that are funded by  
 23 federal grants:

24 (a) An amount estimated at ~~\$3,000,000.00 for 2022-2023 and~~  
 25 \$3,000,000.00 for ~~2023-2024~~ **2024-2025** to provide services to  
 26 homeless children and youth, funded from DED-OVAE, homeless  
 27 children and youth funds.

28 (b) An amount estimated at ~~\$24,000,000.00 for 2022-2023 and~~  
 29 \$24,000,000.00 for ~~2023-2024~~ **2024-2025** for providing career and



1 technical education services to pupils, funded from DED-OVAE, basic  
2 grants to states.

3 (c) An amount estimated at ~~\$14,000,000.00 for 2022-2023 and~~  
4 ~~\$14,000,000.00 for 2023-2024~~ **2024-2025** for the Michigan charter  
5 school subgrant program, funded from DED-OII, public charter  
6 schools program funds.

7 (d) An amount estimated at ~~\$18,000,000.00 for 2022-2023 and~~  
8 ~~\$18,000,000.00 for 2023-2024~~ **2024-2025** for the purpose of promoting  
9 and expanding high-quality preschool services, funded from HHS-OCC,  
10 preschool development funds.

11 (e) An amount estimated at ~~\$1,500,000.00 for 2022-2023 and~~  
12 ~~\$1,500,000.00 for 2023-2024~~ **2024-2025** for the purpose of addressing  
13 priority substance abuse treatment, prevention, and mental health  
14 needs, funded from HHS-SAMHSA.

15 (3) The department shall distribute all federal funds  
16 allocated under this section in accordance with federal law and  
17 with flexibility provisions outlined in Public Law 107-116, and in  
18 the education flexibility partnership act of 1999, Public Law 106-  
19 25. Notwithstanding section 17b, the department shall make payments  
20 of federal funds to districts, intermediate districts, and other  
21 eligible entities under this section on a schedule determined by  
22 the department.

23 (4) For the purposes of applying for federal grants  
24 appropriated under this article, the department shall allow an  
25 intermediate district to submit a consortium application on behalf  
26 of 2 or more districts with the agreement of those districts as  
27 appropriate according to federal rules and guidelines.

28 (5) For the purposes of funding federal title I grants under  
29 this article, in addition to any other federal grants for which the



1 strict discipline academy is eligible, the department shall  
 2 allocate to a strict discipline academy out of title I, part A an  
 3 amount equal to what the strict discipline academy would have  
 4 received if included and calculated under title I, part D, or what  
 5 it would receive under the formula allocation under title I, part  
 6 A, whichever is greater.

7 (6) As used in this section:

8 (a) "DED" means the United States Department of Education.

9 (b) "DED-OESE" means the DED Office of Elementary and  
 10 Secondary Education.

11 (c) "DED-OII" means the DED Office of Innovation and  
 12 Improvement.

13 (d) "DED-OVAE" means the DED Office of Vocational and Adult  
 14 Education.

15 (e) "HHS" means the United States Department of Health and  
 16 Human Services.

17 (f) "HHS-OCC" means the HHS Office of Child Care.

18 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental  
 19 Health Services Project.

20 Sec. 41. (1) For a district to be eligible to receive funding  
 21 under this section, the district must administer to English  
 22 language learners the English language proficiency assessment known  
 23 as the "WIDA ACCESS for English language learners" or the "WIDA  
 24 Alternate ACCESS". From the state school aid fund money  
 25 appropriated in section 11, there is allocated an amount not to  
 26 exceed ~~\$39,766,500.00~~ **\$44,727,500.00** for ~~2023-2024~~ **2024-2025** for  
 27 payments to eligible districts for services for English language  
 28 learners who have been administered the WIDA ACCESS for English  
 29 language learners.



1 (2) The department shall distribute funding allocated under  
2 subsection (1) to eligible districts based on the number of full-  
3 time equivalent English language learners as follows:

4 (a) ~~\$1,476.00~~ **\$1,661.00** per full-time equivalent English  
5 language learner who has been assessed under the WIDA ACCESS for  
6 English language learners or the WIDA Alternate ACCESS with a WIDA  
7 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and  
8 1.9, or less, as applicable to each assessment. It is the intent of  
9 the legislature to increase this amount until it reaches 75% of the  
10 target foundation allowance.

11 (b) ~~\$1,019.00~~ **\$1,146.00** per full-time equivalent English  
12 language learner who has been assessed under the WIDA ACCESS for  
13 English language learners or the WIDA Alternate ACCESS with a WIDA  
14 ACCESS or WIDA Alternate ACCESS composite score between 2.0 and  
15 2.9, or less, as applicable to each assessment. It is the intent of  
16 the legislature to increase this amount until it reaches 50% of the  
17 target foundation allowance.

18 (c) ~~\$167.00~~ **\$188.00** per full-time equivalent English language  
19 learner who has been assessed under the WIDA ACCESS for English  
20 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS  
21 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or  
22 less, as applicable to each assessment. It is the intent of the  
23 legislature to increase this amount until it reaches 35% of the  
24 target foundation allowance.

25 (3) If funds allocated under subsection (1) are insufficient  
26 to fully fund the payments as prescribed under subsection (2), the  
27 department shall prorate payments on an equal percentage basis,  
28 with the same percentage proration applied to all funding  
29 categories.



1 (4) By October 15 of the fiscal year following the receipt of  
2 funding under subsection (1), each district receiving funds under  
3 subsection (1) shall submit to the department a report, not to  
4 exceed 10 pages, on the usage by the district of funds under  
5 subsection (1) in a form and manner determined by the department,  
6 including a brief description of each program conducted or services  
7 performed by the district using funds under subsection (1) and the  
8 amount of funds under subsection (1) allocated to each of those  
9 programs or services. If a district does not comply with this  
10 subsection, the department shall withhold an amount equal to the  
11 December payment due under this section until the district complies  
12 with this subsection. If the district does not comply with this  
13 subsection by the end of the fiscal year, the withheld funds are  
14 forfeited to the state school aid fund.

15 (5) ~~In order to~~ **To** receive funds under subsection (1), a  
16 district must allow access for the department or the department's  
17 designee to audit all records related to the program for which it  
18 receives those funds. The district shall reimburse this state for  
19 all disallowances found in the audit.

20 (6) Beginning July 1, 2020, and every 3 years thereafter, the  
21 department shall review the per-pupil distribution under subsection  
22 (2), to ensure that funding levels are appropriate and make  
23 recommendations for adjustments to the members of the senate and  
24 house subcommittees on K to 12 school aid appropriations.

25 **(7) By not later than March 1, 2025, the department shall**  
26 **establish English learner program models that establish a minimum**  
27 **number of minutes per week that districts must provide direct**  
28 **English language development instruction for students according to**  
29 **the student's proficiency levels. These models must be compliant**



1 with federal requirements related to English learner program  
 2 services. It is the intent of the legislature that, beginning in  
 3 2025-2026, to be considered an eligible recipient of funding under  
 4 this section, a district must agree to meet or exceed the minimum  
 5 number of minutes per week, as determined by the department, that  
 6 the district provides direct English language development  
 7 instruction.

8 Sec. 51a. (1) From the state school aid fund money in section  
 9 11, there is allocated an amount not to exceed ~~\$1,593,296,100.00~~  
 10 **\$1,898,496,100.00** for ~~2022-2023-2023-2024~~ and there is allocated an  
 11 amount not to exceed ~~\$1,694,646,100.00~~ **\$2,074,996,100.00** for ~~2023-~~  
 12 ~~2024-2024-2025~~ from state sources and all available federal funding  
 13 under sections 1411 to 1419 of part B of the individuals with  
 14 disabilities education act, 20 USC 1411 to 1419, estimated at  
 15 \$390,000,000.00 for ~~2022-2023-2023-2024~~ and ~~\$390,000,000.00~~  
 16 **\$450,000,000.00** for ~~2023-2024, 2024-2025~~, plus any carryover  
 17 federal funds from previous year appropriations. In addition, from  
 18 the state school aid fund money in section 11, there is allocated  
 19 an amount not to exceed \$76,150,000.00 for 2023-2024 only to  
 20 supplement the allocations in this section. The allocations under  
 21 this subsection are for the purpose of reimbursing districts and  
 22 intermediate districts for special education programs, services,  
 23 and special education personnel as prescribed in article 3 of the  
 24 revised school code, MCL 380.1701 to 380.1761; net tuition payments  
 25 made by intermediate districts to the Michigan Schools for the Deaf  
 26 and Blind; and special education programs and services for pupils  
 27 who are eligible for special education programs and services  
 28 according to statute or rule. For meeting the costs of special  
 29 education programs and services not reimbursed under this article,



1 a district or intermediate district may use money in general funds  
 2 or special education funds, not otherwise restricted, or  
 3 contributions from districts to intermediate districts, tuition  
 4 payments, gifts and contributions from individuals or other  
 5 entities, or federal funds that may be available for this purpose,  
 6 as determined by the intermediate district plan prepared under  
 7 article 3 of the revised school code, MCL 380.1701 to 380.1761.  
 8 Notwithstanding section 17b, the department shall make payments of  
 9 federal funds to districts, intermediate districts, and other  
 10 eligible entities under this section on a schedule determined by  
 11 the department.

12 (2) From the funds allocated under subsection (1), there is  
 13 allocated the amount necessary, estimated at ~~\$357,400,000.00~~  
 14 **\$404,400,000.00** for ~~2022-2023-2023-2024~~ and estimated at  
 15 ~~\$368,000,000.00~~ **\$457,100,000.00** for ~~2023-2024, 2024-2025~~, for  
 16 payments toward reimbursing districts and intermediate districts  
 17 for 28.6138% of total approved costs of special education,  
 18 excluding costs reimbursed under section 53a, and 70.4165% of total  
 19 approved costs of special education transportation. ~~Allocations~~  
 20 ~~under this subsection are made as follows:~~

21 ~~(a) For 2022-2023, the department shall calculate the initial~~  
 22 ~~amount allocated to a district under this subsection toward~~  
 23 ~~fulfilling the specified percentages by multiplying the district's~~  
 24 ~~special education pupil membership, excluding pupils described in~~  
 25 ~~subsection (11), times 25% of the foundation allowance under~~  
 26 ~~section 20 of the pupil's district of residence, plus 25% of the~~  
 27 ~~amount of the district's per-pupil allocation under section 20m,~~  
 28 ~~not to exceed 25% of the target foundation allowance for the~~  
 29 ~~current fiscal year, or, for a special education pupil in~~



1 membership in a district that is a public school academy, times an  
 2 amount equal to 25% of the amount per membership pupil calculated  
 3 under section 20(6). For an intermediate district, the amount  
 4 allocated under this subdivision toward fulfilling the specified  
 5 percentages is an amount per special education membership pupil,  
 6 excluding pupils described in subsection (11), and is calculated in  
 7 the same manner as for a district, using 25% of the foundation  
 8 allowance under section 20 of the pupil's district of residence,  
 9 not to exceed 25% of the target foundation allowance for the  
 10 current fiscal year, and that district's per-pupil allocation under  
 11 section 20m.

12 ~~(b) For 2022-2023, after the allocation under subdivision (a),~~  
 13 ~~the department shall pay a district or intermediate district for~~  
 14 ~~which the payments calculated under subdivision (a) do not fulfill~~  
 15 ~~the specified percentages the amount necessary to achieve the~~  
 16 ~~specified percentages for the district or intermediate district.~~

17 ~~(c) Beginning in 2023-2024, subdivisions (a) and (b) no longer~~  
 18 ~~apply.~~

19 (3) From the funds allocated under subsection (1), there is  
 20 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed  
 21 \$1,000,000.00 and ~~there is allocated for 2023-2024 an amount not to~~  
 22 ~~exceed \$1,000,000.00~~ to make payments to districts and intermediate  
 23 districts under this subsection. If the amount allocated to a  
 24 district or intermediate district for the fiscal year under  
 25 subsection (2) is less than the sum of the amounts allocated to the  
 26 district or intermediate district for 1996-97 under sections 52 and  
 27 58, there is allocated to the district or intermediate district for  
 28 the fiscal year an amount equal to that difference, adjusted by  
 29 applying the same proration factor that was used in the



1 distribution of funds under section 52 in 1996-97 as adjusted to  
 2 the district's or intermediate district's necessary costs of  
 3 special education used in calculations for the fiscal year. This  
 4 adjustment is to reflect reductions in special education program  
 5 operations or services between 1996-97 and subsequent fiscal years.  
 6 The department shall make adjustments for reductions in special  
 7 education program operations or services in a manner determined by  
 8 the department and shall include adjustments for program or service  
 9 shifts.

10 (4) If the department determines that the sum of the amounts  
 11 allocated for a fiscal year to a district or intermediate district  
 12 under subsection (2) is ~~not sufficient~~ **insufficient** to fulfill the  
 13 specified percentages in subsection (2), the department shall pay  
 14 the shortfall to the district or intermediate district during the  
 15 fiscal year beginning on the October 1 following the determination  
 16 and shall adjust payments under subsection (3) as necessary. If the  
 17 department determines that the sum of the amounts allocated for a  
 18 fiscal year to a district or intermediate district under subsection  
 19 (2) exceeds the sum of the amount necessary to fulfill the  
 20 specified percentages in subsection (2), the department shall  
 21 deduct the amount of the excess from the district's or intermediate  
 22 district's payments under this article for the fiscal year  
 23 beginning on the October 1 following the determination and shall  
 24 adjust payments under subsection (3) as necessary. ~~For 2022-2023,~~  
 25 ~~if the amount allocated under subsection (2)(a) in itself exceeds~~  
 26 ~~the amount necessary to fulfill the specified percentages in~~  
 27 ~~subsection (2), there is no deduction under this subsection.~~

28 (5) State funds are allocated on a total approved cost basis.  
 29 Federal funds are allocated under applicable federal requirements.



1 (6) From the amount allocated in subsection (1), there is  
2 allocated an amount not to exceed \$2,200,000.00 for ~~2022-2023-2023-~~  
3 **2024** and there is allocated an amount not to exceed \$2,200,000.00  
4 for ~~2023-2024-2024-2025~~ to reimburse 100% of the net increase in  
5 necessary costs incurred by a district or intermediate district in  
6 implementing the revisions in the administrative rules for special  
7 education that became effective on July 1, 1987. As used in this  
8 subsection, "net increase in necessary costs" means the necessary  
9 additional costs incurred solely because of new or revised  
10 requirements in the administrative rules minus cost savings  
11 permitted in implementing the revised rules. The department shall  
12 determine net increase in necessary costs in a manner specified by  
13 the department.

14 (7) For purposes of this section and sections 51b to 58, all  
15 of the following apply:

16 (a) "Total approved costs of special education" are determined  
17 in a manner specified by the department and may include indirect  
18 costs, but must not exceed 115% of approved direct costs for  
19 section 52 and section 53a programs. The total approved costs  
20 include salary and other compensation for all approved special  
21 education personnel for the program, including payments for Social  
22 Security and Medicare and public school employee retirement system  
23 contributions. The total approved costs do not include salaries or  
24 other compensation paid to administrative personnel who are not  
25 special education personnel as that term is defined in section 6 of  
26 the revised school code, MCL 380.6. Costs reimbursed by federal  
27 funds, other than those federal funds included in the allocation  
28 made under this article, are not included. Special education  
29 approved personnel not utilized full time in the evaluation of



1 students or in the delivery of special education programs,  
 2 ancillary, and other related services are reimbursed under this  
 3 section only for that portion of time actually spent providing  
 4 these programs and services, with the exception of special  
 5 education programs and services provided to youth placed in child  
 6 caring institutions or juvenile detention programs approved by the  
 7 department to provide an on-grounds education program.

8 ~~(b) A district or intermediate district that employed special~~  
 9 ~~education support services staff to provide special education~~  
 10 ~~support services in 2003-2004 or in a subsequent fiscal year and~~  
 11 ~~that in a fiscal year after 2003-2004 receives the same type of~~  
 12 ~~support services from another district or intermediate district~~  
 13 ~~shall report the cost of those support services for special~~  
 14 ~~education reimbursement purposes under this article. This~~  
 15 ~~subdivision does not prohibit the transfer of special education~~  
 16 ~~classroom teachers and special education classroom aides if the~~  
 17 ~~pupils counted in membership associated with those special~~  
 18 ~~education classroom teachers and special education classroom aides~~  
 19 ~~are transferred and counted in membership in the other district or~~  
 20 ~~intermediate district in conjunction with the transfer of those~~  
 21 ~~teachers and aides.~~

22 ~~(c) If the department determines before bookclosing for a~~  
 23 ~~fiscal year that the amounts allocated for that fiscal year under~~  
 24 ~~subsections (2), (3), (6), and (11) and sections 53a, 54, and 56~~  
 25 ~~will exceed expenditures for that fiscal year under subsections~~  
 26 ~~(2), (3), (6), and (11) and sections 53a, 54, and 56, then for a~~  
 27 ~~district or intermediate district whose reimbursement for that~~  
 28 ~~fiscal year would otherwise be affected by subdivision (b),~~  
 29 ~~subdivision (b) does not apply to the calculation of the~~



1 ~~reimbursement for that district or intermediate district and the~~  
 2 ~~department shall calculate reimbursement for that district or~~  
 3 ~~intermediate district in the same manner as it was for 2003-2004.~~  
 4 ~~If the amount of the excess allocations under subsections (2), (3),~~  
 5 ~~(6), and (11) and sections 53a, 54, and 56 is not sufficient to~~  
 6 ~~fully fund the calculation of reimbursement to those districts and~~  
 7 ~~intermediate districts under this subdivision, then the department~~  
 8 ~~shall prorate calculations and resulting reimbursement under this~~  
 9 ~~subdivision on an equal percentage basis. The amount of~~  
 10 ~~reimbursement under this subdivision for a fiscal year must not~~  
 11 ~~exceed \$2,000,000.00 for any district or intermediate district.~~

12       **(b)** ~~(d)~~—Reimbursement for ancillary and other related  
 13 services, as that term is defined by R 340.1701c of the Michigan  
 14 Administrative Code, is not provided when those services are  
 15 covered by and available through private group health insurance  
 16 carriers or federal reimbursed program sources unless the  
 17 department and district or intermediate district agree otherwise  
 18 and that agreement is approved by the state budget director.  
 19 Expenses, other than the incidental expense of filing, must not be  
 20 borne by the parent. In addition, the filing of claims must not  
 21 delay the education of a pupil. A district or intermediate district  
 22 is responsible for payment of a deductible amount and for an  
 23 advance payment required until the time a claim is paid.

24       **(c)** ~~(e)~~—If an intermediate district purchases a special  
 25 education pupil transportation service from a constituent district  
 26 that was previously purchased from a private entity; if the  
 27 purchase from the constituent district is at a lower cost, adjusted  
 28 for changes in fuel costs; and if the cost shift from the  
 29 intermediate district to the constituent does not result in any net



1 change in the revenue the constituent district receives from  
 2 payments under sections 22b and 51c, then upon application by the  
 3 intermediate district, the department shall direct the intermediate  
 4 district to continue to report the cost associated with the  
 5 specific identified special education pupil transportation service  
 6 and shall adjust the costs reported by the constituent district to  
 7 remove the cost associated with that specific service.

8 (8) A pupil who is enrolled in a full-time special education  
 9 program conducted or administered by an intermediate district or a  
 10 pupil who is enrolled in the Michigan Schools for the Deaf and  
 11 Blind is not included in the membership count of a district, but is  
 12 counted in membership in the intermediate district of residence.

13 (9) Special education personnel transferred from 1 district to  
 14 another to implement the revised school code are entitled to the  
 15 rights, benefits, and tenure to which the individual would  
 16 otherwise be entitled had that individual been employed by the  
 17 receiving district originally.

18 (10) If a district or intermediate district uses money  
 19 received under this section for a purpose other than the purpose or  
 20 purposes for which the money is allocated, the department may  
 21 require the district or intermediate district to refund the amount  
 22 of money received. The department shall deposit money that is  
 23 refunded in the state treasury to the credit of the state school  
 24 aid fund.

25 (11) From the funds allocated in subsection (1), there is  
 26 allocated the amount necessary, estimated at ~~\$2,000,000.00~~  
 27 **\$1,600,000.00** for ~~2022-2023-2023-2024~~ and estimated at  
 28 ~~\$2,000,000.00~~ **\$1,600,000.00** for ~~2023-2024,~~ **2024-2025**, to pay the  
 29 foundation allowances for pupils described in this subsection. The



1 department shall calculate the allocation to a district under this  
2 subsection by multiplying the number of pupils described in this  
3 subsection who are counted in membership in the district times the  
4 sum of the foundation allowance under section 20 of the pupil's  
5 district of residence, plus the amount of the district's per-pupil  
6 allocation under section 20m, not to exceed the target foundation  
7 allowance for the current fiscal year, or, for a pupil described in  
8 this subsection who is counted in membership in a district that is  
9 a public school academy, times an amount equal to the amount per  
10 membership pupil under section 20(6). The department shall  
11 calculate the allocation to an intermediate district under this  
12 subsection in the same manner as for a district, using the  
13 foundation allowance under section 20 of the pupil's district of  
14 residence not to exceed the target foundation allowance for the  
15 current fiscal year and that district's per-pupil allocation under  
16 section 20m. This subsection applies to all of the following  
17 pupils:

18 (a) Pupils described in section 53a.

19 (b) Pupils counted in membership in an intermediate district  
20 who are not special education pupils and are served by the  
21 intermediate district in a juvenile detention or child caring  
22 facility.

23 (c) Pupils with an emotional impairment counted in membership  
24 by an intermediate district and provided educational services by  
25 the department of health and human services.

26 (12) If it is determined that funds allocated under subsection  
27 (2) or (11) or under section 51c will not be expended, funds up to  
28 the amount necessary and available may be used to supplement the  
29 allocations under subsection (2) or (11) or under section 51c ~~in~~



1 ~~order~~ to fully fund those allocations. After payments under  
2 subsections (2) and (11) and section 51c, the department shall  
3 expend the remaining funds from the allocation in subsection (1) in  
4 the following order:

5 (a) One hundred percent of the reimbursement required under  
6 section 53a.

7 (b) One hundred percent of the reimbursement required under  
8 subsection (6).

9 (c) One hundred percent of the payment required under section  
10 54.

11 (d) One hundred percent of the payment required under  
12 subsection (3).

13 (e) One hundred percent of the payments under section 56.

14 (13) The allocations under subsections (2), (3), and (11) are  
15 allocations to intermediate districts only and are not allocations  
16 to districts, but instead are calculations used only to determine  
17 the state payments under section 22b.

18 (14) If a public school academy that is not a cyber school, as  
19 that term is defined in section 551 of the revised school code, MCL  
20 380.551, enrolls under this section a pupil who resides outside of  
21 the intermediate district in which the public school academy is  
22 located and who is eligible for special education programs and  
23 services according to statute or rule, or who is a child with a  
24 disability, as that term is defined under the individuals with  
25 disabilities education act, Public Law 108-446, the intermediate  
26 district in which the public school academy is located and the  
27 public school academy shall enter into a written agreement with the  
28 intermediate district in which the pupil resides for the purpose of  
29 providing the pupil with a free appropriate public education, and



1 the written agreement must include at least an agreement on the  
2 responsibility for the payment of the added costs of special  
3 education programs and services for the pupil. If the public school  
4 academy that enrolls the pupil does not enter into an agreement  
5 under this subsection, the public school academy shall not charge  
6 the pupil's resident intermediate district or the intermediate  
7 district in which the public school academy is located the added  
8 costs of special education programs and services for the pupil, and  
9 the public school academy is not eligible for any payouts based on  
10 the funding formula outlined in the resident or nonresident  
11 intermediate district's plan. If a pupil is not enrolled in a  
12 public school academy under this subsection, the provision of  
13 special education programs and services and the payment of the  
14 added costs of special education programs and services for a pupil  
15 described in this subsection are the responsibility of the district  
16 and intermediate district in which the pupil resides.

17 (15) For the purpose of receiving its federal allocation under  
18 part B of the individuals with disabilities education act, Public  
19 Law 108-446, a public school academy that is a cyber school, as  
20 that term is defined in section 551 of the revised school code, MCL  
21 380.551, and is in compliance with section 553a of the revised  
22 school code, MCL 380.553a, directly receives the federal allocation  
23 under part B of the individuals with disabilities education act,  
24 Public Law 108-446, from the intermediate district in which the  
25 cyber school is located, as the subrecipient. If the intermediate  
26 district does not distribute the funds described in this subsection  
27 to the cyber school by the part B application due date of July 1,  
28 the department may distribute the funds described in this  
29 subsection directly to the cyber school according to the formula



1 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,  
 2 2021, this subsection is subject to section 8c. It is the intent of  
 3 the legislature that the immediately preceding sentence apply  
 4 retroactively and is effective July 1, 2021.

5 (16) For a public school academy that is a cyber school, as  
 6 that term is defined in section 551 of the revised school code, MCL  
 7 380.551, and is in compliance with section 553a of the revised  
 8 school code, MCL 380.553a, that enrolls a pupil under this section,  
 9 the intermediate district in which the cyber school is located  
 10 shall ensure that the cyber school complies with sections 1701a,  
 11 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,  
 12 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,  
 13 and 380.1757; applicable rules; and the individuals with  
 14 disabilities education act, Public Law 108-446. Beginning July 1,  
 15 2021, this subsection is subject to section 8c. It is the intent of  
 16 the legislature that the immediately preceding sentence apply  
 17 retroactively and is effective July 1, 2021.

18 (17) For the purposes of this section, the department or the  
 19 center shall only require a district or intermediate district to  
 20 report information that is not already available from the financial  
 21 information database maintained by the center.

22 Sec. 51c. As required by the court in the consolidated cases  
 23 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the  
 24 allocation under section 51a(1), there is allocated for ~~2022-2023~~  
 25 **2023-2024** and for ~~2023-2024, 2024-2025~~, the amount necessary,  
 26 estimated at ~~\$793,400,000.00~~ **\$901,400,000.00** for ~~2022-2023-2023-~~  
 27 **2024** and ~~\$820,000,000.00~~ **\$1,014,500,000.00** for ~~2023-2024, 2024-~~  
 28 **2025**, for payments to reimburse districts for 28.6138% of total  
 29 approved costs of special education excluding costs reimbursed



1 under section 53a, and 70.4165% of total approved costs of special  
 2 education transportation. Funds allocated under this section that  
 3 are not expended in the fiscal year for which they were allocated,  
 4 as determined by the department, may be used to supplement the  
 5 allocations under sections 22a and 22b to fully fund those  
 6 allocations for the same fiscal year.

7 Sec. 51d. (1) From the federal funds appropriated in section  
 8 11, there is allocated for ~~2023-2024~~**2024-2025** all available  
 9 federal funding, estimated at ~~\$71,000,000.00~~, **\$83,000,000.00**, for  
 10 special education programs and services that are funded by federal  
 11 grants. The department shall distribute all federal funds allocated  
 12 under this section in accordance with federal law. Notwithstanding  
 13 section 17b, the department shall make payments of federal funds to  
 14 districts, intermediate districts, and other eligible entities  
 15 under this section on a schedule determined by the department.

16 (2) From the federal funds allocated under subsection (1), the  
 17 following amounts are allocated:

18 (a) For ~~2023-2024~~,**2024-2025**, an amount estimated at  
 19 \$14,000,000.00 for handicapped infants and toddlers, funded from  
 20 DED-OSERS, handicapped infants and toddlers funds.

21 (b) For ~~2023-2024~~,**2024-2025**, an amount estimated at  
 22 \$14,000,000.00 for preschool grants under Public Law 94-142, funded  
 23 from DED-OSERS, handicapped preschool incentive funds.

24 (c) For ~~2023-2024~~,**2024-2025**, an amount estimated at  
 25 ~~\$43,000,000.00~~**\$55,000,000.00** for special education programs funded  
 26 by DED-OSERS, handicapped program, individuals with disabilities  
 27 act funds.

28 (3) As used in this section, "DED-OSERS" means the United  
 29 States Department of Education Office of Special Education and



1 Rehabilitative Services.

2       Sec. 51e. (1) From the allocation under section 51a(1), there  
3 is allocated for ~~2022-2023-2023-2024~~ the amount necessary,  
4 estimated at ~~\$350,900,000.00~~ **\$501,500,000.00** for ~~2022-2023, 2023-~~  
5 **2024 and \$513,200,000.00 for 2024-2025**, for payments to districts  
6 and intermediate districts ~~for 75% of foundation allowance costs~~  
7 ~~associated with special education pupils, and there is allocated~~  
8 ~~for 2023-2024 the amount necessary, estimated at \$491,200,000.00~~  
9 ~~for 2023-2024, for payments to districts and intermediate districts~~  
10 for 100% of foundation allowance costs associated with special  
11 education pupils.

12       ~~(2) For 2022-2023, the department shall calculate the amount~~  
13 ~~allocated to a district under this section by multiplying the~~  
14 ~~district's special education pupil membership, excluding pupils~~  
15 ~~described in section 51a(11), times 75% of the foundation allowance~~  
16 ~~under section 20 of the pupil's district of residence, plus 75% of~~  
17 ~~the amount of the district's per-pupil allocation under section~~  
18 ~~20m, not to exceed 75% of the target foundation allowance for the~~  
19 ~~current fiscal year, or, for a special education pupil in~~  
20 ~~membership in a district that is a public school academy, times an~~  
21 ~~amount equal to 75% of the amount per membership pupil calculated~~  
22 ~~under section 20(6). For an intermediate district, the amount~~  
23 ~~allocated under this subsection is an amount per special education~~  
24 ~~membership pupil, excluding pupils described in section 51a(11),~~  
25 ~~and is calculated in the same manner as for a district, using 75%~~  
26 ~~of the foundation allowance under section 20 of the pupil's~~  
27 ~~district of residence, not to exceed 75% of the target foundation~~  
28 ~~allowance for the current fiscal year, and 75% of that district's~~  
29 ~~per-pupil allocation under section 20m.~~



1           (2) ~~(3) Beginning in 2023-2024, the~~ **The** department shall  
 2 calculate the amount allocated to a district under this section by  
 3 multiplying the district's special education pupil membership,  
 4 excluding pupils described in section 51a(11), times 100% of the  
 5 foundation allowance under section 20 of the pupil's district of  
 6 residence, plus 100% of the amount of the district's per-pupil  
 7 allocation under section 20m, not to exceed 100% of the target  
 8 foundation allowance for the current fiscal year, or, for a special  
 9 education pupil in membership in a district that is a public school  
 10 academy, times an amount equal to 100% of the amount per membership  
 11 pupil calculated under section 20(6). For an intermediate district,  
 12 the amount allocated under this subsection is an amount per special  
 13 education membership pupil, excluding pupils described in section  
 14 51a(11), and is calculated in the same manner as for a district,  
 15 using 100% of the foundation allowance under section 20 of the  
 16 pupil's district of residence, not to exceed 100% of the target  
 17 foundation allowance for the current fiscal year, and 100% of that  
 18 district's per-pupil allocation under section 20m.

19           Sec. 51g. From the general fund money appropriated in section  
 20 11, \$3,000,000.00 is allocated for ~~2023-2024~~ **2024-2025** to an  
 21 association for administrators of special education services to  
 22 develop content for use by special education students, teachers,  
 23 and others. Any content that is developed as described in this  
 24 section must be accessible throughout this state. Funds received by  
 25 an association under this section may be used to support the  
 26 development of assessment tools to measure the needs of students  
 27 with special education needs in remote learning environments and  
 28 the effectiveness of various educational methods and tools, in  
 29 collaboration with the department. Funds under this section may



1 also be utilized to identify any available federal funds for  
2 research related to special education in remote learning.

3       **Sec. 51h. (1) From the state school aid fund money**  
4 **appropriated in section 11, there is allocated for 2023-2024 only**  
5 **\$500,000.00 to Clinton County RESA to partner with an independent**  
6 **entity that has extensive experience in school finance, including**  
7 **the opportunity index, to conduct research, interviews, data**  
8 **collection, analysis, and financial modeling to develop an**  
9 **implementation framework that outlines the cost of fully providing**  
10 **special education services and supports to students with**  
11 **disabilities through the application of an equity-driven model. The**  
12 **independent entity must be selected by the Special Education**  
13 **Coalition of Michigan.**

14       **(2) The Special Education Coalition of Michigan shall**  
15 **regularly convene cross-sector stakeholders across this state to**  
16 **identify 5 to 7 policy recommendations that must be related to**  
17 **access to evidence-based interventions, increasing inclusive**  
18 **educational opportunities, addressing exclusionary discipline and**  
19 **behavioral support, and improving outcomes for students with**  
20 **disabilities.**

21       **(3) The study described in subsection (1) must include key**  
22 **areas of school finance related to the education costs of students**  
23 **with disabilities. The study must provide objective guidance to the**  
24 **legislature regarding both of the following:**

25       **(a) Modeling analysis of a weighted funding formula related to**  
26 **students with disabilities to determine accurate cost estimates to**  
27 **fully fund special education according to consensus-built weighted**  
28 **multipliers.**

29       **(b) Policy and implementation recommendations based on an**



1 equitable framework that considers the intersection with the  
2 opportunity index and that will improve how this state funds  
3 students with disabilities.

4 (4) Within 30 days after the completion of the study, the  
5 independent entity shall issue a report with its findings to the  
6 department, the house and senate fiscal agencies, the state budget  
7 director, the senate appropriations subcommittee on pre-K to 12,  
8 the house appropriations subcommittee on school aid and education,  
9 and the house and senate standing committees responsible for  
10 education legislation.

11 (5) Within 60 days after the completion of the study, the  
12 independent entity shall make its findings available on a publicly  
13 available website.

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

17 Sec. 53a. (1) For districts, reimbursement for pupils  
18 described in subsection (2) is 100% of the total approved costs of  
19 operating special education programs and services approved by the  
20 department and included in the intermediate district plan adopted  
21 under article 3 of the revised school code, MCL 380.1701 to  
22 380.1761, minus the district's foundation allowance calculated  
23 under section 20 and minus the district's per-pupil allocation  
24 under section 20m. For intermediate districts, the department shall  
25 calculate reimbursement for pupils described in subsection (2) in  
26 the same manner as for a district, using the foundation allowance  
27 under section 20 of the pupil's district of residence, not to  
28 exceed the target foundation allowance under section 20 for the  
29 current fiscal year plus the amount of the district's per-pupil



1 allocation under section 20m.

2 (2) Reimbursement under subsection (1) is for the following  
3 special education pupils:

4 (a) Pupils assigned to a district or intermediate district  
5 through the community placement program of the courts or a state  
6 agency, if the pupil was a resident of another intermediate  
7 district at the time the pupil came under the jurisdiction of the  
8 court or a state agency.

9 (b) Pupils who are residents of institutions operated by the  
10 department of health and human services.

11 (c) Pupils who are former residents of department of community  
12 health institutions for the developmentally disabled who are placed  
13 in community settings other than the pupil's home.

14 (d) Pupils enrolled in a department-approved on-grounds  
15 educational program longer than 180 days, but not longer than 233  
16 days, at a residential child care institution, if the child care  
17 institution offered in 1991-92 an on-grounds educational program  
18 longer than 180 days but not longer than 233 days.

19 (e) Pupils placed in a district by a parent for the purpose of  
20 seeking a suitable home, if the parent does not reside in the same  
21 intermediate district as the district in which the pupil is placed.

22 (3) Only those costs that are clearly and directly  
23 attributable to educational programs for pupils described in  
24 subsection (2), and that would not have been incurred if the pupils  
25 were not being educated in a district or intermediate district, are  
26 reimbursable under this section.

27 (4) The costs of transportation are funded under this section  
28 and are not reimbursed under section 58.

29 (5) The department shall not allocate more than \$10,500,000.00



1 of the allocation for ~~2023-2024~~ **2024-2025** in section 51a(1) under  
2 this section.

3       Sec. 54. Each intermediate district receives an amount per  
4 pupil for each pupil in attendance at the Michigan Schools for the  
5 Deaf and Blind. The amount is proportionate to the total  
6 instructional cost at each school. The department shall not  
7 allocate more than \$1,688,000.00 of the allocation for ~~2023-2024~~  
8 **2024-2025** in section 51a(1) under this section.

9       Sec. 54b. (1) From the general fund money appropriated in  
10 section 11, there is allocated an amount not to exceed  
11 ~~\$1,600,000.00~~ **\$2,100,000.00** for ~~2023-2024~~ **2024-2025** to continue  
12 **expand** the implementation of the ~~recommendations of the special~~  
13 ~~education reform task force published in January 2016.~~ **literacy and**  
14 **social, emotional, and behavioral components of a multi-tiered**  
15 **system of supports, including positive behavioral interventions and**  
16 **supports, using the MiMTSS Technical Assistance Center.**

17       (2) The department shall use funds allocated under this  
18 section for the purpose of ~~piloting~~ **expanding the** statewide  
19 **expertise, technical assistance, and** implementation of the **multi-**  
20 **tiered system of supports, dyslexia expertise, and evidence-based**  
21 **instructional practices grounded in the science of reading using**  
22 **the MiMTSS Technical Assistance Center**, a nationally recognized  
23 program. ~~that includes positive behavioral intervention and~~  
24 ~~supports and provides a statewide structure to support local~~  
25 ~~initiatives for an integrated behavior and reading program. With~~  
26 ~~the assistance of the intermediate districts involved in the MiMTSS~~  
27 ~~Center, the department shall identify a number of intermediate~~  
28 ~~districts to participate in the pilot that is sufficient to ensure~~  
29 ~~that the MiMTSS Center can be implemented statewide with fidelity~~



1 ~~and sustainability.~~ In addition, the department shall identify an  
2 intermediate district to act as a fiscal agent for these funds.

3 (3) As used in this section, "**MiMTSS Technical Assistance**  
4 **Center**" means the Michigan Multi-Tiered System of Supports  
5 **Technical Assistance** Center.

6 Sec. 54d. (1) From the state school aid fund money  
7 appropriated in section 11, there is allocated an amount not to  
8 exceed ~~\$22,313,000.00~~ **\$39,313,000.00** for ~~2023-2024~~ **2024-2025** to  
9 intermediate districts for the purpose of providing state early on  
10 services programs for children from birth to 3 years of age with a  
11 developmental delay or a disability, or both, and their families,  
12 as described in the early on Michigan state plan, as approved by  
13 the department.

14 (2) To be eligible to receive grant funding under this  
15 section, each intermediate district must apply in a form and manner  
16 determined by the department.

17 (3) The grant funding allocated under this section must be  
18 used to increase early on services and resources available to  
19 children that demonstrate developmental delays to help prepare them  
20 for success as they enter school. State early on services include  
21 evaluating and providing early intervention services for eligible  
22 infants and toddlers and their families to address developmental  
23 delays, including those affecting physical, cognitive,  
24 communication, adaptive, social, or emotional development. Grant  
25 funds must not be used to supplant existing services that are  
26 currently being provided.

27 (4) The department shall distribute the funds allocated under  
28 subsection (1) to intermediate districts according to the  
29 department's early on funding formula utilized to distribute the



1 federal award to Michigan under part C of the individuals with  
2 disabilities education act, Public Law 108-446. Funds received  
3 under this section must not supplant existing funds or resources  
4 allocated for early on early intervention services. An intermediate  
5 district receiving funds under this section shall maximize the  
6 capture of Medicaid funds to support early on early intervention  
7 services to the extent possible.

8 (5) Each intermediate district that receives funds under this  
9 section shall report data and other information to the department  
10 in a form, manner, and frequency prescribed by the department to  
11 allow for monitoring and evaluation of the program and to ensure  
12 that the children described in subsection (1) received appropriate  
13 levels and types of services delivered by qualified personnel,  
14 based on the individual needs of the children and their families.

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

18 (7) Grant funds awarded and allocated to an intermediate  
19 district under this section must be expended by the grant recipient  
20 before June 30 of the fiscal year immediately following the fiscal  
21 year in which the funds were received.

22 **Sec. 54f.(1) From the state school aid fund money appropriated**  
23 **in section 11, there is allocated \$1,000,000.00 for 2024-2025 only**  
24 **to an intermediate district for which the combined total number of**  
25 **pupils in membership in all constituent districts is the fewest**  
26 **among all intermediate districts.**

27 (2) Funding under this section must be used by the  
28 intermediate district described in subsection (1) in partnership  
29 with an association that represents intermediate district



1 administrators in this state to establish a statewide special  
 2 education resource center dedicated to developing, providing access  
 3 to, and delivering professional learning on the latest research and  
 4 best practices in special education instruction to educators,  
 5 service providers, and families in this state.

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

9 Sec. 55. (1) From the general fund money appropriated in  
 10 section 11, there is allocated an amount not to exceed \$500,000.00  
 11 for 2024-2025 only to the Conductive Learning Center operating in  
 12 cooperation with Aquinas College. This funding must be used to  
 13 support the operational costs of the conductive education model  
 14 taught at the Conductive Learning Center to maximize the  
 15 independence and mobility of children and adults with neuromotor  
 16 disabilities. The conductive education model funded under this  
 17 section must be based on the concept of neuroplasticity and the  
 18 ability of people to learn and improve when they are motivated,  
 19 regardless of the severity of their disability.

20 (2) Notwithstanding section 17b, the department shall  
 21 distribute the funding allocated under this section to the  
 22 Conductive Learning Center by not later than December 1, 2024.

23 Sec. 56. ~~(1) For the purposes of this section:~~

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



1 ~~(b) "Millage levied" means the millage levied for special~~  
 2 ~~education under part 30 of the revised school code, MCL 380.1711 to~~  
 3 ~~380.1741, including a levy for debt service obligations.~~

4 ~~(c) "Taxable value" means the total taxable value of the~~  
 5 ~~districts constituent to an intermediate district, except that if a~~  
 6 ~~district has elected not to come under part 30 of the revised~~  
 7 ~~school code, MCL 380.1711 to 380.1741, taxable value of the~~  
 8 ~~district is not included in the taxable value of the intermediate~~  
 9 ~~district.~~

10 ~~(1) (2)~~ From the allocation under section 51a(1), there is  
 11 allocated an amount not to exceed \$40,008,100.00 for ~~2022-2023 and~~  
 12 ~~2023-2024~~ **and \$40,008,100.00 for 2024-2025** to reimburse  
 13 intermediate districts levying millages for special education under  
 14 part 30 of the revised school code, MCL 380.1711 to 380.1741. The  
 15 purpose, use, and expenditure of the reimbursement are limited as  
 16 if the funds were generated by these millages and governed by the  
 17 intermediate district plan adopted under article 3 of the revised  
 18 school code, MCL 380.1701 to 380.1761. As a condition of receiving  
 19 funds under this section, an intermediate district distributing any  
 20 portion of special education millage funds to its constituent  
 21 districts must submit for departmental approval and implement a  
 22 distribution plan.

23 ~~(2) (3)~~ Except as otherwise provided in this subsection,  
 24 reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is  
 25 made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~  
 26 membership pupil computed by subtracting from ~~\$229,600.00~~  
 27 **\$241,100.00** the ~~2021-2022-2022-2023~~ taxable value behind each  
 28 membership pupil and multiplying the resulting difference by the  
 29 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that



1 amount the ~~2021-2022~~**2022-2023** local community stabilization share  
 2 revenue for special education purposes and ~~2021-2022~~**2022-2023** tax  
 3 increment revenues captured by a brownfield redevelopment authority  
 4 created under the brownfield redevelopment financing act, 1996 PA  
 5 381, MCL 125.2651 to 125.2670, behind each membership pupil for  
 6 reimbursement of personal property exemption loss under the local  
 7 community stabilization authority act, 2014 PA 86, MCL 123.1341 to  
 8 123.1362, and reimbursements paid under section 26d for tax  
 9 increment revenues captured by a brownfield redevelopment authority  
 10 under the brownfield redevelopment financing act, 1996 PA 381, MCL  
 11 125.2651 to 125.2670. For the purposes of the calculation described  
 12 in the previous sentence only, for an intermediate district  
 13 receiving funds under this section and section 62, reimbursements  
 14 paid under section 26d must be multiplied by the ratio of special  
 15 education millage levied, as defined in this section, and the sum  
 16 of special education millage levied and vocational-technical  
 17 education millage levied, as defined in section 62. Reimbursement  
 18 in ~~2022-2023~~**2023-2024** for an intermediate district whose 2017-2018  
 19 allocation was affected by the operation of subsection ~~(5)~~**(3)** is  
 20 an amount equal to 102.5% of the 2017-2018 allocation to that  
 21 intermediate district.

22 ~~(4) Except as otherwise provided in this subsection,~~  
 23 ~~reimbursement for those millages levied in 2022-2023 is made in~~  
 24 ~~2023-2024 at an amount per 2022-2023 membership pupil computed by~~  
 25 ~~subtracting from \$238,800.00 the 2022-2023 taxable value behind~~  
 26 ~~each membership pupil and multiplying the resulting difference by~~  
 27 ~~the 2022-2023 millage levied, and then subtracting from that amount~~  
 28 ~~the 2022-2023 local community stabilization share revenue for~~  
 29 ~~special education purposes and 2022-2023 tax increment revenues~~



1 ~~captured by a brownfield redevelopment authority created under the~~  
 2 ~~brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651~~  
 3 ~~to 125.2670, behind each membership pupil for reimbursement of~~  
 4 ~~personal property exemption loss under the local community~~  
 5 ~~stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362,~~  
 6 ~~and reimbursements paid under section 26d for tax increment~~  
 7 ~~revenues captured by a brownfield redevelopment authority under the~~  
 8 ~~brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651~~  
 9 ~~to 125.2670. For the purposes of the calculation described in the~~  
 10 ~~previous sentence only, for an intermediate district receiving~~  
 11 ~~funds under this section and section 62, reimbursements paid under~~  
 12 ~~section 26d must be multiplied by the ratio of special education~~  
 13 ~~millage levied, as defined in this section, and the sum of special~~  
 14 ~~education millage levied and vocational-technical education millage~~  
 15 ~~levied, as defined in section 62. Reimbursement in 2023-2024 for an~~  
 16 ~~intermediate district whose 2017-2018 allocation was affected by~~  
 17 ~~the operation of subsection (5) is an amount equal to 102.5% of the~~  
 18 ~~2017-2018 allocation to that intermediate district.~~

19       (3) ~~(5)~~ **For 2023-2024 only, the** The department shall ensure  
 20 that the amount paid to a single intermediate district under  
 21 subsection ~~(2)~~ **(1)** does not exceed 62.9% of the total amount  
 22 allocated under subsection ~~(2)~~ **(1)**.

23       (4) ~~(6)~~ **The** **For 2023-2024 only, the** department shall ensure  
 24 that the amount paid to a single intermediate district under  
 25 subsection ~~(2)~~ **(1)** is not less than 75% of the amount allocated to  
 26 the intermediate district under subsection ~~(2)~~ **(1)** for the  
 27 immediately preceding fiscal year.

28       (5) **Beginning in 2024-2025, the department shall provide**  
 29 **payments under subsection (1) to each intermediate district**



1 described in this section as follows:

2 (a) The department must first calculate a reimbursement for  
3 millages levied by subtracting the intermediate district's taxable  
4 value per special education head count from the statewide average  
5 taxable value per special education head count, and multiplying the  
6 resulting difference by the millage rate levied, capped at the  
7 statewide average special education millage rate, and multiplying  
8 the resulting product by the intermediate district's special  
9 education head count.

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

15 (c) The calculation under subdivision (a) must be greater than  
16 \$0.00 for an intermediate district to receive reimbursement under  
17 this subsection. For those intermediate districts whose calculation  
18 under subdivision (a) is less than or equal to \$0.00, the amount in  
19 subdivision (b) is \$0.00 for purposes of the calculation in  
20 subdivision (d).

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

26 (e) The amount reimbursed under subsection (1) is the 3-year  
27 average of the amount calculated under subdivision (d) for the 3  
28 immediately preceding fiscal years.

29 (6) If total payments calculated under subsection (5) exceed



1 the amount allocated in subsection (1), the department must prorate  
2 the payments on an equal percentage basis.

3 (7) From the allocation under section 51a(1), there is  
4 allocated an amount not to exceed \$34,200,000.00 for ~~2022-2023 and~~  
5 ~~2023-2024~~ and **2024-2025** to provide payments to intermediate  
6 districts levying millages for special education under part 30 of  
7 the revised school code, MCL 380.1711 to 380.1741. The purpose,  
8 use, and expenditure of the payments under this subsection are  
9 limited as if the funds were generated by these millages and  
10 governed by the intermediate district plan adopted under article 3  
11 of the revised school code, MCL 380.1701 to 380.1761. The  
12 department shall provide a payment under this subsection to each  
13 intermediate district described in this subsection as follows:

14 (a) For ~~2022-2023 and 2023-2024~~ and **2024-2025**, except as  
15 otherwise provided in this subsection, for an intermediate district  
16 with a 3-year average special education millage revenue per pupil  
17 in the immediately preceding fiscal year that is less than \$251.00  
18 and that is levying at least 46.2% but less than 60.0% of its  
19 maximum millage rate allowed under section 1724a of the revised  
20 school code, MCL 380.1724a, an amount computed by subtracting from  
21 \$251.00 the 3-year average special education millage revenue per  
22 pupil in the immediately preceding fiscal year and, only if the  
23 millage levied by the intermediate district is less than 1,  
24 multiplying that amount by the number of mills levied divided by 1,  
25 and then multiplying that amount by the 3-year average membership  
26 in the immediately preceding fiscal year, and then subtracting from  
27 that amount the amount allocated under subsection (2) for the  
28 current fiscal year. If the calculation under this subdivision  
29 results in an amount below zero, there is no payment under this



1 subdivision.

2 (b) For ~~2022-2023 and 2023-2024~~ **and 2024-2025**, except as  
 3 otherwise provided in this subsection, for an intermediate district  
 4 with a 3-year average special education millage revenue per pupil  
 5 in the immediately preceding fiscal year that is less than \$296.00  
 6 and that is levying at least 60.0% of its maximum millage rate  
 7 allowed under section 1724a of the revised school code, MCL  
 8 380.1724a, an amount computed by subtracting from \$296.00 the 3-  
 9 year average special education millage revenue per pupil in the  
 10 immediately preceding fiscal year, and, only if the millage levied  
 11 by the intermediate district is less than 1, multiplying that  
 12 amount by the number of mills levied divided by 1, and then  
 13 multiplying that amount by the 3-year average membership in the  
 14 immediately preceding fiscal year, and then subtracting from that  
 15 amount the amount allocated under subsection (2) for the current  
 16 fiscal year. If the calculation under this subdivision results in  
 17 an amount below zero, there is no payment under this subdivision.

18 (8) After making allocations to eligible intermediate  
 19 districts under subsections ~~(3), (4), (2), (5), and (7)~~, if funds  
 20 remain unallocated from the allocations under subsections ~~(2)-(1)~~  
 21 and (7), the department must allocate remaining funds to  
 22 intermediate districts proportional to the amounts allocated to  
 23 intermediate districts under subsections ~~(3) and (4)~~. **(2) and (5)**.

24 (9) As used in ~~subsection (7)~~: **this section**:

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



1 education millage rate, using in this calculation the taxable value  
2 as defined in this section.

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

9 (c) "Millage levied" means the millage levied for special  
10 education under part 30 of the revised school code, MCL 380.1711 to  
11 380.1741, including a levy for debt service obligations.

12 (d) "Special education head count" means the total special  
13 education head count of an intermediate district and the districts  
14 constituent to the intermediate district from the fall pupil  
15 membership count day of the current fiscal year, except that if a  
16 district has elected not to come under part 30 of the revised  
17 school code, MCL 380.1711 to 380.1741, special education head count  
18 of the district is not included in the special education head count  
19 of the intermediate district.

20 (e) "Statewide average special education millage rate" means  
21 the statewide special education millage revenue divided by the  
22 statewide taxable value.

23 (f) "Statewide average taxable value per special education  
24 head count" means the statewide taxable value divided by the  
25 statewide special education head count.

26 (g) "Statewide average taxable value per unreimbursed costs"  
27 means the statewide taxable value divided by the statewide  
28 unreimbursed costs.

29 (h) "Taxable value" means the total taxable value of the



1 districts constituent to an intermediate district, except that if a  
2 district has elected not to come under part 30 of the revised  
3 school code, MCL 380.1711 to 380.1741, taxable value of the  
4 district is not included in the taxable value of the intermediate  
5 district. Except for the calculation under subsection (7) and  
6 subdivision (j), beginning in 2024-2025, "taxable value" also  
7 includes both of the following:

8 (i) Reimbursements for personal property exemption loss under  
9 the local community stabilization authority act, 2014 PA 86, MCL  
10 123.1341 to 123.1362.

11 (ii) Reimbursements paid under section 26d for tax increment  
12 revenues captured by a brownfield redevelopment authority under the  
13 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651  
14 to 125.2670.

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

17 (j) ~~(b)~~—"3-year average special education millage revenue per  
18 pupil" means the 3-year average taxable value per mill levied  
19 behind each membership pupil for each of the 3 most recent fiscal  
20 years multiplied by the millage levied in the most recent fiscal  
21 year. As used in this subparagraph, "taxable value" means the total  
22 taxable value of the districts constituent to an intermediate  
23 district, except that if a district has elected not to come under  
24 part 30 of the revised school code, MCL 380.1711 to 380.1741,  
25 taxable value of the district is not included in the taxable value  
26 of the intermediate district.

27 (k) "Unreimbursed costs" means the sum of costs reported on  
28 the SE-4094 and SE-4096 reports for the immediately preceding  
29 fiscal year for the intermediate district and all districts



1 constituent to the intermediate district, less the amount of  
2 reimbursement received under section 51a(2) and section 51c for the  
3 intermediate district and all districts constituent to the  
4 intermediate district, and less the capped local special education  
5 property tax revenue for the intermediate district. If a district  
6 has elected not to come under part 30 of the revised school code,  
7 MCL 380.1711 to 380.1741, the district is not included in the  
8 calculation under this subsection for the intermediate district.

9       Sec. 61a. (1) From the state school aid fund money  
10 appropriated in section 11, there is allocated an amount not to  
11 exceed \$48,011,300.00 for ~~2023-2024~~**2024-2025** only to reimburse on  
12 an added cost basis districts, except for a district that served as  
13 the fiscal agent for a vocational education consortium in the 1993-  
14 94 school year and that has a foundation allowance as calculated  
15 under section 20 greater than the target foundation allowance under  
16 that section, and secondary area vocational-technical education  
17 centers for secondary-level career and technical education programs  
18 according to rules approved by the superintendent. It is the intent  
19 of the legislature that, for ~~2024-2025~~**2025-2026**, the allocation  
20 from the state school aid fund money appropriated in section 11 for  
21 purposes described in this subsection will be \$37,611,300.00.  
22 Applications for participation in the programs must be submitted in  
23 the form prescribed by the department. The department shall  
24 determine the added cost for each career and technical education  
25 program area. The department shall prioritize the allocation of  
26 added cost funds based on the capital and program expenditures  
27 needed to operate the career and technical education programs  
28 provided; the number of pupils enrolled; the advancement of pupils  
29 through the instructional program; the existence of an articulation



1 agreement with at least 1 postsecondary institution that provides  
2 pupils with opportunities to earn postsecondary credit during the  
3 pupil's participation in the career and technical education program  
4 and transfers those credits to the postsecondary institution upon  
5 completion of the career and technical education program; and the  
6 program rank in student placement, job openings, and wages, and  
7 shall ensure that the allocation does not exceed 75% of the added  
8 cost of any program. Notwithstanding any rule or department  
9 determination to the contrary, when determining a district's  
10 allocation or the formula for making allocations under this  
11 section, the department shall include the participation of pupils  
12 in grade 9 in all of those determinations and in all portions of  
13 the formula. With the approval of the department, the board of a  
14 district maintaining a secondary career and technical education  
15 program may offer the program for the period from the close of the  
16 school year until September 1. The program shall use existing  
17 facilities and must be operated as prescribed by rules promulgated  
18 by the superintendent.

19 (2) Except for a district that served as the fiscal agent for  
20 a vocational education consortium in the 1993-94 school year, the  
21 department shall reimburse districts and intermediate districts for  
22 local career and technical education administration, shared time  
23 career and technical education administration, and career education  
24 planning district career and technical education administration.  
25 The superintendent shall adopt guidelines for the definition of  
26 what constitutes administration and shall make reimbursement  
27 pursuant to those guidelines. The department shall not distribute  
28 more than \$800,000.00 of the allocation in subsection (1) under  
29 this subsection.



1 (3) A career and technical education program funded under this  
2 section may provide an opportunity for participants who are  
3 eligible to be funded under section 107 to enroll in the career and  
4 technical education program funded under this section if the  
5 participation does not occur during regular school hours.

6 Sec. 61b. (1) From the state school aid fund money  
7 appropriated under section 11, there is allocated for ~~2023-2024~~  
8 **2024-2025** an amount not to exceed \$8,000,000.00 for CTE early  
9 middle college and CTE dual enrollment programs authorized under  
10 this section and for planning grants for the development or  
11 expansion of CTE early middle college programs. The purpose of  
12 these programs is to increase the number of Michigan residents with  
13 high-quality degrees or credentials, and to increase the number of  
14 students who are college and career ready upon high school  
15 graduation.

16 (2) From the funds allocated under subsection (1), the  
17 department shall allocate an amount as determined under this  
18 subsection to each intermediate district serving as a fiscal agent  
19 for state-approved CTE early middle college and CTE dual enrollment  
20 programs in each of the career education planning districts  
21 identified by the department. An intermediate district shall not  
22 use more than 5% of the funds allocated under this subsection for  
23 administrative costs for serving as the fiscal agent.

24 (3) To be an eligible fiscal agent, an intermediate district  
25 must agree to do all of the following in a form and manner  
26 determined by the department:

27 (a) Distribute funds to eligible CTE early middle college and  
28 CTE dual enrollment programs in a career education planning  
29 district as described in this section.



1 (b) Collaborate with the career and educational advisory  
2 council in the workforce development board service delivery area to  
3 develop 1 regional strategic plan under subsection (4) that aligns  
4 CTE programs and services into an efficient and effective delivery  
5 system for high school students. The department will align career  
6 education planning districts, workforce development board service  
7 delivery areas, and intermediate districts for the purpose of  
8 creating 1 regional strategic plan for each workforce development  
9 board service delivery area.

10 (c) Implement a regional process to rank career clusters in  
11 the workforce development board service delivery area as described  
12 under subsection (4). Regional processes must be approved by the  
13 department before the ranking of career clusters.

14 (d) Report CTE early middle college and CTE dual enrollment  
15 program and student data and information as prescribed by the  
16 department and the center.

17 (e) The local education agency responsible for student  
18 reporting in the Michigan student data system (MSDS) will report  
19 the total number of college credits the student earned, at the time  
20 of high school graduation, as determined by the department and the  
21 center.

22 (f) The local education agency will report each award outcome  
23 in the Michigan student data system (MSDS) that the CTE early  
24 middle college student attained. For purposes of this subsection,  
25 an on-track CTE early middle college graduate is a graduate who  
26 obtained their high school diploma and at least 1 of the following:

- 27 (i) An associate degree.  
28 (ii) 60 transferable college credits.  
29 (iii) Professional certification.



1 (iv) A Michigan Early Middle College Association certificate.

2 (v) Participation in a registered apprenticeship.

3 (4) A regional strategic plan must be approved by the career  
4 and educational advisory council before submission to the  
5 department. A regional strategic plan must include, but is not  
6 limited to, the following:

7 (a) An identification of regional employer need based on a  
8 ranking of all career clusters in the workforce development board  
9 service delivery area ranked by 10-year projections of annual job  
10 openings and median wage for each standard occupational code in  
11 each career cluster as obtained from the United States Bureau of  
12 Labor Statistics. Standard occupational codes within high-ranking  
13 clusters also may be further ranked by median wage and annual job  
14 openings. The career and educational advisory council located in  
15 the workforce development board service delivery area shall review  
16 the rankings and modify them if necessary to accurately reflect  
17 employer demand for talent in the workforce development board  
18 service delivery area. A career and educational advisory council  
19 shall document that it has conducted this review and certify that  
20 it is accurate. These career cluster rankings must be determined  
21 and updated once every 4 years.

22 (b) An identification of educational entities in the workforce  
23 development board service delivery area that will provide eligible  
24 CTE early middle college and CTE dual enrollment programs including  
25 districts, intermediate districts, postsecondary institutions, and  
26 noncredit occupational training programs leading to an industry-  
27 recognized credential.

28 (c) A strategy to inform parents and students of CTE early  
29 middle college and CTE dual enrollment programs in the workforce



1 development board service delivery area.

2 (d) Any other requirements as defined by the department.

3 (5) An eligible CTE program is a program that meets all of the  
4 following:

5 (a) Has been identified in the highest 5 career cluster  
6 rankings in any of the 16 workforce development board service  
7 delivery area strategic plans jointly approved by the department of  
8 labor and economic opportunity and the department.

9 (b) Has a coherent sequence of courses in a specific career  
10 cluster that will allow a student to earn a high school diploma and  
11 achieve at least 1 of the following:

12 (i) For CTE early middle college, outcomes as defined in  
13 subsection (3)(f).

14 (ii) For CTE dual enrollment, 1 of the following:

15 (A) An associate degree.

16 (B) An industry-recognized technical certification approved by  
17 the department of labor and economic opportunity.

18 (C) Up to 60 transferable college credits.

19 (D) Participation in a registered apprenticeship, pre-  
20 apprenticeship, or apprentice readiness program.

21 (c) Is aligned with the Michigan merit curriculum.

22 (d) Has an articulation or a college credit agreement with at  
23 least 1 postsecondary institution that provides students with  
24 opportunities to receive postsecondary credits during the student's  
25 participation in the CTE early middle college or CTE dual  
26 enrollment program and transfers those credits to the postsecondary  
27 institution upon completion of the CTE early middle college or CTE  
28 dual enrollment program.

29 (e) Provides instruction that is supervised, directed, or



1 coordinated by an appropriately certificated CTE teacher or, for  
2 concurrent enrollment courses, a postsecondary faculty member.

3 (f) Provides for highly integrated student support services  
4 that include at least the following:

5 (i) Teachers as academic advisors.

6 (ii) Supervised course selection.

7 (iii) Monitoring of student progress and completion.

8 (iv) Career planning services provided by a local one-stop  
9 service center as described in the Michigan works one-stop service  
10 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a  
11 high school counselor or advisor.

12 (g) Has courses that are taught on a college campus, are  
13 college courses offered at the high school and taught by college  
14 faculty, or are courses taught in combination with online  
15 instruction.

16 (6) The department shall distribute funds to eligible CTE  
17 early middle college and CTE dual enrollment programs as follows:

18 (a) The department shall determine statewide average CTE costs  
19 per pupil for each CIP code program by calculating statewide  
20 average costs for each CIP code program for the 3 most recent  
21 fiscal years.

22 (b) The distribution to each eligible CTE early middle college  
23 or CTE dual enrollment program is the product of 50% of CTE costs  
24 per pupil times the pupil enrollment of each eligible CTE early  
25 middle college or CTE dual enrollment program in the immediately  
26 preceding school year.

27 (7) ~~In order to~~ **To** receive funds under this section, a CTE  
28 early middle college or CTE dual enrollment program shall furnish  
29 to the intermediate district that is the fiscal agent identified in



1 subsection (2), in a form and manner determined by the department,  
2 all information needed to administer this program and meet federal  
3 reporting requirements; shall allow the department or the  
4 department's designee to review all records related to the program  
5 for which it receives funds; and shall reimburse the state for all  
6 disallowances found in the review, as determined by the department.

7 (8) There is allocated for ~~2023-2024~~**2024-2025** from the funds  
8 under subsection (1) an amount not to exceed \$500,000.00 from the  
9 state school aid fund allocation for grants to intermediate  
10 districts or consortia of intermediate districts for the purpose of  
11 planning for new or expanded early middle college programs.  
12 Applications for grants must be submitted in a form and manner  
13 determined by the department. The amount of a grant under this  
14 subsection must not exceed \$50,000.00. To be eligible for a grant  
15 under this subsection, an intermediate district or consortia of  
16 intermediate districts must provide matching funds equal to the  
17 grant received under this subsection. Notwithstanding section 17b,  
18 the department shall make payments under this subsection in the  
19 manner determined by the department.

20 (9) Funds distributed under this section may be used to fund  
21 program expenditures that would otherwise be paid from foundation  
22 allowances. A program receiving funding under section 61a may  
23 receive funding under this section for allowable costs that exceed  
24 the reimbursement the program received under section 61a. The  
25 combined payments received by a program under section 61a and this  
26 section must not exceed the total allowable costs of the program. A  
27 program provider shall not use more than 5% of the funds allocated  
28 under this section to the program for administrative costs.

29 (10) If the allocation under subsection (1) is insufficient to



1 fully fund payments as otherwise calculated under this section, the  
2 department shall prorate payments under this section on an equal  
3 percentage basis.

4 (11) If pupils enrolled in a career cluster in an eligible CTE  
5 early middle college or CTE dual enrollment program qualify to be  
6 reimbursed under this section, those pupils continue to qualify for  
7 reimbursement until graduation, even if the career cluster is no  
8 longer identified as being in the highest 5 career cluster  
9 rankings.

10 (12) As used in this section:

11 (a) "Allowable costs" means those costs directly attributable  
12 to the program as jointly determined by the department of labor and  
13 economic opportunity and the department.

14 (b) "Career and educational advisory council" means an  
15 advisory council to the local workforce development boards located  
16 in a workforce development board service delivery area consisting  
17 of educational, employer, labor, and parent representatives.

18 (c) "CIP" means classification of instructional programs.

19 (d) "CTE" means career and technical education programs.

20 (e) "CTE dual enrollment program" means a 4-year high school  
21 program of postsecondary courses offered by eligible postsecondary  
22 educational institutions that leads to an industry-recognized  
23 certification or degree.

24 (f) "Early middle college program" means a 5-year high school  
25 program.

26 (g) "Eligible postsecondary educational institution" means  
27 that term as defined in section 3 of the career and technical  
28 preparation act, 2000 PA 258, MCL 388.1903.

29 Sec. 61c. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated for ~~2023-2024~~**2024-**  
 2 **2025** only an amount not to exceed \$15,000,000.00 to ~~eligible~~ career  
 3 education planning districts (CEPDs) for the purposes described in  
 4 this section.

5 ~~(2) To be eligible to receive funding in the first round of~~  
 6 ~~grants under this section, at least 50% of the area served by a~~  
 7 ~~CEPD must be located in an intermediate district that did not levy~~  
 8 ~~a vocational education millage in 2023. Each eligible~~ **each** CEPD  
 9 must apply in a form and manner prescribed by the department. An  
 10 application must include the funding amount requested by the CEPD.  
 11 Funding to an ~~eligible~~ **each** CEPD must be equal to the quotient of  
 12 the allocation under subsection (1) and the number of eligible  
 13 CEPDs applying for funding in the first round of grants, or the  
 14 individual CEPD's requested funding amount, whichever is  
 15 ~~less.~~ **proportionate to the number of state-approved CTE programs,**  
 16 **based on program serial numbers and excluding early middle college**  
 17 **programs, within the CEPD in 2024, except that a CEPD for which at**  
 18 **least 50% of the area served by the CEPD is located in an**  
 19 **intermediate district that did not levy a millage for area**  
 20 **vocational-technical education in 2024 must receive twice the**  
 21 **allocation as otherwise calculated under this subsection.**

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



1 ~~remaining after the first round of grants and the number of CEPDs~~  
 2 ~~applying for funding in the second round of grants.~~

3       **(3)** ~~(4)~~—At least 50% of the funding allocated to each eligible  
 4 CEPD **under this section** must be used to update equipment in current  
 5 state-approved CTE programs that have been identified in the  
 6 highest 5 career cluster rankings in any of the prosperity regions  
 7 in the most recent CEPD regional strategic plans approved by the  
 8 department; for training on new equipment; for professional  
 9 development relating to computer science or coding or new equipment  
 10 purchases; for the replacement of old or outdated equipment or new  
 11 equipment in existing state-approved CTE programs that align with  
 12 new technology used in industries; or for new and emerging  
 13 certified state-approved CTE programs to allow CEPD administrators  
 14 to provide programming in communities that will enhance economic  
 15 development. The funding for equipment should be used to support  
 16 and enhance community areas that have sustained job growth, and act  
 17 as a commitment to build a more qualified and skilled workforce. In  
 18 addition, each CEPD is encouraged to explore the option of leasing  
 19 equipment from local private industry to encourage the use of the  
 20 most advanced equipment.

21       **(4)** ~~(5)~~—The allocation of funds under this section at the  
 22 local level must be determined by CEPD administrators using data  
 23 from the state, region, and local sources to make well-informed  
 24 decisions on program equipment improvements. Grants awarded by CEPD  
 25 administrators for capital infrastructure costs related to the  
 26 purchase of new equipment must be used to ensure that state-  
 27 approved CTE programs can deliver educational programs in high-  
 28 wage, high-skill, and high-demand occupations. Each CEPD shall  
 29 continue to ensure that program advisory boards make



1 recommendations on needed improvements for equipment that support  
2 job growth and job skill development and retention for both the  
3 present and the future.

4 (5) ~~(6)~~—Not later than December 15 of each fiscal year, each  
5 CEPD receiving funding shall annually report to the department, the  
6 senate and house appropriations subcommittees on school aid, the  
7 senate and house fiscal agencies, and the legislature on equipment  
8 purchased under subsection (1). In addition, the report must  
9 identify growth data on program involvement, retention, and  
10 development of student skills.

11 (6) ~~(7)~~—As used in this section:

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

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

15 Sec. 61d. (1) From the appropriation in section 11, there is  
16 allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed  
17 \$5,000,000.00 from the state school aid fund for additional  
18 payments to districts for career and technical education programs  
19 for the purpose of increasing the number of Michigan residents with  
20 high-quality degrees or credentials, and to increase the number of  
21 pupils who are college- and career-ready upon high school  
22 graduation.

23 (2) The department shall calculate payments to districts under  
24 this section in the following manner:

25 (a) A payment of \$35.00 multiplied by the number of pupils in  
26 grades 9 to 12 who are counted in membership in the district and  
27 are enrolled in at least 1 career and technical education program.

28 (b) An additional payment of \$35.00 multiplied by the number  
29 of pupils in grades 9 to 12 who are counted in membership in the



1 district and are enrolled in at least 1 career and technical  
2 education program that provides instruction in critical skills and  
3 high-demand career fields.

4 (3) If the allocation under subsection (1) is insufficient to  
5 fully fund payments under subsection (2), the department shall  
6 prorate payments under this section on an equal per-pupil basis.

7 (4) As used in this section:

8 (a) "Career and technical education program" means a state-  
9 approved career and technical education program, as determined by  
10 the department.

11 (b) "Career and technical education program that provides  
12 instruction in critical skills and high-demand career field" means  
13 a career and technical education program classified under any of  
14 the following 2-digit classification of instructional programs  
15 (CIP) codes:

16 (i) 01, which refers to "agriculture, agriculture operations,  
17 and related sciences".

18 (ii) 03, which refers to "natural resources and conservation".

19 (iii) 10 through 11, which refers to "communications  
20 technologies/technicians and support services" and "computer and  
21 information sciences and support services".

22 (iv) 14 through 15, which refers to "engineering" and  
23 "engineering technologies and engineering-related fields".

24 (v) 26, which refers to "biological and biomedical sciences".

25 (vi) 46 through 48, which refers to "construction trades",  
26 "mechanic and repair technologies/technicians", and "precision  
27 production".

28 (vii) 51, which refers to "health professions and related  
29 programs".



1           Sec. 61s. (1) From the ~~state school aid fund~~ **general fund**  
 2 money appropriated in section 11, there is allocated for ~~2023-2024~~  
 3 **2024-2025** only an amount not to exceed \$4,000,000.00 ~~to Eaton RESA~~  
 4 to support the efforts of FFA. The money under this section may be  
 5 used for capital improvements and equipment, the credentialing and  
 6 updating of Perkins 5, and for general agriculture education and  
 7 current structures of FFA. ~~Eaton RESA may retain for administrative~~  
 8 ~~services an amount not to exceed 5% of the grant amount.~~

9           (2) The funds allocated under this section for ~~2023-2024~~ **2024-**  
 10 **2025** are a work project appropriation, and any unexpended funds for  
 11 ~~2023-2024~~ **2024-2025** are carried forward into ~~2024-2025.~~ **2025-2026.**  
 12 The purpose of the work project is to support the purposes of this  
 13 section. The estimated completion date of the work project is  
 14 September 30, ~~2027.~~ **2028.**

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

18           Sec. 62. (1) For the purposes of this section:

19           (a) "Membership" means for a particular fiscal year the total  
 20 membership of the intermediate district and the districts  
 21 constituent to the intermediate district or the total membership of  
 22 the area vocational-technical program, except that if a district  
 23 has elected not to come under sections 681 to 690 of the revised  
 24 school code, MCL 380.681 to 380.690, the membership of that  
 25 district are not included in the membership of the intermediate  
 26 district. However, the membership of a district that has elected  
 27 not to come under sections 681 to 690 of the revised school code,  
 28 MCL 380.681 to 380.690, is included in the membership of the  
 29 intermediate district if the district meets both of the following:



1 (i) The district operates the area vocational-technical  
2 education program pursuant to a contract with the intermediate  
3 district.

4 (ii) The district contributes an annual amount to the operation  
5 of the program that is commensurate with the revenue that would  
6 have been raised for operation of the program if millage were  
7 levied in the district for the program under sections 681 to 690 of  
8 the revised school code, MCL 380.681 to 380.690.

9 (b) "Millage levied" means the millage levied for area  
10 vocational-technical education under sections 681 to 690 of the  
11 revised school code, MCL 380.681 to 380.690, including a levy for  
12 debt service obligations incurred as the result of borrowing for  
13 capital outlay projects and in meeting capital projects fund  
14 requirements of area vocational-technical education.

15 (c) "Taxable value" means the total taxable value of the  
16 districts constituent to an intermediate district or area  
17 vocational-technical education program, except that if a district  
18 has elected not to come under sections 681 to 690 of the revised  
19 school code, MCL 380.681 to 380.690, the taxable value of that  
20 district is not included in the taxable value of the intermediate  
21 district. However, the taxable value of a district that has elected  
22 not to come under sections 681 to 690 of the revised school code,  
23 MCL 380.681 to 380.690, is included in the taxable value of the  
24 intermediate district if the district meets both of the following:

25 (i) The district operates the area vocational-technical  
26 education program pursuant to a contract with the intermediate  
27 district.

28 (ii) The district contributes an annual amount to the operation  
29 of the program that is commensurate with the revenue that would



1 have been raised for operation of the program if millage were  
 2 levied in the district for the program under sections 681 to 690 of  
 3 the revised school code, MCL 380.681 to 380.690.

4 (2) From the appropriation in section 11, there is allocated  
 5 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2022-~~  
 6 ~~2023 and for 2023-2024~~ **and 2024-2025** to reimburse intermediate  
 7 districts and area vocational-technical education programs  
 8 established under section 690(3) of the revised school code, MCL  
 9 380.690, levying millages for area vocational-technical education  
 10 under sections 681 to 690 of the revised school code, MCL 380.681  
 11 to 380.690. The purpose, use, and expenditure of the reimbursement  
 12 are limited as if the funds were generated by those millages.

13 (3) Reimbursement for those millages levied in ~~2021-2022-2022-~~  
 14 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~  
 15 ~~2022-2023~~ membership pupil computed by subtracting from ~~\$237,500.00~~  
 16 ~~\$250,800.00~~ the ~~2021-2022-2022-2023~~ taxable value behind each  
 17 membership pupil and multiplying the resulting difference by the  
 18 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that  
 19 amount the ~~2021-2022-2022-2023~~ local community stabilization share  
 20 revenue for area vocational technical education and ~~2021-2022-2022-~~  
 21 ~~2023~~ tax increment revenues captured by a brownfield redevelopment  
 22 authority created under the brownfield redevelopment financing act,  
 23 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil  
 24 for reimbursement of personal property exemption loss under the  
 25 local community stabilization authority act, 2014 PA 86, MCL  
 26 123.1341 to 123.1362, and reimbursements paid under section 26d for  
 27 tax increment revenues captured by a brownfield redevelopment  
 28 authority under the brownfield redevelopment financing act, 1996 PA  
 29 381, MCL 125.2651 to 125.2670. For the purposes of the calculation



1 described in the previous sentence only, for an intermediate  
 2 district receiving funds under this section and section 56,  
 3 reimbursements paid under section 26d must be multiplied by the  
 4 ratio of vocational-technical education millage levied, as defined  
 5 in this section, and the sum of vocational-technical education  
 6 millage levied and special education millage levied, as defined in  
 7 section 56.

8 (4) Reimbursement for those millages levied in ~~2022-2023~~**2023-**  
 9 **2024** is made in ~~2023-2024~~**2024-2025** at an amount per ~~2022-2023~~  
 10 **2023-2024** membership pupil computed by subtracting from ~~\$248,800.00~~  
 11 **\$266,700.00** the ~~2022-2023~~**2023-2024** taxable value behind each  
 12 membership pupil and multiplying the resulting difference by the  
 13 ~~2022-2023~~**2023-2024** millage levied, and then subtracting from that  
 14 amount the ~~2022-2023~~**2023-2024** local community stabilization share  
 15 revenue for area vocational technical education and ~~2022-2023~~**2023-**  
 16 **2024** tax increment revenues captured by a brownfield redevelopment  
 17 authority created under the brownfield redevelopment financing act,  
 18 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership pupil  
 19 for reimbursement of personal property exemption loss under the  
 20 local community stabilization authority act, 2014 PA 86, MCL  
 21 123.1341 to 123.1362, and reimbursements paid under section 26d for  
 22 tax increment revenues captured by a brownfield redevelopment  
 23 authority under the brownfield redevelopment financing act, 1996 PA  
 24 381, MCL 125.2651 to 125.2670. For the purposes of the calculation  
 25 described in the previous sentence only, for an intermediate  
 26 district receiving funds under this section and section 56,  
 27 reimbursements paid under section 26d must be multiplied by the  
 28 ratio of vocational-technical education millage levied, as defined  
 29 in this section, and the sum of vocational-technical education



1 millage levied and special education millage levied, as defined in  
2 section 56.

3 (5) The department shall ensure that the amount paid to a  
4 single intermediate district under this section does not exceed  
5 38.4% of the total amount allocated under subsection (2).

6 (6) The department shall ensure that the amount paid to a  
7 single intermediate district under this section is not less than  
8 75% of the amount allocated to the intermediate district under this  
9 section for the immediately preceding fiscal year.

10 Sec. 65. (1) From the appropriation under section 11, there is  
11 allocated an amount not to exceed \$900,000.00 for ~~2023-2024-2024-~~  
12 **2025** for a pre-college engineering K to 12 educational program that  
13 is focused on the development of a diverse future Michigan  
14 workforce, that serves multiple communities within southeast  
15 Michigan, that enrolls pupils from multiple districts, and that  
16 received funds appropriated for this purpose in the appropriations  
17 act that provided the Michigan strategic fund budget for 2014-2015.

18 (2) To be eligible for funding under this section, a program  
19 must have the ability to expose pupils to, and motivate and prepare  
20 pupils for, science, technology, engineering, and mathematics  
21 careers and postsecondary education with special attention given to  
22 groups of pupils who are at-risk and underrepresented in technical  
23 professions and careers.

24 Sec. 67. (1) From the general fund money appropriated in  
25 section 11, there is allocated an amount not to exceed  
26 ~~\$5,000,000.00~~ **\$3,000,000.00** for ~~2023-2024-2024-2025~~  
27 access programs. ~~It is the intent of the legislature that, for~~  
28 ~~2024-2025, the allocation from the general fund money appropriated~~  
29 ~~in section 11 for purposes described in this section will be~~



1 ~~\$3,000,000.00.~~ The programs funded under this section are intended  
 2 to inform students of college and career options and to provide  
 3 resources intended to increase the number of pupils who are  
 4 adequately prepared with the information needed to make informed  
 5 decisions on college and career, **support adult learners, support**  
 6 **college completion, and support workforce and employer engagement.**  
 7 The funds appropriated under this section are intended to be used  
 8 to increase the number of Michigan residents with high-quality  
 9 degrees or credentials. Funds appropriated under this section must  
 10 not be used to supplant funding for counselors already funded by  
 11 districts.

12 (2) The department of ~~labor and economic opportunity~~ **lifelong**  
 13 **education, advancement, and potential** shall administer funds  
 14 allocated under this section in collaboration with the Michigan  
 15 college access network. These funds may be used for any of the  
 16 following purposes:

17 (a) Michigan college access network operations, programming,  
 18 and services to local college access networks.

19 (b) Local college access networks, which are community-based  
 20 college access/success partnerships committed to increasing the  
 21 college participation and completion rates within geographically  
 22 defined communities through a coordinated strategy.

23 (c) The Michigan college advising program, a program intended  
 24 to place trained, recently graduated college advisors in high  
 25 schools that serve significant numbers of low-income and first-  
 26 generation college-going pupils. State funds used for this purpose  
 27 may not exceed 33% of the total funds available under this  
 28 subsection.

29 (d) Subgrants of up to \$5,000.00 to districts with



1 comprehensive high schools that establish a college access team and  
 2 implement specific strategies to create a college-going culture in  
 3 a high school in a form and manner approved by the Michigan college  
 4 access network and the department of ~~labor and economic~~  
 5 ~~opportunity.~~ **lifelong education, advancement, and potential.**

6 (e) The Michigan college access portal, an online one-stop  
 7 portal to help pupils and families plan and apply for college.

8 (f) Public awareness and outreach campaigns to encourage low-  
 9 income and first-generation college-going pupils to take necessary  
 10 steps toward college and to assist pupils and families in  
 11 completing a timely and accurate free application for federal  
 12 student aid.

13 (g) Subgrants to postsecondary institutions to recruit, hire,  
 14 and train college student mentors and college advisors to assist  
 15 high school pupils in navigating the postsecondary planning and  
 16 enrollment process.

17 (3) For the purposes of this section, "college" means any  
 18 postsecondary educational opportunity that leads to a career,  
 19 including, but not limited to, a postsecondary degree, industry-  
 20 recognized technical certification, or registered apprenticeship.

21 **Sec. 67d. (1) From the general fund money appropriated in**  
 22 **section 11, there is allocated for 2024-2025 an amount not to**  
 23 **exceed \$1,000,000.00, through a grant program administered by the**  
 24 **department, to an eligible state-approved 501(c)(3) organization to**  
 25 **teach or train restaurant management, culinary arts or hospitality,**  
 26 **and tourism management as part of career and professional**  
 27 **development. It is the intent of the legislature that, for 2025-**  
 28 **2026, the allocation from the general fund money appropriated in**  
 29 **section 11 for purposes described in this section will be**



1 \$500,000.00.

2 (2) As used in this section, "eligible state-approved  
3 501(c)(3) organization" means an organization to which all of the  
4 following apply:

5 (a) It is exempt from taxation under section 501(c)(3) of the  
6 internal revenue code of 1986, 26 USC 501.

7 (b) It provides either the ProStart or Hospitality Tourism  
8 Management curriculum and training to state-approved career and  
9 technical education programs with classification of instructional  
10 programs (CIP) codes in the 12.05xx or 52.09xx.

11 (c) It administers national certification for the purposes of  
12 restaurant management, culinary arts or hospitality, or tourism  
13 management in becoming a hospitality and tourism specialist as part  
14 of career and professional development.

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

18 Sec. 67f. (1) From the state school aid fund money  
19 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
20 **2025** only an amount not to exceed \$10,000,000.00 for the FAFSA  
21 completion challenge. Funds allocated under this section must be  
22 distributed to districts to improve FAFSA completion rates.

23 (2) To be eligible to receive funding under this section, each  
24 district must apply in a form and manner determined by the  
25 department. As part of the application, the district must  
26 demonstrate to the department that each high school from the  
27 applying district receiving funds under this section has a data use  
28 agreement on file with the department of treasury naming at least 1  
29 data receiver designee to access student-level data regarding FAFSA



1 completion.

2 (3) ~~No~~ **By not** later than November 30 ~~, 2023,~~ **of each year**  
 3 **payments are made with funding allocated under this section,** the  
 4 department must pay each eligible district an amount not to exceed  
 5 \$50.00 multiplied by the number of students enrolled and attending  
 6 grade 12 in the district. The receiving district must use funds  
 7 received under this subsection for participation in and  
 8 implementation of activities that are known to drive FAFSA  
 9 completion, as determined by the department in collaboration with  
 10 the Michigan college access network.

11 (4) ~~No~~ **By not** later than September 30 ~~, 2024,~~ **of each year**  
 12 **payments are made with funding allocated under this section** the  
 13 department must pay each eligible district an amount not to exceed  
 14 \$50.00 multiplied by the number of students enrolled and attending  
 15 grade 12 in the district who submitted a FAFSA ~~prior to~~ **before** June  
 16 30 ~~, 2024.~~ **of the year in which payments are made with funding**  
 17 **allocated under this section.** Funds received under this subsection  
 18 may be used for discretionary purposes, as determined by the  
 19 districts, though districts are encouraged to use funds received  
 20 under this subsection to continue work to improve FAFSA completion  
 21 rates.

22 (5) The department ~~must~~ **shall** collaborate with the department  
 23 of ~~treasury~~ **lifelong education, advancement, and potential** to  
 24 verify eligible FAFSA completion counts for the purposes of  
 25 calculating payments under subsection (4). By not later than July  
 26 15 ~~, 2024,~~ **of each year payments are made with funding allocated**  
 27 **under this section,** the department of ~~treasury~~ **must** ~~lifelong~~  
 28 **education, advancement, and potential shall** provide the department  
 29 **with** FAFSA completion information necessary for calculating



1 payments under this section.

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

5 (7) **The funds allocated under this section for 2024-2025 are a**  
6 **work project appropriation, and any unexpended funds for 2024-2025**  
7 **are carried forward into 2025-2026. The purpose of the work project**  
8 **is to continue efforts to increase the number of students who**  
9 **complete the FAFSA. The estimated completion date of the work**  
10 **project is September 30, 2026.**

11 (8) ~~(7)~~As used in the section, "FAFSA" means the free  
12 application for federal student aid form.

13 Sec. 74. (1) From the state school aid fund money appropriated  
14 in section 11, there is allocated an amount not to exceed  
15 ~~\$3,842,700.00~~ **\$4,414,100.00** for ~~2023-2024~~ **2024-2025** for the  
16 purposes of this section.

17 (2) From the allocation in subsection (1), there is allocated  
18 for ~~2023-2024~~ **2024-2025** the amount necessary for payments to state  
19 supported colleges or universities and intermediate districts  
20 providing school bus driver safety instruction under section 51 of  
21 the pupil transportation act, 1990 PA 187, MCL 257.1851. The  
22 department shall make payments in an amount determined by the  
23 department not to exceed the actual cost of instruction and driver  
24 compensation for each public or nonpublic school bus driver  
25 attending a course of instruction. For the purpose of computing  
26 compensation, the hourly rate allowed each school bus driver must  
27 not exceed the hourly rate received for driving a school bus. The  
28 department shall make reimbursement compensating the driver during  
29 the course of instruction to the college or university or



1 intermediate district providing the course of instruction.

2 (3) From the allocation in subsection (1), there is allocated  
 3 for ~~2023-2024-2024-2025~~ the amount necessary to pay the reasonable  
 4 costs of nonspecial education auxiliary services transportation  
 5 provided under section 1323 of the revised school code, MCL  
 6 380.1323. Districts funded under this subsection do not receive  
 7 funding under any other section of this article for nonspecial  
 8 education auxiliary services transportation.

9 (4) From the funds allocated in subsection (1), there is  
 10 allocated an amount not to exceed ~~\$1,817,700.00~~ **\$1,888,500.00** for  
 11 ~~2023-2024-2024-2025~~ for reimbursement to districts and intermediate  
 12 districts for costs associated with the inspection of school buses  
 13 and pupil transportation vehicles by the department of state police  
 14 as required under section 715a of the Michigan vehicle code, 1949  
 15 PA 300, MCL 257.715a, and section 39 of the pupil transportation  
 16 act, 1990 PA 187, MCL 257.1839. The department of state police  
 17 shall prepare a statement of costs attributable to each district  
 18 for which bus inspections are provided and submit it to the  
 19 department and to an intermediate district serving as fiduciary in  
 20 a time and manner determined jointly by the department and the  
 21 department of state police. Upon review and approval of the  
 22 statement of cost, the department shall forward to the designated  
 23 intermediate district serving as fiduciary the amount of the  
 24 reimbursement on behalf of each district and intermediate district  
 25 for costs detailed on the statement within 45 days after receipt of  
 26 the statement. The designated intermediate district shall make  
 27 payment in the amount specified on the statement to the department  
 28 of state police within 45 days after receipt of the statement. The  
 29 total reimbursement of costs under this subsection must not exceed



1 the amount allocated under this subsection. Notwithstanding section  
 2 17b, the department shall make payments to eligible entities under  
 3 this subsection on a schedule prescribed by the department.

4 Sec. 81. (1) From the state school aid fund money appropriated  
 5 in section 11, there is allocated for ~~2023-2024~~**2024-2025** to the  
 6 intermediate districts the sum necessary, but not to exceed  
 7 ~~\$79,424,700.00~~**\$85,272,400.00** to provide state aid to intermediate  
 8 districts under this section.

9 (2) The amount allocated under this section for ~~2023-2024~~  
 10 **2024-2025** to each intermediate district is an amount equal to  
 11 ~~105.0%~~**107.36%** of the amount allocated to the intermediate district  
 12 under this section for ~~2022-2023~~**2023-2024**. An intermediate  
 13 district shall use funding provided under this section to comply  
 14 with requirements of this article and the revised school code that  
 15 are applicable to intermediate districts, and for which funding is  
 16 not provided elsewhere in this article, and to provide technical  
 17 assistance to districts as authorized by the intermediate school  
 18 board.

19 (3) Intermediate districts receiving funds under this section  
 20 shall collaborate with the department to develop expanded  
 21 professional development opportunities for teachers to update and  
 22 expand their knowledge and skills needed to support the Michigan  
 23 merit curriculum.

24 (4) From the allocation in subsection (1), there is allocated  
 25 to an intermediate district, formed by the consolidation or  
 26 annexation of 2 or more intermediate districts or the attachment of  
 27 a total intermediate district to another intermediate district or  
 28 the annexation of all of the constituent K to 12 districts of a  
 29 previously existing intermediate district which has disorganized,



1 an additional allotment of \$3,500.00 each fiscal year for each  
2 intermediate district included in the new intermediate district for  
3 3 years following consolidation, annexation, or attachment.

4 (5) ~~In order to~~**To** receive funding under this section, an  
5 intermediate district shall do all of the following:

6 (a) Demonstrate to the satisfaction of the department that the  
7 intermediate district employs at least 1 person who is trained in  
8 pupil accounting and auditing procedures, rules, and regulations.

9 (b) Demonstrate to the satisfaction of the department that the  
10 intermediate district employs at least 1 person who is trained in  
11 rules, regulations, and district reporting procedures for the  
12 individual-level student data that serves as the basis for the  
13 calculation of the district and high school graduation and dropout  
14 rates.

15 (c) Comply with sections 1278a and 1278b of the revised school  
16 code, MCL 380.1278a and 380.1278b.

17 (d) Furnish data and other information required by state and  
18 federal law to the center and the department in the form and manner  
19 specified by the center or the department, as applicable.

20 (e) Comply with section 1230g of the revised school code, MCL  
21 380.1230g.

22 Sec. 94. (1) From the general fund money appropriated in  
23 section 11, there is allocated to the department for ~~2023-2024~~  
24 **2024-2025** an amount not to exceed \$1,200,000.00 for efforts to  
25 increase the number of pupils who participate and succeed in  
26 advanced placement and international baccalaureate programs, and to  
27 support the college-level examination program (CLEP).

28 (2) From the funds allocated under this section, the  
29 department shall award funds to cover all or part of the costs of



1 advanced placement test fees or international baccalaureate test  
2 fees and international baccalaureate registration fees for low-  
3 income pupils who take an advanced placement or an international  
4 baccalaureate test and CLEP fees for low-income pupils who take a  
5 CLEP test.

6 (3) The department shall only award funds under this section  
7 if the department determines that all of the following criteria are  
8 met:

9 (a) Each pupil for whom payment is made meets eligibility  
10 requirements of the federal advanced placement test fee program  
11 under the no child left behind act of 2001, Public Law 107-110, or  
12 the every student succeeds act, Public Law 114-95, as applicable.

13 (b) The tests are administered by the college board, the  
14 international baccalaureate organization, or another test provider  
15 approved by the department.

16 (c) The pupil for whom payment is made pays at least \$5.00  
17 toward the cost of each test for which payment is made.

18 (4) If funds remain after the awards granted in subsection  
19 (2), the department shall award funds to reimburse a portion of the  
20 costs associated with the provision of advanced placement (AP),  
21 international baccalaureate (IB), or college-level examination  
22 program (CLEP) exams for students whose family income exceeds low-  
23 income status as determined by the department.

24 (5) The department shall establish procedures for awarding  
25 funds under this section.

26 (6) **The department shall collaborate with the department of**  
27 **health and human services to ensure that funds spent under this**  
28 **section are allowable expenses for the purposes of meeting state-**  
29 **level maintenance of effort requirements for the federal temporary**



1 **assistance for needy families program.**

2 (7) ~~(6)~~ Notwithstanding section 17b, the department shall make  
3 payments under this section on a schedule determined by the  
4 department.

5 Sec. 94a. (1) There is created within the state budget office  
6 in the department of technology, management, and budget the center  
7 for educational performance and information. The center shall do  
8 all of the following:

9 (a) Coordinate the collection of all data required by state  
10 and federal law from districts, intermediate districts, and  
11 postsecondary institutions.

12 (b) Create, maintain, and enhance this state's P-20  
13 longitudinal data system and ensure that it meets the requirements  
14 of subsection (4).

15 (c) Collect data in the most efficient manner possible to  
16 reduce the administrative burden on reporting entities, including,  
17 but not limited to, electronic transcript services.

18 (d) Create, maintain, and enhance this state's web-based  
19 educational portal to provide information to school leaders,  
20 teachers, researchers, and the public in compliance with all  
21 federal and state privacy laws. Data must include, but are not  
22 limited to, all of the following:

23 (i) Data sets that link teachers to student information,  
24 allowing districts to assess individual teacher impact on student  
25 performance and consider student growth factors in teacher and  
26 principal evaluation systems.

27 (ii) Data access or, if practical, data sets, provided for  
28 regional data hubs that, in combination with local data, can  
29 improve teaching and learning in the classroom.



1           (iii) Research-ready data sets for researchers to perform  
2 research that advances this state's educational performance.

3           (e) Provide data in a useful manner to allow state and local  
4 policymakers to make informed policy decisions.

5           (f) Provide public reports to the residents of this state to  
6 allow them to assess allocation of resources and the return on  
7 their investment in the education system of this state.

8           (g) Other functions as assigned by the state budget director.

9           (2) Each state department, officer, or agency that collects  
10 information from districts, intermediate districts, or  
11 postsecondary institutions as required under state or federal law  
12 shall make arrangements with the center to ensure that the state  
13 department, officer, or agency is in compliance with subsection  
14 (1). This subsection does not apply to information collected by the  
15 department of treasury under the uniform budgeting and accounting  
16 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal  
17 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond  
18 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to  
19 388.1939; or section 1351a of the revised school code, MCL  
20 380.1351a.

21           (3) The center may enter into any interlocal agreements  
22 necessary to fulfill its functions.

23           (4) The center shall ensure that the P-20 longitudinal data  
24 system required under subsection (1)(b) meets all of the following:

25           (a) Includes data at the individual student level from  
26 preschool through postsecondary education and into the workforce.

27           (b) Supports interoperability by using standard data  
28 structures, data formats, and data definitions to ensure linkage  
29 and connectivity in a manner that facilitates the exchange of data



1 among agencies and institutions within the state and between  
2 states.

3 (c) Enables the matching of individual teacher and student  
4 records so that an individual student may be matched with those  
5 teachers providing instruction to that student.

6 (d) Enables the matching of individual teachers with  
7 information about their certification and the institutions that  
8 prepared and recommended those teachers for state certification.

9 (e) Enables data to be easily generated for continuous  
10 improvement and decision-making, including timely reporting to  
11 parents, teachers, and school leaders on student achievement.

12 (f) Ensures the reasonable quality, validity, and reliability  
13 of data contained in the system.

14 (g) Provides this state with the ability to meet federal and  
15 state reporting requirements.

16 (h) For data elements related to preschool through grade 12  
17 and postsecondary, meets all of the following:

18 (i) Contains a unique statewide student identifier that does  
19 not permit a student to be individually identified by users of the  
20 system, except as allowed by federal and state law.

21 (ii) Contains student-level enrollment, demographic, and  
22 program participation information, including data associated with  
23 students who have been identified as having an affiliation to 1 or  
24 more federally recognized Indian tribes and student participation  
25 in federal programs funded under 20 USC 7401 to 7546 and  
26 participation in federal programs funded under the Johnson-O'Malley  
27 Supplemental Indian Education Program Modernization Act, Public Law  
28 115-404.

29 (iii) Contains student-level information about the points at



1 which students exit, transfer in, transfer out, drop out, or  
2 complete education programs.

3 (iv) Has the capacity to communicate with higher education data  
4 systems.

5 (i) For data elements related to preschool through grade 12  
6 only, meets all of the following:

7 (i) Contains yearly test records of individual students for  
8 assessments approved by DED-OESE for accountability purposes under  
9 section 1111(b) of the elementary and secondary education act of  
10 1965, 20 USC 6311, including information on individual students not  
11 tested, by grade and subject.

12 (ii) Contains student-level transcript information, including  
13 information on courses completed and grades earned.

14 (iii) Contains student-level college readiness test scores.

15 (j) For data elements related to postsecondary education only:

16 (i) Contains data that provide information regarding the extent  
17 to which individual students transition successfully from secondary  
18 school to postsecondary education, including, but not limited to,  
19 all of the following:

20 (A) Enrollment in remedial coursework.

21 (B) Completion of 1 year's worth of college credit applicable  
22 to a degree within 2 years of enrollment.

23 (ii) Contains data that provide other information determined  
24 necessary to address alignment and adequate preparation for success  
25 in postsecondary education.

26 (5) From the general fund money appropriated in section 11,  
27 there is allocated an amount not to exceed ~~\$18,988,600.00~~  
28 **\$19,219,200.00** for ~~2023-2024~~**2024-2025** to the department of  
29 technology, management, and budget to support the operations of the



1 center. In addition, from the federal funds appropriated in section  
2 11, there is allocated for ~~2023-2024-2024-2025~~ the amount  
3 necessary, estimated at ~~\$4,193,500.00, \$193,500.00~~, to support the  
4 operations of the center and to establish a P-20 longitudinal data  
5 system necessary for state and federal reporting purposes. The  
6 center shall cooperate with the department to ensure that this  
7 state is in compliance with federal law and is maximizing  
8 opportunities for increased federal funding to improve education in  
9 this state.

10 (6) From the funds allocated in subsection (5), the center may  
11 use an amount determined by the center for competitive grants for  
12 ~~2023-2024-2024-2025~~ to support collaborative efforts on the P-20  
13 longitudinal data system. All of the following apply to grants  
14 awarded under this subsection:

15 (a) The center shall award competitive grants to eligible  
16 intermediate districts or a consortium of intermediate districts  
17 based on criteria established by the center.

18 (b) Activities funded under the grant must support the P-20  
19 longitudinal data system portal and may include portal hosting,  
20 hardware and software acquisition, maintenance, enhancements, user  
21 support and related materials, and professional learning tools and  
22 activities aimed at improving the utility of the P-20 longitudinal  
23 data system.

24 (c) An applicant that received a grant under this subsection  
25 for the immediately preceding fiscal year has priority for funding  
26 under this section. However, after 3 fiscal years of continuous  
27 funding, an applicant is required to compete openly with new  
28 applicants.

29 (7) Funds allocated under this section that are not expended



1 in the fiscal year in which they were allocated may be carried  
2 forward to a subsequent fiscal year and are appropriated for the  
3 purposes for which the funds were originally allocated.

4 (8) The center may bill departments as necessary ~~in order to~~  
5 fulfill reporting requirements of state and federal law. The center  
6 may also enter into agreements to supply custom data, analysis, and  
7 reporting to other principal executive departments, state agencies,  
8 local units of government, and other individuals and organizations.  
9 The center may receive and expend funds in addition to those  
10 authorized in subsection (5) to cover the costs associated with  
11 salaries, benefits, supplies, materials, and equipment necessary to  
12 provide such data, analysis, and reporting services.

13 (9) As used in this section, "DED-OESE" means the United  
14 States Department of Education Office of Elementary and Secondary  
15 Education.

16 **Sec. 94e. (1) From the state school aid fund money**  
17 **appropriated under section 11, there is allocated an amount not to**  
18 **exceed \$1,000,000.00 for 2023-2024 only to Oakland Schools for the**  
19 **school and local government finance commission.**

20 (2) The school and local government finance commission must be  
21 created by not later than January 1, 2025.

22 (3) The school and local government finance commission created  
23 under this section shall examine and assess the sources of revenue  
24 generation for this state's K to 12 system of schools, districts,  
25 intermediate districts, students, preschool, and other local  
26 governments, focusing on the adequacy, equity, and sustainability  
27 of these revenue sources. The assessment under this subsection must  
28 do at least all of the following:

29 (a) Include a historical analysis of how these revenue sources



1 have performed historically across different economic phases,  
2 including expansion, peak, recession, and recovery.

3 (b) Include an analysis of how these revenue sources will  
4 perform across different economic phases, including expansion,  
5 peak, recession, and recovery over the next 30 years.

6 (c) Identify the impact of legislative and policy changes that  
7 affect the sustainability of the revenue sources on the overall  
8 sustainability of the constitutional requirement to encourage and  
9 support a system of free and open public schools.

10 (d) Assess whether this state's revenue sources have  
11 historically, and will in the future, ensure adequate, equitable,  
12 and sustainable funding for this state's K to 12 system of free and  
13 open public schools, districts, intermediate districts, students,  
14 preschool, and other local governments.

15 (e) Determine whether current revenue sources adequately,  
16 equitably, and sustainably support the necessary funding levels  
17 identified by the School Finance Research Collaborative.

18 (f) Generate a report by not later than January 1, 2026 that  
19 includes comprehensive recommendations to guide future public  
20 policy decisions specifically targeted to ensure adequacy, equity,  
21 and sustainability of funding for this state's K to 12 system of  
22 free and open public schools, districts, intermediate districts,  
23 students, preschool, and other local governments.

24 (4) The funds allocated under this section for 2023-2024 are a  
25 work project appropriation, and any unexpended funds for 2023-2024  
26 are carried forward into 2024-2025. The purpose of the work project  
27 is to continue the work of the commission described in this  
28 section. The estimated completion date of the work project is  
29 September 30, 2027.



1           Sec. 95b. (1) From the general fund money appropriated under  
2 section 11, there is allocated an amount not to exceed  
3 ~~\$2,000,000.00~~ **\$100.00** for ~~2023-2024~~ **2024-2025** only for the model  
4 value-added growth and projection analytics system. The department  
5 shall continue the model value-added growth and projection  
6 analytics system and incorporate that model into its reporting  
7 requirements under the every student succeeds act, Public Law 114-  
8 95. The model described in this subsection must do at least all of  
9 the following:

10           (a) Utilize existing assessments and any future assessments  
11 that are suitable for measuring student growth.

12           (b) Report student growth measures at the district, school,  
13 teacher, and subgroup levels.

14           (c) Recognize the growth of tested students, including those  
15 who may have missing assessment data.

16           (d) Include all available prior standardized assessment data  
17 that meet inclusion criteria across grades, subjects, and state and  
18 local assessments.

19           (e) Allow student growth results to be disaggregated.

20           (f) Provide individual student projections showing the  
21 probability of a student reaching specific performance levels on  
22 future assessments. Given school closures and extended  
23 cancellations related to COVID-19, the data under this subdivision  
24 may be used to inform decisions about student placement or students  
25 that could benefit from additional supports or interventions.

26           (g) Demonstrate any prior success with this state's  
27 assessments through the Michigan council of educator effectiveness  
28 teacher evaluation pilot.

29           (h) Demonstrate prior statewide implementation in at least 2



1 other states for at least 10 years.

2 (i) Have a native roster verification system built into the  
3 value-added reporting platform that has been implemented statewide  
4 in at least 2 other states.

5 (j) Have a "help/contact us" ticketing system built into the  
6 value-added reporting platform.

7 (k) Given school closures that have occurred pursuant to an  
8 executive order issued by the governor, the value-added reporting  
9 platform must provide continued hosting and delivery of reporting  
10 and offer the department additional supports in the areas of  
11 research, analysis, web reporting, and training.

12 (l) The department and the platform vendor shall provide  
13 statewide training for educators to understand the reporting that  
14 details the impact to student learning and growth.

15 (2) The department shall provide internet-based electronic  
16 student growth and projection reporting based on the model under  
17 subsection (1) to educators at the school, district, and state  
18 levels. The model must include role-based permissions that allow  
19 educators to access information about the performance of the  
20 students within their immediate responsibility in accordance with  
21 applicable privacy laws.

22 (3) The model under subsection (1) must not be a mandatory  
23 part of teacher evaluation or educator pay-for-performance systems.

24 (4) The model under subsection (1) must be a model that  
25 received funding under this section in 2018-2019.

26 (5) By March 31 of each fiscal year for which funding is  
27 allocated under this section, the department shall work with the  
28 center to make data publicly available on an external website that  
29 provides student growth metrics provided by the value-added



1 reporting platform at the district and school level by grade and  
2 subject.

3 (6) The platform vendor must complete a system security plan,  
4 as determined by the department in collaboration with the  
5 department of technology, management, and budget.

6 Sec. 97a. From the general fund money appropriated in section  
7 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~  
8 **\$100.00** for ~~2023-2024-2024-2025~~ only for Michigan Virtual  
9 University to support Navigate 360. Funding may be used to support  
10 the MichiganCares, PBIS Rewards, and Intervention programs.

11 Sec. 97i. (1) From the ~~state school aid~~ **general** fund money  
12 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
13 **2025** only an amount not to exceed ~~\$3,000,000.00~~ **\$100.00** to provide  
14 payments to districts and intermediate districts for a firearm  
15 detection software that integrates to existing security cameras to  
16 detect and alert school personnel and first responders to visible  
17 firearms on school property. The software described in the  
18 immediately preceding sentence must be designated as qualified  
19 anti-terrorism technology under the SAFETY Act, 6 USC 441 to 444,  
20 and organically developed and proprietary to the company it is  
21 purchased from and should not include any third-party or open-  
22 source data.

23 (2) To be eligible for funding under this section, a district  
24 or intermediate district must apply for the funding in a form and  
25 manner prescribed by the department.

26 (3) Notwithstanding section 17b, the department shall make  
27 payments to districts and intermediate districts under this section  
28 on a schedule determined by the department.

29 Sec. 97k. (1) From the ~~state school aid~~ **general** fund money



1 appropriated in section 11, there is allocated ~~\$100,000.00~~  
2 **\$125,000.00** for ~~2023-2024~~ **2024-2025** only to ~~Washtenaw Intermediate~~  
3 ~~School District to utilize on the~~ Student Advocacy Center of  
4 Michigan to support its statewide helpline for families in  
5 educational crisis.

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

9 **Sec. 97m. (1) From the state school aid fund money**  
10 **appropriated in section 11, there is allocated for 2024-2025 only**  
11 **an amount not to exceed \$1,000,000.00 for a payment to an**  
12 **intermediate district with between 170,000 and 185,000 pupils in**  
13 **membership in its constituent districts in the current fiscal year**  
14 **and located in a county with a population between 1,250,000 and**  
15 **1,300,000, as determined by the department.**

16 (2) The intermediate district receiving funding under this  
17 section shall use that funding to work with a local foundation to  
18 continue the foundation's work at implementing a peer mentoring  
19 program designed to drive outcomes that include, but are not  
20 limited to, increasing student connectedness to families, peers,  
21 the school, and community; improving student self-esteem; and  
22 improving overall student well-being.

23 (3) The intermediate district receiving funding under this  
24 section may utilize that funding to work with the local foundation  
25 described in subsection (2) to expand implementation of its peer  
26 mentoring program within its current school system and may also  
27 utilize the funding to expand to communities in other school  
28 districts.

29 (4) Notwithstanding section 17b, the department shall make



1 payments under this section by December 1, 2024.

2 (5) Notwithstanding section 18a, funds allocated under this  
 3 section may be available for expenditure until September 30, 2028.  
 4 A recipient of funding under this section must return any  
 5 unexpended funds to the department in the manner prescribed by the  
 6 department by not later than October 30, 2028.

7 Sec. 98. (1) From the general fund money appropriated in  
 8 section 11, there is allocated an amount not to exceed  
 9 ~~\$9,300,000.00~~ **\$9,800,000.00** for ~~2023-2024~~ **2024-2025** for the  
 10 purposes described in this section. It is the intent of the  
 11 legislature that, for ~~2024-2025~~, **2025-2026**, the allocation from the  
 12 general fund money appropriated in section 11 for purposes  
 13 described in this section will be \$8,000,000.00. The Michigan  
 14 Virtual University shall provide a report to the legislature not  
 15 later than November 1 of each fiscal year for which funding is  
 16 allocated under this section that includes its mission, its plans,  
 17 and proposed benchmarks it must meet, including a plan to achieve  
 18 the organizational priorities identified in this section, ~~in order~~  
 19 to receive full funding for the next fiscal year for which funding  
 20 is allocated under this section. ~~Not~~ **By not** later than March 1 of  
 21 each fiscal year for which funding is allocated under this section,  
 22 the Michigan Virtual University shall provide an update to the  
 23 house and senate appropriations subcommittees on school aid to show  
 24 the progress being made to meet the benchmarks identified.

25 (2) The Michigan Virtual University shall operate the Michigan  
 26 Virtual Learning Research Institute. The Michigan Virtual Learning  
 27 Research Institute shall do all of the following:

28 (a) Support and accelerate innovation in education through the  
 29 following activities:



1 (i) Test, evaluate, and recommend as appropriate new  
2 technology-based instructional tools and resources.

3 (ii) Research, design, and recommend virtual education delivery  
4 models for use by pupils and teachers that include age-appropriate  
5 multimedia instructional content.

6 (iii) Research, develop, and recommend annually to the  
7 department criteria by which cyber schools and virtual course  
8 providers should be monitored and evaluated to ensure a quality  
9 education for their pupils.

10 (iv) Based on pupil completion and performance data reported to  
11 the department or the center from cyber schools and other virtual  
12 course providers operating in this state, analyze the effectiveness  
13 of virtual learning delivery models in preparing pupils to be  
14 college- and career-ready and publish a report that highlights  
15 enrollment totals, completion rates, and the overall impact on  
16 pupils. The Michigan Virtual Learning Research Institute shall  
17 submit the report to the house and senate appropriations  
18 subcommittees on school aid, the state budget director, the house  
19 and senate fiscal agencies, the department, districts, and  
20 intermediate districts **by** not later than March 31 of each fiscal  
21 year for which funding is allocated under this section.

22 (v) Provide an extensive professional development program to  
23 at least 30,000 educational personnel, including teachers, school  
24 administrators, and school board members, that focuses on the  
25 effective integration of virtual learning into curricula and  
26 instruction. The Michigan Virtual Learning Research Institute is  
27 encouraged to work with the MiSTEM council described in section 99s  
28 to coordinate professional development of teachers in applicable  
29 fields. In addition, the Michigan Virtual Learning Research



1 Institute and external stakeholders are encouraged to coordinate  
2 with the department for professional development in this state,  
3 including professional development for employees in child care  
4 facilities, early childhood facilities, and after-school programs.  
5 ~~Not~~ **By not** later than December 1 of each fiscal year for which  
6 funding is allocated under this section, the Michigan Virtual  
7 Learning Research Institute shall submit a report to the house and  
8 senate appropriations subcommittees on school aid, the state budget  
9 director, the house and senate fiscal agencies, and the department  
10 on the number of teachers, school administrators, and school board  
11 members who have received professional development services from  
12 the Michigan Virtual University. The report must also include both  
13 of the following:

14 (A) The identification of barriers and other opportunities to  
15 encourage the adoption of virtual learning in the public education  
16 system.

17 (B) A link to, and explanation of, the Michigan Virtual  
18 University's online course standards for professional development  
19 programming. The standards described in this sub-subparagraph must  
20 inform learners how to file a complaint about course content and  
21 detail the steps that will be taken for the review and resolution  
22 of complaints.

23 (vi) Identify and share best practices for planning,  
24 implementing, and evaluating virtual and blended education delivery  
25 models with intermediate districts, districts, and public school  
26 academies to accelerate the adoption of innovative education  
27 delivery models statewide.

28 (b) Provide leadership for this state's system of virtual  
29 learning education by doing the following activities:



1 (i) Develop and report policy recommendations to the governor  
2 and the legislature that accelerate the expansion of effective  
3 virtual learning in this state's schools.

4 (ii) Provide a clearinghouse for research reports, academic  
5 studies, evaluations, and other information related to virtual  
6 learning.

7 (iii) Promote and distribute the most current instructional  
8 design standards and guidelines for virtual teaching.

9 (iv) In collaboration with the department and interested  
10 colleges and universities in this state, support implementation and  
11 improvements related to effective virtual learning instruction.

12 (v) Pursue public/private partnerships that include districts  
13 to study and implement competency-based technology-rich virtual  
14 learning models.

15 (vi) Create a statewide network of school-based mentors serving  
16 as liaisons between pupils, virtual instructors, parents, and  
17 school staff, as provided by the department or the center, and  
18 provide mentors with research-based training and technical  
19 assistance designed to help more pupils be successful virtual  
20 learners.

21 (vii) Convene focus groups and conduct annual surveys of  
22 teachers, administrators, pupils, parents, and others to identify  
23 barriers and opportunities related to virtual learning.

24 (viii) Produce an annual consumer awareness report for schools  
25 and parents about effective virtual education providers and  
26 education delivery models, performance data, cost structures, and  
27 research trends.

28 (ix) Provide an internet-based platform that educators can use  
29 to create student-centric learning tools and resources for sharing



1 in the state's open educational resource repository and facilitate  
2 a user network that assists educators in using the content creation  
3 platform and state repository for open educational resources. As  
4 part of this initiative, the Michigan Virtual University shall work  
5 collaboratively with districts and intermediate districts to  
6 establish a plan to make available virtual resources that align to  
7 Michigan's K to 12 curriculum standards for use by students,  
8 educators, and parents.

9 (x) Create and maintain a public statewide catalog of virtual  
10 learning courses being offered by all public schools and community  
11 colleges in this state. The Michigan Virtual Learning Research  
12 Institute shall identify and develop a list of nationally  
13 recognized best practices for virtual learning and use this list to  
14 support reviews of virtual course vendors, courses, and  
15 instructional practices. The Michigan Virtual Learning Research  
16 Institute shall also provide a mechanism for intermediate districts  
17 to use the identified best practices to review content offered by  
18 constituent districts. The Michigan Virtual Learning Research  
19 Institute shall review the virtual course offerings of the Michigan  
20 Virtual University, and make the results from these reviews  
21 available to the public as part of the statewide catalog. The  
22 Michigan Virtual Learning Research Institute shall ensure that the  
23 statewide catalog is made available to the public on the Michigan  
24 Virtual University website and shall allow the ability to link it  
25 to each district's website as provided for in section 21f. The  
26 statewide catalog must also contain all of the following:

27 (A) The number of enrollments in each virtual course in the  
28 immediately preceding school year.

29 (B) The number of enrollments that earned 60% or more of the



1 total course points for each virtual course in the immediately  
2 preceding school year.

3 (C) The pass rate for each virtual course.

4 (xi) Support registration, payment services, and transcript  
5 functionality for the statewide catalog and train key stakeholders  
6 on how to use new features.

7 (xii) Collaborate with key stakeholders to examine district  
8 level accountability and teacher effectiveness issues related to  
9 virtual learning under section 21f and make findings and  
10 recommendations publicly available.

11 (xiii) Provide a report on the activities of the Michigan  
12 Virtual Learning Research Institute.

13 (3) To further enhance its expertise and leadership in virtual  
14 learning, the Michigan Virtual University shall continue to operate  
15 the Michigan Virtual School as a statewide laboratory and quality  
16 model of instruction by implementing virtual and blended learning  
17 solutions for Michigan schools in accordance with the following  
18 parameters:

19 (a) The Michigan Virtual School must maintain its  
20 accreditation status from recognized national and international  
21 accrediting entities.

22 (b) The Michigan Virtual University shall use no more than  
23 \$1,000,000.00 of the amount allocated under this section to  
24 subsidize the cost paid by districts for virtual courses.

25 (c) In providing educators responsible for the teaching of  
26 virtual courses as provided for in this section, the Michigan  
27 Virtual School shall follow the requirements to request and assess,  
28 and the department of state police shall provide, a criminal  
29 history check and criminal records check under sections 1230 and



1 1230a of the revised school code, MCL 380.1230 and 380.1230a, in  
2 the same manner as if the Michigan Virtual School were a school  
3 district under those sections.

4 (4) From the funds allocated under subsection (1), the  
5 Michigan Virtual University shall allocate up to \$500,000.00 to  
6 support the expansion of new online and blended educator  
7 professional development programs.

8 (5) **From the funds allocated under subsection (1), the**  
9 **Michigan Virtual University shall allocate up to \$500,000.00 to**  
10 **operate a comprehensive statewide laboratory designed to function**  
11 **as a hub for cutting-edge research, the identification and**  
12 **dissemination of best practices, rigorous experimentation, policy**  
13 **formulation, and proactive efforts to enhance awareness about the**  
14 **responsible utilization of artificial intelligence in schools.**

15 (6) ~~(5)~~—If the course offerings are included in the statewide  
16 catalog of virtual courses under subsection (2)(b)(x), the Michigan  
17 Virtual School operated by the Michigan Virtual University may  
18 offer virtual course offerings, including, but not limited to, all  
19 of the following:

20 (a) Information technology courses.

21 (b) College level equivalent courses, as that term is defined  
22 in section 1471 of the revised school code, MCL 380.1471.

23 (c) Courses and dual enrollment opportunities.

24 (d) Programs and services for at-risk pupils.

25 (e) High school equivalency test preparation courses for  
26 adjudicated youth.

27 (f) Special interest courses.

28 (g) Professional development programs for teachers, school  
29 administrators, other school employees, and school board members.



1           (7) ~~(6)~~—If a home-schooled or nonpublic school student is a  
2 resident of a district that subscribes to services provided by the  
3 Michigan Virtual School, the student may use the services provided  
4 by the Michigan Virtual School to the district without charge to  
5 the student beyond what is charged to a district pupil using the  
6 same services.

7           (8) ~~(7)~~—~~Not~~ **By not** later than December 1 of each fiscal year  
8 for which funding is allocated under this section, the Michigan  
9 Virtual University shall provide a report to the house and senate  
10 appropriations subcommittees on school aid, the state budget  
11 director, the house and senate fiscal agencies, and the department  
12 that includes at least all of the following information related to  
13 the Michigan Virtual School for the preceding fiscal year:

14           (a) A list of the districts served by the Michigan Virtual  
15 School.

16           (b) A list of virtual course titles available to districts.

17           (c) The total number of virtual course enrollments and  
18 information on registrations and completions by course.

19           (d) The overall course completion rate percentage.

20           (9) ~~(8)~~—In addition to the information listed in subsection  
21 ~~(7)~~, ~~(8)~~, the report under subsection ~~(7)~~—~~(8)~~ must also include a  
22 plan to serve at least 600 schools with courses from the Michigan  
23 Virtual School or with content available through the internet-based  
24 platform identified in subsection (2) (b) (ix).

25           (10) ~~(9)~~—The governor may appoint an advisory group for the  
26 Michigan Virtual Learning Research Institute established under  
27 subsection (2). The members of the advisory group serve at the  
28 pleasure of the governor and without compensation. The purpose of  
29 the advisory group is to make recommendations to the governor, the



1 legislature, and the president and board of the Michigan Virtual  
 2 University that will accelerate innovation in this state's  
 3 education system in a manner that will prepare elementary and  
 4 secondary students to be career and college ready and that will  
 5 promote the goal of increasing the percentage of residents of this  
 6 state with high-quality degrees and credentials to at least 60% by  
 7 2025.

8       **(11)** ~~(10) Not~~ **By not** later than November 1 of each fiscal year  
 9 for which funding is allocated under this section, the Michigan  
 10 Virtual University shall submit to the house and senate  
 11 appropriations subcommittees on school aid, the state budget  
 12 director, and the house and senate fiscal agencies a detailed  
 13 budget for that fiscal year that includes a breakdown on its  
 14 projected costs to deliver virtual educational services to  
 15 districts and a summary of the anticipated fees to be paid by  
 16 districts for those services. ~~Not~~ **By not** later than March 1 each  
 17 fiscal year for which funding is allocated under this section, the  
 18 Michigan Virtual University shall submit to the house and senate  
 19 appropriations subcommittees on school aid, the state budget  
 20 director, and the house and senate fiscal agencies a breakdown on  
 21 its actual costs to deliver virtual educational services to  
 22 districts and a summary of the actual fees paid by districts for  
 23 those services based on audited financial statements for the  
 24 immediately preceding fiscal year.

25       **(12)** ~~(11)~~ As used in this section:

26       (a) "Blended learning" means a hybrid instructional delivery  
 27 model where pupils are provided content, instruction, and  
 28 assessment, in part at a supervised educational facility away from  
 29 home where the pupil and a teacher with a valid Michigan teaching



1 certificate are in the same physical location and in part through  
 2 internet-connected learning environments with some degree of pupil  
 3 control over time, location, and pace of instruction.

4 (b) "Cyber school" means a full-time instructional program of  
 5 virtual courses for pupils that may or may not require attendance  
 6 at a physical school location.

7 (c) "Virtual course" means a course of study that is capable  
 8 of generating a credit or a grade and that is provided in an  
 9 interactive learning environment in which the majority of the  
 10 curriculum is delivered using the internet and in which pupils are  
 11 separated from their instructor or teacher of record by time or  
 12 location, or both.

13 Sec. 98d. (1) From the state school aid fund money  
 14 appropriated under section 11, there is allocated for ~~2023-2024~~  
 15 **2024-2025** only an amount not to exceed ~~\$5,000,000.00~~ **\$3,000,000.00**  
 16 to Northern Michigan University to support the MLC as described in  
 17 this section. Northern Michigan University shall not retain any  
 18 portion of the funding received under this section for  
 19 administrative purposes and shall provide funding to support the  
 20 MLC. All of the following apply to the MLC:

21 (a) The MLC must expand literacy programming over the air,  
 22 online, and in communities that is aligned with this state's pre-K  
 23 to 12 educational standards.

24 (b) The MLC shall provide over the air broadcasts 24 hours  
 25 each day for 7 days each week of quality instructional content that  
 26 is aligned with this state's pre-K to 12 educational standards.  
 27 Over-the-air broadcasts as described in this subdivision must be  
 28 streamed live and must be archived for on-demand viewing on a  
 29 companion website, along with additional learning materials



1 relevant to lessons.

2 (c) The MLC must be managed and operated by DPTV, and DPTV  
3 shall assume all risk, liability, and responsibility for the MLC in  
4 accordance with regulations by the United States Federal  
5 Communications Commission, PBS broadcast standards, and standard  
6 nonprofit business standards. DPTV shall serve as the fiduciary  
7 agent and service manager for the MLC. The MLC shall originate from  
8 a central operations center that is responsible for providing the  
9 infrastructure, content, and engagement of the MLC in partnership  
10 with this state's educational leadership organizations.

11 (d) The MLC shall require that DPTV provide technology,  
12 funding, staff training, and central management of the MLC to  
13 station partners to insert additional channels into each station's  
14 broadcast streams and to support staffing and engagement as  
15 outlined in a memorandum of understanding among the stations.

16 (e) The MLC shall require that DPTV partner with at least 5  
17 other Michigan public television stations, including, but not  
18 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-  
19 the-air MLC broadcasts described in this section and to support  
20 engagement with local educators. Stations described in this  
21 subdivision must be able to use the infrastructure provided by the  
22 MLC to develop their own local content that best serves their  
23 communities.

24 (f) The MLC shall not use the funds received from Northern  
25 Michigan University under this section in support of the MLC for  
26 any purposes fully funded by the governor's emergency education  
27 relief fund grant.

28 (2) ~~Not~~ **By not** later than February 1, ~~2024,~~ **2025**, the MLC  
29 shall provide a report to the house and senate appropriations



1 subcommittees responsible for school aid, the house and senate  
2 fiscal agencies, and the state budget director detailing the MLC's  
3 compliance with ensuring that conditions listed under subsection  
4 (1) were met.

5 (3) Notwithstanding section 17b, the department shall make  
6 payments under this section **by** not later than December 1,  
7 ~~2023-2024~~.

8 (4) As used in this section:

9 (a) "DPTV" means Detroit Public Television.

10 (b) "MLC" means the Michigan Learning Channel.

11 **Sec. 99. (1) From the state school aid fund money appropriated**  
12 **in section 11, there is allocated an amount not to exceed**  
13 **\$500,000.00 for 2023-2024 only to Kentwood Public Schools and Oak**  
14 **Park Schools for a plant-based school meals pilot grant program.**  
15 **Grants shall be used for developing and implementing plant-based**  
16 **meal options in school cafeterias, training school food service**  
17 **staff in the preparation of plant-based meals, and purchasing**  
18 **necessary kitchen equipment to facilitate the preparation of plant-**  
19 **based meals. Recipients of grants under this program shall submit a**  
20 **report to the department detailing the use of funds and the impact**  
21 **of the program on student meal choices and environmental**  
22 **sustainability.**

23 (2) From the state school aid fund money appropriated in  
24 section 11, there is allocated an amount not to exceed \$600,000.00  
25 for 2024-2025 only to Newaygo County RESA for a pilot program to  
26 prevent minor exploitation and human trafficking. All of the  
27 following apply to the pilot program described in this subsection:

28 (a) The pilot program must utilize existing evidence-based and  
29 age-appropriate curriculum to provide students with the skills



1 necessary to protect themselves from exploitation and trafficking.

2 (b) The pilot program must, at a minimum, include a consortium  
3 of districts within the Newaygo County Regional Education Service  
4 Agency service area, and may include additional districts  
5 throughout the state as funding permits.

6 (c) Not more than 5% of the funding under this subsection  
7 shall be used for administration of the pilot program.

8 (d) The funds allocated under this subsection are a work  
9 project appropriation, and any unexpended funds for 2024-2025 are  
10 carried forward into 2025-2026. The purpose of the work project is  
11 to support the pilot program described in this subsection for  
12 preventing minor exploitation and human trafficking. The estimated  
13 completion date of the work project is September 30, 2026.

14 (3) From the general fund money appropriated in section 11,  
15 there is allocated an amount not to exceed \$500,000.00 for 2024-  
16 2025 only to the Michigan Science Center to support the Sponsors of  
17 Science program to provide free field trip registration and  
18 financial support for bus transportation for title I K to 12  
19 schools in this state.

20 (4) From the general fund money appropriated in section 11,  
21 there is allocated an amount not to exceed \$500,000.00 for 2024-  
22 2025 only for a virtual reality youth peace literacy initiative  
23 pilot program.

24 (5) From the general fund money appropriated in section 11,  
25 there is allocated an amount not to exceed \$2,000,000.00 for 2024-  
26 2025 only to Opportunity Thrive to support and expand educator  
27 wellness and teacher resiliency programs. The funds allocated under  
28 this subsection are a work project appropriation, and any  
29 unexpended funds for 2024-2025 are carried forward into 2025-2026.



1 The purpose of the work project is to support educator wellness and  
2 teacher resiliency programs as described in this subsection. The  
3 estimated completion date of the work project is September 30,  
4 2026.

5 (6) From the state school aid fund money appropriated in  
6 section 11, there is allocated an amount not to exceed  
7 \$1,000,000.00 for 2024-2025 only to Wayne RESA for a professional  
8 development program for Wayne County Great Start Readiness Program  
9 recipients, focused on providing a system of supports and training  
10 for early childhood educators with training in implementing  
11 positive behavioral interventions and supports in classrooms. The  
12 funds allocated under this subsection are a work project  
13 appropriation, and any unexpended funds for 2024-2025 are carried  
14 forward into 2025-2026. The purpose of the work project is to  
15 support the program described in this subsection for providing  
16 professional development for early childhood educators. The  
17 estimated completion date of the work project is September 30,  
18 2026.

19 (7) From the state school aid fund money appropriated in  
20 section 11, there is allocated an amount not to exceed \$100.00 for  
21 2024-2025 only to Wayne RESA to, in collaboration with Wayne County  
22 and the Wayne County Airport Authority, develop a countywide  
23 aviation and aeronautics career and technical education program.

24 (8) From the general fund money appropriated in section 11,  
25 there is allocated an amount not to exceed \$1,000,000.00 for 2024-  
26 2025 only to the Detroit Symphony Orchestra for the Detroit Harmony  
27 initiative to address systemic inequities in access to music  
28 education for children living in the city of Detroit. The funds  
29 allocated under this subsection are a work project appropriation,



1 and any unexpended funds for 2024-2025 are carried forward into  
2 2025-2026. The purpose of the work project is to support the  
3 Detroit Harmony initiative as described in this subsection. The  
4 estimated completion date of the work project is September 30,  
5 2028.

6 (9) From the general fund money appropriated in section 11,  
7 there is allocated an amount not to exceed \$1,000,000.00 for 2024-  
8 2025 only to the Detroit Opera for educational programming for  
9 grades pre-K to 12, including field trips, summer camps, and other  
10 learning opportunities. The funds allocated under this subsection  
11 are a work project appropriation, and any unexpended funds for  
12 2024-2025 are carried forward into 2025-2026. The purpose of the  
13 work project is to support the Detroit Opera educational  
14 programming as described in this subsection. The estimated  
15 completion date of the work project is September 30, 2028.

16 (10) From the general fund money appropriated in section 11,  
17 there is allocated an amount not to exceed \$500,000.00 for 2023-  
18 2024 only for Launch Michigan to develop the K12 Michigan Education  
19 Guarantee. This funding must be used to convene educators and  
20 education experts to develop a college and career readiness  
21 standard for students within the public K to 12 system. By not  
22 later than November 1, 2024, Launch Michigan shall provide a report  
23 to the department of lifelong education, advancement, and  
24 potential, the house and senate education policy committees, and  
25 the house and senate appropriations subcommittees on school aid  
26 with specific recommendations. The report must do all of the  
27 following:

28 (a) Define future-ready skills and competencies necessary for  
29 Michigan students.



1 (b) Identify current barriers to providing students with  
2 future-ready skills and competencies.

3 (c) Research how to provide an additional year of schooling.

4 (d) Recommend implementation strategies and metrics to measure  
5 success.

6 (11) From the general fund money appropriated in section 11,  
7 there is allocated an amount not to exceed \$100.00 for 2024-2025  
8 only for the Future of Learning Council to empower teachers and  
9 administrators with a deep understanding of personalized,  
10 competency-based learning to support student-centered learning.

11 (12) From the general fund money appropriated in section 11,  
12 there is allocated an amount not to exceed \$100.00 for 2024-2025  
13 only for grants to providers to provide high schools with  
14 engineering and manufacturing programs that provide equipment,  
15 curricula, professional development, scholarships, and STEM-focused  
16 curricular activities.

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

20 Sec. 99a. (1) From the general fund money appropriated in  
21 section 11, ~~\$100,000.00~~ **\$100.00** is allocated for ~~2023-2024~~ **2024-**  
22 **2025** only to Heroes Circle to expand programming to aid children  
23 with social-emotional learning.

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

27 Sec. 99b. (1) From the state school aid fund money  
28 appropriated in section 11, there is allocated an amount not to  
29 exceed ~~\$4,000,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** only to



1 ~~a district~~**districts** to develop and implement teacher professional  
2 development programs for computer science and computational  
3 thinking courses and content.

4 (2) Funding received under subsection (1) may be used only for  
5 the following purposes:

6 (a) High-quality professional learning for K to 12 computer  
7 science content. The costs associated with professional learning as  
8 described in this subdivision include, but are not limited to,  
9 travel to workshops. As used in this subdivision, "high-quality  
10 ~~profession~~**professional** learning" means learning that is sustained,  
11 intensive, collaborative, job embedded, data driven, and classroom  
12 focused.

13 (b) Supports for K to 12 computer science professional  
14 learning, including, but not limited to, mentoring and coaching.

15 (c) Creation of resources to support implementation.

16 (d) Professional learning offerings that **do both of the**  
17 **following:**

18 (i) **Help teachers** identify strategies ~~to include to encourage~~  
19 **course enrollment by** underrepresented groups.

20 (ii) **Connect to a curriculum that is free for educators and is**  
21 **aligned with the Michigan computer science standards.**

22 (e) Participation in the Strategic CSforALL Resource and  
23 Implementation Planning Tool (SCRIPT) process with a trained  
24 facilitator of this state.

25 (3) To be eligible to receive funding under this section, a  
26 district must apply for funding in a form and manner prescribed by  
27 the department. The application must, at a minimum, address how the  
28 district will do all of the following:

29 (a) Reach new and existing teachers with little to no computer



1 science background.

2 (b) Use research- or evidence-based practices for high-quality  
3 professional development.

4 (c) Focus the professional learning on the mastery of all  
5 areas of computer science standards as approved by the state board  
6 of education in 2019.

7 (d) Reach and support marginalized ~~racial and ethnic~~ groups  
8 underrepresented in computer science, **including racial and ethnic**  
9 **minorities, girls, and youth from families living at or below the**  
10 **poverty line, as that term is defined in 20 USC 7801.**

11 (e) Provide teachers with concrete experience with hands-on,  
12 inquiry-based practices.

13 (f) Accommodate the particular teacher and student needs in  
14 each district and school.

15 (g) Ensure that participating districts shall begin offering  
16 the courses or content within the same or next school year after  
17 the teacher receives the professional learning.

18 (h) ~~Commit to completing~~ **Create a strategic plan for expanding**  
19 **access to computer science within the district, such as through the**  
20 **SCRIPT process, if the district does not already have a plan for**  
21 **expanding access to computer science.**

22 (4) **Districts may contract with high-quality professional**  
23 **learning providers to offer the professional learning described in**  
24 **subsection (2). As used in this subsection, "high-quality**  
25 **professional learning providers" means institutions of higher**  
26 **education, nonprofits, or private entities that have successfully**  
27 **designed, implemented, and scaled high-quality computer science**  
28 **professional learning for teachers, as described in subsection**  
29 **(2) (a) .**



1           (5) The department shall prioritize districts as follows when  
2 granting funding under subsection (1):

3           (a) Districts with limited or no computer science offerings,  
4 especially those that will use the funding to support schools with  
5 enrollment of less than 500 students.

6           (b) Districts that state in their application that the  
7 district plans to use the funding to expand in-person computer  
8 science offerings.

9           (6) ~~(4)~~—The funds allocated under this section for ~~2023–2024~~  
10 ~~2024–2025~~ are a work project appropriation, and any unexpended  
11 funds for ~~2023–2024–2024–2025~~ are carried forward into ~~2024–2025–~~  
12 ~~2025–2026~~. The purpose of the work project is to continue to  
13 support computer science **education** implementation. The estimated  
14 completion date of the work project is September 30, ~~2025–2026~~.

15           (7) ~~(5)~~—A district that receives funding under this section  
16 shall submit a report to the department by June 30, ~~2024–2025~~. The  
17 report must include all of the following:

18           (a) The number of teachers prepared.

19           (b) Students reached, including the number and percentage of  
20 students reached disaggregated by gender, race, ethnicity, and  
21 socioeconomic status.

22           (c) The number and percentage of students with passing AP exam  
23 scores for high school AP courses, by gender, race, and ethnicity,  
24 once that data is available.

25           (d) The number of teachers that started implementing computer  
26 science compared to the number of prepared teachers that attended  
27 professional learning.

28           (e) The number of elementary students who are provided  
29 integrated computer science opportunities.



1 (f) Progress in building a systematic K to 12 computer science  
2 plan using the SCRIPT rubric.

3 (g) Any agreements to provide preassessments and  
4 postassessments of teacher readiness for teaching computational  
5 thinking and computer science and any data related to those  
6 assessments.

7 (h) **The number of in-person computer science offerings that**  
8 **were provided, expanded, or added using funding received under this**  
9 **section.**

10 (8) ~~(6)~~—The department shall make the report submitted under  
11 subsection ~~(5)~~—(7) available on a publicly accessible website.

12 **Sec. 99c. (1) From the general fund money appropriated in**  
13 **section 11, there is allocated for 2024-2025 only \$1,000,000.00 to**  
14 **an eligible organization to expand the eligible organization's**  
15 **current programming. As used in this subsection, "eligible**  
16 **organization" means an organization to which all of the following**  
17 **apply:**

18 (a) It is tax exempt under section 501(c)(3) of the internal  
19 revenue code of 1986, 26 USC 501.

20 (b) It was founded before 1997.

21 (c) It began operating in this state after 2009.

22 (d) It provides low-income schools with year-round support  
23 services and conducts professional development workshops for  
24 schools and youth organizations.

25 (e) It is located in a city with a population greater than  
26 600,000.

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



1           Sec. 99e. (1) From the state school aid fund money  
2 appropriated in section 11, there is allocated ~~\$2,000,000.00~~  
3 **\$500,000.00** for ~~2023-2024 only~~ **2024-2025** to Wayne RESA to partner  
4 with an eligible nonprofit organization to support delivery of  
5 high-dosage neighborhood-based tutoring and direct noninstructional  
6 services for at-risk pupils who are 3 to 12 years of age. Funding  
7 under this section is intended to ensure all of the following:

8           (a) That pupils are proficient in English language arts by the  
9 end of grade 3.

10           (b) That pupils are proficient in mathematics by the end of  
11 grade 8.

12           (c) That all participants are kindergarten ready, and that  
13 pupils are prepared to attend school regularly.

14           (2) Funding under this section is intended to support  
15 communities in meeting service gaps for children who are unable to  
16 access 21st Century Community Learning Centers programs due to  
17 transportation barriers.

18           (3) Recipients under this section must forward an amount equal  
19 to the amount awarded under this section to contract with an  
20 eligible nonprofit organization. A nonprofit organization is  
21 eligible under this section if it meets all of the following:

22           (a) It operates in Detroit.

23           (b) It employs a community model that includes all of the  
24 following:

25           (i) Evaluation of a kid success-ready neighborhood.

26           (ii) Invitation of community input.

27           (iii) Renovation of a house in the neighborhood.

28           (iv) Holding goal-setting meetings with the family of each  
29 participating child.



1 (v) Partnership with organizations to collect data and  
2 facilitate a rigorous evaluation.

3 (c) It has the capacity to show evidence of improvements.

4 (d) It has systems to support early learning and K-3 school  
5 referrals.

6 (e) It has an understanding of assessments and growth measures  
7 used in this state.

8 (4) Funding under this section must be spent on staffing to  
9 support delivery of support and wraparound services. Funding must  
10 not supplant early learning or K-3 program staff.

11 (5) As used in this section, "at-risk pupil" means that term  
12 as defined under section 31a.

13 Sec. 99g. (1) From the state school aid fund money  
14 appropriated in section 11, there is allocated \$1,000,000.00 for  
15 ~~2023-2024~~**2024-2025** only to districts for the purposes under this  
16 section.

17 (2) The department shall award funding under this section to  
18 districts in urban, suburban, and rural areas in this state and  
19 shall award funding as follows:

20 (a) To at least 3 districts that are located in Wayne County  
21 that must include Detroit Public School Community District, 1  
22 suburban district, and 1 rural district.

23 (b) To at least 1 district located in Eaton County.

24 (c) To at least 1 district located in Grand Traverse County.

25 (d) To at least 1 district located in Kent County.

26 (e) To at least 1 district located in Macomb County.

27 (f) To at least 1 district located in Marquette County.

28 (g) After the awards under subdivisions (a) to (f), to  
29 districts across this state to achieve a representative



1 distribution of urban, suburban, and rural districts.

2 (3) A district that receives funding under this section shall  
 3 use the funding to provide, upon request from eligible students,  
 4 feminine hygiene products at no cost to eligible students enrolled  
 5 in the district. From the funding allocated under this section,  
 6 each eligible student must receive, at a minimum, 20 tampons or  
 7 menstrual pads each month for the school year.

8 (4) **The department shall collaborate with the department of**  
 9 **health and human services to ensure that funds spent under this**  
 10 **section are allowable expenses for the purpose of meeting state-**  
 11 **level maintenance of effort requirements for the federal temporary**  
 12 **assistance for needy families program.**

13 (5) ~~(4)~~ As used in this section:

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

15 (b) "Eligible student" means a student who is an at-risk  
 16 pupil.

17 Sec. 99h. (1) From the state school aid fund money  
 18 appropriated in section 11, there is allocated an amount not to  
 19 exceed ~~\$5,973,200.00~~ **\$6,373,200.00** for ~~2023-2024~~ **2024-2025** for  
 20 competitive grants to districts and intermediate districts, ~~and~~  
 21 ~~from the general fund money appropriated in section 11, there is~~  
 22 ~~allocated \$600,000.00 for 2023-2024 for competitive grants to~~  
 23 ~~nonpublic schools, that provide pupils in grades pre-K to 12 with~~  
 24 expanded opportunities to improve mathematics, science, **computer**  
 25 **science**, and technology skills by participating in ~~competitions~~  
 26 **robotics, cybersecurity, and coding competition programs** hosted by  
 27 ~~a science and technology development program known as~~ **program**  
 28 **providers including, but not limited to, FIRST** (for inspiration and  
 29 recognition of science and technology) Robotics, including FIRST



1 Lego League - Discover, Explore, and Challenge, FIRST Tech  
2 challenge, and FIRST Robotics competition, ~~or other competitive~~  
3 ~~robotics programs or equipment vendors, including VEX, Square One,~~  
4 ~~and those hosted by the Robotics Education and Competition (REC)-~~  
5 ~~Foundation.~~ **LTU Robofest, MATE (Marine Advanced Technical**  
6 **Education), REC (Robotics Education Competition) Foundation, Square**  
7 **One Education Network, VEX, and other providers approved by the**  
8 **department. All approved providers shall make all programs**  
9 **available to students in this state regardless of geographical**  
10 **location.** It is the intent of the legislature that, for ~~2024-2025,~~  
11 **2025-2026,** the allocation from the state school aid fund money  
12 appropriated in section 11 for purposes described in this section  
13 will be \$4,723,200.00. Programs funded under this section are  
14 intended to increase the number of pupils demonstrating proficiency  
15 in science and mathematics on the state assessments and to increase  
16 the number of pupils who are college- and career-ready upon high  
17 school graduation. Notwithstanding section 17b, the department  
18 shall make grant payments to districts ~~, nonpublic schools,~~ and  
19 intermediate districts under this section on a schedule determined  
20 by the department. The department shall set maximum grant awards  
21 for each different level of programming and competition in a manner  
22 that both maximizes the number of teams that will be able to  
23 receive funds and expands the geographical distribution of teams.  
24 Districts and intermediate districts that receive funds under this  
25 section must provide relevant student participation information, as  
26 determined by the department, to program and competition providers  
27 described in this section. For a district or intermediate district  
28 to count a program competition provider for purposes of payments  
29 under this section, the program and competition providers must



1 agree to aggregate data received by districts and intermediate  
2 districts and provide this information to the department in a form  
3 and manner determined by the department.

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

6 (a) Both of the following by not later than 60 days after the  
7 ~~K to 12~~ **state school aid** appropriations bill for the current fiscal  
8 year is enacted into law or October 1 of the current fiscal year,  
9 whichever is later:

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

12 (ii) Publish a list of approved programs and vendors for  
13 purposes of this section in a manner that is accessible to all  
14 applicants. To obtain approval under this subparagraph, a program  
15 or vendor must submit to the department registration information,  
16 including any fees; pledge that it will post this information on  
17 its website; and, by not later than January 1 of the current fiscal  
18 year, submit this information to the department for publication on  
19 the department's website.

20 (b) By not later than 60 days after applications are opened as  
21 described in subdivision (a), close applications under this  
22 section.

23 (c) By not later than 60 days after applications are closed as  
24 described in subdivision (b), make all determinations concerning  
25 funding under this section.

26 (d) By not later than July 1 of the current fiscal year,  
27 publish a document listing the requirements for becoming an  
28 approved program or vendor under subdivision (a).

29 (3) Except as otherwise provided under this subsection, if



1 funding under this section is insufficient to fulfill all funding  
 2 requests by qualified applicants under this section, the department  
 3 shall prorate the total funding allocated under this section  
 4 equally among all qualified applicants. However, for funding under  
 5 this section toward grants under subsection (5) (b), in its  
 6 proration under this subsection, the department shall ensure that  
 7 each district is paid in an amount equal to the percentage the  
 8 department would have paid the district in grant funding under  
 9 subsection (5) (b), but for proration under this subsection, with no  
 10 district receiving a grant under subsection (5) (b) in an amount  
 11 that is greater than the district's total accrued costs under  
 12 subsection (5) (b).

13 (4) A district ~~, nonpublic school,~~ or intermediate district  
 14 applying for a grant under this section must submit an application  
 15 in a form and manner prescribed by the department. To be eligible  
 16 for a grant, a district ~~, nonpublic school,~~ or intermediate  
 17 district must demonstrate in its application that the district ~~,~~  
 18 ~~nonpublic school,~~ or intermediate district has established a  
 19 partnership for the purposes of the robotics program with at least  
 20 1 sponsor, business entity, higher education institution, ~~or~~  
 21 technical school, ~~shall or individual, must~~ submit a ~~spending plan,~~  
 22 **budget,** and ~~shall must~~ provide a local in-kind or cash match from  
 23 other private or local funds of at least 25% of the cost of the  
 24 robotics program award.

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

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



1 (b) Grants to districts ~~, nonpublic schools,~~ or intermediate  
 2 districts for event registrations, materials, travel costs, and  
 3 other expenses associated with the preparation for and attendance  
 4 at robotics events and competitions.

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

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

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

16 **(6) To be eligible to receive a grant under this section, a**  
 17 **district or intermediate district must do all of the following:**

18 **(a) If the district or intermediate district is requesting**  
 19 **funding for more than 1 team for a building, meet the minimum**  
 20 **requirements for team size as determined by the approved program**  
 21 **provider.**

22 **(b) Participate in at least the minimum number of competitions**  
 23 **as determined by the approved program provider. A competition**  
 24 **described in this subdivision must include not less than 2 teams,**  
 25 **and competition results must be public-facing and accessible for**  
 26 **general viewing.**

27 **(c) Participate in at least 1 in-person competition.**

28 ~~(7) (8)~~ For purposes of this section, an approved program or  
 29 vendor under this section that provides a program under this



1 section shall not work with the department to set prices or  
2 policies for the program.

3 (8) ~~(9)~~—As used in this section, "current fiscal year" means  
4 the fiscal year for which an allocation is made under this section.

5 Sec. 99s. (1) From state school aid fund money appropriated  
6 under section 11, there is allocated for ~~2023-2024-2024-2025~~ an  
7 amount not to exceed ~~\$7,634,300.00~~ **\$7,954,300.00** for Michigan  
8 science, technology, engineering, and mathematics (MiSTEM)  
9 programs. The MiSTEM network may receive funds from private  
10 sources. If the MiSTEM network receives funds from private sources,  
11 the MiSTEM network shall expend those funds in alignment with the  
12 statewide STEM strategy. Programs funded under this section are  
13 intended to increase the number of pupils demonstrating proficiency  
14 in science and mathematics on the state assessments, to increase  
15 the number of pupils who are college- and career-ready upon high  
16 school graduation, and to promote certificate and degree attainment  
17 in STEM fields. Notwithstanding section 17b, the department shall  
18 make payments under this section on a schedule determined by the  
19 department.

20 (2) The MiSTEM council annually shall review and make  
21 recommendations to the governor, the legislature, and the  
22 department concerning changes to the statewide strategy adopted by  
23 the council for delivering STEM education-related opportunities to  
24 pupils. The MiSTEM council shall use funds received under this  
25 subsection to ensure that its members or their designees are  
26 trained in the Change the Equation STEMworks rating system program  
27 for the purpose of rating STEM programs.

28 (3) The MiSTEM council shall make specific funding  
29 recommendations for the funds allocated under subsection (4) by



1 December 15 of each fiscal year. Each specific funding  
2 recommendation must be for a program approved by the MiSTEM  
3 council. All of the following apply:

4 (a) To be eligible for MiSTEM council approval as described in  
5 this subsection, a program must satisfy all of the following:

6 (i) Align with this state's academic standards.

7 (ii) Have STEMworks certification.

8 (iii) Provide project-based experiential learning, student  
9 programming, or educator professional learning experiences.

10 (iv) Focus predominantly on classroom-based STEM experiences or  
11 professional learning experiences.

12 (b) The MiSTEM council shall approve programs that represent  
13 all network regions and include a diverse array of options for  
14 students and educators and at least 1 program in each of the  
15 following areas:

16 (i) Robotics.

17 (ii) Computer science or coding.

18 (iii) Engineering or bioscience.

19 (c) The MiSTEM council is encouraged to work with the MiSTEM  
20 network to develop locally and regionally developed programs and  
21 professional learning experiences for the programs on the list of  
22 approved programs.

23 (d) If the MiSTEM council is unable to make specific funding  
24 recommendations by December 15 of a fiscal year, the department  
25 shall award and distribute the funds allocated under subsection (4)  
26 on a competitive grant basis that at least follows the statewide  
27 STEM strategy plan and rating system recommended by the MiSTEM  
28 council. Each grant must provide STEM education-related  
29 opportunities for pupils.



1 (e) The MiSTEM council shall work with the department of labor  
2 and economic opportunity to implement the statewide STEM strategy  
3 adopted by the MiSTEM council.

4 (4) From the state school aid fund money allocated under  
5 subsection (1), there is allocated for ~~2023-2024~~**2024-2025** an  
6 amount not to exceed \$3,050,000.00 for the purpose of funding  
7 programs under this section for ~~2023-2024~~**2024-2025** as recommended  
8 by the MiSTEM council.

9 (5) From the state school aid fund money allocated under  
10 subsection (1), there is allocated an amount not to exceed  
11 ~~\$3,834,300.00~~**\$4,154,300.00** for ~~2023-2024~~**2024-2025** to support the  
12 activities and programs of the MiSTEM network regions. From the  
13 money allocated under this subsection, the department shall award  
14 the fiscal agent for each MiSTEM network region ~~\$200,000.00~~  
15 **\$220,000.00** for the base operations of each region. The department  
16 shall distribute the remaining funds to each fiscal agent in an  
17 equal amount per pupil, based on the number of K to 12 pupils  
18 enrolled in districts within each region in the immediately  
19 preceding fiscal year.

20 (6) A MiSTEM network region shall do all of the following:

21 (a) Collaborate with the career and educational advisory  
22 council that is located in the MiSTEM region to develop a regional  
23 strategic plan for STEM education that creates a robust regional  
24 STEM culture, that empowers STEM teachers, that integrates business  
25 and education into the STEM network, and that ensures high-quality  
26 STEM experiences for pupils. At a minimum, a regional STEM  
27 strategic plan should do all of the following:

28 (i) Identify regional employer need for STEM.

29 (ii) Identify processes for regional employers and educators to



1 create guided pathways for STEM careers that include internships or  
 2 externships, apprenticeships, and other experiential engagements  
 3 for pupils.

4 (iii) Identify educator professional learning opportunities,  
 5 including internships or externships and apprenticeships, that  
 6 integrate this state's science standards into high-quality STEM  
 7 experiences that engage pupils.

8 (b) Facilitate regional STEM events such as educator and  
 9 employer networking and STEM career fairs to raise STEM awareness.

10 (c) Contribute to the MiSTEM website and engage in other  
 11 MiSTEM network functions to further the mission of STEM in this  
 12 state in coordination with the MiSTEM council and the department of  
 13 labor and economic opportunity.

14 (d) Facilitate application and implementation of state and  
 15 federal funds under this subsection and any other grants or funds  
 16 for the MiSTEM network region.

17 (e) Work with districts to provide STEM programming and  
 18 professional learning.

19 (f) Coordinate recurring discussions and work with the career  
 20 and educational advisory council to ensure that feedback and best  
 21 practices are being shared, including funding, program,  
 22 professional learning opportunities, and regional strategic plans.

23 (7) From the state school aid fund money allocated under  
 24 subsection (1), the department shall distribute for ~~2023-2024~~**2024-**  
 25 **2025** an amount not to exceed \$750,000.00, in a form and manner  
 26 determined by the department, to those network regions able to  
 27 further the statewide STEM strategy recommended by the MiSTEM  
 28 council.

29 (8) ~~In order to~~**To** receive state or federal funds under



1 subsection (5) or (7), or to receive funds from private sources as  
 2 authorized under subsection (1), a grant recipient must allow  
 3 access for the department or the department's designee to audit all  
 4 records related to the program for which it receives those funds.  
 5 The grant recipient shall reimburse the state for all disallowances  
 6 found in the audit.

7 (9) ~~In order to~~ **To** receive state funds under subsection (5) or  
 8 (7), a grant recipient must provide at least a 10% local match from  
 9 local public or private resources for the funds received under this  
 10 subsection.

11 (10) ~~Not~~ **By not** later than July 1 of each fiscal year for  
 12 which funding is allocated under this section, a MiSTEM network  
 13 region that receives funds under subsection (5) shall report to the  
 14 executive director of the MiSTEM network in a form and manner  
 15 prescribed by the executive director on performance measures  
 16 developed by the MiSTEM network regions and approved by the  
 17 executive director. The performance measures must be designed to  
 18 ensure that the activities of the MiSTEM network are improving  
 19 student academic outcomes.

20 (11) Not more than 5% of a MiSTEM network region grant under  
 21 subsection (5) or (7) may be retained by a fiscal agent for serving  
 22 as the fiscal agent of a MiSTEM network region.

23 (12) As used in this section:

24 (a) "Career and educational advisory council" means an  
 25 advisory council to the local workforce development boards located  
 26 in a prosperity region consisting of educational, employer, labor,  
 27 and parent representatives.

28 (b) "DED" means the United States Department of Education.

29 (c) "DED-OESE" means the DED Office of Elementary and



1 Secondary Education.

2 (d) "MiSTEM Council" means the Michigan Science, Technology,  
3 Engineering, and Mathematics Education Advisory Council created as  
4 an advisory body within the department of labor and economic  
5 opportunity by Executive Reorganization Order No. 2019-3, MCL  
6 125.1998.

7 (e) "STEM" means science, technology, engineering, and  
8 mathematics delivered in an integrated fashion using cross-  
9 disciplinary learning experiences that can include language arts,  
10 performing and fine arts, and career and technical education.

11 Sec. 99t. (1) From the general fund appropriation under  
12 section 11, there is allocated an amount not to exceed  
13 ~~\$2,000,000.00~~ **\$1,000,000.00** for ~~2023-2024~~ **2024-2025** only to  
14 purchase statewide access to an online algebra tool that meets all  
15 of the following:

16 (a) Provides students statewide with complete access to videos  
17 aligned with state standards including study guides and workbooks  
18 that are aligned with the videos.

19 (b) Provides students statewide with access to a personalized  
20 online algebra learning tool including adaptive diagnostics.

21 (c) Provides students statewide with dynamic algebra practice  
22 assessments that emulate the state assessment with immediate  
23 feedback and help solving problems.

24 (d) Provides students statewide with online access to algebra  
25 help 24 hours a day and 7 days a week from study experts, teachers,  
26 and peers on a moderated social networking platform.

27 (e) Provides an online algebra professional development  
28 network for teachers.

29 (f) Is already provided under a statewide contract in at least



1 1 other state that has a population of at least 18,000,000 but not  
 2 more than 19,000,000 according to the most recent decennial census  
 3 and is offered in that state in partnership with a public  
 4 university.

5 (2) The department shall purchase the online algebra tool that  
 6 was chosen under this section in 2016-2017.

7 (3) A grantee receiving funding under this section shall  
 8 comply with the requirements of section 19b.

9 Sec. 99u. (1) From the ~~state school aid~~ **general** fund money  
 10 appropriated in section 11, there is allocated an amount not to  
 11 exceed ~~\$6,000,000.00~~ **\$3,000,000.00** for ~~2023-2024~~ **2024-2025** only to  
 12 ~~districts to access an online mathematics and literacy tool.~~

13 ~~(2) Funding received under subsection (1) may be used only for~~  
 14 ~~the following purposes:~~ **a provider that provides both of the**  
 15 **following:**

16 (a) A mathematics tool that meets all of the following:

17 (i) Student motivation contests to encourage engagement and  
 18 external motivation.

19 (ii) Reporting aligned to a national measurement scale to track  
 20 progress for each student.

21 (iii) Age-appropriate targeted math instruction that is online,  
 22 adaptive, and has academically rigorous math concepts.

23 (iv) Access to on-demand, live certified math teachers who must  
 24 be available to students for a minimum of 40 hours a week during  
 25 nonholiday weeks.

26 (v) Provide academic language development in math through  
 27 multiple strategic scaffolding and journaling opportunities.

28 (vi) Received funding under this section in 2022-2023.

29 (b) A literacy tool that meets all of the following:



1 (i) Incorporates systematic and explicit instruction in the  
2 following 5 key areas of literacy:

- 3 (A) Phonics.
- 4 (B) Phonemic awareness.
- 5 (C) Fluency.
- 6 (D) Vocabulary.
- 7 (E) Comprehension.

8 (ii) Provides opportunities for speech recognition.

9 (iii) Develops academic vocabulary.

10 (iv) Provides first language support in at least 10 prevalent  
11 languages spoken by English language learner students.

12 (v) Received funding under this section in 2022-2023.

13 ~~(3) To be eligible to receive funding under this section, a~~  
14 ~~district must apply for funding through an easy-to-use 1-page~~  
15 ~~application prescribed by the department. Districts using the tool~~  
16 ~~under this section during 2022-2023 are automatically eligible for~~  
17 ~~funding under this section.~~

18 (2) ~~(4)~~The funds allocated under this section for ~~2023-2024~~  
19 **2024-2025** are a work project appropriation, and any unexpended  
20 funds for ~~2023-2024~~ **2024-2025** are carried forward into ~~2024-2025~~.  
21 **2025-2026**. The purpose of the work project is to provide more  
22 personalized and adaptive tools for students with an emphasis on  
23 including English language learners. The estimated completion date  
24 of the work project is September 30, ~~2025~~.**2026**.

25 (3) ~~(5)~~ A district that receives funding under this section or  
26 the operator of the online tool obtained by the school district ~~The~~  
27 **provider** receiving funding under this section shall submit a report  
28 to the department by August 1, ~~2024~~.**2025**. The report must include  
29 all of the following **for both of the tools described in subsection**



1 (1) :

- 2 (a) The number of students enrolled in the program.
- 3 (b) A list of schools that participated in the program.
- 4 (c) The total number of lessons completed by students.
- 5 (d) A valid reliable growth metric that demonstrates student
- 6 progress.

7 (4) ~~(6)~~ Notwithstanding section 17b, the department shall make  
 8 payments under this section by not later than December 1 of each  
 9 fiscal year for which funding is allocated under this section.

10 Sec. 99x. (1) From the state school aid fund money  
 11 appropriated under section 11, there is allocated ~~\$5,000,000.00~~  
 12 **\$10,000,000.00** for ~~2023-2024-2024-2025~~ only to Kentwood Public  
 13 Schools to support Teach For America's statewide TeachMichigan  
 14 initiative. Funding under this section must be used to support  
 15 operating costs associated with TeachMichigan, including teacher  
 16 recruitment, retention, development, innovation, and evaluation  
 17 costs. To be eligible for these funds, Kentwood Public Schools must  
 18 determine that the TeachMichigan initiative is on track to reach at  
 19 least ~~200-700~~ educators working in at least 5 distinct regions  
 20 across the state **since its inception in 2022**, by ~~the start of the~~  
 21 ~~2024-2025 school year.~~ **not later than September 30, 2025.** Kentwood  
 22 Public Schools must forward an amount equal to the amount awarded  
 23 under this section to Teach For America, and is not responsible for  
 24 monitoring, evaluating, or any other delivery or oversight of the  
 25 TeachMichigan initiative.

26 (2) **The department shall continue to provide oversight of the**  
 27 **TeachMichigan initiative.**

28 (3) **The funds allocated under this section for 2024-2025 are a**  
 29 **work project appropriation, and any unexpended funds for 2024-2025**



1 are carried forward into 2025-2026. The purpose of the work project  
 2 is to continue the implementation of the TeachMichigan initiative  
 3 described in this section. The estimated completion date of the  
 4 work project is September 30, 2026.

5 (4) ~~(2)~~ Notwithstanding section 17b, the department shall make  
 6 payments under this section on a schedule determined by the  
 7 department.

8 Sec. 99aa. (1) From the state school aid fund money  
 9 appropriated in section 11, there is allocated an amount not to  
 10 exceed \$1,500,000.00 for ~~2023-2024 only~~ **2024-2025** to 1 eligible  
 11 intermediate district to provide opportunities for high school  
 12 students with disabilities to train for, gain, and maintain  
 13 competitive employment.

14 (2) An intermediate district that has partnered with Project  
 15 SEARCH to provide the opportunities described in subsection (1) is  
 16 an eligible intermediate district under this section.

17 (3) The funds allocated under this section for ~~2023-2024~~ **2024-**  
 18 **2025** are a work project appropriation, and any unexpended funds for  
 19 ~~2023-2024~~ **2024-2025** are carried forward into ~~2024-2025~~ **2025-2026**.  
 20 The purpose of the work project is to provide for the continuation  
 21 of opportunities for high school students with disabilities as  
 22 described in subsection (1). The estimated completion date of the  
 23 work project is September 30, ~~2025~~ **2026**.

24 Sec. 99bb. (1) From the general fund money appropriated in  
 25 section 11, there is allocated an amount not to exceed  
 26 \$1,200,000.00 for 2024-2025 to the State Alliance of Michigan YMCAs  
 27 for competitive grants to eligible districts and intermediate  
 28 districts to provide students in grades 6 to 12 with hands-on  
 29 civics and model-government programs that offer statewide



1 engagement with peers across this state for the purpose of  
2 expanding those students' opportunities to improve their social  
3 studies knowledge, thinking skills, and intellectual processes and  
4 dispositions required for active engagement in fulfilling  
5 responsibilities of civic participation.

6 (2) In making grant payments to eligible districts and  
7 intermediate districts under this section, the State Alliance of  
8 Michigan YMCAs shall set a maximum grant award for each grant  
9 recipient in a manner that accomplishes both of the following:

10 (a) Maximizes the geographical distribution of grant  
11 recipients that will be able to participate in the programs  
12 described in this section.

13 (b) Prioritizes funding levels for grant recipients based on  
14 geographic location, with consideration given to the travel that  
15 will be required of grant recipients for statewide events and  
16 conferences.

17 (3) Maximum grant award amounts under subsection (2) do not  
18 have to be the same for all grant recipients.

19 (4) To receive a grant under this section, a district or  
20 intermediate district must submit an application for the grant  
21 award in a form and manner prescribed by the State Alliance of  
22 Michigan YMCAs.

23 (5) Notwithstanding section 18a, funds allocated under this  
24 section may be available for expenditure until September 30, 2029.  
25 A recipient of funding under this section must return any  
26 unexpended funds to the department in the manner prescribed by the  
27 department by not later than October 30, 2029.

28 (6) It is the intent of the legislature that programs  
29 implemented from the funding allocated under this section increase



1 the number of students who engage with the pillars of responsible  
 2 citizenship and engage, beyond the classroom, in civic  
 3 perspectives, inquiry, public discourse, and decision making.

4 Sec. 99gg. (1) From the ~~state school aid~~ **general** fund money  
 5 appropriated in section 11, there is allocated ~~\$10,000,000.00~~  
 6 **\$100.00** for ~~2023-2024-2024-2025~~ only to ~~Detroit Public Schools~~  
 7 ~~Community District as provided in this section. With the funding~~  
 8 ~~allocated under this section, Detroit Public Schools Community~~  
 9 ~~District shall partner with~~ **1-a** community-based organization that  
 10 provides before- and after-school programs for children in  
 11 southeast Michigan to support existing programming ~~for that~~  
 12 ~~organization~~ and expand locations where that organization can offer  
 13 programming.

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

17 Sec. 99hh. (1) From the ~~state school aid~~ **general** fund money  
 18 appropriated in section 11, there is allocated an amount not to  
 19 exceed \$3,000,000.00 for ~~2023-2024-2024-2025~~ only for ~~Wayne RESA to~~  
 20 ~~partner with~~ a nonprofit entity to support student success coach  
 21 AmeriCorps service members to provide academic interventions in  
 22 mathematics and English language arts and social-emotional support  
 23 to students enrolled in grades K to 12 in a community district.

24 (2) ~~A district that receives~~ **The nonprofit entity receiving**  
 25 funding under this section must use the funds to deploy student  
 26 success coach AmeriCorps service members to, at a minimum, 8  
 27 schools within the **community** district. Student success coaches  
 28 described in this subsection shall do all of the following:

29 (a) Provide small-group intervention support in mathematics



1 and English language arts to at-risk students for 10 months. For  
 2 purposes of this subdivision, students must be selected based on  
 3 academic diagnostic data and be placed on a focus list for year-  
 4 round support.

5 (b) Provide whole school, whole child support to partner  
 6 schools in the **community** district.

7 (c) Provide social-emotional support to a subset of focus-list  
 8 students for 10 months. For purposes of this subdivision, students  
 9 must be selected based on district behavior and climate or culture  
 10 data and placed on a focus list for year-round support.

11 (d) Provide individualized attendance support to improve daily  
 12 attendance rates for 10 months. For purposes of this subdivision,  
 13 students must be selected based on **community** district attendance  
 14 data and placed on a focus list for year-round support.

15 (3) ~~A district~~ **The nonprofit** receiving funding under this  
 16 section must provide all of the following for student success  
 17 coaches:

18 (a) Evidence-based training in TRAILS, Mental Health First  
 19 Aid, Magnetic Reading, LETRS, and other relevant training necessary  
 20 to implement academic, social, and attendance strategies.

21 (b) Ongoing career development training and coaching,  
 22 including support with applying to teacher preparation programs,  
 23 school social work preparation programs, and guidance counseling  
 24 preparation programs.

25 (4) By not later than January 1 of each fiscal year, the  
 26 ~~center~~ **nonprofit receiving funding under this section** shall prepare  
 27 a summary report of information ~~provided by each recipient district~~  
 28 ~~under this section~~ that includes measurable outcomes based on the  
 29 objectives described in this section and ~~a summary of compiled data~~



1 ~~from each recipient district in order to~~ evaluate the effectiveness  
 2 of the project. The ~~center~~ **nonprofit** shall submit the report to the  
 3 house and senate appropriations subcommittees on school aid and to  
 4 the house and senate fiscal agencies.

5       **Sec. 99nn. (1) From the general fund money appropriated in**  
 6 **section 11, there is allocated for 2024-2025 only \$1,000,000.00 to**  
 7 **districts and intermediate districts to improve civics education in**  
 8 **schools and for professional development for educators to improve**  
 9 **civics education.**

10       (2) A district or intermediate district shall apply for  
 11 funding in a form and manner determined by the department. The  
 12 application must include, at a minimum, what services or materials  
 13 the applicant intends to use to improve civics education and for  
 14 professional development.

15       (3) If funding is insufficient to fulfill all eligible  
 16 applications under this section, the department shall prioritize  
 17 applications, taking into account the percentage of economically  
 18 disadvantaged pupils in the district and attempting to ensure that  
 19 districts from urban, suburban, and rural settings are represented  
 20 in grant awards.

21       (4) The funds allocated under this section for 2024-2025 are a  
 22 work project appropriation, and any unexpended funds for 2024-2025  
 23 are carried forward into 2025-2026. The purpose of the work project  
 24 is to continue support for improved civics education and  
 25 professional development. The estimated completion date of the work  
 26 project is September 30, 2029.

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



1       Sec. 104. (1) ~~In order to~~ **To** receive state aid under this  
 2 article, a district shall comply with sections 1249, 1278a, 1278b,  
 3 1279g, and 1280b of the revised school code, MCL 380.1249,  
 4 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL  
 5 388.1081 to 388.1086. Subject to subsection (2), from the state  
 6 school aid fund money appropriated in section 11, there is  
 7 allocated for ~~2023-2024-2024-2025~~ an amount not to exceed  
 8 \$37,509,400.00 for payments on behalf of districts for costs  
 9 associated with complying with those provisions of law. In  
 10 addition, from the federal funds appropriated in section 11, there  
 11 is allocated for ~~2023-2024-2024-2025~~ an amount estimated at  
 12 \$8,000,000.00 funded from DED-OESE, title VI, state assessment  
 13 funds, and from DED-OSERS, part B of the individuals with  
 14 disabilities education act, 20 USC 1411 to 1419, plus any carryover  
 15 federal funds from previous year appropriations, for the purposes  
 16 of complying with the every student succeeds act, Public Law 114-  
 17 95.

18       (2) The results of each test administered as part of the  
 19 Michigan student test of educational progress (M-STEP), including  
 20 tests administered to high school students, must include an item  
 21 analysis that lists all items that are counted for individual pupil  
 22 scores and the percentage of pupils choosing each possible  
 23 response. The department shall work with the center to identify the  
 24 number of students enrolled at the time assessments are given by  
 25 each district. In calculating the percentage of pupils assessed for  
 26 a district's scorecard, the department shall use only the number of  
 27 pupils enrolled in the district at the time the district  
 28 administers the assessments and shall exclude pupils who enroll in  
 29 the district after the district administers the assessments.



1 (3) The department shall distribute federal funds allocated  
 2 under this section in accordance with federal law and with  
 3 flexibility provisions outlined in Public Law 107-116, and in the  
 4 education flexibility partnership act of 1999, Public Law 106-25.

5 (4) The department may recommend, but may not require,  
 6 districts to allow pupils to use an external keyboard with tablet  
 7 devices for online M-STEP testing, including, but not limited to,  
 8 open-ended test items such as constructed response or equation  
 9 builder items.

10 (5) Notwithstanding section 17b, the department shall make  
 11 payments on behalf of districts, intermediate districts, and other  
 12 eligible entities under this section on a schedule determined by  
 13 the department.

14 (6) From the allocation in subsection (1), there is allocated  
 15 an amount not to exceed \$500,000.00 for ~~2023-2024~~**2024-2025** for the  
 16 operation of an online reporting tool to provide student-level  
 17 assessment data in a secure environment to educators, parents, and  
 18 pupils immediately after assessments are scored. The department and  
 19 the center shall ensure that any data collected by the online  
 20 reporting tool do not provide individually identifiable student  
 21 data to the federal government.

22 (7) As used in this section:

23 (a) "DED" means the United States Department of Education.

24 (b) "DED-OESE" means the DED Office of Elementary and  
 25 Secondary Education.

26 (c) "DED-OSERS" means the DED Office of Special Education and  
 27 Rehabilitative Services.

28 Sec. 104h. (1) From the state school aid fund money  
 29 appropriated under section 11, there is allocated for ~~2021-2022~~



1 **2024-2025** an amount not to exceed \$11,500,000.00 to districts to  
 2 ~~begin implementation of a benchmark assessment system for implement~~  
 3 **benchmark assessments during** the ~~2022-2023-2024-2025~~ school year.  
 4 ~~It is the intent of the legislature that funding for benchmark~~  
 5 ~~assessments for the 2024-2025 school year will be appropriated in~~  
 6 ~~this section in 2024-2025.~~ All of the following apply to the  
 7 benchmark assessment system described in this subsection:

8 (a) The system must provide for all of the following:

9 (i) That, within the first 9 weeks of the 2024-2025 school  
 10 year, the district shall administer 1 or more benchmark assessments  
 11 provided by a provider approved under subsection (6), benchmark  
 12 assessments described in subdivision (b), or local benchmark  
 13 assessments, or any combination thereof, to all pupils in grades K  
 14 to 8 to measure proficiency in reading and mathematics.

15 (ii) That, in addition to the benchmark assessment or benchmark  
 16 assessments administered under subparagraph (i), by not later than  
 17 the last day of the 2024-2025 school year, the district shall  
 18 administer the benchmark assessment or assessments administered  
 19 under subparagraph (i) to all pupils in grades K to 8 to measure  
 20 proficiency in reading and mathematics. To support fall to spring  
 21 growth calculations, the same benchmark assessment that is  
 22 administered in the fall must be administered in the spring.

23 (b) Except as otherwise provided in this section, a district  
 24 may administer 1 or more of the following benchmark assessments  
 25 toward meeting the requirements under subdivision (a):

26 (i) A benchmark assessment in reading for students in grades K  
 27 to 9 that contains progress monitoring tools and enhanced  
 28 diagnostic assessments.

29 (ii) A benchmark assessment in math for students in grades K to



1 8 that contains progress monitoring tools.

2 (c) The system must provide that, to the extent practicable,  
3 if a district administers a benchmark assessment or benchmark  
4 assessments under this section, the district shall administer the  
5 same benchmark assessment or benchmark assessments provided by a  
6 provider approved under subsection (6), benchmark assessment or  
7 benchmark assessments described in subdivision (b), or local  
8 benchmark assessment or local benchmark assessments that it  
9 administered to pupils in previous school years, as applicable.

10 (d) The system must provide that, if a district administers a  
11 benchmark assessment or benchmark assessments under this section,  
12 the district shall provide each pupil's data from the benchmark  
13 assessment or benchmark assessments, as available, to the pupil's  
14 parent or legal guardian within 30 days of administering the  
15 benchmark assessment or benchmark assessments.

16 (e) The system must provide that, if a local benchmark  
17 assessment or local benchmark assessments are administered under  
18 subdivision (a), the district shall report to the department and  
19 the center, in a form and manner prescribed by the center, the  
20 local benchmark assessment or local benchmark assessments that were  
21 administered and how that assessment or those assessments measure  
22 changes, including any losses, as applicable, in learning, and the  
23 district's plan for addressing any losses in learning.

24 (f) The system must provide that, by not later than 30 days  
25 after a benchmark assessment or benchmark assessments are  
26 administered under subdivision (a) (ii), or within a time frame  
27 specified by the department, the district shall send benchmark  
28 assessment data, including grade level, student demographics, and  
29 mode of instruction, to the department in a form and manner



1 prescribed by the department, from all benchmark assessments  
2 administered in the 2024-2025 school year, excluding data from a  
3 local benchmark assessment, as applicable. If available, the data  
4 described in this subdivision must include information concerning  
5 pupil growth from fall 2024 to spring 2025.

6 (2) To receive funding under this section, a district must do  
7 all of the following:

8 (a) Apply for the funding in a form and manner prescribed by  
9 the department.

10 (b) ~~Pledge to administer~~ **Administer** 1 or more of the benchmark  
11 assessments described in subsection (6), excluding the benchmark  
12 assessment described in subsection (4).

13 (c) ~~Pledge to administer~~ **Administer** the same benchmark  
14 assessment or assessments in both the fall and spring, as required  
15 under this section.

16 (d) ~~Pledge to meet~~ **Meet** all reporting requirements pertaining  
17 to assessment and mode-of-instruction data outlined in this  
18 section.

19 (3) Subject to subsection (2), the department shall pay an  
20 equal amount per membership pupil in grades K to 8 in the district  
21 to each district that applies for funding under this section.

22 (4) The department shall make 1 of the benchmark assessments  
23 provided by a provider approved under subsection (6) available to  
24 districts at no cost to the districts for purposes of meeting the  
25 requirements under this section. The benchmark assessment described  
26 in this subsection must meet all of the following:

27 (a) Be aligned to the content standards of this state.

28 (b) Complement the state's summative assessment system.

29 (c) Be internet-delivered and include a standards-based



1 assessment.

2 (d) Provide information on pupil achievement with regard to  
3 learning content required in a given year or grade span.

4 (e) Provide timely feedback to pupils and teachers.

5 (f) Be nationally normed.

6 (g) Provide information to educators about student growth and  
7 allow for multiple testing opportunities.

8 (5) By not later than November 15, 2025, the department shall  
9 submit a report to the house and senate appropriations committees,  
10 the house and senate appropriations subcommittees on school aid,  
11 and the house and senate fiscal agencies regarding the benchmark  
12 assessment data received under this section, disaggregated by grade  
13 level and demographic subgroup for each district. If information  
14 concerning pupil growth is included in the data described in this  
15 subsection, it must be incorporated in the report described in this  
16 subsection.

17 (6) The department shall approve at least 4 but not more than  
18 6 providers of benchmark assessments for the purposes of this  
19 section. The department shall inform districts of all of the  
20 providers approved under this subsection in an equitable manner.  
21 The benchmark assessments, with the exclusion of the benchmark  
22 assessment described in subsection (4), provided by approved  
23 providers under this subsection must meet all of the following:

24 (a) Be aligned to the content standards of this state.

25 (b) Complement the state's summative assessment system.

26 (c) Be internet-delivered and include a standards-based  
27 remote, in-person, or both remote and in-person assessment using a  
28 computer-adaptive model to target the instructional level of each  
29 pupil.



1 (d) Provide information on pupil achievement with regard to  
2 learning content required in a given year or grade span.

3 (e) Provide immediate feedback to pupils and teachers.

4 (f) Be nationally normed.

5 (g) Provide multiple measures of growth and provide for  
6 multiple testing opportunities.

7 Sec. 107. (1) From the state school aid fund appropriation in  
8 section 11, there is allocated an amount not to exceed  
9 ~~\$40,000,000.00~~ **\$40,500,000.00** for ~~2023-2024~~ **2024-2025** for adult  
10 education programs authorized under this section. Except as  
11 otherwise provided under subsections (14) and (15), funds allocated  
12 under this section are restricted for adult education programs as  
13 authorized under this section only. A recipient of funds under this  
14 section shall not use those funds for any other purpose.

15 (2) To be eligible for funding under this section, an eligible  
16 adult education provider shall employ certificated teachers and  
17 qualified administrative staff and shall offer continuing education  
18 opportunities for teachers to allow them to maintain certification.

19 (3) To be eligible to be a participant funded under this  
20 section, an individual must be enrolled in an adult basic education  
21 program, an adult secondary education program, an adult English as  
22 a second language program, a high school equivalency test  
23 preparation program, or a high school completion program, that  
24 meets the requirements of this section, and for which instruction  
25 is provided, and the individual must be at least 18 years of age by  
26 July 1 of the program year and the individual's graduating class  
27 must have graduated.

28 (4) By April 1 of each fiscal year for which funding is  
29 allocated under this section, the intermediate districts within a



1 prosperity region or subregion shall determine which intermediate  
2 district will serve as the prosperity region's or subregion's  
3 fiscal agent for the next fiscal year and shall notify the  
4 department in a form and manner determined by the department. The  
5 department shall approve or disapprove of the prosperity region's  
6 or subregion's selected fiscal agent. From the funds allocated  
7 under subsection (1), an amount as determined under this subsection  
8 is allocated to each intermediate district serving as a fiscal  
9 agent for adult education programs in each of the prosperity  
10 regions or subregions identified by the department. An intermediate  
11 district shall not use more than 5% of the funds allocated under  
12 this subsection for administration costs for serving as the fiscal  
13 agent. The allocation provided to each intermediate district  
14 serving as a fiscal agent must be calculated as follows:

15 (a) Sixty percent of this portion of the funding must be  
16 distributed based upon the proportion of the state population of  
17 individuals between the ages of 18 and 24 that are not high school  
18 graduates that resides in each of the prosperity regions or  
19 subregions located within the intermediate district, as reported by  
20 the most recent 5-year estimates from the American Community Survey  
21 (ACS) from the United States Census Bureau.

22 (b) Thirty-five percent of this portion of the funding must be  
23 distributed based upon the proportion of the state population of  
24 individuals age 25 or older who are not high school graduates that  
25 resides in each of the prosperity regions or subregions located  
26 within the intermediate district, as reported by the most recent 5-  
27 year estimates from the ACS from the United States Census Bureau.

28 (c) Five percent of this portion of the funding must be  
29 distributed based upon the proportion of the state population of



1 individuals age 18 or older who lack basic English language  
2 proficiency that resides in each of the prosperity regions or  
3 subregions located within the intermediate district, as reported by  
4 the most recent 5-year estimates from the ACS from the United  
5 States Census Bureau.

6 (5) To be an eligible fiscal agent, an intermediate district  
7 must agree to do the following in a form and manner determined by  
8 the department:

9 (a) Distribute funds to adult education programs in a  
10 prosperity region or subregion as described in this section.

11 (b) Collaborate with the career and educational advisory  
12 council, which is an advisory council of the workforce development  
13 boards located in the prosperity region or subregion, or its  
14 successor, to develop a regional strategy that aligns adult  
15 education programs and services into an efficient and effective  
16 delivery system for adult education learners, with special  
17 consideration for providing contextualized learning and career  
18 pathways and addressing barriers to education and employment.

19 (c) Collaborate with the career and educational advisory  
20 council, which is an advisory council of the workforce development  
21 boards located in the prosperity region or subregion, or its  
22 successor, to create a local process and criteria that will  
23 identify eligible adult education providers to receive funds  
24 allocated under this section based on location, demand for  
25 services, past performance, quality indicators as identified by the  
26 department, and cost to provide instructional services. The fiscal  
27 agent shall determine all local processes, criteria, and provider  
28 determinations. However, the local processes, criteria, and  
29 provider services must be approved by the department before funds



1 may be distributed to the fiscal agent.

2 (d) Provide oversight to its adult education providers  
3 throughout the program year to ensure compliance with the  
4 requirements of this section.

5 (e) Report adult education program and participant data and  
6 information as prescribed by the department.

7 (6) An adult basic education program, an adult secondary  
8 education program, or an adult English as a second language program  
9 operated on a year-round or school year basis may be funded under  
10 this section, subject to all of the following:

11 (a) The program enrolls adults who are determined by a  
12 department-approved assessment, in a form and manner prescribed by  
13 the department, to be below twelfth grade level in reading or  
14 mathematics, or both, or to lack basic English proficiency.

15 (b) The program tests individuals for eligibility under  
16 subdivision (a) before enrollment and upon completion of the  
17 program in compliance with the state-approved assessment policy.

18 (c) A participant in an adult basic education program is  
19 eligible for reimbursement until 1 of the following occurs:

20 (i) The participant's reading and mathematics proficiency are  
21 assessed at or above the ninth grade level.

22 (ii) The participant fails to show progress on 2 successive  
23 assessments after having completed at least 450 hours of  
24 instruction.

25 (d) A participant in an adult secondary education program is  
26 eligible for reimbursement until 1 of the following occurs:

27 (i) The participant's reading and mathematics proficiency are  
28 assessed above the twelfth grade level.

29 (ii) The participant fails to show progress on 2 successive



1 assessments after having at least 450 hours of instruction.

2 (e) A funding recipient enrolling a participant in an English  
3 as a second language program is eligible for funding according to  
4 subsection (9) until the participant meets 1 of the following:

5 (i) The participant is assessed as having attained basic  
6 English proficiency as determined by a department-approved  
7 assessment.

8 (ii) The participant fails to show progress on 2 successive  
9 department-approved assessments after having completed at least 450  
10 hours of instruction. The department shall provide information to a  
11 funding recipient regarding appropriate assessment instruments for  
12 this program.

13 (7) A high school equivalency test preparation program  
14 operated on a year-round or school year basis may be funded under  
15 this section, subject to all of the following:

16 (a) The program enrolls adults who do not have a high school  
17 diploma or a high school equivalency certificate.

18 (b) The program administers a pre-test approved by the  
19 department before enrolling an individual to determine the  
20 individual's literacy levels, administers a high school equivalency  
21 practice test to determine the individual's potential for success  
22 on the high school equivalency test, and administers a post-test  
23 upon completion of the program in compliance with the state-  
24 approved assessment policy.

25 (c) A funding recipient receives funding according to  
26 subsection (9) for a participant, and a participant may be enrolled  
27 in the program until 1 of the following occurs:

28 (i) The participant achieves a high school equivalency  
29 certificate.



1           (ii) The participant fails to show progress on 2 successive  
2 department-approved assessments used to determine readiness to take  
3 a high school equivalency test after having completed at least 450  
4 hours of instruction.

5           (8) A high school completion program operated on a year-round  
6 or school year basis may be funded under this section, subject to  
7 all of the following:

8           (a) The program enrolls adults who do not have a high school  
9 diploma.

10           (b) The program tests participants described in subdivision  
11 (a) before enrollment and upon completion of the program in  
12 compliance with the state-approved assessment policy.

13           (c) A funding recipient receives funding according to  
14 subsection (9) for a participant in a course offered under this  
15 subsection until 1 of the following occurs:

16           (i) The participant passes the course and earns a high school  
17 diploma.

18           (ii) The participant fails to earn credit in 2 successive  
19 semesters or terms in which the participant is enrolled after  
20 having completed at least 900 hours of instruction.

21           (9) The department shall make payments to a funding recipient  
22 under this section in accordance with all of the following:

23           (a) Statewide allocation criteria, including 3-year average  
24 enrollments, census data, and local needs.

25           (b) Participant completion of the adult basic education  
26 objectives by achieving an educational gain as determined by the  
27 national reporting system levels; for achieving basic English  
28 proficiency, as determined by the department; for achieving a high  
29 school equivalency certificate or passage of 1 or more individual



1 high school equivalency tests; for attainment of a high school  
2 diploma or passage of a course required for a participant to attain  
3 a high school diploma; for enrollment in a postsecondary  
4 institution; or for entry into or retention of employment, as  
5 applicable.

6 (c) Participant completion of core indicators as identified in  
7 the workforce innovation and opportunity act, Public Law 113-128.

8 (d) Allowable expenditures.

9 (10) An individual who is not eligible to be a participant  
10 funded under this section may receive adult education services upon  
11 the payment of tuition. In addition, an individual who is not  
12 eligible to be served in a program under this section due to the  
13 program limitations specified in subsection (6), (7), or (8) may  
14 continue to receive adult education services in that program upon  
15 the payment of tuition. The local or intermediate district  
16 conducting the program shall determine the tuition amount.

17 (11) An individual who is an inmate in a state correctional  
18 facility is not counted as a participant under this section.

19 (12) A funding recipient shall not commingle money received  
20 under this section or from another source for adult education  
21 purposes with any other funds and shall establish a separate ledger  
22 account for funds received under this section. This subsection does  
23 not prohibit a district from using general funds of the district to  
24 support an adult education or community education program.

25 (13) A funding recipient receiving funds under this section  
26 may establish a sliding scale of tuition rates based upon a  
27 participant's family income. A funding recipient may charge a  
28 participant tuition to receive adult education services under this  
29 section from that sliding scale of tuition rates on a uniform



1 basis. The amount of tuition charged per participant must not  
 2 exceed the actual operating cost per participant minus any funds  
 3 received under this section per participant. A funding recipient  
 4 may not charge a participant tuition under this section if the  
 5 participant's income is at or below 200% of the federal poverty  
 6 guidelines published by the United States Department of Health and  
 7 Human Services.

8 (14) ~~In order to~~ **To** receive funds under this section, a  
 9 funding recipient shall furnish to the department, in a form and  
 10 manner determined by the department, all information needed to  
 11 administer this program and meet federal reporting requirements;  
 12 shall allow the department or the department's designee to review  
 13 all records related to the program for which it receives funds; and  
 14 shall reimburse the state for all disallowances found in the  
 15 review, as determined by the department. In addition, a funding  
 16 recipient shall agree to pay to a career and technical education  
 17 program under section 61a the amount of funding received under this  
 18 section in the proportion of career and technical education  
 19 coursework used to satisfy adult basic education programming, as  
 20 billed to the funding recipient by programs operating under section  
 21 61a. ~~In addition to the funding allocated under subsection (1),~~  
 22 ~~there is allocated for 2023-2024 an amount not to exceed~~  
 23 ~~\$500,000.00 to reimburse funding recipients for administrative and~~  
 24 ~~instructional expenses associated with commingling programming~~  
 25 ~~under this section and section 61a. The department shall make~~  
 26 ~~payments under this subsection to each funding recipient in the~~  
 27 ~~same proportion as funding calculated and allocated under~~  
 28 ~~subsection (4).~~

29 (15) From the amount appropriated in subsection (1), an amount



1 not to exceed \$4,000,000.00 is allocated for ~~2023-2024~~ **2024-2025**  
 2 for grants to **approved** adult education ~~or state-approved career~~  
 3 ~~technical center~~ programs that connect adult education participants  
 4 with employers as provided under this subsection. ~~The department~~  
 5 ~~shall determine the amount of the grant to each program under this~~  
 6 ~~subsection, not to exceed \$350,000.00.~~ **The department shall**  
 7 **determine regional planning allocations under this subsection to**  
 8 **each intermediate district serving as a fiscal agent for adult**  
 9 **education programs in each of the prosperity regions or subregions**  
 10 **identified by the department in the same proportion as funding**  
 11 **calculated and allocated under subsection (4). Funds not fully**  
 12 **utilized within a region may be transferred to other regions as**  
 13 **appropriate.** To be eligible for funding under this subsection, a  
 14 program must provide a collaboration linking adult education  
 15 programs within the county, ~~the area career technical center,~~  
 16 **state-approved career and technical education programs,** and local  
 17 employers. To receive funding under this subsection, an eligible  
 18 program must satisfy all of the following:

19 (a) Connect adult education participants directly with  
 20 employers by linking adult education, career and technical skills,  
 21 and workforce development.

22 (b) Require adult education staff to work with Michigan Works!  
 23 agency to identify a cohort of participants who are most prepared  
 24 to successfully enter the workforce. Except as otherwise provided  
 25 under this subdivision, participants identified under this  
 26 subsection must be dually enrolled in adult education programming  
 27 and in at least 1 state-approved technical course ~~at the area~~  
 28 **through a career and technical center-education program.** A program  
 29 that links participants identified under this subsection with adult



1 education programming and commercial driver license courses does  
 2 not need to enroll the participants in at least 1 state-approved  
 3 technical course ~~at the area~~ **through a** career and technical center  
 4 **education program** to be considered an eligible program under this  
 5 subsection.

6 (c) Employ an individual staffed as an adult education  
 7 navigator who will serve as a caseworker for each participant  
 8 identified under subdivision (b). The navigator shall work with  
 9 adult education staff and potential employers to design an  
 10 educational program best suited to the personal and employment  
 11 needs of the participant and shall work with human service agencies  
 12 or other entities to address any barrier in the way of participant  
 13 access.

14 ~~(16) Each program funded under subsection (15) will receive~~  
 15 ~~funding for 3 years. After 3 years of operations and funding, a~~  
 16 ~~program must reapply for funding.~~

17 **(16)** ~~(17) Not~~ **By not** later than December 1 of each year, a  
 18 program funded under subsection (15) shall provide a report to the  
 19 senate and house appropriations subcommittees on school aid, to the  
 20 senate and house fiscal agencies, and to the state budget director  
 21 identifying the number of participants, graduation rates, and a  
 22 measure of transition to employment.

23 **(17)** ~~(18)~~ Except as otherwise provided in this subsection,  
 24 participants under subsection (15) must be concurrently enrolled  
 25 and actively working toward obtaining a high school diploma or a  
 26 high school equivalency certificate. Concurrent enrollment is not  
 27 required under this subsection for a participant that was enrolled  
 28 in adult education during the same program year and obtained a high  
 29 school diploma or a high school equivalency certificate ~~prior to~~



1 **before** enrollment in an eligible career and technical skills  
 2 program under subsection (15). Up to 15% of adult education  
 3 participants served under subsection (15) may already have a high  
 4 school diploma or a high school equivalency certificate at the time  
 5 of enrollment in an eligible career and technical skills program  
 6 under subsection (15) and receive remediation services. ~~It is~~  
 7 ~~intended that the cap described in the immediately preceding~~  
 8 ~~sentence is continually lowered on an annual basis until it~~  
 9 ~~eventually is 0%.~~

10 **(18)** ~~(19)~~ The department shall approve at least 2 high school  
 11 equivalency tests and determine whether a high school equivalency  
 12 certificate meets the requisite standards for high school  
 13 equivalency in this state.

14 **(19)** ~~(20)~~ As used in this section:

15 (a) "Career and educational advisory council" means an  
 16 advisory council to the local workforce development boards located  
 17 in a prosperity region consisting of educational, employer, labor,  
 18 and parent representatives.

19 (b) "Career pathway" means a combination of rigorous and high-  
 20 quality education, training, and other services that comply with  
 21 all of the following:

22 (i) Aligns with the skill needs of industries in the economy of  
 23 this state or in the regional economy involved.

24 (ii) Prepares an individual to be successful in any of a full  
 25 range of secondary or postsecondary education options, including  
 26 apprenticeships registered under the act of August 16, 1937,  
 27 commonly referred to as the national apprenticeship act, 29 USC 50  
 28 et seq.

29 (iii) Includes counseling to support an individual in achieving



1 the individual's education and career goals.

2 (iv) Includes, as appropriate, education offered concurrently  
3 with and in the same context as workforce preparation activities  
4 and training for a specific occupation or occupational cluster.

5 (v) Organizes education, training, and other services to meet  
6 the particular needs of an individual in a manner that accelerates  
7 the educational and career advancement of the individual to the  
8 extent practicable.

9 (vi) Enables an individual to attain a secondary school diploma  
10 or its recognized equivalent, and at least 1 recognized  
11 postsecondary credential.

12 (vii) Helps an individual enter or advance within a specific  
13 occupation or occupational cluster.

14 (c) "Department" means the department of labor and economic  
15 opportunity.

16 (d) "Eligible adult education provider" means a district,  
17 intermediate district, a consortium of districts, a consortium of  
18 intermediate districts, or a consortium of districts and  
19 intermediate districts that is identified as part of the local  
20 process described in subsection (5)(c) and approved by the  
21 department.

22 Sec. 147. (1) The allocation for ~~2023-2024~~**2024-2025** for the  
23 public school employees' retirement system pursuant to the public  
24 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
25 to 38.1437, is made using the individual projected benefit entry  
26 age normal cost method of valuation and risk assumptions adopted by  
27 the public school employees retirement board and the department of  
28 technology, management, and budget.

29 (2) The annual level percentage of payroll contribution rates



1 for the ~~2023-2024~~ **2024-2025** fiscal year, as determined by the  
 2 retirement system, are estimated as follows:

3 (a) For public school employees who first worked for a public  
 4 school reporting unit before July 1, 2010 and who are enrolled in  
 5 the health premium subsidy, the annual level percentage of payroll  
 6 contribution rate is estimated at ~~48.23%~~ **41.94%** with ~~31.34%~~ **31.36%**  
 7 paid directly by the employer.

8 (b) For public school employees who first worked for a public  
 9 school reporting unit on or after July 1, 2010 and who are enrolled  
 10 in the health premium subsidy, the annual level percentage of  
 11 payroll contribution rate is estimated at ~~44.37%~~ **38.10%** with ~~27.48%~~  
 12 **27.52%** paid directly by the employer.

13 (c) For public school employees who first worked for a public  
 14 school reporting unit on or after July 1, 2010 and who participate  
 15 in the personal healthcare fund, the annual level percentage of  
 16 payroll contribution rate is estimated at ~~43.12%~~ **36.85%** with ~~26.23%~~  
 17 **26.27%** paid directly by the employer.

18 (d) For public school employees who first worked for a public  
 19 school reporting unit on or after September 4, 2012, who elect  
 20 defined contribution, and who participate in the personal  
 21 healthcare fund, the annual level percentage of payroll  
 22 contribution rate is estimated at ~~37.85%~~ **31.54%** with 20.96% paid  
 23 directly by the employer.

24 (e) For public school employees who first worked for a public  
 25 school reporting unit before July 1, 2010, who elect defined  
 26 contribution, and who are enrolled in the health premium subsidy,  
 27 the annual level percentage of payroll contribution rate is  
 28 estimated at ~~39.10%~~ **32.79%** with 22.21% paid directly by the  
 29 employer.



1 (f) For public school employees who first worked for a public  
 2 school reporting unit before July 1, 2010, who elect defined  
 3 contribution, and who participate in the personal healthcare fund,  
 4 the annual level percentage of payroll contribution rate is  
 5 estimated at ~~37.85%~~ **31.54%** with 20.96% paid directly by the  
 6 employer.

7 (g) For public school employees who first worked for a public  
 8 school reporting unit before July 1, 2010 and who participate in  
 9 the personal healthcare fund, the annual level percentage of  
 10 payroll contribution rate is estimated at ~~46.98%~~ **40.69%** with ~~30.09%~~  
 11 **30.11%** paid directly by the employer.

12 (h) For public school employees who first worked for a public  
 13 school reporting unit after January 31, 2018 and who elect to  
 14 become members of the MPSERS plan, the annual level percentage of  
 15 payroll contribution rate is estimated at ~~44.05%~~ **37.74%** with 27.16%  
 16 paid directly by the employer.

17 (3) In addition to the employer payments described in  
 18 subsection (2), the employer shall pay the applicable contributions  
 19 to the Tier 2 plan, as determined by the public school employees  
 20 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

21 (4) The contribution rates in subsection (2) reflect an  
 22 amortization period of ~~15~~ **14** years for ~~2023-2024.~~ **2024-2025**. The  
 23 public school employees' retirement system board shall notify each  
 24 district and intermediate district by February 28 of each fiscal  
 25 year of the estimated contribution rate for the next fiscal year.

26 Sec. 147a. (1) From the state school aid fund money  
 27 appropriated in section 11, there is allocated for ~~2022-2023~~ an  
 28 amount not to exceed ~~\$100,000,000.00~~ and for ~~2023-2024~~ **2024-2025** an  
 29 amount not to exceed ~~\$100,000,000.00~~ **\$402,739,000.00** for payments



1 to participating districts, **intermediate districts, and district**  
 2 **libraries to offset a portion of the retirement contributions owed**  
 3 **by the entity for the fiscal year in which it is received.**

4 (2) From the state school aid fund money allocated in  
 5 subsection (1), there is allocated an amount not to exceed  
 6 \$111,939,000.00 for payments to participating entities. A  
 7 participating ~~district~~**entity** that receives money under this  
 8 subsection shall use that money solely for the purpose of  
 9 offsetting a portion of the retirement contributions owed by the  
 10 ~~district~~**entity** for the fiscal year in which it is received. The  
 11 amount allocated to each participating ~~district~~**entity** under this  
 12 subsection is based on each participating ~~district's~~**entity's**  
 13 percentage of the total statewide payroll for all participating  
 14 ~~districts~~**entities** for the immediately preceding fiscal year. As  
 15 used in this subsection, "participating district" means a district  
 16 that is a reporting unit of the Michigan public school employees'  
 17 retirement system under the public school employees retirement act  
 18 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports  
 19 employees to the Michigan public school employees' retirement  
 20 system for the applicable fiscal year.

21 (3) From the state school aid fund money allocated under  
 22 subsection (1), there is allocated for 2024-2025 an amount not to  
 23 exceed \$290,800,000.00 for payments to participating entities. A  
 24 participating entity that receives money under this subsection  
 25 shall use that money solely for the purpose of offsetting a portion  
 26 of the retirement contributions owed by the entity for the fiscal  
 27 year in which it is received. The amount allocated to each  
 28 participating entity under this subsection is based on each  
 29 participating entity's percentage of the total statewide payroll



1 for all participating entities for the immediately preceding fiscal  
 2 year. It is the intent of the legislature that funds allocated  
 3 under this section will be used to reduce each participating  
 4 entity's contribution cap for unfunded liability costs to an  
 5 estimated 18.00%. It is the intent of the legislature to increase  
 6 the amount allocated under this subsection until each participating  
 7 entity's contribution cap for unfunded liability costs is  
 8 effectively reduced to 0.00%. It is the intent of the legislature  
 9 that districts and intermediate districts use the savings realized  
 10 under this subsection to improve classroom conditions and increase  
 11 educator compensation.

12 (4) ~~(2)~~—In addition to the allocation under subsection (1),  
 13 from the state school aid fund money appropriated under section 11,  
 14 there is allocated an amount not to exceed ~~\$193,935,000.00 for~~  
 15 ~~2022-2023 and an amount not to exceed \$359,950,000.00~~  
 16 **\$365,200,000.00** for ~~2023-2024-2024-2025~~ for payments to  
 17 participating ~~districts and intermediate districts and from the~~  
 18 ~~general fund money appropriated under section 11, there is~~  
 19 ~~allocated an amount not to exceed \$65,000.00 for 2022-2023 and an~~  
 20 ~~amount not to exceed \$100,000.00 for 2023-2024 for payments to~~  
 21 ~~participating district libraries.~~ **entities.** The amount allocated to  
 22 each participating entity under this subsection is based on each  
 23 participating entity's reported quarterly payroll for members that  
 24 became tier 1 ~~prior to~~ **before** February 1, 2018 for the current  
 25 fiscal year. A participating entity that receives money under this  
 26 subsection shall use that money solely for the purpose of  
 27 offsetting a portion of the normal cost contribution rate. ~~As used~~  
 28 ~~in this subsection:~~

29 (a) ~~"District library" means a district library established~~



1 ~~under the district library establishment act, 1989 PA 24, MCL~~  
 2 ~~397.171 to 397.196.~~

3 ~~(b) "Participating entity" means a district, intermediate~~  
 4 ~~district, or district library that is a reporting unit of the~~  
 5 ~~Michigan public school employees' retirement system under the~~  
 6 ~~public school employees retirement act of 1979, 1980 PA 300, MCL~~  
 7 ~~38.1301 to 38.1437, and that reports employees to the Michigan~~  
 8 ~~public school employees' retirement system for the applicable~~  
 9 ~~fiscal year.~~

10 ~~(3) In addition to the allocations under subsections (1) and~~  
 11 ~~(2), from the state school aid fund money appropriated in section~~  
 12 ~~11, there is allocated for 2023-2024 only an amount not to exceed~~  
 13 ~~\$11,939,000.00 for payments to participating intermediate districts~~  
 14 ~~and participating district libraries. A participating intermediate~~  
 15 ~~district or participating district library shall use that money~~  
 16 ~~solely for the purpose of offsetting a portion of the retirement~~  
 17 ~~contributions owed by the participating intermediate district or~~  
 18 ~~participating district library for the fiscal year in which it is~~  
 19 ~~received. The amount allocated to each participating intermediate~~  
 20 ~~district or participating district library under this subsection is~~  
 21 ~~calculated as follows:~~

22 ~~(a) For each participating intermediate district,~~  
 23 ~~\$11,912,000.00 multiplied by each participating intermediate~~  
 24 ~~district's percentage of the total statewide payroll for all~~  
 25 ~~participating intermediate districts for the immediately preceding~~  
 26 ~~fiscal year.~~

27 ~~(b) For each participating district library, \$27,000.00~~  
 28 ~~multiplied by each participating district library's percentage of~~  
 29 ~~the total statewide payroll for all participating district~~



1 ~~libraries for the immediately preceding fiscal year.~~

2 ~~(c) As used in this subsection:~~

3 ~~(i) "Participating district library" means a district library~~  
4 ~~that is a reporting unit of the Michigan public school employees'~~  
5 ~~retirement system under the public school employees retirement act~~  
6 ~~of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports~~  
7 ~~employees to the Michigan public school employees' retirement~~  
8 ~~system for the applicable fiscal year.~~

9 ~~(ii) "Participating intermediate district" means an~~  
10 ~~intermediate district that is a reporting unit of the Michigan~~  
11 ~~public school employees' retirement system under the public school~~  
12 ~~employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to~~  
13 ~~38.1437, and that reports employees to the Michigan public school~~  
14 ~~employees' retirement system for the applicable fiscal year.~~

15 **(5) As used in this section, "participating entity" means a**  
16 **district, intermediate district, or district library that is a**  
17 **reporting unit of the Michigan public school employees' retirement**  
18 **system under the public school employees retirement act of 1979,**  
19 **1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to**  
20 **the Michigan public school employees' retirement system for the**  
21 **applicable fiscal year.**

22 Sec. 147c. (1) From the state school aid fund money  
23 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
24 ~~2025~~ an amount not to exceed ~~\$1,647,200,000.00~~ **\$955,300,000.00** and  
25 from the MPSERS retirement obligation reform reserve fund money  
26 appropriated in section 11, there is allocated for ~~2023-2024-2024-~~  
27 ~~2025~~ only an amount needed, estimated at ~~\$215,800,000.00~~  
28 **\$84,100,000.00** for payments to districts, ~~and~~ intermediate  
29 districts, **and district libraries** that are participating entities



1 of the Michigan public school employees' retirement system. In  
 2 addition, from the general fund money appropriated in section 11,  
 3 there is allocated for 2023-2024 an amount not to exceed  
 4 \$500,000.00 for payments to district libraries that are  
 5 participating entities of the Michigan public school employees'  
 6 retirement system. It is the intent of the legislature that money  
 7 allocated from the MPERS retirement obligation reform reserve fund  
 8 under this subsection for ~~2023-2024~~ **2024-2025** represents the amount  
 9 necessary to reduce the payroll growth assumption to ~~0.75%~~ **0.25%**.  
 10 All of the following apply to funding under this subsection:

11 (a) Except as otherwise provided in this subdivision, for  
 12 ~~2023-2024~~, **2024-2025**, the amounts allocated under this subsection  
 13 are estimated to provide an average MPERS rate cap per pupil  
 14 amount of ~~\$1,157.00~~ **\$740.00** and are estimated to provide a rate cap  
 15 per pupil for districts ranging between ~~\$4.00~~ **\$2.00** and  
 16 ~~\$5,020.00~~ **\$2,650.00**.

17 (b) Payments made under this subsection are equal to the  
 18 difference between the unfunded actuarial accrued liability  
 19 contribution rate as calculated under section 41 of the public  
 20 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,  
 21 as calculated without taking into account the maximum employer rate  
 22 of 20.96% included in section 41 of the public school employees  
 23 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum  
 24 employer rate of 20.96% included in section 41 of the public school  
 25 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

26 (c) The amount allocated to each participating entity under  
 27 this subsection is based on each participating entity's proportion  
 28 of the total covered payroll for the immediately preceding fiscal  
 29 year for the same type of participating entities. A participating



1 entity that receives funds under this subsection shall use the  
 2 funds solely for the purpose of retirement contributions as  
 3 specified in subdivision (d).

4 (d) Each participating entity receiving funds under this  
 5 subsection shall forward an amount equal to the amount allocated  
 6 under subdivision (c) to the retirement system in a form, manner,  
 7 and time frame determined by the retirement system.

8 (e) Funds allocated under this subsection should be considered  
 9 when comparing a district's growth in total state aid funding from  
 10 1 fiscal year to the next.

11 (f) ~~Not~~ **By not** later than December 20 of each fiscal year for  
 12 which funding is allocated under this subsection, the department  
 13 shall publish and post on its website an estimated MPERS rate cap  
 14 per pupil for each district.

15 (g) The office of retirement services shall first apply funds  
 16 allocated under this subsection to pension contributions and, if  
 17 any funds remain after that payment, shall apply those remaining  
 18 funds to other postemployment benefit contributions.

19 (2) As used in this section:

20 (a) "Community college" means a community college created  
 21 under the community college act of 1966, 1966 PA 331, MCL 389.1 to  
 22 389.195.

23 (b) "District library" means a district library established  
 24 under the district library establishment act, 1989 PA 24, MCL  
 25 397.171 to 397.196.

26 (c) "MPERS rate cap per pupil" means an amount equal to the  
 27 quotient of the district's payment under this section divided by  
 28 the district's pupils in membership.

29 (d) "Participating entity" means a district, intermediate



1 district, or district library that is a reporting unit of the  
 2 Michigan public school employees' retirement system under the  
 3 public school employees retirement act of 1979, 1980 PA 300, MCL  
 4 38.1301 to 38.1437, and that reports employees to the Michigan  
 5 public school employees' retirement system for the applicable  
 6 fiscal year.

7 (e) "Retirement system" means the Michigan public school  
 8 employees' retirement system under the public school employees  
 9 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

10 Sec. 147e. (1) From the state school aid fund money  
 11 appropriated in section 11, there is allocated for ~~2022-2023~~ an  
 12 ~~amount not to exceed \$62,000,000.00, and there is allocated for~~  
 13 ~~2023-2024~~ **2024-2025** an amount not to exceed ~~\$90,400,000.00~~  
 14 **\$104,700,000.00** for payments to participating entities.

15 (2) The payment to each participating entity under this  
 16 section is the sum of the amounts under this subsection as follows:

17 (a) An amount equal to the contributions made by a  
 18 participating entity for the additional contribution made to a  
 19 qualified participant's Tier 2 account in an amount equal to the  
 20 contribution made by the qualified participant not to exceed 3% of  
 21 the qualified participant's compensation as provided for under  
 22 section 131(6) of the public school employees retirement act of  
 23 1979, 1980 PA 300, MCL 38.1431.

24 (b) Beginning October 1, 2017, an amount equal to the  
 25 contributions made by a participating entity for a qualified  
 26 participant who is only a Tier 2 qualified participant under  
 27 section 81d of the public school employees retirement act of 1979,  
 28 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning  
 29 February 1, 2018, not to exceed 1%, of the qualified participant's



1 compensation.

2 (c) An amount equal to the increase in employer normal cost  
3 contributions under section 41b(2) of the public school employees  
4 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member  
5 that was hired after February 1, 2018 and chose to participate in  
6 Tier 1, compared to the employer normal cost contribution for a  
7 member under section 41b(1) of the public school employees  
8 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

9 (3) As used in this section:

10 (a) "Member" means that term as defined under the public  
11 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
12 to 38.1437.

13 (b) "Participating entity" means a district, intermediate  
14 district, or community college that is a reporting unit of the  
15 Michigan public school employees' retirement system under the  
16 public school employees retirement act of 1979, 1980 PA 300, MCL  
17 38.1301 to 38.1437, and that reports employees to the Michigan  
18 public school employees' retirement system for the applicable  
19 fiscal year.

20 (c) "Qualified participant" means that term as defined under  
21 section 124 of the public school employees retirement act of 1979,  
22 1980 PA 300, MCL 38.1424.

23 **Sec. 147g. (1) From the state school aid fund money**  
24 **appropriated in section 11, there is allocated for 2024-2025 an**  
25 **amount not to exceed \$51,634,100.00 for payments to participating**  
26 **entities to reimburse employees for costs associated with the**  
27 **health care premium subsidy benefit.**

28 (2) The amount allocated to each participating entity under  
29 this section must be based on each participating entity's



1 proportion of the total covered payroll contributing 3% of  
2 compensation for the health care premium subsidy benefit under  
3 section 43e of the public school employees retirement act of 1979,  
4 1980 PA 300, MCL 38.1343e, for the immediately preceding fiscal  
5 year.

6 (3) It is the intent of the legislature to increase the  
7 allocation under this section until the 3% contribution for the  
8 health care premium subsidy benefit described in subsection (2) is  
9 fully reimbursed.

10 (4) As used in this section, "participating entity" means a  
11 district, intermediate district, or district library that is a  
12 reporting unit of the Michigan public school employees' retirement  
13 system under the public school employees retirement act of 1979,  
14 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to  
15 the Michigan public school employees' retirement system for the  
16 applicable fiscal year.

17 Sec. 152a. (1) As required by the court in the consolidated  
18 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from  
19 the state school aid fund money appropriated in section 11, there  
20 is allocated for ~~2023-2024~~ **2024-2025** an amount not to exceed  
21 \$41,000,500.00 to be used solely for the purpose of paying  
22 necessary costs related to the state-mandated collection,  
23 maintenance, and reporting of data to this state. From this  
24 allocation, \$3,000,000.00 is allocated for costs associated with  
25 collecting data necessary to provide reporting to tribal  
26 governments on the status of students affiliated with their  
27 particular tribe and data necessary to determine student  
28 participation in federal programs funded under 20 USC 7401 to 7546  
29 and participation in federal programs funded under the Johnson-



1 O'Malley Supplemental Indian Education Program Modernization Act,  
2 Public Law 115-404.

3 (2) From the allocation in subsection (1), the department  
4 shall make payments to districts and intermediate districts in an  
5 equal amount per pupil based on the total number of pupils in  
6 membership in each district and intermediate district. The  
7 department shall not make any adjustment to these payments after  
8 the final installment payment under section 17b is made.

9 Sec. 163. (1) Except as otherwise provided in the revised  
10 school code, the board of a district or intermediate district shall  
11 not permit any of the following:

12 (a) An individual who is not appropriately placed under a  
13 valid certificate, valid substitute permit, authorization, or  
14 approval issued under rules promulgated by the department to teach  
15 in an elementary or secondary school.

16 (b) An individual who does not satisfy the requirements of  
17 section 1233 of the revised school code, MCL 380.1233, and rules  
18 promulgated by the department to provide school counselor services  
19 to pupils in an elementary or secondary school.

20 (c) An individual who does not satisfy the requirements of  
21 section 1246 of the revised school code, MCL 380.1246, and rules  
22 promulgated by the department to be employed as a superintendent,  
23 principal, or assistant principal, or as an individual whose  
24 primary responsibility is to administer instructional programs in  
25 an elementary or secondary school or in a district or intermediate  
26 district, unless the individual is working under a valid substitute  
27 permit issued under rules promulgated by the department.

28 ~~(2) Except as otherwise provided in the revised school code,~~  
29 ~~this subsection, or subsection (4) or (7), a district or~~



1 ~~intermediate district employing an individual in violation of this~~  
 2 ~~section before July 1, 2021 must have deducted an amount equal to~~  
 3 ~~the amount paid to the individual for the period of employment that~~  
 4 ~~is in violation of this section. Except as otherwise provided under~~  
 5 ~~subsection (4) or (7), (5), a district or intermediate district~~  
 6 ~~employing an individual in violation of this section ~~on or after~~~~  
 7 ~~July 1, 2021 must have deducted an amount equal to 50% of the~~  
 8 ~~amount paid to the individual for the period of employment that is~~  
 9 ~~in violation of this section. Except as otherwise provided under~~  
 10 ~~subsection (4) **or (5), beginning July 1, 2021,** if a district or~~  
 11 ~~intermediate district is notified by the department that it is~~  
 12 ~~employing an individual in violation of this section and it~~  
 13 ~~continues to employ the individual in violation of this section 10~~  
 14 ~~business days after receiving the notification, both of the~~  
 15 ~~following apply:~~

16 (a) The district or intermediate district must have deducted  
 17 an amount equal to 50% of the amount paid to the individual for the  
 18 period of employment that is in violation of this section that  
 19 occurs before the expiration of the 10-day period described in this  
 20 subsection.

21 (b) The district or intermediate district must have deducted  
 22 an amount equal to 100% of the amount paid to the individual for  
 23 the period of employment that is in violation of this section that  
 24 occurs after the 10-day period described in this subsection.

25 (3) For purposes of subsection (2), if a district or  
 26 intermediate district on behalf of an individual or an individual  
 27 successfully completes the credential application process through  
 28 the department, including the submission of an appropriate  
 29 application, required fees, and all required supporting



1 documentation, the individual's employment with the district or  
 2 intermediate district after this completion is not considered a  
 3 period of employment that is in violation of this section.

4 (4) A deduction under subsection (2) for employment in  
 5 violation of this section ~~that occurs on or after July 1, 2021,~~ may  
 6 be less than the amount required under that subsection if the  
 7 superintendent of public instruction finds that the district or  
 8 intermediate district was hindered in its ability to obtain a  
 9 substitute credential to enable the district or intermediate  
 10 district to employ the individual in compliance with this section  
 11 due to unusual and extenuating circumstances resulting from  
 12 conditions not within the control of school authorities, including,  
 13 but not limited to, a natural disaster, death or serious illness of  
 14 the individual or another employee, an emergency school closure,  
 15 fraud or other intentional wrongdoing of the individual or another  
 16 employee, or an emergency health condition as defined by city,  
 17 county, or state health authorities.

18 (5) ~~For~~ **There must be no deduction under subsection (2) for**  
 19 employment of an individual in violation of this section that  
 20 ~~occurs on or after July 1, 2021, upon request by a district or~~  
 21 ~~intermediate district, the department shall credit the amount of an~~  
 22 ~~adjustment in payments under section 15 that is based on the~~  
 23 ~~employment of the individual that gave rise to the deduction under~~  
 24 ~~subsection (2) or (4) against the amount of the deduction under~~  
 25 ~~subsection (2) or (4). The amount of the credit under this~~  
 26 ~~subsection must not be in an amount that is greater than the~~  
 27 ~~deduction assessed under subsection (2) or (4).~~ **if there is a**  
 28 **membership adjustment under section 15 based on the same**  
 29 **employment.**



1 (6) If a school official is notified by the department that  
 2 the school official is employing an individual in violation of this  
 3 section and knowingly continues to employ that individual, the  
 4 school official is guilty of a misdemeanor punishable by a fine of  
 5 \$1,500.00 for each incident. This penalty is in addition to all  
 6 other financial penalties otherwise specified in this article.

7 ~~(7) There must be no deduction under subsection (2) for a~~  
 8 ~~period of employment in violation of this section that occurs~~  
 9 ~~between July 1, 2020 and June 30, 2021.~~

10 **Sec. 164j. A district or intermediate district shall not use**  
 11 **funds appropriated under this article to pay for litigation or**  
 12 **legal services in regard to disputes arising out of alleged**  
 13 **violations of section 15 of 1947 PA 336, MCL 423.215. If a district**  
 14 **or intermediate district violates this section in a fiscal year,**  
 15 **the district or intermediate district forfeits from its funds due**  
 16 **under this article for that fiscal year an amount equal to the**  
 17 **expenses paid in violation of this section.**

18 Enacting section 1. In accordance with section 30 of article  
 19 IX of the state constitution of 1963, total state spending on  
 20 school aid under article I of the state school aid act of 1979,  
 21 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2023 PA 103,  
 22 2023 PA 320, and this amendatory act from state sources for fiscal  
 23 year 2023-2024 is estimated at \$19,349,157,800.00 and state  
 24 appropriations for school aid to be paid to local units of  
 25 government for fiscal year 2023-2024 are estimated at  
 26 \$17,641,328,800.00. In accordance with section 30 of article IX of  
 27 the state constitution of 1963, total state spending on school aid  
 28 under article I of the state school aid act of 1979, 1979 PA 94,  
 29 MCL 388.1601 to 388.1772, as amended by this amendatory act, from



1 state sources for fiscal year 2024-2025 is estimated at  
 2 \$18,242,306,100.00 and state appropriations for school aid to be  
 3 paid to local units of government for fiscal year 2024-2025 are  
 4 estimated at \$16,639,047,000.00.

5 Enacting section 2. Sections 11v, 11w, 11y, 11aa, 12a, 12c,  
 6 22c, 23h, 25k, 27h, 27i, 27j, 27k, 27l, 27n, 27q, 31k, 31r, 31ff,  
 7 32t, 32v, 32w, 32x, 35f, 35i, 35l, 41b, 61j, 61k, 61l, 61m, 61n,  
 8 61o, 61p, 61q, 61r, 61t, 61u, 67c, 67g, 74b, 97e, 97g, 97j, 97l,  
 9 99f, 99m, 99n, 99ee, 99ff, 99ii, 99jj, 99kk, 99ll, 104f, 104i, 107a,  
 10 147f, 152b, and 164h of the state school aid act of 1979, 1979 PA  
 11 94, MCL 388.1611v, 388.1611w, 388.1611y, 388.1611aa, 388.1612a,  
 12 388.1612c, 388.1622c, 388.1623h, 388.1625k, 388.1627h, 388.1627i,  
 13 388.1627j, 388.1627k, 388.1627l, 388.1627n, 388.1627q, 388.1631k,  
 14 388.1631r, 388.1631ff, 388.1632t, 388.1632v, 388.1632w, 388.1632x,  
 15 388.1635f, 388.1635i, 388.1635l, 388.1641b, 388.1661j, 388.1661k,  
 16 388.1661l, 388.1661m, 388.1661n, 388.1661o, 388.1661p, 388.1661q,  
 17 388.1661r, 388.1661t, 388.1661u, 388.1667c, 388.1667g, 388.1674b,  
 18 388.1697e, 388.1697g, 388.1697j 388.1697l, 388.1699f, 388.1699m,  
 19 388.1699n, 388.1699ee, 388.1699ff, 388.1699ii, 388.1699jj,  
 20 388.1699kk, 388.1699ll, 388.1704f, 388.1704i, 388.1707a, 388.1747f,  
 21 388.1752b, and 388.1764h, are repealed effective October 1, 2024.

22 Enacting section 3. (1) Sections 11, 22a, 22b, 23g, 26c, 30d,  
 23 31a, 33, 35j, 51a, 51c, 51e, 56, 62, 94e, and 99 of the state  
 24 school aid act of 1979, 1979 PA 94, MCL 388.1611, 388.1622a,  
 25 388.1622b, 388.1623g, 388.1626c, 388.1630d, 388.1631a, 388.1633,  
 26 388.1635j, 388.1651a, 388.1651c, 388.1651e, 388.1651h, 388.1656,  
 27 and 388.1662, as amended and sections 51h, 94e, and 99 of the state  
 28 school aid act of 1979, 1979 PA 94, as added by this amendatory  
 29 act, if granted immediate effect pursuant to section 27 of article



1 IV of the state constitution of 1963, take effect on enactment of  
2 this amendatory act.

3 (2) Except as otherwise provided for those sections listed in  
4 subsection (1), the remaining sections of this amendatory act take  
5 effect October 1, 2024.

