

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 927, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 11, 17b, 201, and 236 (MCL 388.1611, 388.1617b, 388.1801, and 388.1836), sections 11 and 236 as amended by 2019 PA 162, section 17b as amended by 2007 PA 137, and section 201 as amended by 2019 PA 52.

Recommends:

First: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

(attachment)

Second: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 2, 3, 6, 11, 11a, 11d, 11j, 11k, 11m, 11p, 11s, 15, 17c, 18, 18a, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 98a, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, 152a, 152b, 163, 201, 202a, 203, 205, 206, 207a, 207b, 207c, 209, 209a, 217, 222, 223, 226, 229, 229a, 230, 236, 236b, 236c, 237b, 238, 241, 242, 245, 245a, 256, 263, 264, 265, 265b, 267, 268, 269, 270, 275, 276, 277, 278, 279, 280, 281, 282, 289, and 296 (MCL 388.1602, 388.1603, 388.1606, 388.1611, 388.1611a, 388.1611d, 388.1611j, 388.1611k, 388.1611m, 388.1611p, 388.1611s, 388.1615, 388.1617c, 388.1618, 388.1618a, 388.1620, 388.1620d, 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a,



388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1698a, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1763, 388.1801, 388.1802a, 388.1803, 388.1805, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1817, 388.1822, 388.1823, 388.1826, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1837b, 388.1838, 388.1841, 388.1842, 388.1845, 388.1845a, 388.1856, 388.1863, 388.1864, 388.1865, 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870, 388.1875, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1889, and 388.1896), section 2 as amended by 2018 PA 227, sections 3, 203, 222, 223, 237b, and 275 as amended by 2017 PA 108, sections 6, 11p, and 104 as amended by 2020 PA 149, sections 11, 11m, 20, 22a, 22b, 26c, 31j, 32d, 51a, 51c, 61a, 94a, 95b, 99h, 147c, 147e, 201, 236, and 256 as amended by 2020 PA 146, sections 11a, 11j, 11k, 11s, 15, 18, 20d, 20f, 21h, 22m, 22p, 24, 24a, 26a, 26b, 31d, 31f, 31n, 32p, 39, 39a, 41, 51d, 53a, 54, 54b, 56, 61b, 61d, 62, 65, 67, 74, 81, 94, 98, 99s, 107, 147, 147a, and 152a as amended by 2019 PA 58, section 11d as added by 2020 PA 146, sections 17c, 35b, and 99u as amended by 2018 PA 586, section 18a as amended by 2015 PA 85, sections 22d, 25f, 25g, 31a, and 35a as amended by 2019 PA 162, section 54d as amended and sections 28 and 51f as added by 2019 PA 58, sections 55, 99t, 152b, 226, and 229 as amended by 2018 PA 265, section 98a as added by 2020 PA 149, sections 99w and 99x as added by 2018 PA 586, section 101 as amended by 2020 PA 148, sections 105 and 105c as amended by 2008 PA 268, section 163 as amended by 2018 PA 266, section 202a as amended by 2016 PA 249, sections 205, 238, and 242 as amended by 2012 PA 201, sections 206, 207a, 207b, 207c, 209, 209a, 217, 229a, and 230 as amended by 2019 PA 52, sections 236b, 236c, 241, 245, 245a, 263, 264, 265, 265b, 267, 268, 269, 270, 276, 277, 278, 279, 280, 281, 282, and 289 as amended by 2019 PA 62, and section 296 as added by 2011 PA 62, and by adding sections 25i, 25j, 29a, 31k, 35d, 35e, 35f, 67a, 94b, 98d, 99i, 99z, 104f, 104g, 226a, 226b, 226d, 226e, 259, 260, 270b, 270c, 275f, 275g, 275h, 275i, and 281a; and to repeal acts and parts of acts.



Jim Stamas

Shane Hernandez

Wayne A. Schmidt

Aaron Miller

Curtis Hertel, Jr.

Jon Hoadley

Conferees for the Senate

Conferees for the House





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**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 927**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 2, 3, 6, 11, 11a, 11d, 11j, 11k, 11m, 11p,
11s, 15, 17c, 18, 18a, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p,
24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d,
32p, 35a, 35b, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d,
55, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 95b, 98, 98a,
99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a,
147c, 147e, 152a, 152b, 163, 201, 202a, 203, 205, 206, 207a, 207b,
207c, 209, 209a, 217, 222, 223, 226, 229, 229a, 230, 236, 236b,
236c, 237b, 238, 241, 242, 245, 245a, 256, 263, 264, 265, 265b,
267, 268, 269, 270, 275, 276, 277, 278, 279, 280, 281, 282, 289,
and 296 (MCL 388.1602, 388.1603, 388.1606, 388.1611, 388.1611a,



388.1611d, 388.1611j, 388.1611k, 388.1611m, 388.1611p, 388.1611s,
 388.1615, 388.1617c, 388.1618, 388.1618a, 388.1620, 388.1620d,
 388.1620f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m,
 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a,
 388.1626b, 388.1626c, 388.1628, 388.1631a, 388.1631d, 388.1631f,
 388.1631j, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b,
 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d,
 388.1651f, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655,
 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662, 388.1665,
 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b,
 388.1698, 388.1698a, 388.1699h, 388.1699s, 388.1699t, 388.1699u,
 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1705, 388.1705c,
 388.1707, 388.1747, 388.1747a, 388.1747c, 388.1747e, 388.1752a,
 388.1752b, 388.1763, 388.1801, 388.1802a, 388.1803, 388.1805,
 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a,
 388.1817, 388.1822, 388.1823, 388.1826, 388.1829, 388.1829a,
 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1837b, 388.1838,
 388.1841, 388.1842, 388.1845, 388.1845a, 388.1856, 388.1863,
 388.1864, 388.1865, 388.1865b, 388.1867, 388.1868, 388.1869,
 388.1870, 388.1875, 388.1876, 388.1877, 388.1878, 388.1879,
 388.1880, 388.1881, 388.1882, 388.1889, and 388.1896), section 2 as
 amended by 2018 PA 227, sections 3, 203, 222, 223, 237b, and 275 as
 amended by 2017 PA 108, sections 6, 11p, and 104 as amended by 2020
 PA 149, sections 11, 11m, 20, 22a, 22b, 26c, 31j, 32d, 51a, 51c,
 61a, 94a, 95b, 99h, 147c, 147e, 201, 236, and 256 as amended by
 2020 PA 146, sections 11a, 11j, 11k, 11s, 15, 18, 20d, 20f, 21h,
 22m, 22p, 24, 24a, 26a, 26b, 31d, 31f, 31n, 32p, 39, 39a, 41, 51d,
 53a, 54, 54b, 56, 61b, 61d, 62, 65, 67, 74, 81, 94, 98, 99s, 107,
 147, 147a, and 152a as amended by 2019 PA 58, section 11d as added



by 2020 PA 146, sections 17c, 35b, and 99u as amended by 2018 PA 586, section 18a as amended by 2015 PA 85, sections 22d, 25f, 25g, 31a, and 35a as amended by 2019 PA 162, section 54d as amended and sections 28 and 51f as added by 2019 PA 58, sections 55, 99t, 152b, 226, and 229 as amended by 2018 PA 265, section 98a as added by 2020 PA 149, sections 99w and 99x as added by 2018 PA 586, section 101 as amended by 2020 PA 148, sections 105 and 105c as amended by 2008 PA 268, section 163 as amended by 2018 PA 266, section 202a as amended by 2016 PA 249, sections 205, 238, and 242 as amended by 2012 PA 201, sections 206, 207a, 207b, 207c, 209, 209a, 217, 229a, and 230 as amended by 2019 PA 52, sections 236b, 236c, 241, 245, 245a, 263, 264, 265, 265b, 267, 268, 269, 270, 276, 277, 278, 279, 280, 281, 282, and 289 as amended by 2019 PA 62, and section 296 as added by 2011 PA 62, and by adding sections 25i, 25j, 29a, 31k, 35d, 35e, 35f, 67a, 94b, 98d, 99i, 99z, 104f, 104g, 226a, 226b, 226d, 226e, 259, 260, 270b, 270c, 275f, 275g, 275h, 275i, and 281a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this article ~~,and~~ article IV ~~,and article~~
 2 ~~V,~~the words and phrases defined in sections 3 to 6 have the
 3 meanings ascribed to them in those sections.

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

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

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



1 (4) "Community district" means a school district organized
2 under part 5b of the revised school code.

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

10 (6) "Department", except ~~in section 107,~~ **as otherwise provided**
11 **in this article**, means the department of education.

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

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

29 (9) "District superintendent" means the superintendent of a



1 district or the chief administrator of a public school academy.

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

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

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



1 (4) "Membership", except as otherwise provided in this
 2 subsection ~~and or~~ this article, means for a district, a public
 3 school academy, or an intermediate district the sum of the product
 4 of .90 times the number of full-time equated pupils in grades K to
 5 12 actually enrolled and in regular daily attendance in the
 6 district, public school academy, or intermediate district on the
 7 pupil membership count day for the current school year, plus the
 8 product of .10 times the final audited count from the supplemental
 9 count day of full-time equated pupils in grades K to 12 actually
 10 enrolled and in regular daily attendance in the district, public
 11 school academy, or intermediate district for the immediately
 12 preceding school year. A district's, public school academy's, or
 13 intermediate district's membership is adjusted as provided under
 14 section 25e for pupils who enroll after the pupil membership count
 15 day in a strict discipline academy operating under sections 1311b
 16 to 1311m of the revised school code, MCL 380.1311b to 380.1311m.
 17 ~~However, except as otherwise provided in this subsection, for a~~
 18 ~~community district, membership means the sum of the product of .90~~
 19 ~~times the number of full-time equated pupils in grades K to 12~~
 20 ~~actually enrolled and in regular daily attendance in the community~~
 21 ~~district on the pupil membership count day for the current school~~
 22 ~~year, plus the product of .10 times the final audited count from~~
 23 ~~the supplemental count day of full-time equated pupils in grades K~~
 24 ~~to 12 actually enrolled and in regular daily attendance in the~~
 25 ~~community district for the immediately preceding school year. For~~
 26 2020-2021 only, membership means for a district, a public school
 27 academy, **or** an intermediate district, ~~or a community district,~~ the
 28 sum of the product of .75 times the district's, public school
 29 academy's, **or** intermediate district's ~~, or community district's~~



1 2019-2020 membership as calculated under this section in 2019-2020
2 and the product of .25 times [the sum of (the product of .90 times
3 the number of full-time equated pupils engaged in pandemic learning
4 for fall 2020 or, for a public school academy that operates as a
5 cyber school, as that term is defined in section 551 of the revised
6 school code, MCL 380.551, the number of full-time equated pupils in
7 grades K to 12 actually enrolled and in regular daily attendance in
8 the public school academy on pupil membership count day **for the**
9 **current school year**) and (the product of .10 times the final
10 audited count from the supplemental count day of full-time equated
11 pupils in grades K to 12 actually enrolled and in regular daily
12 attendance in the district, public school academy, **or** intermediate
13 district ~~, or community district~~ for the immediately preceding
14 school year)]. All pupil counts used in this subsection are as
15 determined by the department and calculated by adding the number of
16 pupils registered for attendance plus pupils received by transfer
17 and minus pupils lost as defined by rules promulgated by the
18 superintendent, and as corrected by a subsequent department audit.
19 The amount of the foundation allowance for a pupil in membership is
20 determined under section 20. In making the calculation of
21 membership, all of the following, as applicable, apply to
22 determining the membership of a district, a public school academy,
23 or an intermediate district:

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

29 (b) If a pupil is educated in a district other than the



1 pupil's district of residence, if the pupil is not being educated
2 as part of a cooperative education program, if the pupil's district
3 of residence does not give the educating district its approval to
4 count the pupil in membership in the educating district, and if the
5 pupil is not covered by an exception specified in subsection (6) to
6 the requirement that the educating district must have the approval
7 of the pupil's district of residence to count the pupil in
8 membership, the pupil is not counted in membership in any district.

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

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

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

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

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

28 (h) For the purposes of this section and section 6a, for a
29 cyber school, as that term is defined in section 551 of the revised



1 school code, MCL 380.551, that is in compliance with section 553a
2 of the revised school code, MCL 380.553a, a pupil's participation
3 in the cyber school's educational program is considered regular
4 daily attendance, and for a district or public school academy, a
5 pupil's participation in a virtual course as that term is defined
6 in section 21f is considered regular daily attendance. For the
7 purposes of this subdivision, for a pupil enrolled in a cyber
8 school and utilizing sequential learning, participation means that
9 term as defined in the pupil accounting manual, section 5-o-d:
10 requirements for counting pupils in membership-subsection 10.

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

14 (i) Except as otherwise provided in this subparagraph, if
15 operations begin before the pupil membership count day for the
16 fiscal year, membership is the average number of full-time equated
17 pupils in grades K to 12 actually enrolled and in regular daily
18 attendance on the pupil membership count day for the current school
19 year and on the supplemental count day for the current school year,
20 as determined by the department and calculated by adding the number
21 of pupils registered for attendance on the pupil membership count
22 day plus pupils received by transfer and minus pupils lost as
23 defined by rules promulgated by the superintendent, and as
24 corrected by a subsequent department audit, plus the final audited
25 count from the supplemental count day for the current school year,
26 and dividing that sum by 2. However, for 2020-2021 only, if
27 operations begin before the pupil membership count day for the
28 fiscal year, except for a public school academy that operates as a
29 cyber school, as that term is defined in section 551 of the revised



1 school code, MCL 380.551, membership is the average number of full-
2 time equated pupils engaged in pandemic learning for fall 2020 and
3 full-time equated pupils engaged in pandemic learning for spring
4 2021, as that term is defined in section 6a, as determined by the
5 department and calculated by adding the number of pupils registered
6 for attendance on the pupil membership count day plus pupils
7 received by transfer and minus pupils lost as defined by rules
8 promulgated by the superintendent, and as corrected by a subsequent
9 department audit, plus the final audited count from the
10 supplemental count day for the current school year, and dividing
11 that sum by 2.

12 (ii) If operations begin after the pupil membership count day
13 for the fiscal year and not later than the supplemental count day
14 for the fiscal year, membership is the final audited count of the
15 number of full-time equated pupils in grades K to 12 actually
16 enrolled and in regular daily attendance on the supplemental count
17 day for the current school year, but, for 2020-2021 only, except
18 for a public school academy that operates as a cyber school, as
19 that term is defined in section 551 of the revised school code, MCL
20 380.551, membership is the final audited count of the number of
21 full-time equated pupils engaged in pandemic learning for spring
22 2021, as that term is defined in section 6a.

23 (j) If a district is the authorizing body for a public school
24 academy, then, in the first school year in which pupils are counted
25 in membership on the pupil membership count day in the public
26 school academy, the determination of the district's membership
27 excludes from the district's pupil count for the immediately
28 preceding supplemental count day any pupils who are counted in the
29 public school academy on that first pupil membership count day who



1 were also counted in the district on the immediately preceding
2 supplemental count day.

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

7 (l) To be counted in membership, a pupil must meet the minimum
8 age requirement to be eligible to attend school under section 1147
9 of the revised school code, MCL 380.1147, or must be enrolled under
10 subsection (3) of that section, and must be less than 20 years of
11 age on September 1 of the school year except as follows:

12 (i) A special education pupil who is enrolled and receiving
13 instruction in a special education program or service approved by
14 the department, who does not have a high school diploma, and who is
15 less than 26 years of age as of September 1 of the current school
16 year is counted in membership.

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

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

23 (B) Had dropped out of school.

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

26 (iii) If a child does not meet the minimum age requirement to be
27 eligible to attend school for that school year under section 1147
28 of the revised school code, MCL 380.1147, but will be 5 years of
29 age not later than December 1 of that school year, the district may



1 count the child in membership for that school year if the parent or
2 legal guardian has notified the district in writing that he or she
3 intends to enroll the child in kindergarten for that school year.

4 (m) An individual who has achieved a high school diploma is
5 not counted in membership. An individual who has achieved a high
6 school equivalency certificate is not counted in membership unless
7 the individual is a student with a disability as that term is
8 defined in R 340.1702 of the Michigan Administrative Code. An
9 individual participating in a job training program funded under
10 former section 107a or a jobs program funded under former section
11 107b, administered by the department of labor and economic
12 opportunity, or participating in any successor of either of those 2
13 programs, is not counted in membership.

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

26 (i) If the public school academy provides instruction for at
27 least 1/2 of the class hours required under section 101, the public
28 school academy receives as its prorated share of the full-time
29 equated membership for each of those pupils an amount equal to 1



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

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

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

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

24 (q) The number of class hours used to calculate full-time
25 equated memberships must be consistent with section 101. In
26 determining full-time equated memberships for pupils who are
27 enrolled in a postsecondary institution or for pupils engaged in an
28 internship or work experience under section 1279h of the revised
29 school code, MCL 380.1279h, a pupil is not considered to be less



1 than a full-time equated pupil solely because of the effect of his
2 or her postsecondary enrollment or engagement in the internship or
3 work experience, including necessary travel time, on the number of
4 class hours provided by the district to the pupil.

5 (r) Full-time equated memberships for pupils in kindergarten
6 are determined by dividing the number of instructional hours
7 scheduled and provided per year per kindergarten pupil by the same
8 number used for determining full-time equated memberships for
9 pupils in grades 1 to 12. However, to the extent allowable under
10 federal law, for a district or public school academy that provides
11 evidence satisfactory to the department that it used federal title
12 I money in the 2 immediately preceding school fiscal years to fund
13 full-time kindergarten, full-time equated memberships for pupils in
14 kindergarten are determined by dividing the number of class hours
15 scheduled and provided per year per kindergarten pupil by a number
16 equal to 1/2 the number used for determining full-time equated
17 memberships for pupils in grades 1 to 12. The change in the
18 counting of full-time equated memberships for pupils in
19 kindergarten that took effect for 2012-2013 is not a mandate.

20 (s) For a district or a public school academy that has pupils
21 enrolled in a grade level that was not offered by the district or
22 public school academy in the immediately preceding school year, the
23 number of pupils enrolled in that grade level to be counted in
24 membership is the average of the number of those pupils enrolled
25 and in regular daily attendance on the pupil membership count day
26 and the supplemental count day of the current school year, but, for
27 2020-2021 only, except for a public school academy that operates as
28 a cyber school, as that term is defined in section 551 of the
29 revised school code, MCL 380.551, the number of pupils enrolled in



1 that grade level to be counted in membership is the average of the
2 number of those pupils engaged in pandemic learning for fall 2020
3 and the number of those pupils engaged in pandemic learning for
4 spring 2021, as that term is defined in section 6a, as determined
5 by the department. Membership is calculated by adding the number of
6 pupils registered for attendance in that grade level on the pupil
7 membership count day plus pupils received by transfer and minus
8 pupils lost as defined by rules promulgated by the superintendent,
9 and as corrected by subsequent department audit, plus the final
10 audited count from the supplemental count day for the current
11 school year, and dividing that sum by 2.

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

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



1 (i) The district provides at least 2 nonconsecutive hours of
2 instruction per week to the pupil at the pupil's home or otherwise
3 apart from the general school population under the supervision of a
4 certificated teacher.

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

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

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

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

19 (w) For a public school academy that has been in operation for
20 at least 2 years and that suspended operations for at least 1
21 semester and is resuming operations, membership is the sum of the
22 product of .90 times the number of full-time equated pupils in
23 grades K to 12 actually enrolled and in regular daily attendance on
24 the first pupil membership count day or supplemental count day,
25 whichever is first, occurring after operations resume, plus the
26 product of .10 times the final audited count from the most recent
27 pupil membership count day or supplemental count day that occurred
28 before suspending operations, as determined by the superintendent,
29 but, for 2020-2021 only, except for a public school academy that



1 operates as a cyber school, as that term is defined in section 551
2 of the revised school code, MCL 380.551, membership is the sum of
3 the product of .90 times the number of full-time equated pupils
4 engaged in pandemic learning for fall 2020 or the number of full-
5 time equated pupils engaged in pandemic learning for spring 2021,
6 as that term is defined in section 6a, whichever applies first
7 after operations resume, plus the product of .10 times the final
8 audited count from the most recent pupil membership count day or
9 supplemental count day that occurred before suspending operations,
10 as determined by the superintendent.

11 (x) If a district's membership for a particular fiscal year,
12 as otherwise calculated under this subsection, would be less than
13 1,550 pupils, ~~and~~ the district has 4.5 or fewer pupils per square
14 mile, as determined by the department, and ~~if~~ the district does not
15 receive funding under section 22d(2), the district's membership is
16 considered to be the membership figure calculated under this
17 subdivision. If a district educates and counts in its membership
18 pupils in grades 9 to 12 who reside in a contiguous district that
19 does not operate grades 9 to 12 and if 1 or both of the affected
20 districts request the department to use the determination allowed
21 under this sentence, the department shall include the square
22 mileage of both districts in determining the number of pupils per
23 square mile for each of the districts for the purposes of this
24 subdivision. **If a district has established a community engagement**
25 **advisory committee in partnership with the department of treasury,**
26 **is required to submit a deficit elimination plan or an enhanced**
27 **deficit elimination plan under section 1220 of the revised school**
28 **code, MCL 380.1220, and is located in a city with a population**
29 **between 9,000 and 11,000 that is in a county with a population**



1 **between 155,000 and 160,000, the district's membership is**
2 **considered to be the membership figure calculated under this**
3 **subdivision.** The membership figure calculated under this
4 subdivision is the greater of the following:

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

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

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

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

27 (aa) For the first year in which a pupil is counted in
28 membership on the pupil membership count day in a middle college
29 program, the membership is the average of the full-time equated



1 membership on the pupil membership count day and on the
2 supplemental count day for the current school year, as determined
3 by the department. If a pupil described in this subdivision was
4 counted in membership by the operating district on the immediately
5 preceding supplemental count day, the pupil is excluded from the
6 district's immediately preceding supplemental count for the
7 purposes of determining the district's membership.

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

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

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



1 pupil as being in full attendance for a month unless both of the
2 following are met:

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

6 (ii) The pupil meets the district's definition under section
7 23a of satisfactory monthly progress for that month or, if the
8 pupil does not meet that definition of satisfactory monthly
9 progress for that month, the pupil did meet that definition of
10 satisfactory monthly progress in the immediately preceding month
11 and appropriate interventions are implemented within 10 school days
12 after it is determined that the pupil does not meet that definition
13 of satisfactory monthly progress.

14 (ee) A pupil participating in a virtual course under section
15 21f is counted in membership in the district enrolling the pupil.

16 (ff) If a public school academy that is not in its first or
17 second year of operation closes at the end of a school year and
18 does not reopen for the next school year, the department shall
19 adjust the membership count of the district or other public school
20 academy in which a former pupil of the closed public school academy
21 enrolls and is in regular daily attendance for the next school year
22 to ensure that the district or other public school academy receives
23 the same amount of membership aid for the pupil as if the pupil
24 were counted in the district or other public school academy on the
25 supplemental count day of the preceding school year.

26 (gg) If a special education pupil is expelled under section
27 1311 or 1311a of the revised school code, MCL 380.1311 and
28 380.1311a, and is not in attendance on the pupil membership count
29 day because of the expulsion, and if the pupil remains enrolled in



1 the district and resumes regular daily attendance during that
2 school year, the district's membership is adjusted to count the
3 pupil in membership as if he or she had been in attendance on the
4 pupil membership count day.

5 (hh) A pupil enrolled in a community district is counted in
6 membership in the community district.

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

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

16 (i) The pupil would meet the definition of an eligible student
17 under the postsecondary enrollment options act, 1996 PA 160, MCL
18 388.511 to 388.524, if the course were an eligible course under
19 that act.

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

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



1 nonprofit degree-granting college or university.

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

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

12 (kk) A pupil enrolled in a middle college program may be
13 counted for more than a total of 1.0 full-time equated membership
14 if the pupil is enrolled in more than the minimum number of
15 instructional days and hours required under section 101 and the
16 pupil is expected to complete the 5-year program with both a high
17 school diploma and at least 60 transferable college credits or is
18 expected to earn an associate's degree in fewer than 5 years.

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

24 (i) If the district's or public school academy's membership for
25 pupils counted under section 166b equals or exceeds 5% of the
26 district's or public school academy's membership for pupils not
27 counted in membership under section 166b in the immediately
28 preceding fiscal year, then the growth in the district's or public
29 school academy's membership for pupils counted under section 166b



1 must not exceed 10%.

2 (ii) If the district's or public school academy's membership
3 for pupils counted under section 166b is less than 5% of the
4 district's or public school academy's membership for pupils not
5 counted in membership under section 166b in the immediately
6 preceding fiscal year, then the district's or public school
7 academy's membership for pupils counted under section 166b must not
8 exceed the greater of the following:

9 (A) 5% of the district's or public school academy's membership
10 for pupils not counted in membership under section 166b.

11 (B) 10% more than the district's or public school academy's
12 membership for pupils counted under section 166b in the immediately
13 preceding fiscal year.

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

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

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

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

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



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

2 (d) A pupil enrolled in a district other than the pupil's
3 district of residence under an intermediate district schools of
4 choice pilot program as described in section 91a or former section
5 91 if the intermediate district and its constituent districts have
6 been exempted from section 105.

7 (e) A pupil enrolled in a district other than the pupil's
8 district of residence if the pupil is enrolled in accordance with
9 section 105 or 105c.

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

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

28 (ii) "Serious assault" means an act that constitutes a felony
29 violation of chapter XI of the Michigan penal code, 1931 PA 328,



1 MCL 750.81 to 750.90h, or that constitutes an assault and
2 infliction of serious or aggravated injury under section 81a of the
3 Michigan penal code, 1931 PA 328, MCL 750.81a.

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

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

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

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

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

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

19 (i) A pupil enrolled in the Michigan Virtual School, for the
20 pupil's enrollment in the Michigan Virtual School.

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

27 (k) An expelled pupil who has been denied reinstatement by the
28 expelling district and is reinstated by another school board under
29 section 1311 or 1311a of the revised school code, MCL 380.1311 and



1 380.1311a.

2 (l) A pupil enrolled in a district other than the pupil's
3 district of residence in a middle college program if the pupil's
4 district of residence and the enrolling district are both
5 constituent districts of the same intermediate district.

6 (m) A pupil enrolled in a district other than the pupil's
7 district of residence who attends a United States Olympic Education
8 Center.

9 (n) A pupil enrolled in a district other than the pupil's
10 district of residence under section 1148(2) of the revised school
11 code, MCL 380.1148.

12 (o) A pupil who enrolls in a district other than the pupil's
13 district of residence as a result of the pupil's school not making
14 adequate yearly progress under the no child left behind act of
15 2001, Public Law 107-110, or the every student succeeds act, Public
16 Law 114-95.

17 However, if a district educates pupils who reside in another
18 district and if the primary instructional site for those pupils is
19 established by the educating district after 2009-2010 and is
20 located within the boundaries of that other district, the educating
21 district must have the approval of that other district to count
22 those pupils in membership.

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

25 (a) Except as provided in subdivision (b), the first Wednesday
26 in October each school year or, for a district or building in which
27 school is not in session on that Wednesday due to conditions not
28 within the control of school authorities, with the approval of the
29 superintendent, the immediately following day on which school is in



1 session in the district or building. A district is considered to be
2 in session for purposes of this subdivision when the district is
3 providing pupil instruction pursuant to an extended COVID-19
4 learning plan approved under section 98a.

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

7 (i) Fourth Wednesday in July.

8 (ii) First Wednesday in October.

9 (iii) Second Wednesday in February.

10 (iv) Fourth Wednesday in April.

11 (8) "Pupils in grades K to 12 actually enrolled and in regular
12 daily attendance" means pupils in grades K to 12 in attendance and
13 receiving instruction in all classes for which they are enrolled on
14 the pupil membership count day or the supplemental count day, as
15 applicable. Except as otherwise provided in this subsection, a
16 pupil who is absent from any of the classes in which the pupil is
17 enrolled on the pupil membership count day or supplemental count
18 day and who does not attend each of those classes during the 10
19 consecutive school days immediately following the pupil membership
20 count day or supplemental count day, except for a pupil who has
21 been excused by the district, is not counted as 1.0 full-time
22 equated membership. A pupil who is excused from attendance on the
23 pupil membership count day or supplemental count day and who fails
24 to attend each of the classes in which the pupil is enrolled within
25 30 calendar days after the pupil membership count day or
26 supplemental count day is not counted as 1.0 full-time equated
27 membership. In addition, a pupil who was enrolled and in attendance
28 in a district, intermediate district, or public school academy
29 before the pupil membership count day or supplemental count day of



1 a particular year but was expelled or suspended on the pupil
 2 membership count day or supplemental count day is only counted as
 3 1.0 full-time equated membership if the pupil resumed attendance in
 4 the district, intermediate district, or public school academy
 5 within 45 days after the pupil membership count day or supplemental
 6 count day of that particular year. A pupil not counted as 1.0 full-
 7 time equated membership due to an absence from a class is counted
 8 as a prorated membership for the classes the pupil attended. For
 9 purposes of this subsection, "class" means a period of time in 1
 10 day when pupils and ~~a certificated teacher, a teacher engaged to~~
 11 ~~teach under section 1233b of the revised school code, MCL~~
 12 ~~380.1233b, or an individual working under a valid~~ **an individual who**
 13 **is appropriately placed under a valid certificate**, substitute
 14 permit, authorization, or approval issued by the department, are
 15 together and instruction is taking place.

16 (9) "Pupils engaged in pandemic learning for fall 2020" means
 17 pupils in grades K to 12 who are enrolled in a district, excluding
 18 a district that operates as a cyber school, as that term is defined
 19 in section 551 of the revised school code, MCL 380.551, or
 20 intermediate district and to which any of the following apply:

21 (a) For a pupil who is not learning sequentially, any of the
 22 following occurs for each of the pupil's scheduled courses:

23 (i) The pupil attends a live lesson from the pupil's teacher or
 24 at least 1 of the pupil's teachers on 2020-2021 pupil membership
 25 count day.

26 (ii) The pupil logs into an online or virtual lesson or lesson
 27 activity on 2020-2021 pupil membership count day and the login can
 28 be documented by the district or intermediate district.

29 (iii) The pupil and the pupil's teacher or at least 1 of the



1 pupil's teachers engage in a subject-oriented telephone
2 conversation on 2020-2021 pupil membership count day.

3 (iv) The district or intermediate district documents that an
4 electronic mail dialogue occurred between the pupil and the pupil's
5 teacher or at least 1 of the pupil's teachers on 2020-2021 pupil
6 membership count day.

7 (b) For a pupil who is using sequential learning, any of the
8 following occurs for each of the pupil's scheduled courses:

9 (i) The pupil attends a virtual course where synchronous, live
10 instruction occurs with the pupil's teacher or at least 1 of the
11 pupil's teachers on 2020-2021 pupil membership count day and the
12 attendance is documented by the district or intermediate district.

13 (ii) The pupil completes a course assignment on 2020-2021 pupil
14 membership count day and the completion is documented by the
15 district or intermediate district.

16 (iii) The pupil completes a course lesson or lesson activity on
17 2020-2021 pupil membership count day and the completion is
18 documented by the district or intermediate district.

19 (iv) The pupil accesses an ongoing lesson that is not a login
20 on 2020-2021 pupil membership count day and the access is
21 documented by the district or intermediate district.

22 (c) At a minimum, 1 2-way interaction has occurred between the
23 pupil and the pupil's teacher or at least 1 of the pupil's teachers
24 **or another district employee who has responsibility for the pupil's**
25 **learning, grade progression, or academic progress** during the week
26 on which 2020-2021 pupil membership count day falls and during each
27 week for the 3 consecutive weeks after the week on which 2020-2021
28 pupil membership count day falls. A district may utilize 2-way
29 interactions that occur under this subdivision toward meeting the



1 requirement under section 101(3)(h). As used in this subdivision:

2 (i) "2-way interaction" means a communication that occurs
 3 between a pupil and the pupil's teacher or at least 1 of the
 4 pupil's teachers **or another district employee who has**
 5 **responsibility for the pupil's learning, grade progression, or**
 6 **academic progress**, where 1 party initiates communication and a
 7 response from the other party follows that communication, and that
 8 is relevant to course progress or course content for at least 1 of
 9 the courses in which the pupil is enrolled **or relevant to the**
 10 **pupil's overall academic progress or grade progression**. Responses,
 11 as described in this subparagraph, must be to ~~the~~ communication
 12 initiated by the teacher, **by another district employee who has**
 13 **responsibility for the pupil's learning, grade progression, or**
 14 **academic progress, or by the pupil**, and not some other action
 15 taken. The communication described in this subparagraph may occur
 16 through, but is not limited to, any of the following means:

- 17 (A) Electronic mail.
 18 (B) Telephone.
 19 (C) Instant messaging.
 20 (D) Face-to-face conversation.

21 (ii) "Week" means a period beginning on Wednesday and ending on
 22 the following Tuesday.

23 (d) The pupil has not participated in or completed an activity
 24 as described in subdivision (a), (b), or (c) and the pupil was not
 25 excused from participation or completion, but the pupil
 26 participates in or completes an activity described in subdivision
 27 (a) or (b) during the 10 consecutive school days immediately
 28 following the 2020-2021 pupil membership count day.

29 (e) The pupil has not participated in or completed an activity



1 as described in subdivision (a), (b), or (c) and the pupil was
2 excused from participation or completion, but the pupil
3 participates in or completes an activity described in subdivision
4 (a) or (b) during the 30 calendar days immediately following the
5 2020-2021 pupil membership count day.

6 (f) The pupil meets the criteria of pupils in grades K to 12
7 actually enrolled and in regular daily attendance.

8 (10) "Rule" means a rule promulgated pursuant to the
9 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
10 24.328.

11 (11) "The revised school code" means the revised school code,
12 1976 PA 451, MCL 380.1 to 380.1852.

13 (12) "School district of the first class", "first class school
14 district", and "district of the first class" mean, for the purposes
15 of this article only, a district that had at least 40,000 pupils in
16 membership for the immediately preceding fiscal year.

17 (13) "School fiscal year" means a fiscal year that commences
18 July 1 and continues through June 30.

19 (14) "State board" means the state board of education.

20 (15) "Superintendent", unless the context clearly refers to a
21 district or intermediate district superintendent, means the
22 superintendent of public instruction described in section 3 of
23 article VIII of the state constitution of 1963.

24 (16) "Supplemental count day" means the day on which the
25 supplemental pupil count is conducted under section 6a or the day
26 specified as supplemental count day under section 6a.

27 (17) "Tuition pupil" means a pupil of school age attending
28 school in a district other than the pupil's district of residence
29 for whom tuition may be charged to the district of residence.



1 Tuition pupil does not include a pupil who is a special education
 2 pupil, a pupil described in subsection (6)(c) to (o), or a pupil
 3 whose parent or guardian voluntarily enrolls the pupil in a
 4 district that is not the pupil's district of residence. A pupil's
 5 district of residence shall not require a high school tuition
 6 pupil, as provided under section 111, to attend another school
 7 district after the pupil has been assigned to a school district.

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

11 (19) "Taxable value" means the taxable value of property as
 12 determined under section 27a of the general property tax act, 1893
 13 PA 206, MCL 211.27a.

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

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

25 Sec. 11. (1) For the fiscal year ending September 30, 2020,
 26 there is appropriated for the public schools of this state and
 27 certain other state purposes relating to education the sum of
 28 ~~\$12,660,530,800.00~~ **\$12,829,470,800.00** from the state school aid
 29 fund, the sum of ~~\$273,600,000.00~~ **\$104,660,000.00** from the general



1 fund, an amount not to exceed \$75,900,000.00 from the community
 2 district education trust fund created under section 12 of the
 3 Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not to
 4 exceed \$9,717,800.00 from the talent investment fund created under
 5 section 8a of the higher education loan authority act, 1975 PA 222,
 6 MCL 390.1158a, an amount not to exceed \$31,900,000.00 from the
 7 MPERS retirement obligation reform reserve fund, and an amount not
 8 to exceed \$100.00 from the water emergency reserve fund. **For the**
 9 **fiscal year ending September 30, 2021, there is appropriated for**
 10 **the public schools of this state and certain other state purposes**
 11 **relating to education the sum of \$13,589,621,600.00 from the state**
 12 **school aid fund, the sum of \$50,964,700.00 from the general fund,**
 13 **an amount not to exceed \$77,700,000.00 from the community district**
 14 **education trust fund created under section 12 of the Michigan trust**
 15 **fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed**
 16 **\$100.00 from the water emergency reserve fund.** In addition, all
 17 available federal funds are appropriated for the fiscal ~~year~~**years**
 18 ending September 30, 2020 **and September 30, 2021.**

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

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

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

29 (2) The state treasurer may receive money or other assets from



1 any source for deposit into the school aid stabilization fund. The
2 state treasurer shall deposit into the school aid stabilization
3 fund all of the following:

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

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

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

10 (3) Money available in the school aid stabilization fund may
11 not be expended without a specific appropriation from the school
12 aid stabilization fund. Money in the school aid stabilization fund
13 must be expended only for purposes for which state school aid fund
14 money may be expended.

15 (4) The state treasurer shall direct the investment of the
16 school aid stabilization fund. The state treasurer shall credit to
17 the school aid stabilization fund interest and earnings from fund
18 investments.

19 (5) Money in the school aid stabilization fund at the close of
20 a fiscal year remains in the school aid stabilization fund and does
21 not lapse to the unreserved school aid fund balance or the general
22 fund.

23 (6) If the maximum amount appropriated under section 11 from
24 the state school aid fund for a fiscal year exceeds the amount
25 available for expenditure from the state school aid fund for that
26 fiscal year, there is appropriated from the school aid
27 stabilization fund to the state school aid fund an amount equal to
28 the projected shortfall as determined by the department of
29 treasury, but not to exceed available money in the school aid



1 stabilization fund. If the money in the school aid stabilization
2 fund is insufficient to fully fund an amount equal to the projected
3 shortfall, the state budget director shall notify the legislature
4 as required under section 296(2) and state payments in an amount
5 equal to the remainder of the projected shortfall must be prorated
6 in the manner provided under section 296(3).

7 (7) For ~~2019-2020~~, **2020-2021**, in addition to the
8 appropriations in section 11, there is appropriated from the school
9 aid stabilization fund to the state school aid fund the amount
10 necessary to fully fund the allocations under this article.

11 Sec. 11d. (1) For 2019-2020, the department shall deduct an
12 amount equal to \$175.00 per membership pupil from each district's
13 total state school aid. A district may choose to apply this
14 reduction to funding the district receives under any provision of
15 this act, other than sections 11j, 22a, 26a, 26b, 26c, 31d, 31f,
16 51a(2), 51a(11), 51c, 53a, 147c, 147e(2)(a), and 152a, even if the
17 reduction chosen by the district results in a program being reduced
18 or discontinued.

19 (2) If the department, after applying the deduction calculated
20 in subsection (1), determines that this state has overpaid the
21 amount of total state school aid to a district, the department
22 shall establish as a receivable the amount of overpayment and shall
23 recoup the amount from the district in subsequent monthly
24 apportionments of total state school aid. The full amount of
25 overpayment must be recouped within 1 fiscal year.

26 (3) If a district has pledged remaining total state school aid
27 for 2019-2020 for the fulfillment of requirements related to the
28 repayment of state aid anticipation notes or the equivalent loan
29 instrument not offered by this state, and if the district presents



1 evidence satisfactory to the department that the deduction
2 calculated in subsection (1) would cause hardship for the district
3 in fulfilling its pledged loan repayment requirements, the
4 department shall establish as a receivable in the current fiscal
5 year the amount of the deduction calculated in subsection (1) and
6 shall recoup the amount from the district in subsequent monthly
7 apportionments of total state school aid. The full amount of the
8 deduction calculated in subsection (1) must be recouped within 1
9 fiscal year.

10 **(4) From the state school aid fund money appropriated under**
11 **section 11, there is allocated for 2020-2021 an amount not to**
12 **exceed \$95,000,000.00 to provide payments to districts as provided**
13 **under this subsection. The amount of a payment under this**
14 **subsection to each district must be equal to the district's 50/50**
15 **blended membership multiplied by the quotient of \$95,000,000.00**
16 **divided by the statewide sum of each district's 50/50 blended**
17 **membership. As used in this subsection, "50/50 blended membership"**
18 **means the sum of the product of .5 times the district's 2019-2020**
19 **membership as calculated under section 6(4) in 2019-2020 and the**
20 **product of .5 times [the sum of (the product of .90 times the**
21 **number of full-time equated pupils engaged in pandemic learning for**
22 **fall 2020 or, for a district that is a public school academy that**
23 **operates as a cyber school, as that term is defined in section 551**
24 **of the revised school code, MCL 380.551, the number of full-time**
25 **equated pupils in grades K to 12 actually enrolled and in regular**
26 **daily attendance in the district on pupil membership count day for**
27 **the current school year) and (the product of .10 times the final**
28 **audited count from the supplemental count day of full-time equated**
29 **pupils in grades K to 12 actually enrolled and in regular daily**



1 attendance in the district for the immediately preceding school
2 year)].

3 (5) ~~(4)~~—As used in this section, "total state school aid"
4 means the total combined amount of all state funds allocated to a
5 district under this act, except for funds allocated to a district
6 under sections 11j, 22a, 26a, 26b, 26c, 31d, 31f, 51a(2), 51a(11),
7 51c, 53a, 147c, 147e(2)(a), and 152a.

8 Sec. 11j. From the appropriation in section 11, there is
9 allocated an amount not to exceed \$111,000,000.00 for ~~2019-2020~~
10 **2020-2021** for payments to the school loan bond redemption fund in
11 the department of treasury on behalf of districts and intermediate
12 districts. Notwithstanding section 296 or any other provision of
13 this act, funds allocated under this section are not subject to
14 proration and must be paid in full.

15 Sec. 11k. For ~~2019-2020~~, **2020-2021**, there is appropriated from
16 the general fund to the school loan revolving fund an amount equal
17 to the amount of school bond loans assigned to the Michigan finance
18 authority, not to exceed the total amount of school bond loans held
19 in reserve as long-term assets. As used in this section, "school
20 loan revolving fund" means that fund created in section 16c of the
21 shared credit rating act, 1985 PA 227, MCL 141.1066c.

22 Sec. 11m. From the appropriation in section 11, there is
23 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
24 ~~\$7,000,000.00~~ **\$11,400,000.00** for fiscal year cash-flow borrowing
25 costs solely related to the state school aid fund established ~~by~~
26 **under** section 11 of article IX of the state constitution of 1963.

27 Sec. 11p. (1) From the federal funds appropriated under
28 section 11, for 2019-2020 only, there is allocated an amount not to
29 exceed \$512,000,000.00 from the federal funding awarded to this



1 state from the coronavirus relief fund under the coronavirus aid,
2 relief, and economic security act, Public Law 116-136.

3 (2) From the funds allocated under this section, the
4 department shall pay to each district an amount equal to \$350.00
5 for each pupil in membership for 2019-2020 only.

6 (3) A district receiving funds under this section must comply
7 with all requirements corresponding to the receipt of funds under
8 the coronavirus aid, relief, and economic security act, Public Law
9 116-136, and 2 CFR part 200, as applicable, including, but not
10 limited to, any certifications, assurances, and accountability and
11 transparency provisions. The department may require any
12 documentation necessary to ensure compliance with federal
13 requirements.

14 **(4) A district receiving funds under this section must, to the**
15 **greatest extent practicable, continue to pay its employees and**
16 **contractors during the period of any disruptions or closures**
17 **related to coronavirus.**

18 (5) ~~(4)~~—Any funds received under this act and expended by a
19 district in any manner that does not adhere to the coronavirus aid,
20 relief, and economic security act, Public Law 116-136, or 2 CFR
21 part 200, as applicable, must be returned to this state. If it is
22 determined that a district receiving funds under this act ~~expends~~
23 **expended** any funds received under this act for a purpose that is
24 not consistent with the requirements of the coronavirus aid,
25 relief, and economic security act, Public Law 116-136, or 2 CFR
26 part 200, as applicable, the state budget director is authorized to
27 withhold payment of state funds, in part or in whole, payable to
28 that district from any state appropriation under this act.

29 (6) ~~(5)~~—The allocation in this section from the federal



1 funding awarded to this state from the coronavirus relief fund
 2 under the coronavirus aid, relief, and economic security act,
 3 Public Law 116-136, reduces to \$0.00 the coronavirus relief fund
 4 appropriations authorized in the same amount and for the same
 5 purpose under section 302 of 2020 PA 67.

6 Sec. 11s. (1) From the state school aid fund money
 7 appropriated in section 11, there is allocated ~~\$8,075,000.00~~
 8 **\$5,000,000.00** for ~~2019-2020-2020-2021~~ **and from the general fund**
 9 **money appropriated in section 11, there is allocated \$3,075,000.00**
 10 **for 2020-2021** for the purpose of providing services and programs to
 11 children who reside within the boundaries of a district with the
 12 majority of its territory located within the boundaries of a city
 13 for which an executive proclamation of emergency **concerning**
 14 **drinking water** is issued in the current or immediately preceding ~~3~~
 15 **5** fiscal years under the emergency management act, 1976 PA 390, MCL
 16 30.401 to 30.421. From the funding appropriated in section 11,
 17 there is allocated for ~~2019-2020-2020-2021~~ \$100.00 from the water
 18 emergency reserve fund for the purposes of this section.

19 (2) From the ~~allocation-general fund money allocated~~ in
 20 subsection (1), there is allocated to a district with the majority
 21 of its territory located within the boundaries of a city in which
 22 an executive proclamation of emergency is issued in the current or
 23 immediately preceding ~~4-5~~ fiscal years and that has at least 4,500
 24 pupils in membership for the 2016-2017 fiscal year or has at least
 25 ~~4,000-3,000~~ pupils in membership for a fiscal year after 2016-2017,
 26 an amount not to exceed \$2,425,000.00 for ~~2019-2020-2020-2021~~ for
 27 the purpose of employing school nurses, classroom aides, and school
 28 social workers. The district shall provide a report to the
 29 department in a form, manner, and frequency prescribed by the



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

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

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

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

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

15 (3) For ~~2019-2020 only,~~ **2020-2021 only**, from the allocation
16 **state school aid fund money allocated** in subsection (1), there is
17 allocated an amount not to exceed ~~\$4,000,000.00~~ **\$2,400,000.00** to an
18 intermediate district that has a constituent district described in
19 subsection (2) to provide state early intervention services for
20 children described in subsection (1) who are between age 3 and age
21 5. The intermediate district shall use these funds to provide state
22 early intervention services that are similar to the services
23 described in the early on Michigan state plan, including ensuring
24 that all children described in subsection (1) who are less than 4
25 years of age as of September 1, 2016 are assessed and evaluated at
26 least twice annually.

27 (4) From the ~~allocation~~ **state school aid fund money allocated**
28 in subsection (1), there is allocated an amount not to exceed
29 \$1,000,000.00 for ~~2019-2020~~ **2020-2021** to the intermediate district



1 described in subsection (3) to enroll children described in
2 subsection (1) in school-day great start readiness programs,
3 regardless of household income eligibility requirements contained
4 in section 32d. The department shall administer this funding
5 consistent with all other provisions that apply to great start
6 readiness programs under sections 32d and 39.

7 (5) For ~~2019-2020, 2020-2021~~, from the ~~allocation~~ **general fund**
8 **money allocated** in subsection (1), there is allocated an amount not
9 to exceed \$650,000.00 for nutritional services to children
10 described in subsection (1).

11 (6) For 2020-2021, from the state school aid fund money
12 allocated in subsection (1), there is allocated an amount not to
13 exceed \$1,600,000.00 to the intermediate district described in
14 subsection (3) for interventions and supports for students in K to
15 12 who were impacted by an executive proclamation of emergency
16 described in subsection (1) concerning drinking water. Funds under
17 this subsection must be used for behavioral supports, social
18 workers, counselors, psychologists, nursing services, including,
19 but not limited to, vision and hearing services, transportation
20 services, parental engagement, community coordination, and other
21 support services.

22 (7) ~~(6)~~—In addition to other funding allocated and
23 appropriated in this section, there is appropriated an amount not
24 to exceed \$5,000,000.00 for ~~2019-2020~~ **2020-2021** for state
25 restricted contingency funds. These contingency funds are not
26 available for expenditure until they have been transferred to a
27 section within this article under section 393(2) of the management
28 and budget act, 1984 PA 431, MCL 18.1393.

29 (8) ~~(7)~~—Notwithstanding section 17b, the department shall make



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

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

26 (2) If the result of an audit conducted by or for the
27 department affects the current fiscal year membership, the
28 department shall adjust affected payments in the current fiscal
29 year. A deduction due to an adjustment made as a result of an audit



1 conducted by or for the department, or as a result of information
2 obtained by the department from the district, an intermediate
3 district, the department of treasury, or the office of auditor
4 general, must be deducted from the district's apportionments when
5 the adjustment is finalized. At the request of the district and
6 upon the district presenting evidence satisfactory to the
7 department of the hardship, the department may grant up to an
8 additional 4 years for the adjustment and may advance payments to
9 the district otherwise authorized under this article if the
10 district would otherwise experience a significant hardship in
11 satisfying its financial obligations. However, a district that ~~has~~
12 presented satisfactory evidence of hardship and ~~is~~**was** undergoing
13 an extended adjustment during 2018-2019 may continue to use the
14 period of extended adjustment as originally granted by the
15 department.

16 (3) If, based on an audit by the department or the
17 department's designee or because of new or updated information
18 received by the department, the department determines that the
19 amount paid to a district or intermediate district under this
20 article for the current fiscal year or a prior fiscal year was
21 incorrect, the department shall make the appropriate deduction or
22 payment in the district's or intermediate district's allocation in
23 the next apportionment after the adjustment is finalized. The
24 department shall calculate the deduction or payment according to
25 the law in effect in the fiscal year in which the incorrect amount
26 was paid. If the district does not receive an allocation for the
27 fiscal year or if the allocation is not sufficient to pay the
28 amount of any deduction, the amount of any deduction otherwise
29 applicable must be satisfied from the proceeds of a loan to the



1 district under the emergency municipal loan act, 1980 PA 243, MCL
2 141.931 to 141.942, or from the proceeds of millage levied or
3 pledged under section 1211 of the revised school code, MCL
4 380.1211, as determined by the department.

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

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

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

20 (7) In addition to funds appropriated in section 11 for all
21 programs and services, there is appropriated for ~~2019-2020~~**2020-**
22 **2021** for obligations in excess of applicable appropriations an
23 amount equal to the collection of overpayments, but not to exceed
24 amounts available from overpayments.

25 Sec. 17c. (1) Except as otherwise provided under this article,
26 the department shall do both of the following for funds
27 appropriated under this article for grants distributed by the
28 department to districts, intermediate districts, and eligible
29 entities:



1 ~~(a) Not later than September 1 of each fiscal year, open the~~
 2 ~~grant application for funds appropriated for the subsequent fiscal~~
 3 ~~year. Open the grant application for funds appropriated for the~~
 4 **immediately succeeding fiscal year by not later than September 1 of**
 5 **the current fiscal year or 30 calendar days after the state school**
 6 **aid budget for the immediately succeeding fiscal year is enacted**
 7 **into law, whichever occurs later.** The department shall also provide
 8 to districts, intermediate districts, and eligible entities, and
 9 post on its publicly accessible website, the grant application and
 10 award process schedule and the list of state grants and contracts
 11 available in the ~~subsequent~~ **immediately succeeding** fiscal year.

12 ~~(b) Not later than December 1 of each fiscal year, publish~~
 13 ~~grant awards for funds appropriated in that fiscal year. Publish~~
 14 **grant awards for funds appropriated in the current fiscal year by**
 15 **not later than December 1 of the current fiscal year.**

16 ~~(2) Information for grants awarded from funds appropriated~~
 17 ~~under this article must be placed on the state board agenda in~~
 18 ~~August of the preceding fiscal year. However, this subsection does~~
 19 ~~not apply to grants awarded, directly or indirectly, from federal~~
 20 ~~funds or federal grants. Information for grants awarded from funds~~
 21 **appropriated under this article for the immediately succeeding**
 22 **fiscal year must be placed on the state board agenda in August of**
 23 **the current fiscal year or in the month immediately following the**
 24 **month in which the state school aid budget for the immediately**
 25 **succeeding fiscal year is enacted into law, whichever occurs later.**

26 Sec. 18. (1) Except as provided in another section of this
 27 article, each district or other entity shall apply the money
 28 received by the district or entity under this article to salaries
 29 and other compensation of teachers and other employees, tuition,



1 transportation, lighting, heating, ventilation, water service, the
2 purchase of textbooks, other supplies, and any other school
3 operating expenditures defined in section 7. However, not more than
4 20% of the total amount received by a district under sections 22a
5 and 22b or received by an intermediate district under section 81
6 may be transferred by the board to either the capital projects fund
7 or to the debt retirement fund for debt service. A district or
8 other entity shall not apply or take the money for a purpose other
9 than as provided in this section. The department shall determine
10 the reasonableness of expenditures and may withhold from a
11 recipient of funds under this article the apportionment otherwise
12 due upon a violation by the recipient. **A district must not be**
13 **prohibited or limited from using funds appropriated or allocated**
14 **under this article that are permitted for use for noninstructional**
15 **services to contract or subcontract with an intermediate district,**
16 **third party, or vendor for the noninstructional services.**

17 (2) A district or intermediate district shall adopt an annual
18 budget in a manner that complies with the uniform budgeting and
19 accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days
20 after a district board adopts its annual operating budget for the
21 following school fiscal year, or after a district board adopts a
22 subsequent revision to that budget, the district shall make all of
23 the following available through a link on its website homepage, or
24 may make the information available through a link on its
25 intermediate district's website homepage, in a form and manner
26 prescribed by the department:

27 (a) The annual operating budget and subsequent budget
28 revisions.

29 (b) Using data that have already been collected and submitted



1 to the department, a summary of district expenditures for the most
2 recent fiscal year for which they are available, expressed in the
3 following 2 visual displays:

4 (i) A chart of personnel expenditures, broken into the
5 following subcategories:

6 (A) Salaries and wages.

7 (B) Employee benefit costs, including, but not limited to,
8 medical, dental, vision, life, disability, and long-term care
9 benefits.

10 (C) Retirement benefit costs.

11 (D) All other personnel costs.

12 (ii) A chart of all district expenditures, broken into the
13 following subcategories:

14 (A) Instruction.

15 (B) Support services.

16 (C) Business and administration.

17 (D) Operations and maintenance.

18 (c) Links to all of the following:

19 (i) The current collective bargaining agreement for each
20 bargaining unit.

21 (ii) Each health care benefits plan, including, but not limited
22 to, medical, dental, vision, disability, long-term care, or any
23 other type of benefits that would constitute health care services,
24 offered to any bargaining unit or employee in the district.

25 (iii) The audit report of the audit conducted under subsection
26 (4) for the most recent fiscal year for which it is available.

27 (iv) The bids required under section 5 of the public employees
28 health benefit act, 2007 PA 106, MCL 124.75.

29 (v) The district's written policy governing procurement of



1 supplies, materials, and equipment.

2 (vi) The district's written policy establishing specific
3 categories of reimbursable expenses, as described in section
4 1254(2) of the revised school code, MCL 380.1254.

5 (vii) Either the district's accounts payable check register for
6 the most recent school fiscal year or a statement of the total
7 amount of expenses incurred by board members or employees of the
8 district that were reimbursed by the district for the most recent
9 school fiscal year.

10 (d) The total salary and a description and cost of each fringe
11 benefit included in the compensation package for the superintendent
12 of the district and for each employee of the district whose salary
13 exceeds \$100,000.00.

14 (e) The annual amount spent on dues paid to associations.

15 (f) The annual amount spent on lobbying or lobbying services.
16 As used in this subdivision, "lobbying" means that term as defined
17 in section 5 of 1978 PA 472, MCL 4.415.

18 (g) Any deficit elimination plan or enhanced deficit
19 elimination plan the district was required to submit under the
20 revised school code.

21 (h) Identification of all credit cards maintained by the
22 district as district credit cards, the identity of all individuals
23 authorized to use each of those credit cards, the credit limit on
24 each credit card, and the dollar limit, if any, for each
25 individual's authorized use of the credit card.

26 (i) Costs incurred for each instance of out-of-state travel by
27 the school administrator of the district that is fully or partially
28 paid for by the district and the details of each of those instances
29 of out-of-state travel, including at least identification of each



1 individual on the trip, destination, and purpose.

2 (3) For the information required under subsection (2) (a),
3 (2) (b) (i), and (2) (c), an intermediate district shall provide the
4 same information in the same manner as required for a district
5 under subsection (2).

6 (4) For the purposes of determining the reasonableness of
7 expenditures, whether a district or intermediate district has
8 received the proper amount of funds under this article, and whether
9 a violation of this article has occurred, all of the following
10 apply:

11 (a) The department shall require that each district and
12 intermediate district have an audit of the district's or
13 intermediate district's financial and pupil accounting records
14 conducted at least annually, and at such other times as determined
15 by the department, at the expense of the district or intermediate
16 district, as applicable. The audits must be performed by a
17 certified public accountant or by the intermediate district
18 superintendent, as may be required by the department, or in the
19 case of a district of the first class by a certified public
20 accountant, the intermediate superintendent, or the auditor general
21 of the city. A district or intermediate district shall retain these
22 records for the current fiscal year and from at least the 3
23 immediately preceding fiscal years.

24 (b) If a district operates in a single building with fewer
25 than 700 full-time equated pupils, if the district has stable
26 membership, and if the error rate of the immediately preceding 2
27 pupil accounting field audits of the district is less than 2%, the
28 district may have a pupil accounting field audit conducted
29 biennially but must continue to have desk audits for each pupil



1 count. The auditor must document compliance with the audit cycle in
2 the pupil auditing manual. As used in this subdivision, "stable
3 membership" means that the district's membership for the current
4 fiscal year varies from the district's membership for the
5 immediately preceding fiscal year by less than 5%.

6 (c) A district's or intermediate district's annual financial
7 audit must include an analysis of the financial and pupil
8 accounting data used as the basis for distribution of state school
9 aid.

10 (d) The pupil and financial accounting records and reports,
11 audits, and management letters are subject to requirements
12 established in the auditing and accounting manuals approved and
13 published by the department.

14 (e) All of the following ~~shall~~**must** be done not later than
15 November 1 each year for reporting the prior fiscal year data:

16 (i) A district shall file the annual financial audit reports
17 with the intermediate district and the department.

18 (ii) The intermediate district shall file the annual financial
19 audit reports for the intermediate district with the department.

20 (iii) The intermediate district shall enter the pupil membership
21 audit reports for its constituent districts and for the
22 intermediate district, for the pupil membership count day and
23 supplemental count day, in the Michigan student data system.

24 (f) The annual financial audit reports and pupil accounting
25 procedures reports must be available to the public in compliance
26 with the freedom of information act, 1976 PA 442, MCL 15.231 to
27 15.246.

28 (g) Not later than January 31 of each year, the department
29 shall notify the state budget director and the legislative



1 appropriations subcommittees responsible for review of the school
2 aid budget of districts and intermediate districts that have not
3 filed an annual financial audit and pupil accounting procedures
4 report required under this section for the school year ending in
5 the immediately preceding fiscal year.

6 (5) By **the first business day in** November ~~1~~**of** each fiscal
7 year, **but, for submission of the 2019-2020 annual comprehensive**
8 **financial data described in this subsection, by the first business**
9 **day in December,** each district and intermediate district shall
10 submit to the center, in a manner prescribed by the center, annual
11 comprehensive financial data consistent with the district's or
12 intermediate district's audited financial statements and consistent
13 with accounting manuals and charts of accounts approved and
14 published by the department. For an intermediate district, the
15 report must also contain the website address where the department
16 can access the report required under section 620 of the revised
17 school code, MCL 380.620. The department shall ensure that the
18 prescribed Michigan public school accounting manual chart of
19 accounts includes standard conventions to distinguish expenditures
20 by allowable fund function and object. The functions must include
21 at minimum categories for instruction, pupil support, instructional
22 staff support, general administration, school administration,
23 business administration, transportation, facilities operation and
24 maintenance, facilities acquisition, and debt service; and must
25 include object classifications of salary, benefits, including
26 categories for active employee health expenditures, purchased
27 services, supplies, capital outlay, and other. A district shall
28 report the required level of detail consistent with the manual as
29 part of the comprehensive annual financial report.



1 (6) By **the last business day** in September ~~30~~ of each year,
2 each district and intermediate district shall file with the center
3 the special education actual cost report, known as "SE-4096", on a
4 form and in the manner prescribed by the center. An intermediate
5 district shall certify the audit of a district's report.

6 (7) By ~~October 7~~ **not later than 1 week after the last business**
7 **day in September** of each year, each district and intermediate
8 district shall file with the center the audited transportation
9 expenditure report, known as "SE-4094", on a form and in the manner
10 prescribed by the center. An intermediate district shall certify
11 the audit of a district's report.

12 (8) The department shall review its pupil accounting and pupil
13 auditing manuals at least annually and shall periodically update
14 those manuals to reflect changes in this article.

15 (9) If a district that is a public school academy purchases
16 property using money received under this article, the public school
17 academy shall retain ownership of the property unless the public
18 school academy sells the property at fair market value.

19 (10) If a district or intermediate district does not comply
20 with subsections (4), (5), (6), (7), and (12), or if the department
21 determines that the financial data required under subsection (5)
22 are not consistent with audited financial statements, the
23 department shall withhold all state school aid due to the district
24 or intermediate district under this article, beginning with the
25 next payment due to the district or intermediate district, until
26 the district or intermediate district complies with subsections
27 (4), (5), (6), (7), and (12). If the district or intermediate
28 district does not comply with subsections (4), (5), (6), (7), and
29 (12) by the end of the fiscal year, the district or intermediate



1 district forfeits the amount withheld.

2 (11) If a district or intermediate district does not comply
3 with subsection (2), the department may withhold up to 10% of the
4 total state school aid due to the district or intermediate district
5 under this article, beginning with the next payment due to the
6 district or intermediate district, until the district or
7 intermediate district complies with subsection (2). If the district
8 or intermediate district does not comply with subsection (2) by the
9 end of the fiscal year, the district or intermediate district
10 forfeits the amount withheld.

11 (12) By November 1 of each year, if a district or intermediate
12 district offers virtual learning under section 21f, or for a school
13 of excellence that is a cyber school, as defined in section 551 of
14 the revised school code, MCL 380.551, the district or intermediate
15 district shall submit to the department a report that details the
16 per-pupil costs of operating the virtual learning by vendor type
17 and virtual learning model. The report must include information
18 concerning the operation of virtual learning for the immediately
19 preceding school fiscal year, including information concerning
20 summer programming. Information must be collected in a form and
21 manner determined by the department and must be collected in the
22 most efficient manner possible to reduce the administrative burden
23 on reporting entities.

24 (13) By March 31 of each year, the department shall submit to
25 the house and senate appropriations subcommittees on state school
26 aid, the state budget director, and the house and senate fiscal
27 agencies a report summarizing the per-pupil costs by vendor type of
28 virtual courses available under section 21f and virtual courses
29 provided by a school of excellence that is a cyber school, as



1 defined in section 551 of the revised school code, MCL 380.551.

2 (14) As used in subsections (12) and (13), "vendor type" means
3 the following:

4 (a) Virtual courses provided by the Michigan Virtual
5 University.

6 (b) Virtual courses provided by a school of excellence that is
7 a cyber school, as defined in section 551 of the revised school
8 code, MCL 380.551.

9 (c) Virtual courses provided by third party vendors not
10 affiliated with a Michigan public school.

11 (d) Virtual courses created and offered by a district or
12 intermediate district.

13 (15) An allocation to a district or another entity under this
14 article is contingent upon the district's or entity's compliance
15 with this section.

16 (16) **Beginning October 1, 2020, and annually thereafter, the**
17 **department shall submit to the senate and house subcommittees on**
18 **state school aid and to the senate and house standing committees on**
19 **education an itemized list of allocations under this article to any**
20 **association or consortium consisting of associations in the**
21 **immediately preceding fiscal year. The report must detail the**
22 **recipient or recipients, the amount allocated, and the purpose for**
23 **which the funds were distributed.**

24 Sec. 18a. ~~Grant~~ **Except as otherwise provided in this article,**
25 **grant** funds awarded and allotted to a district, intermediate
26 district, or other entity, unless otherwise specified in this
27 article, ~~shall~~ **must** be expended by the grant recipient before the
28 end of the fiscal year immediately following the fiscal year in
29 which the funds are received. ~~If~~ **Except as otherwise provided in**



1 **this article, if** a grant recipient does not expend the funds
 2 received under this article before the end of the fiscal year in
 3 which the funds are received, the grant recipient shall submit a
 4 report to the department not later than November 1 after the fiscal
 5 year in which the funds are received indicating whether it expects
 6 to expend those funds during the fiscal year in which the report is
 7 submitted. ~~A-Except as otherwise provided in this article, a~~
 8 recipient of a grant shall return any unexpended grant funds to the
 9 department in the manner prescribed by the department not later
 10 than September 30 after the fiscal year in which the funds are
 11 received.

12 Sec. 20. (1) For ~~2019-2020,~~ **2020-2021**, both of the following
 13 apply:

14 (a) The target foundation allowance ~~, formerly known as the~~
 15 ~~basic foundation allowance,~~ is \$8,529.00.

16 (b) The minimum foundation allowance is \$8,111.00.

17 (2) The department shall calculate the amount of each
 18 district's foundation allowance as provided in this section, using
 19 a target foundation allowance in the amount specified in subsection
 20 (1). ~~For the purpose of these calculations, a reference to the~~
 21 ~~target foundation allowance for a preceding fiscal year is~~
 22 ~~equivalent to a reference to the "basic" foundation allowance for~~
 23 ~~that fiscal year.~~

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

29 (a) Except as otherwise provided in this subdivision, for a



1 district that had a foundation allowance for the immediately
2 preceding fiscal year that was at least equal to the minimum
3 foundation allowance for the immediately preceding fiscal year, but
4 less than the target foundation allowance for the immediately
5 preceding fiscal year, the district receives a foundation allowance
6 in an amount equal to the sum of the district's foundation
7 allowance for the immediately preceding fiscal year plus the
8 difference between twice the dollar amount of the adjustment from
9 the immediately preceding fiscal year to the current fiscal year
10 made in the target foundation allowance and [(the difference
11 between the target foundation allowance for the current fiscal year
12 and target foundation allowance for the immediately preceding
13 fiscal year minus \$40.00) times (the difference between the
14 district's foundation allowance for the immediately preceding
15 fiscal year and the minimum foundation allowance for the
16 immediately preceding fiscal year) divided by the difference
17 between the target foundation allowance for the current fiscal year
18 and the minimum foundation allowance for the immediately preceding
19 fiscal year.] However, the foundation allowance for a district that
20 had less than the target foundation allowance for the immediately
21 preceding fiscal year must not exceed the target foundation
22 allowance for the current fiscal year.

23 (b) Except as otherwise provided in this subsection, for a
24 district that in the immediately preceding fiscal year had a
25 foundation allowance in an amount equal to the amount of the target
26 foundation allowance for the immediately preceding fiscal year, the
27 district receives a foundation allowance for ~~2019-2020-2020-2021~~ in
28 an amount equal to the target foundation allowance for ~~2019-~~
29 ~~2020-2020-2021~~.



1 (c) For a district that had a foundation allowance for the
2 immediately preceding fiscal year that was greater than the target
3 foundation allowance for the immediately preceding fiscal year, the
4 district's foundation allowance is an amount equal to the sum of
5 the district's foundation allowance for the immediately preceding
6 fiscal year plus the lesser of the increase in the target
7 foundation allowance for the current fiscal year, as compared to
8 the immediately preceding fiscal year, or the product of the
9 district's foundation allowance for the immediately preceding
10 fiscal year times the percentage increase in the United States
11 Consumer Price Index in the calendar year ending in the immediately
12 preceding fiscal year as reported by the May revenue estimating
13 conference conducted under section 367b of the management and
14 budget act, 1984 PA 431, MCL 18.1367b.

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

18 (4) Except as otherwise provided in this subsection, beginning
19 in 2014-2015, the state portion of a district's foundation
20 allowance is an amount equal to the district's foundation allowance
21 or the target foundation allowance for the current fiscal year,
22 whichever is less, minus the local portion of the district's
23 foundation allowance. For a district described in subsection
24 (3)(c), beginning in 2014-2015, the state portion of the district's
25 foundation allowance is an amount equal to \$6,962.00 plus the
26 difference between the district's foundation allowance for the
27 current fiscal year and the district's foundation allowance for
28 1998-99, minus the local portion of the district's foundation
29 allowance. For a district that has a millage reduction required



1 under section 31 of article IX of the state constitution of 1963,
2 the department shall calculate the state portion of the district's
3 foundation allowance as if that reduction did not occur. For a
4 receiving district, if school operating taxes continue to be levied
5 on behalf of a dissolved district that has been attached in whole
6 or in part to the receiving district to satisfy debt obligations of
7 the dissolved district under section 12 of the revised school code,
8 MCL 380.12, the taxable value per membership pupil of property in
9 the receiving district used for the purposes of this subsection
10 does not include the taxable value of property within the
11 geographic area of the dissolved district. For a community
12 district, if school operating taxes continue to be levied by a
13 qualifying school district under section 12b of the revised school
14 code, MCL 380.12b, with the same geographic area as the community
15 district, the taxable value per membership pupil of property in the
16 community district to be used for the purposes of this subsection
17 does not include the taxable value of property within the
18 geographic area of the community district.

19 (5) The allocation calculated under this section for a pupil
20 is based on the foundation allowance of the pupil's district of
21 residence. For a pupil enrolled pursuant to section 105 or 105c in
22 a district other than the pupil's district of residence, the
23 allocation calculated under this section is based on the lesser of
24 the foundation allowance of the pupil's district of residence or
25 the foundation allowance of the educating district. For a pupil in
26 membership in a K-5, K-6, or K-8 district who is enrolled in
27 another district in a grade not offered by the pupil's district of
28 residence, the allocation calculated under this section is based on
29 the foundation allowance of the educating district if the educating



1 district's foundation allowance is greater than the foundation
2 allowance of the pupil's district of residence.

3 (6) Except as otherwise provided in this subsection, for
4 pupils in membership, other than special education pupils, in a
5 public school academy, the allocation calculated under this section
6 is an amount per membership pupil other than special education
7 pupils in the public school academy equal to the minimum foundation
8 allowance specified in subsection (1). Notwithstanding section 101,
9 for a public school academy that begins operations after the pupil
10 membership count day, the amount per membership pupil calculated
11 under this subsection must be adjusted by multiplying that amount
12 per membership pupil by the number of hours of pupil instruction
13 provided by the public school academy after it begins operations,
14 as determined by the department, divided by the minimum number of
15 hours of pupil instruction required under section 101(3). The
16 result of this calculation must not exceed the amount per
17 membership pupil otherwise calculated under this subsection.

18 (7) Except as otherwise provided in this subsection, for
19 pupils in membership, other than special education pupils, in a
20 community district, the allocation calculated under this section is
21 an amount per membership pupil other than special education pupils
22 in the community district equal to the foundation allowance of the
23 qualifying school district, as described in section 12b of the
24 revised school code, MCL 380.12b, that is located within the same
25 geographic area as the community district.

26 (8) Subject to subsection (4), for a district that is formed
27 or reconfigured after June 1, 2002 by consolidation of 2 or more
28 districts or by annexation, the resulting district's foundation
29 allowance under this section beginning after the effective date of



1 the consolidation or annexation is the lesser of the sum of the
2 average of the foundation allowances of each of the original or
3 affected districts, calculated as provided in this section,
4 weighted as to the percentage of pupils in total membership in the
5 resulting district who reside in the geographic area of each of the
6 original or affected districts plus \$100.00 or the highest
7 foundation allowance among the original or affected districts. This
8 subsection does not apply to a receiving district unless there is a
9 subsequent consolidation or annexation that affects the district.

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

14 (10) State payments related to payment of the foundation
15 allowance for a special education pupil are not calculated under
16 this section but are instead calculated under section 51a.

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

23 (a) The pupil membership factor is computed by dividing the
24 estimated membership in the school year ending in the current
25 fiscal year, excluding intermediate district membership, by the
26 estimated membership for the school year ending in the subsequent
27 fiscal year, excluding intermediate district membership. If a
28 consensus membership factor is not determined at the revenue
29 estimating conference, the principals of the revenue estimating



1 conference shall report their estimates to the house and senate
2 subcommittees responsible for school aid appropriations not later
3 than 7 days after the conclusion of the revenue conference.

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

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

29 (12) Payments to districts and public school academies are not



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

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

9 ~~(14) For the purposes of section 1211 of the revised school~~
 10 ~~code, MCL 380.1211, the basic foundation allowance under this~~
 11 ~~section is considered to be the target foundation allowance under~~
 12 ~~this section.~~

13 (14) ~~(15)~~ As used in this section:

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

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

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

24 (d) "Current fiscal year" means the fiscal year for which a
 25 particular calculation is made.

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



1 (f) "Immediately preceding fiscal year" means the fiscal year
2 immediately preceding the current fiscal year.

3 (g) "Local portion of the district's foundation allowance"
4 means an amount that is equal to the difference between (the sum of
5 the product of the taxable value per membership pupil of all
6 property in the district that is nonexempt property times the
7 district's certified mills and, for a district with certified mills
8 exceeding 12, the product of the taxable value per membership pupil
9 of property in the district that is commercial personal property
10 times the certified mills minus 12 mills) and (the quotient of the
11 product of the captured assessed valuation under tax increment
12 financing acts times the district's certified mills divided by the
13 district's membership excluding special education pupils).

14 (h) "Local school operating revenue" means school operating
15 taxes levied under section 1211 of the revised school code, MCL
16 380.1211. For a receiving district, if school operating taxes are
17 to be levied on behalf of a dissolved district that has been
18 attached in whole or in part to the receiving district to satisfy
19 debt obligations of the dissolved district under section 12 of the
20 revised school code, MCL 380.12, local school operating revenue
21 does not include school operating taxes levied within the
22 geographic area of the dissolved district.

23 (i) "Local school operating revenue per membership pupil"
24 means a district's local school operating revenue divided by the
25 district's membership excluding special education pupils.

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

29 (k) "Nonexempt property" means property that is not a



1 principal residence, qualified agricultural property, qualified
 2 forest property, supportive housing property, industrial personal
 3 property, commercial personal property, or property occupied by a
 4 public school academy.

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

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

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

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

20 ~~(p) "Target foundation allowance for the immediately preceding~~
 21 ~~fiscal year" means, for 2019-2020 only, the basic foundation~~
 22 ~~allowance in effect for the 2018-2019 fiscal year.~~

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

28 (q) ~~(r)~~ "Taxable value per membership pupil" means taxable
 29 value, as certified by the county treasurer and reported to the



1 department, for the calendar year ending in the current state
2 fiscal year divided by the district's membership excluding special
3 education pupils for the school year ending in the current state
4 fiscal year.

5 Sec. 20d. In making the final determination required under
6 former section 20a of a district's combined state and local revenue
7 per membership pupil in 1993-94 and in making calculations under
8 section 20 for ~~2019-2020~~, **2020-2021**, the department and the
9 department of treasury shall comply with all of the following:

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

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



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

13 Sec. 20f. (1) From the funds appropriated in section 11, there
14 is allocated an amount not to exceed \$18,000,000.00 for ~~2019-2020~~
15 **2020-2021** for payments to eligible districts under this section.

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

21 (a) The increase in the district's foundation allowance or
22 per-pupil payment as calculated under section 20 from 2012-2013 to
23 2013-2014.

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

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



1 pupils for 2013-2014.

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

6 (4) The funding under this subsection is from the allocation
7 under subsection (1). A district is eligible for funding under this
8 subsection if the sum of the following is less than \$25.00:

9 (a) The increase in the district's foundation allowance or
10 per-pupil payment as calculated under section 20 from 2014-2015 to
11 2015-2016.

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

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

16 (d) The quotient of the district's allocation under section
17 31a for 2015-2016 divided by the district's membership pupils for
18 2015-2016 minus the quotient of the district's allocation under
19 section 31a for 2014-2015 divided by the district's membership
20 pupils for 2014-2015.

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

24 (a) The increase in the district's foundation allowance or
25 per-pupil payment as calculated under section 20 from 2014-2015 to
26 2015-2016.

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

29 (c) The decrease in the district's pupil performance per-pupil



1 funding under former section 22j from 2014-2015 to 2015-2016.

2 (d) The quotient of the district's allocation under section
3 31a for 2015-2016 divided by the district's membership pupils for
4 2015-2016 minus the quotient of the district's allocation under
5 section 31a for 2014-2015 divided by the district's membership
6 pupils for 2014-2015.

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

11 Sec. 21h. (1) From the appropriation in section 11, there is
12 allocated ~~\$6,000,000.00~~ **\$6,137,400.00** for ~~2019-2020~~ **2020-2021** for
13 assisting districts assigned by the superintendent to participate
14 in a partnership **and districts that have established a community**
15 **engagement advisory committee in partnership with the department of**
16 **treasury, are required to submit a deficit elimination plan or an**
17 **enhanced deficit elimination plan under section 1220 of the revised**
18 **school code, MCL 380.1220, and are located in a city with a**
19 **population between 9,000 and 11,000 that is in a county with a**
20 **population between 155,000 and 160,000 to improve student**
21 **achievement and district financial stability. The superintendent**
22 **shall collaborate with the state treasurer to identify any**
23 **conditions that may be contributing to low academic performance**
24 **within a district being considered for assignment to a partnership.**
25 The purpose of the partnership is to identify district needs,
26 develop intervention plans, and partner with public, private, and
27 nonprofit organizations to coordinate resources and improve student
28 achievement. Assignment of a district to a partnership is ~~at the~~
29 ~~sole discretion of~~ **made by** the superintendent **in consultation with**



1 **the state treasurer.**

2 (2) A district ~~assigned to a partnership by the superintendent~~
 3 **described in subsection (1)** is eligible for funding under this
 4 section if the district includes at least 1 school that has been
 5 ~~rated with a grade of "F", or comparable performance rating, in the~~
 6 ~~most recent state accountability system rating and that does~~
 7 **identified as low performing under the approved federal**
 8 **accountability system or the state accountability system. A**
 9 **district described in this subsection must do** all of the following
 10 **to be eligible for funding under this section:**

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

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

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

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



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

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

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

12 (c) ~~Crafts~~ **Craft** academic goals that put pupils on track to
 13 meet or exceed grade level proficiency.

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



1 **fiscal year.**

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

14 (5) **From the funds allocated under subsection (1), there is**
 15 **allocated for 2020-2021 an amount not to exceed \$137,400.00 for the**
 16 **purchase of a data analytics tool to be used by districts described**
 17 **in subsection (1). The superintendent of public instruction shall**
 18 **require districts described in subsection (1) to purchase a data**
 19 **analytics tool funded under this subsection as part of the**
 20 **agreements described in this section.**

21 (6) ~~(5)~~The department, **in consultation with the department of**
 22 **treasury**, shall annually report ~~in person~~ to the legislature on the
 23 activities funded under this section and how those activities
 24 impacted student achievement in ~~eligible~~ districts that received
 25 funds under this section. To the extent possible, participating
 26 districts receiving funding under this section shall participate in
 27 the report.

28 Sec. 22a. (1) From the appropriation in section 11, there is
 29 allocated an amount not to exceed \$4,916,000,000.00 for 2019-2020



1 **and there is allocated an amount not to exceed \$4,880,500,000.00**
2 **for 2020-2021** for payments to districts and qualifying public
3 school academies to guarantee each district and qualifying public
4 school academy an amount equal to its 1994-95 total state and local
5 per pupil revenue for school operating purposes under section 11 of
6 article IX of the state constitution of 1963. Pursuant to section
7 11 of article IX of the state constitution of 1963, this guarantee
8 does not apply to a district in a year in which the district levies
9 a millage rate for school district operating purposes less than it
10 levied in 1994. However, subsection (2) applies to calculating the
11 payments under this section. **Funds allocated under this section**
12 **that are not expended in the fiscal year for which they were**
13 **allocated, as determined by the department, may be used to**
14 **supplement the allocations under sections 22b and 51c to fully fund**
15 **those allocations for the same fiscal year. For each fund transfer**
16 **as described in the immediately preceding sentence that occurs, the**
17 **state budget director shall send notification of the transfer to**
18 **the house and senate appropriations subcommittees on state school**
19 **aid and the house and senate fiscal agencies by not later than 14**
20 **calendar days after the transfer occurs.**

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

26 (a) Except as otherwise provided in this subsection, the state
27 portion of a district's 1994-95 foundation allowance is an amount
28 equal to the district's 1994-95 foundation allowance or \$6,500.00,
29 whichever is less, minus the difference between the sum of the



1 product of the taxable value per membership pupil of all property
2 in the district that is nonexempt property times the district's
3 certified mills and, for a district with certified mills exceeding
4 12, the product of the taxable value per membership pupil of
5 property in the district that is commercial personal property times
6 the certified mills minus 12 mills and the quotient of the ad
7 valorem property tax revenue of the district captured under tax
8 increment financing acts divided by the district's membership. For
9 a district that has a millage reduction required under section 31
10 of article IX of the state constitution of 1963, the department
11 shall calculate the state portion of the district's foundation
12 allowance as if that reduction did not occur. For a receiving
13 district, if school operating taxes are to be levied on behalf of a
14 dissolved district that has been attached in whole or in part to
15 the receiving district to satisfy debt obligations of the dissolved
16 district under section 12 of the revised school code, MCL 380.12,
17 taxable value per membership pupil of all property in the receiving
18 district that is nonexempt property and taxable value per
19 membership pupil of property in the receiving district that is
20 commercial personal property do not include property within the
21 geographic area of the dissolved district; ad valorem property tax
22 revenue of the receiving district captured under tax increment
23 financing acts does not include ad valorem property tax revenue
24 captured within the geographic boundaries of the dissolved district
25 under tax increment financing acts; and certified mills do not
26 include the certified mills of the dissolved district. For a
27 community district, the department shall reduce the allocation as
28 otherwise calculated under this section by an amount equal to the
29 amount of local school operating tax revenue that would otherwise



1 be due to the community district if not for the operation of
2 section 386 of the revised school code, MCL 380.386, and the amount
3 of this reduction is offset by the increase in funding under
4 section 22b(2).

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

28 (3) Beginning in 2003-2004, for pupils in membership in a
29 qualifying public school academy, there is allocated under this



1 section to the authorizing body that is the fiscal agent for the
2 qualifying public school academy for forwarding to the qualifying
3 public school academy an amount equal to the 1994-95 per pupil
4 payment to the qualifying public school academy under section 20.

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

9 (5) Except as otherwise provided in this subsection, for a
10 district that is formed or reconfigured after June 1, 2000 by
11 consolidation of 2 or more districts or by annexation, the
12 resulting district's 1994-95 foundation allowance under this
13 section beginning after the effective date of the consolidation or
14 annexation is the average of the 1994-95 foundation allowances of
15 each of the original or affected districts, calculated as provided
16 in this section, weighted as to the percentage of pupils in total
17 membership in the resulting district in the fiscal year in which
18 the consolidation takes place who reside in the geographic area of
19 each of the original districts. If an affected district's 1994-95
20 foundation allowance is less than the 1994-95 basic foundation
21 allowance, the amount of that district's 1994-95 foundation
22 allowance is considered for the purpose of calculations under this
23 subsection to be equal to the amount of the 1994-95 basic
24 foundation allowance. This subsection does not apply to a receiving
25 district unless there is a subsequent consolidation or annexation
26 that affects the district.

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

28 (7) As used in this section:

29 (a) "1994-95 foundation allowance" means a district's 1994-95



1 foundation allowance calculated and certified by the department of
2 treasury or the superintendent under former section 20a as enacted
3 in 1993 PA 336 and as amended by 1994 PA 283.

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

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

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

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

24 (f) "Hold harmless millage" means, for a district with a 1994-
25 95 foundation allowance greater than \$6,500.00, the number of mills
26 by which the exemption from the levy of school operating taxes on a
27 principal residence, qualified agricultural property, qualified
28 forest property, supportive housing property, industrial personal
29 property, commercial personal property, and property occupied by a



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

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

16 (h) "Nonexempt property" means property that is not a
17 principal residence, qualified agricultural property, qualified
18 forest property, supportive housing property, industrial personal
19 property, commercial personal property, or property occupied by a
20 public school academy.

21 (i) "Principal residence", "qualified agricultural property",
22 "qualified forest property", "supportive housing property",
23 "industrial personal property", and "commercial personal property"
24 mean those terms as defined in section 1211 of the revised school
25 code, MCL 380.1211.

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

29 (k) "Receiving district" means a district to which all or part



1 of the territory of a dissolved district is attached under section
2 12 of the revised school code, MCL 380.12.

3 (l) "School operating taxes" means local ad valorem property
4 taxes levied under section 1211 of the revised school code, MCL
5 380.1211, and retained for school operating purposes as defined in
6 section 20.

7 (m) "Tax increment financing acts" means parts 2, 3, 4, and 6
8 of the recodified tax increment financing act, 2018 PA 57, MCL
9 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
10 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

13 (i) For the number of mills by which the exemption from the
14 levy of school operating taxes on a principal residence, qualified
15 agricultural property, qualified forest property, supportive
16 housing property, industrial personal property, commercial personal
17 property, and property occupied by a public school academy may be
18 reduced as provided in section 1211 of the revised school code, MCL
19 380.1211, the taxable value of principal residence, qualified
20 agricultural property, qualified forest property, supportive
21 housing property, industrial personal property, commercial personal
22 property, and property occupied by a public school academy for the
23 calendar year ending in the current fiscal year. 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 mills do not include mills within the geographic area of the
29 dissolved district.



1 (ii) For the number of mills of school operating taxes that may
2 be levied on all property as provided in section 1211(2) of the
3 revised school code, MCL 380.1211, the taxable value of all
4 property for the calendar year ending in the current fiscal year.
5 For a receiving district, if school operating taxes are to be
6 levied on behalf of a dissolved district that has been attached in
7 whole or in part to the receiving district to satisfy debt
8 obligations of the dissolved district under section 12 of the
9 revised school code, MCL 380.12, school operating taxes do not
10 include school operating taxes levied within the geographic area of
11 the dissolved district.

12 Sec. 22b. (1) For discretionary nonmandated payments to
13 districts under this section, there is allocated for 2019-2020 an
14 amount not to exceed \$4,499,100,000.00 from the state school aid
15 fund and general fund appropriations in section 11 and an amount
16 not to exceed \$75,900,000.00 from the community district education
17 trust fund appropriation in section 11, **and there is allocated for**
18 **2020-2021 an amount not to exceed \$4,488,800,000.00 from the state**
19 **school aid fund and general fund appropriations in section 11 and**
20 **an amount not to exceed \$77,700,000.00 from the community district**
21 **education trust fund appropriation in section 11. Except for money**
22 **allocated under this section from the community district education**
23 **trust fund appropriation in section 11, funds allocated under this**
24 **section that are not expended in the fiscal year for which they**
25 **were allocated, as determined by the department, may be used to**
26 **supplement the allocations under sections 22a and 51c to fully fund**
27 **those allocations for the same fiscal year. For each fund transfer**
28 **as described in the immediately preceding sentence that occurs, the**
29 **state budget director shall send notification of the transfer to**



1 the house and senate appropriations subcommittees on state school
2 aid and the house and senate fiscal agencies by not later than 14
3 calendar days after the transfer occurs.

4 (2) Subject to subsection (3) and section 296, the allocation
5 to a district under this section is an amount equal to the sum of
6 the amounts calculated under sections 20, 51a(2), 51a(3), and
7 51a(11), minus the sum of the allocations to the district under
8 sections 22a and 51c. For a community district, the allocation as
9 otherwise calculated under this section is increased by an amount
10 equal to the amount of local school operating tax revenue that
11 would otherwise be due to the community district if not for the
12 operation of section 386 of the revised school code, MCL 380.386,
13 and this increase must be paid from the community district
14 education trust fund allocation in subsection (1) in order to
15 offset the absence of local school operating revenue in a community
16 district in the funding of the state portion of the foundation
17 allowance under section 20(4).

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

20 (a) Comply with section 1280b of the revised school code, MCL
21 380.1280b.

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

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

27 (d) Comply with section 1230g of the revised school code, MCL
28 380.1230g.

29 (e) Comply with section 21f.



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

3 (g) For a district that offers kindergarten, comply with
4 section 104(4).

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

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

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

23 (7) It is the intent of the legislature that all
24 constitutional obligations of this state have been fully funded
25 under sections 22a, 31d, 51a, 51c, and 152a. If a claim is made by
26 an entity receiving funds under this article that challenges the
27 legislative determination of the adequacy of this funding or
28 alleges that there exists an unfunded constitutional requirement,
29 the state budget director may escrow or allocate from the



1 discretionary funds for nonmandated payments under this section the
2 amount as may be necessary to satisfy the claim before making any
3 payments to districts under subsection (2). If funds are escrowed,
4 the escrowed funds are a work project appropriation and the funds
5 are carried forward into the following fiscal year. The purpose of
6 the work project is to provide for any payments that may be awarded
7 to districts as a result of litigation. The work project is
8 completed upon resolution of the litigation.

9 (8) If the local claims review board or a court of competent
10 jurisdiction makes a final determination that this state is in
11 violation of section 29 of article IX of the state constitution of
12 1963 regarding state payments to districts, the state budget
13 director shall use work project funds under subsection (7) or
14 allocate from the discretionary funds for nonmandated payments
15 under this section the amount as may be necessary to satisfy the
16 amount owed to districts before making any payments to districts
17 under subsection (2).

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

26 (10) If payments resulting from a final determination by the
27 local claims review board or a court of competent jurisdiction that
28 there has been a violation of section 29 of article IX of the state
29 constitution of 1963 exceed the amount allocated for discretionary



1 nonmandated payments under this section, the legislature shall
2 provide for adequate funding for this state's constitutional
3 obligations at its next legislative session.

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

22 Sec. 22d. (1) From the state school aid fund money
23 appropriated under section 11, an amount not to exceed
24 \$7,000,000.00 is allocated for ~~2019-2020~~**2020-2021** for supplemental
25 payments to rural districts under this section.

26 (2) From the allocation under subsection (1), there is
27 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
28 \$957,300.00 for payments under this subsection to districts that
29 meet all of the following:



1 (a) Operates grades K to 12.

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

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

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

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

8 (3) The amount of the additional funding to each eligible
9 district under subsection (2) is determined under a spending plan
10 developed as provided in this subsection and approved by the
11 superintendent of public instruction. The spending plan must be
12 developed cooperatively by the intermediate superintendents of each
13 intermediate district in which an eligible district is located. The
14 intermediate superintendents shall review the financial situation
15 of each eligible district, determine the minimum essential
16 financial needs of each eligible district, and develop and agree on
17 a spending plan that distributes the available funding under
18 subsection (2) to the eligible districts based on those financial
19 needs. The intermediate superintendents shall submit the spending
20 plan to the superintendent of public instruction for approval. Upon
21 approval by the superintendent of public instruction, the amounts
22 specified for each eligible district under the spending plan are
23 allocated under subsection (2) and must be paid to the eligible
24 districts in the same manner as payments under section 22b.

25 (4) Subject to subsection (6), from the allocation in
26 subsection (1), there is allocated for ~~2019-2020~~**2020-2021** an
27 amount not to exceed \$6,042,700.00 for payments under this
28 subsection to districts that have fewer than 10.0 pupils per square
29 mile as determined by the department.



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

3 (a) An amount equal to \$5,200,000.00 is allocated to districts
4 with fewer than 8.0 pupils per square mile, as determined by the
5 department, on an equal per-pupil basis.

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

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

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

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

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

22 Sec. 22m. (1) From the appropriations in section 11, there is
23 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
24 \$2,200,000.00 for supporting the integration of local data systems
25 into the Michigan data hub network based on common standards and
26 applications that are in compliance with section 19(6).

27 (2) An entity that is the fiscal agent for no more than 5
28 consortia of intermediate districts that previously received
29 funding from the technology readiness infrastructure grant under



1 former section 22i for the purpose of establishing regional data
2 hubs that are part of the Michigan data hub network is eligible for
3 funding under this section.

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

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

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

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

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

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

27 (a) Creating an infrastructure that effectively manages the
28 movement of data between data systems used by intermediate
29 districts, districts, and other educational organizations in



1 Michigan based on common data standards to improve student
2 achievement.

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

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

9 (d) Promoting 100% district adoption of the Michigan data hub
10 network by September 30, ~~2020~~2021.

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

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

16 (g) Creating a governance model to facilitate sustainable
17 operations of the infrastructure in the future, including
18 administration, legal agreements, documentation, staffing, hosting,
19 and funding.

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

23 (9) Not later than January 1 of each fiscal year, the center
24 shall prepare a summary report of information provided by each
25 entity that received funds under this section that includes
26 measurable outcomes based on the objectives described under this
27 section and a summary of compiled data from each entity to provide
28 a means to evaluate the effectiveness of the project. The center
29 shall submit the report to the house and senate appropriations



1 subcommittees on state school aid and to the house and senate
2 fiscal agencies.

3 Sec. 22p. (1) ~~In~~ **Subject to subsection (2), in** order to
4 receive funding under section 22b, a district or public school
5 academy that ~~has~~ **is assigned by the superintendent of public**
6 **instruction as a partnership district must have a signed 3-year**
7 partnership agreement with the department ~~must meet both of the~~
8 ~~following:~~ **that includes all of the following:**

9 (a) ~~Adopts a partnership agreement that includes measurable~~
10 **Measurable** academic outcomes that ~~will be achieved~~ **the district or**
11 **public school academy will achieve for each school operated by the**
12 **district or public school academy that is subject to the**
13 **partnership agreement** after 18 months and after 36 months from the
14 date the agreement was originally signed. Measurable academic
15 outcomes under this subdivision must include ~~outcomes~~ **all of the**
16 **following:**

17 (i) **Outcomes** that put pupils on track to meet or exceed grade
18 level proficiency ~~and must be~~ **and that are** based on district **or**
19 **public school academy** needs identified as required under section
20 21h.

21 (ii) **Either of the following, as applicable:**

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

24 (B) **For 2020-2021 only, at least 1 proficiency or growth**
25 **outcome based on a benchmark assessment described in section 104.**

26 (b) ~~Adopts a partnership agreement that includes~~
27 ~~accountability~~ **Accountability** measures to be imposed if the
28 district or public school academy does not achieve the measurable
29 academic outcomes ~~under~~ **described in** subdivision (a) for ~~a~~ **each**



1 school **operated by the district or public school academy that is**
 2 subject to a ~~the~~ partnership agreement. ~~Accountability For a~~
 3 **district assigned as a partnership district as described in this**
 4 **subsection, accountability** measures under this subdivision ~~may~~ **must**
 5 include ~~the closure of the school at the end of the current school~~
 6 ~~year or the~~ reconstitution of the school. ~~For a public school~~
 7 ~~academy that adopts a partnership agreement under this subdivision,~~
 8 ~~the agreement must include a~~ **For a public school academy assigned**
 9 **as a partnership district as described in this subsection,**
 10 **accountability measures under this subdivision may include the**
 11 **reconstitution of the school.**

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

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

28 (i) The district shall make significant changes to the
 29 instructional and noninstructional programming of the school based



1 on the needs identified through a comprehensive review of data in
2 compliance with section 21h.

3 (ii) The district shall ~~replace the principal of the school,~~
4 ~~unless the current principal has been in place for less than 3~~
5 ~~years and the board of the district determines that it is in the~~
6 ~~best interests of the district to retain current school~~
7 ~~leadership.~~ **review whether the current principal of the school**
8 **should remain as principal or be replaced.**

9 (iii) The reconstitution plan for the school shall ~~must~~ require
10 the adoption of goals similar to the goals included in ~~a~~ **the**
11 partnership agreement, with a limit of ~~5~~ **3** years to achieve the
12 goals. If the goals are not achieved within ~~5~~ **3** years, the
13 superintendent of public instruction shall ~~either impose a second~~
14 ~~reconstitution plan. on the school or close the school.~~

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

26 Sec. 24. (1) From the appropriation in section 11, there is
27 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
28 \$7,150,000.00 for payments to the educating district or
29 intermediate district for educating pupils assigned by a court or



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

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

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

28 (b) "Department's approved per-pupil allocation" for a
29 district or intermediate district is determined by dividing the



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

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

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

16 Sec. 24a. From the appropriation in section 11, there is
17 allocated an amount not to exceed \$1,355,700.00 for ~~2019-2020-2020-~~
18 **2021** for payments to intermediate districts for pupils who are
19 placed in juvenile justice service facilities operated by the
20 department of health and human services. The amount of the payment
21 to each intermediate district is an amount equal to the state share
22 of those costs that are clearly and directly attributable to the
23 educational programs for pupils placed in facilities described in
24 this section that are located within the intermediate district's
25 boundaries. The intermediate districts receiving payments under
26 this section shall cooperate with the department of health and
27 human services to ensure that all funding allocated under this
28 section is utilized by the intermediate district and department of
29 health and human services for educational programs for pupils



1 described in this section. Pupils described in this section are not
2 eligible to be funded under section 24. However, a program
3 responsibility or other fiscal responsibility associated with these
4 pupils must not be transferred from the department of health and
5 human services to a district or intermediate district unless the
6 district or intermediate district 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 ~~2019-2020~~**2020-2021** for payments to strict
10 discipline academies established under sections 1311b to 1311m of
11 the revised school code, MCL 380.1311b to 380.1311m, as provided
12 under this section.

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

17 (3) The total amount allocated to a strict discipline academy
18 under this section must first be distributed as the lesser of the
19 strict discipline academy's added cost or the department's approved
20 per-pupil allocation for the strict discipline academy. Any funds
21 remaining after the first distribution must be distributed by
22 prorating on an equal per-pupil membership basis, not to exceed a
23 strict discipline academy's added cost. However, the sum of the
24 amounts received by a strict discipline academy under this section
25 and under section 24 must not exceed the product of the strict
26 discipline academy's per-pupil allocation calculated under section
27 20 multiplied by the strict discipline academy's full-time equated
28 membership. The department shall allocate funds to strict
29 discipline academies under this section on a monthly basis. For the



1 purposes of this subsection:

2 (a) "Added cost" means 100% of the added cost each fiscal year
3 for educating all pupils enrolled and in regular daily attendance
4 at a strict discipline academy. Added cost must be computed by
5 deducting all other revenue received under this article for pupils
6 described in this subsection from total costs, as approved by the
7 department, in whole or in part, for educating those pupils in a
8 strict discipline academy. The department shall include all costs
9 including, but not limited to, educational costs, insurance,
10 management fees, technology costs, legal fees, auditing fees,
11 interest, pupil accounting costs, and any other administrative
12 costs necessary to operate the program or to comply with statutory
13 requirements. Costs reimbursed by federal funds are not included.

14 (b) "Department's approved per-pupil allocation" for a strict
15 discipline academy is determined by dividing the total amount
16 allocated under this subsection for a fiscal year by the full-time
17 equated membership total for all pupils approved by the department
18 to be funded under this subsection for that fiscal year for the
19 strict discipline academy.

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

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

26 (6) The department shall make payments to districts under this
27 section according to the payment schedule under section 17b.

28 Sec. 25g. (1) From the state school aid fund money
29 appropriated in section 11, there is allocated an amount not to



1 exceed \$750,000.00 for ~~2019-2020~~ **2020-2021** for the purposes of this
2 section. Except as otherwise provided in this section, if the
3 operation of the special membership counting provisions under
4 section 6(4) (dd) and the other membership counting provisions under
5 section 6(4) result in a pupil being counted as more than 1.0 FTE
6 in a fiscal year, then the payment made for the pupil under
7 sections 22a and 22b must not be based on more than 1.0 FTE for
8 that pupil, and that portion of the FTE that exceeds 1.0 is paid
9 under this section in an amount equal to that portion multiplied by
10 the educating district's foundation allowance or per-pupil payment
11 calculated under section 20.

12 (2) Special education pupils funded under section 53a are not
13 funded under this section.

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

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

20 **Sec. 25i. (1) From the general fund money appropriated in**
21 **section 11, there is allocated for 2020-2021 an amount not to**
22 **exceed \$2,000,000.00 for an eligible attendance recovery program as**
23 **described in subsection (3). The funds allocated under this section**
24 **must be used to administer an eligible attendance recovery program**
25 **for all districts that opt into the program to serve eligible**
26 **pupils described in subsection (2).**

27 (2) A pupil who meets any of the following and who is enrolled
28 in a district that opts into the attendance recovery program funded
29 under this section is an eligible pupil under this section:



1 (a) The pupil did not engage in the district's remote
2 continuous education offerings in spring 2020.

3 (b) The pupil needs intervention based on his or her absences
4 or consistent disengagement in classes.

5 (c) The pupil is in danger of failing 1 or more classes.

6 (d) The pupil is eligible under the McKinney-Vento
7 homelessness assistance act, Public Law 100-77, or is in foster
8 care.

9 (e) The pupil's family requires financial or social support.

10 (f) The pupil has disengaged in his or her education, is
11 attending school irregularly, or is not progressing in his or her
12 coursework.

13 (3) An attendance recovery program that meets all of the
14 following is an eligible attendance recovery program under this
15 section:

16 (a) Reflects experience and successful outcomes running
17 statewide student recovery programs.

18 (b) Has, at a minimum, 2 years of experience working with this
19 state's local education agencies.

20 (c) Has multimodal contact capabilities that include, but are
21 not limited to, a call center, electronic mail, text, social-media
22 matching, and public service announcements.

23 (d) Reflects experience in assisting at-risk students in
24 overcoming learning barriers in a remote or online learning
25 environment.

26 (e) Has the ability to scale to provide outreach to at least
27 20,000 students before the end of 2020.

28 (4) The department shall choose and designate the provider of
29 the eligible attendance recovery program under this section by not



1 later than November 1, 2020. The provider chosen and designated by
2 the department under this subsection must do all of the following:

3 (a) Work with the department to notify districts about the
4 program and provide technical assistance to districts interested in
5 opting in.

6 (b) Work with each district to obtain contact information for
7 each eligible pupil.

8 (c) Provide outreach using differentiated treatment strategies
9 to pupils and families using multiple modalities that may include
10 phone, text, social media, electronic mail, and traditional mail,
11 to find and engage eligible pupils.

12 (d) Implement a culturally and linguistically responsive
13 outreach and support plan. Elements of the plan must include
14 differentiated outreach and ongoing coaching strategies to families
15 to ensure cultural and linguistic relevance.

16 (e) Use information about barriers to engagement gathered from
17 pupils and families to assign eligible pupils to an ongoing support
18 level. Ongoing support levels described in this subdivision must
19 include a minimum of 3 support tiers following the general design
20 of response to intervention (RTI) models.

21 (f) For eligible pupils and their families, provide a coach to
22 deliver interventions in accordance with the pupil's needs and the
23 framework of his or her assigned ongoing support level.

24 (g) Report weekly to each district that has opted into the
25 program and to the department with metrics agreed upon by the
26 provider and the department.

27 (5) Notwithstanding section 17b, the department shall make
28 payments under this section by not later than December 1, 2020.

29 Sec. 25j. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated \$2,000,000.00 to
2 intermediate districts for 2020-2021 to be used for the purposes
3 described in subsection (3).

4 (2) The funding provided to each intermediate district under
5 this section must be based on the number of pupils within the
6 intermediate district who are economically disadvantaged in
7 proportion to the number of economically disadvantaged pupils
8 statewide.

9 (3) An intermediate district that receives a payment from
10 funds allocated under subsection (1) shall use the funding to
11 support districts that offered in-person instruction at the
12 beginning of the 2019-2020 fiscal year but that began the 2020-2021
13 fiscal year utilizing a virtual-only mode of instruction or a
14 hybrid of in-person and a virtual mode of instruction. Funds
15 allocated under subsection (1) must be used for the following
16 purposes:

17 (a) To meet the unique needs of students with an
18 individualized education program.

19 (b) To address increased numbers of chronically absent pupils,
20 as applicable.

21 (c) To offer child care solutions for elementary-aged
22 students.

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

26 (5) As used in this section, "economically disadvantaged"
27 means that term as defined in section 31a.

28 Sec. 26a. From the funds appropriated in section 11, ~~there is~~
29 ~~allocated an amount not to exceed \$14,000,000.00 for 2018-2019 and~~



1 there is allocated an amount not to exceed \$15,300,000.00 for ~~2019-~~
 2 ~~2020-2020-2021~~ to reimburse districts and intermediate districts
 3 pursuant to ~~under~~ section 12 of the Michigan renaissance zone act,
 4 1996 PA 376, MCL 125.2692, for taxes levied in ~~2018 and 2019,~~ as
 5 applicable. ~~2020~~. The department shall pay the allocations not
 6 later than 60 days after the department of treasury certifies to
 7 the department and to the state budget director that the department
 8 of treasury has received all necessary information to properly
 9 determine the amounts due to each eligible recipient.

10 Sec. 26b. (1) From the appropriation in section 11, ~~there is~~
 11 ~~allocated an amount not to exceed \$4,420,100.00 for 2018-2019 and~~
 12 there is allocated an amount not to exceed ~~\$4,641,100.00~~
 13 **\$4,645,000.00** for ~~2019-2020-2020-2021~~ for payments to districts,
 14 intermediate districts, and community college districts for the
 15 portion of the payment in lieu of taxes obligation that is
 16 attributable to districts, intermediate districts, and community
 17 college districts under section 2154 of the natural resources and
 18 environmental protection act, 1994 PA 451, MCL 324.2154.

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

23 Sec. 26c. (1) From the ~~appropriation in~~ **state school aid fund**
 24 **money appropriated under** section 11, there is allocated an amount
 25 not to exceed ~~\$7,400,000.00~~ **\$9,700,000.00** for ~~2019-2020-2020-2021~~
 26 to the promise zone fund created in subsection (3). The funds
 27 allocated under this section reflect the amount of revenue from the
 28 collection of the state education tax captured under section 17 of
 29 the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.



1 (2) Funds allocated to the promise zone fund under this
2 section must be used solely for payments to eligible districts and
3 intermediate districts, in accordance with section 17 of the
4 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
5 that have a promise zone development plan approved by the
6 department of treasury under section 7 of the Michigan promise zone
7 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
8 intermediate districts shall use payments made under this section
9 for reimbursement for qualified educational expenses as defined in
10 section 3 of the Michigan promise zone authority act, 2008 PA 549,
11 MCL 390.1663.

12 (3) The promise zone fund is created as a separate account
13 within the state school aid fund to be used solely for the purposes
14 of the Michigan promise zone authority act, 2008 PA 549, MCL
15 390.1661 to 390.1679. All of the following apply to the promise
16 zone fund:

17 (a) The state treasurer shall direct the investment of the
18 promise zone fund. The state treasurer shall credit to the promise
19 zone fund interest and earnings from fund investments.

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

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

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



1 department.

2 Sec. 28. (1) To recognize differentiated instructional costs
3 for different types of pupils in ~~2019-2020~~, **2020-2021**, the
4 following sections provide a weighted foundation allocation or an
5 additional payment of some type in the following amounts, as
6 allocated under those sections:

7 (a) Section 22d, isolated and rural districts, \$7,000,000.00.

8 (b) Section 31a, at risk, standard programming,
9 \$510,000,000.00.

10 (c) Section 31a, at risk, additional payment, \$12,000,000.00.

11 (d) Section 41, bilingual education for English language
12 learners, ~~\$16,000,000.00~~. **\$13,000,000.00.**

13 (e) Section 51c, special education, mandated percentages,
14 ~~\$689,100,000.00~~. **\$713,400,000.00.**

15 (f) Section 51f, special education, additional percentages,
16 \$60,207,000.00.

17 (g) Section 61a, career and technical education, standard
18 reimbursement, \$37,611,300.00.

19 (h) Section 61d, career and technical education incentives,
20 ~~\$10,000,000.00~~. **\$5,000,000.00.**

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

24 **Sec. 29a. (1) From the state school aid fund money**
25 **appropriated under section 11, there is allocated for 2020-2021 an**
26 **amount not to exceed \$66,000,000.00 for payments as provided under**
27 **this section to eligible districts described in subsection (2).**

28 (2) A district for which its 2020-2021 pupils in membership
29 exceeds the calculation of membership for that district under



1 section 6(4) for 2020-2021 is an eligible district under this
2 section.

3 (3) The payment to each eligible district under this section
4 must be equal to the lesser of the eligible district's foundation
5 allowance or the target foundation allowance multiplied by the
6 difference between the eligible district's 2020-2021 pupils in
7 membership and the eligible district's membership for 2020-2021 as
8 calculated under section 6(4).

9 (4) If funds allocated under this section are insufficient to
10 fully fund the calculations under this section, the department
11 shall apply proration of an equal dollar amount per pupil.

12 (5) As used in this section, "2020-2021 pupils in membership"
13 means the sum of (the product of .90 times the number of full-time
14 equated pupils engaged in pandemic learning for fall 2020 or, for a
15 district that is a public school academy that operates as a cyber
16 school, as that term is defined in section 551 of the revised
17 school code, MCL 380.551, the number of full-time equated pupils in
18 grades K to 12 actually enrolled and in regular daily attendance in
19 the district on pupil membership count day for the current school
20 year) and (the product of .10 times the final audited count from
21 the supplemental count day of full-time equated pupils in grades K
22 to 12 actually enrolled and in regular daily attendance in the
23 district for the immediately preceding school year).

24 Sec. 31a. (1) From the state school aid fund money
25 appropriated in section 11, there is allocated for ~~2019-2020-2020-~~
26 ~~2021~~ an amount not to exceed \$535,150,000.00 for payments to
27 eligible districts and eligible public school academies for the
28 purposes of ensuring that pupils are proficient in English language
29 arts by the end of grade 3, that pupils are proficient in



1 mathematics by the end of grade 8, that pupils are attending school
 2 regularly, that high school graduates are career and college ready,
 3 and for the purposes under subsections (7) and (8).

4 (2) For a district that has combined state and local revenue
 5 per membership pupil under section 20 that is greater than the
 6 target foundation allowance under section 20 for the current fiscal
 7 year and that, for the immediately preceding fiscal year, had
 8 combined state and local revenue per membership pupil under section
 9 20 that was greater than the ~~basic~~**target** foundation allowance
 10 under section 20 that was in effect for ~~the 2018-2019~~**that** fiscal
 11 year, the allocation under this section is an amount equal to 30%
 12 of the allocation for which it would otherwise be eligible under
 13 this section before any proration under subsection (14). **It is the**
 14 **intent of the legislature that, if revenues are sufficient and if**
 15 **districts with combined state and local revenue per membership**
 16 **pupil under section 20 that is below the target foundation**
 17 **allowance are receiving nonprorated payments under this section,**
 18 **the percentage in the immediately preceding sentence must be**
 19 **increased annually until it reaches 100%.** If a district has
 20 combined state and local revenue per membership pupil under section
 21 20 that is greater than the target foundation allowance under
 22 section 20 for the current fiscal year, but for the ~~immediately~~
 23 ~~preceding~~**2018-2019** fiscal year had combined state and local
 24 revenue per membership pupil under section 20 that was less than
 25 the basic foundation allowance under section 20 that was in effect
 26 for the 2018-2019 fiscal year, the district shall receive an amount
 27 per pupil equal to 11.5% of the statewide weighted average
 28 foundation allowance, as applied under subsection (4), and before
 29 any proration under subsection (14).



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

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

22 (4) From the funds allocated under subsection (1), there is
23 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
24 \$510,000,000.00 to continue a weighted foundation per pupil payment
25 for districts and public school academies enrolling economically
26 disadvantaged pupils. The department shall pay under this section
27 to each eligible district or eligible public school academy an
28 amount per pupil equal to 11.5% of the statewide weighted average
29 foundation allowance for the following, as applicable:



1 (a) Except as otherwise provided under subdivision (b), ~~or~~
 2 (c), **or (d)** the greater of the following:

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

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



1 count day in the fiscal year preceding the first fiscal year in
2 which the eligible district or eligible public school academy is in
3 the community eligibility program.

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

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

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



1 pupils in the district or public school academy who are determined
2 to be economically disadvantaged, as reported to the center in the
3 form and manner prescribed by the center not later than the fifth
4 Wednesday after the supplemental count day of the immediately
5 preceding fiscal year.

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

24 (6) A district or public school academy that receives funds
25 under this section and that operates a school breakfast program
26 under section 1272a of the revised school code, MCL 380.1272a,
27 shall use from the funds received under this section an amount, not
28 to exceed \$10.00 per pupil for whom the district or public school
29 academy receives funds under this section, necessary to pay for



1 costs associated with the operation of the school breakfast
2 program.

3 (7) From the funds allocated under subsection (1), there is
4 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
5 \$8,000,000.00 to support primary health care services provided to
6 children and adolescents up to age 21. These funds must be expended
7 in a form and manner determined jointly by the department and the
8 department of health and human services. If any funds allocated
9 under this subsection are not used for the purposes of this
10 subsection for the fiscal year in which they are allocated, those
11 unused funds must be used that fiscal year to avoid or minimize any
12 proration that would otherwise be required under subsection (14)
13 for that fiscal year.

14 (8) From the funds allocated under subsection (1), there is
15 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
16 \$5,150,000.00 for the state portion of the hearing and vision
17 screenings as described in section 9301 of the public health code,
18 1978 PA 368, MCL 333.9301. A local public health department shall
19 pay at least 50% of the total cost of the screenings. The frequency
20 of the screenings must be as required under R 325.13091 to R
21 325.13096 and R 325.3271 to R 325.3276 of the Michigan
22 Administrative Code. Funds must be awarded in a form and manner
23 approved jointly by the department and the department of health and
24 human services. Notwithstanding section 17b, the department shall
25 make payments to eligible entities under this subsection on a
26 schedule determined by the department.

27 (9) Each district or public school academy receiving funds
28 under this section shall submit to the department by July 15 of
29 each fiscal year a report, in the form and manner prescribed by the



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

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

25 (11) Subject to subsections (6), (7), and (8), for schools in
 26 which more than 40% of pupils are identified as at-risk, a district
 27 or public school academy may use the funds it receives under this
 28 section to implement tier 1, evidence-based practices in schoolwide
 29 reforms that are guided by the district's comprehensive needs



1 assessment and are included in the district improvement plan.
2 Schoolwide reforms must include parent and community supports,
3 activities, and services, that may include the pathways to
4 potential program created by the department of health and human
5 services or the communities in schools program. As used in this
6 subsection, "tier 1, evidence-based practices" means research based
7 instruction and classroom interventions that are available to all
8 learners and effectively meet the needs of most pupils.

9 (12) A district or public school academy that receives funds
10 under this section may use up to 7.5% of those funds to provide
11 research based professional development and to implement a coaching
12 model that supports the multi-tiered system of supports framework.
13 Professional development may be provided to district and school
14 leadership and teachers and must be aligned to professional
15 learning standards; integrated into district, school building, and
16 classroom practices; and solely related to the following:

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

20 (b) Implementing section 1280f of the revised school code, MCL
21 380.1280f, as required under subsection (3), with fidelity.

22 (13) A district or public school academy that receives funds
23 under this section may use funds received under this section to
24 support instructional or behavioral coaches. Funds used for this
25 purpose are not subject to the cap under subsection (12).

26 (14) If necessary, and before any proration required under
27 section 296, the department shall prorate payments under this
28 section, except payments under subsection (7), (8), or (16), by
29 reducing the amount of the allocation as otherwise calculated under



1 this section by an equal percentage per district.

2 (15) If a district is dissolved pursuant to section 12 of the
3 revised school code, MCL 380.12, the intermediate district to which
4 the dissolved ~~school~~-district was constituent shall determine the
5 estimated number of pupils that are economically disadvantaged and
6 that are enrolled in each of the other districts within the
7 intermediate district and provide that estimate to the department
8 for the purposes of distributing funds under this section within 60
9 days after the ~~school~~-district is declared dissolved.

10 (16) From the funds allocated under subsection (1), there is
11 allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
12 \$12,000,000.00 for payments to districts and public school
13 academies that otherwise received an allocation under this
14 subsection for ~~2018-2019-2019-2020~~ and whose allocation under this
15 section for ~~2018-2019,~~ **2019-2020**, excluding any payments under
16 subsection (7) or (8), would have been more than the district's or
17 public school academy's allocation under this section for ~~2019-2020~~
18 **2020-2021** as calculated under subsection (4) only and as adjusted
19 under subsection (14). The allocation for each district or public
20 school academy under this subsection is an amount equal to its
21 allocation under this section for ~~2018-2019-2019-2020~~ minus its
22 allocation as otherwise calculated under subsection (4) for ~~2019-~~
23 ~~2020,~~ **2020-2021**, as adjusted by subsection (14), using in those
24 calculations the ~~2017-2018-2018-2019~~ number of pupils determined to
25 be economically disadvantaged. However, if the allocation as
26 otherwise calculated under this subsection would have been less
27 than \$0.00, the allocation under this subsection is \$0.00. If
28 necessary, and before any proration required under section 296, the
29 department shall prorate payments under this subsection by reducing



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

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

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

16 (19) As used in this section:

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

20 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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



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

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

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

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

19 (c) "English language learner" means limited English
20 proficient pupils who speak a language other than English as their
21 primary language and have difficulty speaking, reading, writing, or
22 understanding English as reported to the center.

23 (d) "Statewide weighted average foundation allowance" means
24 the number that is calculated by adding together the result of each
25 district's or public school academy's foundation allowance, not to
26 exceed the target foundation allowance for the current fiscal year,
27 or per-pupil payment calculated under section 20 multiplied by the
28 number of pupils in membership in that district or public school
29 academy, and then dividing that total by the statewide number of



1 pupils in membership.

2 Sec. 31d. (1) From the appropriations in section 11, there is
3 allocated an amount not to exceed \$23,144,000.00 for ~~2019-2020~~
4 **2020-2021** for the purpose of making payments to districts and other
5 eligible entities under this section.

6 (2) The amounts allocated from state sources under this
7 section are used to pay the amount necessary to reimburse districts
8 for 6.0127% of the necessary costs of the state mandated portion of
9 ~~the school-lunch~~ programs provided by those districts. The
10 department shall calculate the amount due to each district under
11 this section using the methods of calculation adopted by the
12 Michigan supreme court in the consolidated cases known as *Durant v*
13 *State of Michigan*, 456 Mich 175 (1997).

14 (3) The payments made under this section include all state
15 payments made to districts so that each district receives at least
16 6.0127% of the necessary costs of operating the state mandated
17 portion of the ~~school-lunch~~ program in a fiscal year.

18 (4) The payments made under this section to districts and
19 other eligible entities that are not required under section 1272a
20 of the revised school code, MCL 380.1272a, to provide a ~~school~~
21 lunch program must, **except for in 2020-2021**, be in an amount not to
22 exceed \$10.00 per eligible pupil plus 5 cents for each free lunch
23 and 2 cents for each reduced price lunch provided, as determined by
24 the department. **For 2020-2021 only, the amount described in this**
25 **subsection is not to exceed \$10.00 per eligible pupil plus 5 cents**
26 **for each lunch provided, as determined by the department.**

27 (5) From the federal funds appropriated in section 11, there
28 is allocated for ~~2019-2020~~ **2020-2021** all available federal funding,
29 estimated at ~~\$533,000,000.00~~ **\$545,000,000.00** for ~~the national~~



1 ~~school lunch program~~ **child nutrition programs** and all available
2 federal funding, estimated at ~~\$4,200,000.00~~ **\$5,000,000.00** for the
3 ~~emergency food assistance program~~ **food distribution programs**.

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

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

11 Sec. 31f. (1) From the appropriations in section 11, there is
12 allocated an amount not to exceed \$4,500,000.00 for ~~2019-2020~~ **2020-**
13 **2021** for the purpose of making payments to districts to reimburse
14 for the cost of providing breakfast.

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

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

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

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



1 preceding school year.

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

5 (5) In purchasing food for a school breakfast program funded
6 under this section, a district shall give preference to food that
7 is grown or produced by Michigan businesses if it is competitively
8 priced and of comparable quality.

9 Sec. 31j. (1) From the general fund money appropriated in
10 section 11, there is allocated an amount not to exceed ~~\$575,000.00~~
11 **\$200,000.00 and from the state school aid fund money appropriated**
12 **in section 11, there is allocated an amount not to exceed**
13 **\$1,800,000.00** for ~~2019-2020-2020-2021~~ for a ~~project~~**program** to
14 support districts **and sponsors of child care centers** in the
15 purchase of locally grown fruits and vegetables as described in
16 this section.

17 (2) ~~The department shall provide funding in an amount equal to~~
18 ~~\$125,000.00 per region to districts in prosperity regions 2, 4, 6,~~
19 ~~and 9 for the project described under this section. In addition,~~
20 ~~the department shall provide funding in an amount equal to~~
21 ~~\$75,000.00 to districts in prosperity region 8 for the project~~
22 ~~described under this section. From the funding to districts in~~
23 ~~subsection (1), funding~~**Funding** retained by ~~prosperity regions~~
24 **districts and the sponsors of child care centers** that administer
25 the ~~project~~**program** must not exceed 10%, and funding retained by
26 the department for administration must not exceed 6%. A ~~prosperity~~
27 ~~region~~**district or the sponsor of a child care center** may enter
28 into a memorandum of understanding with the department or another
29 ~~prosperity region,~~**district or sponsor of a child care center,** or



1 both, to administer the ~~project~~-**program**. If the department
 2 administers the ~~project~~-**program** for a ~~prosperity region~~,**district**
 3 **or the sponsor of a child care center**, the department may retain up
 4 to 10% of that ~~prosperity region's~~**district's or sponsor's** funding
 5 for administration **or may distribute some or all of that 10% to**
 6 **project partners as appropriate.**

7 (3) The department shall develop and implement a competitive
 8 grant program for districts ~~within the identified prosperity~~
 9 ~~regions~~**and sponsors of child care centers** to assist in paying for
 10 the costs incurred by the district **or the sponsor of the child care**
 11 **center** to purchase or increase purchases of whole or minimally
 12 processed fruits, vegetables, and legumes grown in this state. The
 13 maximum amount that may be drawn down on a grant to a district ~~must~~
 14 ~~be~~**or the sponsor of a child care center is** based on the number of
 15 meals served by the ~~school~~-district during the previous school year
 16 under the Richard B. Russell national school lunch act, 42 USC 1751
 17 to 1769j, **or meals served by the sponsor of the child care center**
 18 **in the previous school year.** The department shall collaborate with
 19 the Michigan department of agriculture and rural development to
 20 provide training to newly participating schools **and sponsors of**
 21 **child care centers** and electronic information on Michigan
 22 agriculture.

23 (4) The goals of the ~~project~~-**program under this section**
 24 include improving daily nutrition and eating habits for children
 25 through the school **and child care** settings while investing in
 26 Michigan's agricultural and related food business economy.

27 (5) A district **or the sponsor of a child care center** that
 28 receives a grant under this section shall use those funds for the
 29 costs incurred by the ~~school~~-district **or the sponsor** to purchase



1 whole or minimally processed fruits, vegetables, and legumes that
2 meet all of the following:

3 (a) Were purchased for the ~~2019-2020~~**2020-2021** fiscal year,
4 including purchases to launch meals in August ~~2019-2020~~ and
5 September ~~2019-2020~~.

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

8 (c) Are used for meals that are served as part of the United
9 States Department of Agriculture's child nutrition programs.

10 (6) For Michigan-grown fruits, vegetables, and legumes that
11 satisfy the requirements of subsection (5), **the department shall**
12 **make** matching reimbursements ~~must be made~~ in an amount not to
13 exceed 10 cents for every school meal that is served as part of the
14 United States Department of Agriculture's child nutrition programs
15 and that uses Michigan-grown fruits, vegetables, and legumes.

16 (7) A district **or the sponsor of a child care center** that
17 receives a grant for reimbursement under this section shall use the
18 grant to purchase whole or minimally processed fruits, vegetables,
19 and legumes that are grown in this state and, if minimally
20 processed, are also processed in this state.

21 (8) In awarding grants under this section, the department
22 shall work in conjunction with ~~prosperity region offices, districts~~
23 **and sponsors of child care centers**, in consultation with Michigan-
24 based farm to school resource organizations, to develop scoring
25 criteria that assess an applicant's ability to procure Michigan-
26 grown products, prepare and menu Michigan-grown products, promote
27 and market Michigan-grown products, and submit letters of intent
28 from districts **or the sponsors of child care centers** on plans for
29 educational activities that promote the goals of the program.



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

12 (10) In awarding grants, the department shall also consider
 13 all of the following:

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

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

19 (c) The existing or future collaboration opportunities between
 20 more than 1 district ~~in a prosperity region~~ **or child care center**.

21 (11) **As a condition of receiving a grant under this section, a**
 22 **district or the sponsor of a child care center shall provide or**
 23 **direct its vendors to provide to the department copies of monthly**
 24 **receipts that show the quantity of different Michigan-grown fruits,**
 25 **vegetables, and legumes purchased, the amount of money spent on**
 26 **each of these products, the name and Michigan location of the farm**
 27 **that grew the products, and the methods or plans to market and**
 28 **promote the program. The district or the sponsor of a child care**
 29 **center also shall provide to the department monthly lunch numbers**



1 and lunch participation rates and calendars or monthly menus noting
2 when and how Michigan-grown products were used in meals. The
3 district or the sponsor of the child care center and school or
4 child care center food service director or directors also shall
5 agree to respond to brief online surveys and to provide a report
6 that shows the percentage relationship of Michigan spending
7 compared to total food spending. Not later than 60 days after the
8 end of the school year in which funds under this section were
9 received, each district or each sponsor of a child care center
10 shall submit a report to the department on outcomes and related
11 measurements for economic development and children's nutrition and
12 readiness to learn. The report must include at least both of the
13 following:

14 (a) The extent to which farmers and related businesses,
15 including distributors and processors, saw an increase in market
16 opportunities and income generation through sales of Michigan or
17 local products to districts and sponsors of child care centers. All
18 of the following apply for purposes of this subdivision:

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

28 (ii) The district or the sponsor of a child care center shall
29 use purchasing data collected for the program and surveys of school



1 and child care food service directors on the impact and success of
2 the program as the source for the data described in subparagraph
3 (i).

4 (b) The ability to which pupils can access a variety of
5 healthy Michigan-grown foods through schools and child care centers
6 and increase their consumption of those foods. All of the following
7 apply for purposes of this subdivision:

8 (i) The data used to determine whether this subdivision is met
9 are the number of pupils exposed to Michigan-grown fruits,
10 vegetables, and legumes at schools and child care centers; the
11 variety of products served; new items taste-tested or placed on
12 menus; and the increase in pupil willingness to try new local
13 healthy foods.

14 (ii) The district or the sponsor of a child care center shall
15 use purchasing data collected for the project, meal count and
16 enrollment numbers, school menu calendars, and surveys of school
17 and child care food service directors as the source for the data
18 described in subparagraph (i).

19 (12) The department shall compile the reports provided by
20 districts and sponsors of child care centers under subsection (11)
21 into 1 legislative report. The department shall provide this report
22 not later than November 1, 2021 to the house and senate
23 subcommittees responsible for state school aid, the house and
24 senate fiscal agencies, and the state budget director.

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

28 Sec. 31k. (1) From the state school aid fund money
29 appropriated in section 11, there is allocated for 2020-2021 only



1 an amount not to exceed \$1,000,000.00 for payments to eligible
2 districts as described in this section.

3 (2) Subject to subsection (6), districts requesting funding
4 under this section must apply in a form and manner prescribed by
5 the department by not later than December 1, 2020. However,
6 districts requesting funding under this section through a second
7 application described in subsection (6) must apply in a form and
8 manner prescribed by the department by not later than May 1, 2021.

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

12 (4) Subject to subsection (9), the department shall provide
13 payments to eligible districts in an amount necessary to reimburse
14 the eligible districts for the cost of forgiving all outstanding
15 student-meal debt.

16 (5) Notwithstanding section 17b, the department shall make
17 reimbursement payments under subsection (4) to all eligible
18 districts by not later than 60 days after December 1, 2020.

19 (6) Subject to subsection (9), if the amount paid to eligible
20 districts under subsection (4) is less than the amount allocated
21 under subsection (1), the department may distribute the remaining
22 funds to eligible districts through a second application in an
23 amount necessary to reimburse eligible districts for the cost of
24 forgiving all outstanding student-meal debt. An eligible district
25 receiving a reimbursement payment under subsection (4) is not
26 eligible for a reimbursement payment through a second application
27 under this subsection.

28 (7) Except as otherwise provided under subsection (6) and
29 notwithstanding section 17b, the department shall make



1 reimbursement payments under subsection (6) as provided under
2 subsection (6) to all eligible districts by not later than 60 days
3 after May 1, 2021.

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

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

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

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

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

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

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

26 Sec. 31n. (1) From the **state school aid fund** money
27 appropriated in section 11, there is allocated for 2019-2020 for
28 the purposes of this section an amount not to exceed \$30,000,000.00
29 and from the general fund money appropriated in section 11, there



1 is allocated for 2019-2020 for the purposes of this section an
2 amount not to exceed \$1,300,000.00. **From the state school aid fund**
3 **money appropriated in section 11, there is allocated for 2020-2021**
4 **for the purposes of this section an amount not to exceed**
5 **\$35,600,000.00 and from the general fund money appropriated in**
6 **section 11, there is allocated for 2020-2021 for the purposes of**
7 **this section an amount not to exceed \$1,300,000.00.** The department
8 and the department of health and human services shall continue a
9 program to distribute this funding to add licensed behavioral
10 health providers for general education pupils, and shall continue
11 to seek federal Medicaid match funding for all eligible mental
12 health and support services.

13 (2) The department and the department of health and human
14 services shall maintain an advisory council for programs funded
15 under this section. The advisory council shall define goals for
16 implementation of programs funded under this section, and shall
17 provide feedback on that implementation. At a minimum, the advisory
18 council shall consist of representatives of state associations
19 representing school health, school mental health, school
20 counseling, education, health care, and other organizations,
21 representatives from the department and the department of health
22 and human services, and a representative from the school safety
23 task force created under Executive Order No. 2018-5. The department
24 and department of health and human services, working with the
25 advisory council, shall determine an approach to increase capacity
26 for mental health and support services in schools for general
27 education pupils, and shall determine where that increase in
28 capacity qualifies for federal Medicaid match funding.

29 (3) The advisory council shall develop a fiduciary agent



1 checklist for intermediate districts to facilitate development of a
 2 plan to submit to the department and to the department of health
 3 and human services. The department and department of health and
 4 human services shall determine the requirements and format for
 5 intermediate districts to submit a plan for possible funding under
 6 subsection (5). The department shall make applications for funding
 7 for this program available to districts and intermediate districts
 8 not later than December 1, 2019, **for the 2019-2020 fiscal year and**
 9 **December 1, 2020 for the 2020-2021 fiscal year** and shall award the
 10 funding not later than February 1, 2020 **for the 2019-2020 fiscal**
 11 **year and February 1, 2021 for the 2020-2021 fiscal year.**

12 (4) The department of health and human services shall seek to
 13 amend the state Medicaid plan or obtain appropriate Medicaid
 14 waivers as necessary for the purpose of generating additional
 15 Medicaid match funding for school mental health and support
 16 services for general education pupils. The intent is that a
 17 successful state plan amendment or other Medicaid match mechanisms
 18 will result in additional federal Medicaid match funding for both
 19 the new funding allocated under this section and for any expenses
 20 already incurred by districts and intermediate districts for mental
 21 health and support services for general education pupils.

22 (5) From the ~~fund~~**state school aid fund money** allocated under
 23 subsection (1), there is allocated for 2019-2020 an amount not to
 24 exceed \$6,500,000.00 **and there is allocated for 2020-2021 an amount**
 25 **not to exceed \$9,300,000.00** to be distributed to the network of
 26 child and adolescent health centers to place a licensed master's
 27 level behavioral health provider in schools that do not currently
 28 have services available to general education students. ~~Existing~~
 29 ~~child~~**Child** and adolescent health centers ~~receiving funding under~~



1 ~~this subsection~~ **that are part of the network described in this**
 2 **subsection** shall provide a commitment to maintain services and
 3 implement all available federal Medicaid match methodologies. The
 4 department of health and human services shall use all existing or
 5 additional federal Medicaid match opportunities to maximize funding
 6 allocated under this subsection. The department shall provide funds
 7 under this subsection to ~~existing~~ child and adolescent health
 8 centers **that are part of the network described in this subsection**
 9 in the same proportion that funding under section 31a(7) is
 10 provided to child and adolescent health centers **that are part of**
 11 **the network described in this subsection and that are** located and
 12 operating in those districts. **A payment from funding allocated**
 13 **under this subsection must not be paid to an entity that is not**
 14 **part of the network described in this subsection.**

15 (6) From the ~~funds~~ **state school aid fund money** allocated under
 16 subsection (1), there is allocated for 2019-2020 an amount not to
 17 exceed \$23,000,000.00 **and there is allocated for 2020-2021 an**
 18 **amount not to exceed \$25,800,000.00** to be distributed to
 19 intermediate districts for the provision of mental health and
 20 support services to general education students. From the funds
 21 allocated under this subsection, the department shall distribute
 22 \$410,700.00 **for 2019-2020 and \$460,700.00 for 2020-2021** to each
 23 intermediate district that submits a plan approved by the
 24 department and the department of health and human services. The
 25 department and department of health and human services shall work
 26 cooperatively in providing oversight and assistance to intermediate
 27 districts during the plan submission process and shall monitor the
 28 program upon implementation. An intermediate district shall use
 29 funds awarded under this subsection to provide funding to its



1 constituent districts, including public school academies that are
2 considered to be constituent districts under section 705(7) of the
3 revised school code, MCL 380.705, for the provision of mental
4 health and support services to general education students. In
5 addition to the criteria identified under subsection (7), an
6 intermediate district shall consider geography, cost, or other
7 challenges when awarding funding to its constituent districts. If
8 funding awarded to an intermediate district remains after funds are
9 provided by the intermediate district to its constituent districts,
10 the intermediate district may hire or contract for experts to
11 provide mental health and support services to general education
12 students residing within the boundaries of the intermediate
13 district, **including, but not limited to, expanding, hiring, or**
14 **contracting for staff and experts to provide those services**
15 **directly or to increase access to those services through**
16 **coordination with outside mental health agencies.**

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

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



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

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

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

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

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

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

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

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

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

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

29 (8) Funding under this section, including any federal Medicaid



1 funds that are generated, must not be used to supplant existing
2 services.

3 (9) Both of the following are allocated ~~for 2019-2020~~ to the
4 department of health and human services from the general fund money
5 allocated under subsection (1):

6 (a) ~~An~~ **For 2019-2020, an** amount not to exceed \$1,000,000.00
7 **and for 2020-2021, an amount not to exceed \$1,000,000.00** for the
8 purpose of upgrading technology and systems infrastructure and
9 other administrative requirements to support the programs funded
10 under this section.

11 (b) ~~An~~ **For 2019-2020, an** amount not to exceed \$300,000.00 **and**
12 **for 2020-2021, an amount not to exceed \$300,000.00** for the purpose
13 of administering the programs under this section and working on
14 generating additional Medicaid funds as a result of programs funded
15 under this section.

16 (10) From the ~~funds~~ **state school aid fund money** allocated
17 under subsection (1), there is allocated for 2019-2020 an amount
18 not to exceed \$500,000.00 **and there is allocated for 2020-2021 an**
19 **amount not to exceed \$500,000.00** to intermediate districts on an
20 equal per intermediate district basis for the purpose of
21 administering programs funded under this section.

22 (11) The department and the department of health and human
23 services shall work with the advisory council to develop proposed
24 measurements of outcomes and performance. Those measurements ~~shall~~
25 **must** include, at a minimum, the number of pupils served, the number
26 of schools served, and where those pupils and schools were located.
27 The department and the department of health and human services
28 shall compile data necessary to measure outcomes and performance,
29 and districts and intermediate districts receiving funding under



1 this section shall provide data requested by the department and
 2 department of health and human services for the measurement of
 3 outcomes and performance. The department and department of health
 4 and human services shall provide ~~a~~**an annual** report not later than
 5 ~~December 1, 2019 and by December 1 annually thereafter~~**of each year**
 6 to the house and senate appropriations subcommittees on **state**
 7 school aid and health and human services, ~~and~~ to the house and
 8 senate fiscal agencies, **and to the state budget director**. At a
 9 minimum, the report must include measurements of outcomes and
 10 performance, proposals to increase efficacy and usefulness,
 11 proposals to increase performance, and proposals to expand
 12 coverage.

13 **(12) Beginning with 2018-2019, a district or intermediate**
 14 **district that receives funding directly or indirectly under this**
 15 **section may carry over any unexpended funds received under this**
 16 **section for up to 2 fiscal years beyond the fiscal year in which**
 17 **the funds were received.**

18 Sec. 32d. (1) From the funds appropriated in section 11, there
 19 is allocated to eligible intermediate districts and consortia of
 20 intermediate districts for great start readiness programs an amount
 21 not to exceed \$249,600,000.00 for ~~2019-2020.~~**2020-2021**. An
 22 intermediate district or consortium shall use funds allocated under
 23 this section for great start readiness programs to provide part-
 24 day, school-day, or GSRP/Head Start blended comprehensive free
 25 compensatory classroom programs designed to improve the readiness
 26 and subsequent achievement of educationally disadvantaged children
 27 who meet the participant eligibility and prioritization guidelines
 28 as defined by the department. For a child to be eligible to
 29 participate in a program under this section, the child must be at



1 least 4, but less than 5, years of age as of September 1 of the
 2 school year in which the program is offered and must meet those
 3 eligibility and prioritization guidelines. A child who is not 4
 4 years of age as of September 1, but who will be 4 years of age not
 5 later than December 1, is eligible to participate if the child's
 6 parent or legal guardian seeks a waiver from the September 1
 7 eligibility date by submitting a request for enrollment in a
 8 program to the responsible intermediate district, if the program
 9 has capacity on or after September 1 of the school year, and if the
 10 child meets eligibility and prioritization guidelines.

11 (2) From the funds allocated under subsection (1), an amount
 12 not to exceed \$247,600,000.00 is allocated to intermediate
 13 districts or consortia of intermediate districts based on the
 14 formula in section 39. An intermediate district or consortium of
 15 intermediate districts receiving funding under this section shall
 16 act as the fiduciary for the great start readiness programs. In
 17 order to be eligible to receive funds allocated under this
 18 subsection from an intermediate district or consortium of
 19 intermediate districts, a district, a consortium of districts, or a
 20 public or private for-profit or nonprofit legal entity or agency
 21 ~~shall~~**must** comply with this section and section 39.

22 (3) In addition to the allocation under subsection (1), from
 23 the general fund money appropriated under section 11, there is
 24 allocated an amount not to exceed \$350,000.00 for ~~2019-2020-2020-~~
 25 **2021** for a competitive grant to continue a longitudinal evaluation
 26 of children who have participated in great start readiness
 27 programs. This evaluation must include, **to the extent, for 2020-**
 28 **2021, that data from the kindergarten readiness assessment are**
 29 **available**, a comparative analysis of the relationship between great



1 start readiness programs and performance on the kindergarten
 2 readiness assessment funded under section 104. The evaluation must
 3 use children wait-listed under this section for comparison, must
 4 include a determination of the specific great start readiness
 5 program in which the kindergarten students were enrolled and
 6 attended in the previous school year, and must, **to the extent, for**
 7 **2020-2021, that data from the Michigan kindergarten entry**
 8 **observation tool are available**, analyze Michigan kindergarten entry
 9 observation tool scores for students taking the Michigan
 10 kindergarten entry observation tool each year and produce a report
 11 as required under section 104. ~~For 2019-2020, the performance data~~
 12 ~~on the kindergarten readiness assessment must be submitted to the~~
 13 ~~center at the same time as the spring Michigan student data system~~
 14 ~~collection. Beginning in 2020-2021, the~~ **The** performance data on the
 15 kindergarten readiness assessment must be submitted to the center
 16 at the same time as the fall Michigan student data system
 17 collection. The responsibility for the analysis required under this
 18 subsection may be added to the requirements that the department
 19 currently has with its competitively designated current grantee.

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

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

29 (b) An age-appropriate educational curriculum that is in



1 compliance with the early childhood standards of quality for
2 prekindergarten children adopted by the state board, including, at
3 least, the Connect4Learning curriculum.

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

6 (d) Physical and dental health and developmental screening
7 services for all program participants.

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

11 (f) Active and continuous involvement of the parents or
12 guardians of the program participants.

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

16 (h) Participation in a school readiness advisory committee
17 convened as a workgroup of the great start collaborative that
18 provides for the involvement of classroom teachers, parents or
19 guardians of program participants, and community, volunteer, and
20 social service agencies and organizations, as appropriate. The
21 advisory committee annually shall review and make recommendations
22 regarding the program components listed in this subsection. The
23 advisory committee also shall make recommendations to the great
24 start collaborative regarding other community services designed to
25 improve all children's school readiness.

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

28 (j) Participation in this state's great start to quality
29 process with a rating of at least 3 stars.



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

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

6 (b) Except as otherwise provided in this subdivision **or**
7 **section**, ensure that at least 90% of the children participating in
8 an eligible great start readiness program for whom the intermediate
9 district is receiving funds under this section are children who
10 live with families with a household income that is equal to or less
11 than 250% of the federal poverty guidelines. If the intermediate
12 district determines that all eligible children are being served and
13 that there are no children on the waiting list who live with
14 families with a household income that is equal to or less than 250%
15 of the federal poverty guidelines, the intermediate district may
16 then enroll children who live with families with a household income
17 that is equal to or less than 300% of the federal poverty
18 guidelines. The enrollment process must consider income and risk
19 factors, such that children determined with higher need are
20 enrolled before children with lesser need. For purposes of this
21 subdivision **and subsection (27)**, all age-eligible children served
22 in foster care or who are experiencing homelessness or who have
23 individualized education programs recommending placement in an
24 inclusive preschool setting are considered to live with families
25 with household income equal to or less than 250% of the federal
26 poverty guidelines regardless of actual family income and are
27 prioritized for enrollment within the lowest quintile.

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



1 (i) Teachers possessing proper training. A lead teacher must
2 have a valid teaching certificate with an early childhood (ZA or
3 ZS) endorsement or a bachelor's or higher degree in child
4 development or early childhood education with specialization in
5 preschool teaching. However, if an applicant demonstrates to the
6 department that it is unable to fully comply with this subparagraph
7 after making reasonable efforts to comply, teachers who have
8 significant but incomplete training in early childhood education or
9 child development may be used if the applicant provides to the
10 department, and the department approves, a plan for each teacher to
11 come into compliance with the standards in this subparagraph. A
12 teacher's compliance plan must be completed within 2 years of the
13 date of employment. Progress toward completion of the compliance
14 plan consists of at least 2 courses per calendar year.

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



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

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

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

21 (8) An intermediate district or consortium of intermediate
22 districts receiving a grant under this section shall designate an
23 early childhood coordinator, and may provide services directly or
24 may contract with 1 or more districts or public or private for-
25 profit or nonprofit providers that, **except as otherwise provided in**
26 **this section**, meet all requirements of subsections (4) and (5).

27 (9) An intermediate district or consortium of intermediate
28 districts may retain for administrative services provided by the
29 intermediate district or consortium of intermediate districts an



1 amount not to exceed 4% of the grant amount. Expenses incurred by
2 subrecipients engaged by the intermediate district or consortium of
3 intermediate districts for directly running portions of the program
4 are considered program costs or a contracted program fee for
5 service. Subrecipients operating with a federally approved indirect
6 rate for other early childhood programs may include indirect costs,
7 not to exceed the federal 10% de minimis.

8 (10) An intermediate district or consortium of intermediate
9 districts may expend not more than 2% of the total grant amount for
10 outreach, recruiting, and public awareness of the program.

11 (11) ~~Each~~ **Except as otherwise provided in this section, each**
12 grant recipient shall enroll children identified under subsection
13 (5)(b) according to how far the child's household income is below
14 250% of the federal poverty guidelines by ranking each applicant
15 child's household income from lowest to highest and dividing the
16 applicant children into quintiles based on how far the child's
17 household income is below 250% of the federal poverty guidelines,
18 and then enrolling children in the quintile with the lowest
19 household income before enrolling children in the quintile with the
20 next lowest household income until slots are completely filled. If
21 the grant recipient determines that all eligible children are being
22 served and that there are no children on the waiting list who live
23 with families with a household income that is equal to or less than
24 250% of the federal poverty guidelines, the grant recipient may
25 then enroll children who live with families with a household income
26 that is equal to or less than 300% of the federal poverty
27 guidelines. The enrollment process must consider income and risk
28 factors, such that children determined with higher need are
29 enrolled before children with lesser need. For purposes of this



1 subsection **and subsection (27)**, all age-eligible children served in
2 foster care or who are experiencing homelessness or who have
3 individualized education programs recommending placement in an
4 inclusive preschool setting are considered to live with families
5 with household income equal to or less than 250% of the federal
6 poverty guidelines regardless of actual family income and are
7 prioritized for enrollment within the lowest quintile.

8 (12) An intermediate district or consortium of intermediate
9 districts receiving a grant under this section shall allow parents
10 of eligible children who are residents of the intermediate district
11 or within the consortium to choose a program operated by or
12 contracted with another intermediate district or consortium of
13 intermediate districts and shall enter into a written agreement
14 regarding payment, in a manner prescribed by the department.

15 (13) An intermediate district or consortium of intermediate
16 districts receiving a grant under this section shall 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 and great start readiness school-day program.
24 Children served in a program funded only through Head Start are not
25 counted toward this 30% allocation. The intermediate district or
26 consortium shall report to the department, in a manner prescribed
27 by the department, a detailed list of community-based providers by
28 provider type, including private for-profit, private nonprofit,
29 community college or university, Head Start grantee or delegate,



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

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

25 (b) The intermediate district or consortium provided to each
26 nonparticipating licensed child care center located in the service
27 area of the intermediate district or consortium information
28 regarding great start readiness program requirements and a
29 description of the application and selection process for community-



1 based providers.

2 (c) The intermediate district or consortium provided to the
3 public and to participating families a list of community-based
4 great start readiness program subrecipients with a great start to
5 quality rating of at least 3 stars.

6 (14) If an intermediate district or consortium of intermediate
7 districts receiving a grant under this section fails to submit
8 satisfactory evidence to demonstrate its effort to contract for at
9 least 30% of its total allocation, as required under subsection
10 (13), the department shall reduce the allocation to the
11 intermediate district or consortium by a percentage equal to the
12 difference between the percentage of an intermediate district's or
13 consortium's total allocation awarded to community-based providers
14 and 30% of its total allocation.

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

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

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

28 (c) Ensure that all intermediate district, district, community
29 college or university, Head Start grantee or delegate, private for-



1 profit, and private nonprofit providers are subject to a single
2 great start to quality rating system. The rating system must ensure
3 that regulators process all prospective providers at the same pace
4 on a first-come, first-served basis and must not allow 1 type of
5 provider to receive a great start to quality rating ahead of any
6 other type of provider.

7 (d) Not later than ~~December~~**March** 1 of each year, compile the
8 results of the information reported by each intermediate district
9 or consortium under subsection (13) and report to the legislature a
10 list by intermediate district or consortium with the number and
11 percentage of each intermediate district's or consortium's total
12 allocation allocated to community-based providers by provider type,
13 including private for-profit, private nonprofit, community college
14 or university, Head Start grantee or delegate, and district or
15 intermediate district.

16 (16) A recipient of funds under this section shall report to
17 the center in a form and manner prescribed by the center the
18 information necessary to derive the number of children
19 participating in the program who meet the program eligibility
20 criteria under subsection (5) (b), **subject to subsection (27)**, the
21 number of eligible children not participating in the program and on
22 a waitlist, and the total number of children participating in the
23 program by various demographic groups and eligibility factors
24 necessary to analyze equitable and priority access to services for
25 the purposes of subsection (3).

26 (17) As used in this section:

27 (a) "GSRP/Head Start blended program", **except as otherwise**
28 **provided in this section**, means a part-day program funded under
29 this section and a Head Start program, which are combined for a



1 school-day program.

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

6 (c) "Part-day program", **except as otherwise provided in this**
7 **section**, means a program that operates at least 4 days per week, 30
8 weeks per year, for at least 3 hours of teacher-child contact time
9 per day but for fewer hours of teacher-child contact time per day
10 than a school-day program.

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

17 (18) An intermediate district or consortium of intermediate
18 districts receiving funds under this section shall establish and
19 charge tuition according to a sliding scale of tuition rates based
20 upon household income for children participating in an eligible
21 great start readiness program who live with families with a
22 household income that is more than 250%, **but, for 2020-2021 only,**
23 **who live with families with a household income that is more than**
24 **400%** of the federal poverty guidelines to be used by all of its
25 providers, as approved by the department.

26 (19) From the amount allocated in subsection (2), there is
27 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
28 \$10,000,000.00 for reimbursement of transportation costs for
29 children attending great start readiness programs funded under this



1 section. To receive reimbursement under this subsection, not later
2 than November 1 ~~7~~ of each year, a program funded under this section
3 that provides transportation shall submit to the intermediate
4 district that is the fiscal agent for the program a projected
5 transportation budget. The amount of the reimbursement for
6 transportation under this subsection is no more than the projected
7 transportation budget or \$300.00 multiplied by the number of
8 children funded for the program under this section. If the amount
9 allocated under this subsection is insufficient to fully reimburse
10 the transportation costs for all programs that provide
11 transportation and submit the required information, the department
12 shall prorate the reimbursement in an equal amount per child
13 funded. The department shall make payments to the intermediate
14 district that is the fiscal agent for each program, and the
15 intermediate district shall then reimburse the program provider for
16 transportation costs as prescribed under this subsection.

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

25 (a) The names of families provided with transportation support
26 along with a documented reason for the need for transportation
27 support and the type of transportation provided.

28 (b) Financial documentation of actual transportation costs
29 incurred by the program, including, but not limited to, receipts



1 and mileage reports, as determined by the department.

2 (c) Any other documentation or information determined
3 necessary by the department.

4 (21) The department shall implement a process to review and
5 approve age-appropriate comprehensive classroom level quality
6 assessments for GSRP grantees that support the early childhood
7 standards of quality for prekindergarten children adopted by the
8 state board. The department shall make available to intermediate
9 districts at least 2 classroom level quality assessments that were
10 approved in 2018.

11 (22) An intermediate district that is a GSRP grantee may
12 approve the use of a supplemental curriculum that aligns with and
13 enhances the age-appropriate educational curriculum in the
14 classroom. If the department objects to the use of a supplemental
15 curriculum approved by an intermediate district, the superintendent
16 shall establish a review committee independent of the department.
17 The review committee shall meet within 60 days of the department
18 registering its objection in writing and provide a final
19 determination on the validity of the objection within 60 days of
20 the review committee's first meeting.

21 (23) The department shall implement a process to evaluate and
22 approve age-appropriate educational curricula that are in
23 compliance with the early childhood standards of quality for
24 prekindergarten children adopted by the state board.

25 (24) From the funds allocated under subsection (1), there is
26 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
27 \$2,000,000.00 for payments to intermediate districts or consortia
28 of intermediate districts for professional development and training
29 materials for educators in programs implementing new curricula.



1 (25) A great start readiness program or a GSRP/Head Start
2 blended program funded under this section is permitted to utilize
3 AmeriCorps Pre-K Reading Corps members in classrooms implementing
4 research-based early literacy intervention strategies.

5 (26) For the 2020-2021 program year only, the hours, days, and
6 weeks specified within the definitions under subsection (17)(a),
7 (c), and (d) do not apply to all grantees and subrecipients under
8 this section. However, for the 2020-2021 fiscal year only, grantees
9 and subrecipients shall, at a minimum, provide pandemic learning
10 and programming on-site, at a different location, in-person,
11 online, digitally, by other remote means, in a synchronous or
12 asynchronous format, or through any combination therein that
13 results in an amount of hours, days, and weeks necessary to deliver
14 the educational or course content that would have been delivered in
15 a year in which pandemic learning was not provided and that
16 complies with requirements developed by the department. The
17 department shall publish uniform guidance concerning requirements
18 under this subsection for age-appropriate instruction that is
19 provided online, digitally, or by other remote means as part of
20 pandemic learning and programming provided under this subsection.
21 As used in this subsection, "pandemic learning" means a mode of
22 instruction provided as a result of the COVID-19 pandemic.

23 (27) For the 2020-2021 program year only, household income
24 eligibility thresholds requiring household incomes that are equal
25 to or less than 250% of the federal poverty guidelines under
26 subsections (5)(b) and (11) do not apply for all grantees and
27 subrecipients under this section. However, for the 2020-2021
28 program year, all grantees and subrecipients must continue to
29 enroll children in the quintile with the lowest household income



1 first before enrolling the next quintile and must implement the
2 ranking process described in subsection (11) by first enrolling
3 children from households with incomes that are equal to or less
4 than 250% of the federal poverty guidelines, then enrolling
5 children from households with incomes that are equal to an amount
6 that is greater than 250% but less than or equal to 300% of the
7 federal poverty guidelines, then enrolling children from households
8 with incomes equal to an amount that is greater than 300% but less
9 than or equal to 350% of the federal poverty guidelines, and then
10 continuing enrollment in an order increasing in percentage from a
11 percentage greater than 350% in relation to the federal poverty
12 guidelines until all available slots are filled.

13 (28) For the 2020-2021 program year only, intermediate
14 districts will be awarded funding based on the total allocation
15 under subsection (1) and the funding must be allocated to
16 intermediate districts as prescribed under section 39. To receive
17 funding as described in this subsection, an intermediate district
18 must complete the department's process for accepting funds and
19 implement its existing local process for funding current
20 subrecipients under this section, including, but not limited to,
21 adding any necessary new subrecipients and implementation of the
22 program. Intermediate districts described in this subsection must
23 report the children served under this section to the center for
24 data-tracking purposes. The data described in this subsection must
25 not be used to determine funding for the 2020-2021 program year or
26 hold harmless funding levels for 2021-2022. Hold harmless funding
27 for 2021-2022 must be determined based on the 2019-2020 final
28 allocations under this section. Both of the following apply for the
29 2020-2021 program year:



1 (a) An intermediate district and its subrecipients under this
2 section must conform to typical expenditures related to the
3 operation of great start readiness programs to ensure the stability
4 of the programs, including, but not limited to, ongoing program and
5 staff costs.

6 (b) Funding remaining after serving all eligible children, in
7 accordance with subsections (5)(b) and (11), subject to subsection
8 (27), or remaining from other program savings due to pandemic
9 learning must be used for the betterment of the program under this
10 section and must be approved by the department. Intermediate
11 districts and subrecipients under this section may only spend in
12 accordance with the provisions of this subdivision if the
13 intermediate district or subrecipient has demonstrated to the
14 satisfaction of the department that no eligible children are on
15 waitlists for the programs operated by the intermediate district or
16 subrecipients under this section.

17 Sec. 32p. (1) From the appropriation in section 11, there is
18 allocated an amount not to exceed \$13,400,000.00 to intermediate
19 districts for ~~2019-2020-2020-2021~~ for the purpose of providing
20 early childhood funding to intermediate ~~school~~-districts to support
21 the ~~activities~~-**goals and outcomes** under subsection (2) and
22 subsection (4), and to provide early childhood programs for
23 children from birth through age 8. The funding provided to each
24 intermediate district under this section is determined by the
25 distribution formula established by the department's office of
26 great start to provide equitable funding statewide. In order to
27 receive funding under this section, each intermediate district
28 ~~shall~~-**must** provide an application to the office of great start not
29 later than September 15 of the immediately preceding fiscal year



1 indicating the ~~activities~~**strategies** planned to be provided.

2 (2) Each intermediate district or consortium of intermediate
3 districts that receives funding under this section shall convene a
4 local great start collaborative and a parent coalition. The goal of
5 each great start collaborative and parent coalition is to ensure
6 the coordination and expansion of local early childhood
7 infrastructure and programs that allow every child in the community
8 to achieve the following outcomes:

9 (a) Children born healthy.

10 (b) Children healthy, thriving, and developmentally on track
11 from birth to third grade.

12 (c) Children developmentally ready to succeed in school at the
13 time of school entry.

14 (d) Children prepared to succeed in fourth grade and beyond by
15 reading proficiently by the end of third grade.

16 (3) Each local great start collaborative and parent coalition
17 shall convene workgroups to make recommendations about community
18 services designed to achieve the outcomes described in subsection
19 (2) and to ensure that its local great start system includes the
20 following supports for children from birth through age 8:

21 (a) Physical health.

22 (b) Social-emotional health.

23 (c) Family supports and basic needs.

24 (d) Parent education.

25 (e) Early education, including the child's development of
26 skills linked to success in foundational literacy, and care.

27 (4) From the funds allocated in subsection (1), at least
28 \$2,500,000.00 must be used for the purpose of providing home visits
29 to at-risk children and their families. The home visits must be



1 conducted as part of a locally coordinated, family-centered,
 2 evidence-based, data-driven home visit strategic plan that is
 3 approved by the department. The goals of the home visits funded
 4 under this subsection are to improve school readiness using
 5 evidence-based methods, including a focus on developmentally
 6 appropriate outcomes for early literacy, ~~to reduce the number of~~
 7 ~~pupils retained in grade level, to reduce the number of pupils~~
 8 ~~requiring special education services,~~ to improve positive parenting
 9 practices, and to improve family economic self-sufficiency while
 10 reducing the impact of high-risk factors through community
 11 resources and referrals. The department shall coordinate the goals
 12 of the home visit strategic plans approved under this subsection
 13 with other state agency home visit programs in a way that
 14 strengthens Michigan's home visiting infrastructure and maximizes
 15 federal funds available for the purposes of at-risk family home
 16 visits. The coordination among departments and agencies is intended
 17 to avoid duplication of state services and spending, and should
 18 emphasize efficient service delivery of home visiting programs.

19 (5) Not later than December 1 of each year, each intermediate
 20 district shall provide a report to the department detailing the
 21 ~~activities~~ **strategies** actually ~~provided~~ **implemented** during the
 22 immediately preceding school year and the families and children
 23 actually served. At a minimum, the report must include an
 24 evaluation of the services provided with additional funding under
 25 subsection (4) for home visits, using the goals identified in
 26 subsection (4) as the basis for the evaluation, including the
 27 degree to which school readiness was improved, ~~any change in the~~
 28 ~~number of pupils retained at grade level, any change in the number~~
 29 ~~of pupils receiving special education services,~~ the degree to which



1 positive parenting practices were improved, the degree to which
 2 there was improved family economic self-sufficiency, and the degree
 3 to which community resources and referrals were utilized. The
 4 department shall compile and summarize these reports and submit its
 5 summary to the house and senate appropriations subcommittees on
 6 school aid and to the house and senate fiscal agencies not later
 7 than February 15 of each year.

8 (6) An intermediate district or consortium of intermediate
 9 districts that receives funding under this section may carry over
 10 any unexpended funds received under this section into the next
 11 fiscal year and may expend those unused funds through June 30 of
 12 the next fiscal year. **However, an intermediate district or**
 13 **consortium of intermediate districts that receives funding for the**
 14 **purposes described in subsection (2) in fiscal year 2020-2021 shall**
 15 **not carry over into the next fiscal year any amount exceeding 30%**
 16 **of the amount awarded to the intermediate district or consortium in**
 17 **the 2020-2021 fiscal year. It is intended that the amount carried**
 18 **over from funding awarded for the purposes described in subsection**
 19 **(2) in fiscal year 2021-2022 not exceed 20% of the amount awarded**
 20 **in that fiscal year and the amount carried over from funding**
 21 **awarded for the purposes described in subsection (2) in fiscal year**
 22 **2022-2023 not exceed 15% of the amount awarded in that fiscal year.**
 23 A recipient of a grant shall return any unexpended grant funds to
 24 the department in the manner prescribed by the department not later
 25 than September 30 of the next fiscal year after the fiscal year in
 26 which the funds are received.

27 Sec. 35a. (1) From the appropriations in section 11, there is
 28 allocated for ~~2019-2020~~ **2020-2021** for the purposes of this section
 29 an amount not to exceed ~~\$57,400,000.00~~ **\$55,400,000.00** from the



1 state school aid fund **and there is allocated for 2020-2021 for the**
2 **purposes of subsection (8) an amount not to exceed \$2,773,000.00**
3 **from the general fund.** The superintendent shall designate staff or
4 contracted employees funded under this section as critical
5 shortage. Programs funded under this section are intended to ensure
6 that this state will be a top 10 state in grade 4 reading
7 proficiency by 2025 according to the National Assessment of
8 Educational Progress (NAEP).

9 (2) A district that receives funds under subsection (5) may
10 spend up to 5% of those funds for professional development for
11 educators in a department-approved research-based training program
12 related to current state literacy standards for pupils in grades ~~K~~
13 **pre-K** to 3. The professional development must also include training
14 in the use of screening and diagnostic tools, progress monitoring,
15 and intervention methods used to address barriers to learning and
16 delays in learning that are diagnosed through the use of these
17 tools.

18 (3) A district that receives funds under subsection (5) may
19 use up to 5% of those funds to administer department-approved
20 screening and diagnostic tools to monitor the development of early
21 literacy and early reading skills of pupils in grades ~~K~~**pre-K** to 3
22 and to support research-based professional development for
23 educators in administering screening and diagnostic tools and in
24 data interpretation of the results obtained through the use of
25 those tools for the purpose of implementing a multi-tiered system
26 of support to improve reading proficiency among pupils in grades ~~K~~
27 **pre-K** to 3. A department-approved screening and diagnostic tool
28 administered by a district using funding under this section must
29 include all of the following components: phonemic awareness,



1 phonics, fluency, and comprehension. Further, all of the following
 2 sub-skills must be assessed within each of these components:

3 (a) Phonemic awareness - segmentation, blending, and sound
 4 manipulation (deletion and substitution).

5 (b) Phonics - decoding (reading) and encoding (spelling).

6 (c) Fluency - reading rate, accuracy, and expression.

7 (d) Comprehension - making meaning of text.

8 (4) From the allocation under subsection (1), there is
 9 allocated an amount not to exceed \$31,500,000.00 for ~~2019-2020~~
 10 **2020-2021** for the purpose of providing early literacy coaches at
 11 intermediate districts to assist teachers in developing and
 12 implementing instructional strategies for pupils in grades ~~K~~**pre-K**
 13 to 3 so that pupils are reading at grade level by the end of grade
 14 3. All of the following apply to funding under this subsection:

15 (a) The department shall develop an application process
 16 consistent with the provisions of this subsection. An application
 17 must provide assurances that literacy coaches funded under this
 18 subsection are knowledgeable about at least the following:

19 (i) Current state literacy standards for pupils in grades ~~K~~
 20 **pre-K** to 3.

21 (ii) Implementing an instructional delivery model based on
 22 frequent use of formative, screening, and diagnostic tools, known
 23 as a multi-tiered system of support, to determine individual
 24 progress for pupils in grades ~~K~~**pre-K** to 3 so that pupils are
 25 reading at grade level by the end of grade 3.

26 (iii) The use of data from diagnostic tools to determine the
 27 necessary additional supports and interventions needed by
 28 individual pupils in grades ~~K~~**pre-K** to 3 in order to be reading at
 29 grade level.



1 (b) From the allocation under this subsection, the department
 2 shall award grants to intermediate districts for the support of
 3 early literacy coaches. The department shall provide this funding
 4 in the following manner:

5 (i) The department shall award each intermediate district grant
 6 funding to support the cost of 1 early literacy coach in an equal
 7 amount per early literacy coach, not to exceed \$112,500.00.

8 (ii) After distribution of the grant funding under subparagraph
 9 (i), the department shall distribute the remainder of grant funding
 10 for additional early literacy coaches in an amount not to exceed
 11 \$112,500.00 per early literacy coach. The number of funded early
 12 literacy coaches for each intermediate district is based on the
 13 percentage of the total statewide number of pupils in grades K to 3
 14 who meet the income eligibility standards for the federal free and
 15 reduced-price lunch programs who are enrolled in districts in the
 16 intermediate district.

17 (c) If an intermediate district that receives funding under
 18 this subsection uses an assessment tool that screens for signs of
 19 dyslexia, the intermediate district shall use the assessment
 20 results from that assessment tool to identify pupils who
 21 demonstrate signs of dyslexia.

22 (5) From the allocation under subsection (1), there is
 23 allocated an amount not to exceed \$19,900,000.00 for ~~2019-2020~~
 24 **2020-2021** to districts that provide additional instructional time
 25 to those pupils in grades ~~K-pre-K~~ to 3, **or, for 2020-2021 only,**
 26 **those pupils in grades pre-K to 12,** who have been identified by
 27 using department-approved screening and diagnostic tools as needing
 28 additional supports and interventions in order to be reading at
 29 grade level by the end of grade 3, **or, for 2020-2021 only, reading**



1 **at the applicable grade level.** Additional instructional time may be
2 provided before, during, and after regular school hours or as part
3 of a year-round balanced school calendar. All of the following
4 apply to funding under this subsection:

5 (a) In order to be eligible to receive funding, a district
6 shall demonstrate to the satisfaction of the department that the
7 district has done all of the following:

8 (i) Implemented a multi-tiered system of support instructional
9 delivery model that is an evidence-based model that uses data-
10 driven problem solving to integrate academic and behavioral
11 instruction and that uses intervention delivered to all pupils in
12 varying intensities based on pupil needs. The multi-tiered system
13 of supports must provide at least all of the following essential
14 components:

15 (A) Team-based leadership.

16 (B) A tiered delivery system.

17 (C) Selection and implementation of instruction,
18 interventions, and supports.

19 (D) A comprehensive screening and assessment system.

20 (E) Continuous data-based decision making.

21 (ii) Used department-approved research-based diagnostic tools
22 to identify individual pupils in need of additional instructional
23 time.

24 (iii) Used a reading instruction method that focuses on the 5
25 fundamental building blocks of reading: phonics, phonemic
26 awareness, fluency, vocabulary, and comprehension and content
27 knowledge.

28 (iv) Provided teachers of pupils in grades ~~K~~**pre-K** to 3 with
29 research-based professional development in diagnostic data



1 interpretation.

2 (v) Complied with the requirements under section 1280f of the
3 revised school code, MCL 380.1280f.

4 (b) The department shall distribute funding allocated under
5 this subsection to eligible districts on an equal per-first-grade-
6 pupil basis.

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

11 (6) Not later than September 1 of each year, a district that
12 receives funding under subsection ~~(4), (5), or (9),~~ in conjunction
13 with the Michigan ~~data hub network,~~ **student data system**, if
14 possible, shall provide to the department a report that includes at
15 least both of the following, in a form and manner prescribed by the
16 department:

17 (a) For pupils in grades ~~K-pre-K to 3~~ **or pre-K to 12, as**
18 **applicable**, the pupils, schools, and grades served with funds under
19 this section and the categories of services provided.

20 (b) For pupils in grades ~~K-pre-K to 3~~ **or pre-K to 12, as**
21 **applicable**, pupil proficiency and growth data that allows analysis
22 both in the aggregate and by each of the following subgroups, as
23 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 ~~\$1,000,000.00~~ **\$4,000,000.00** for
 5 ~~2019-2020~~ **2020-2021** to an intermediate district in which the
 6 combined total number of pupils in membership of all of its
 7 constituent districts is the fewest among all intermediate
 8 districts. All of the following apply to the funding under this
 9 subsection:

10 (a) Funding under this subsection must be used by the
 11 intermediate district, in partnership with an association that
 12 represents intermediate district administrators in this state, to
 13 implement ~~both~~ **all** of the following:

14 (i) Literacy essentials teacher and principal training modules.

15 (ii) Face-to-face and online professional learning of literacy
 16 essentials teacher and principal training modules for literacy
 17 coaches, principals, and teachers.

18 **(iii) The placement of regional lead literacy coaches to
 19 facilitate professional learning for early literacy coaches. These
 20 regional lead literacy coaches shall provide support for new
 21 literacy coaches, building teachers, and administrators and shall
 22 facilitate regional data collection to evaluate the effectiveness
 23 of statewide literacy coaches funded under this section.**

24 **(iv) Provide \$500,000.00 from this subsection for literacy
 25 training, modeling, coaching, and feedback for district principals
 26 or chief administrators, as applicable. The training described in
 27 this subparagraph must use the pre-K and K to 3 essential
 28 instructional practices in literacy created by the general
 29 education leadership network as the framework for all training**



1 **provided under this subparagraph.**

2 (b) Not later than September 1 of each year, the intermediate
3 district described in this subsection, in consultation with grant
4 recipients, shall submit a report to the chairs of the senate and
5 house appropriations subcommittees on state school aid, ~~and~~ the
6 chairs of the senate and house standing committees responsible for
7 education legislation, **the house and senate fiscal agencies, and**
8 **the state budget director.** The report described under this
9 subdivision must include student achievement results in English
10 language arts and survey results with feedback from parents and
11 teachers regarding the initiatives implemented under this
12 subsection.

13 (c) **Up to 2% of funds allocated under this subsection may be**
14 **used by the association representing intermediate district**
15 **administrators that is in partnership with the intermediate**
16 **district specified in this subsection to administer this**
17 **subsection.**

18 (8) From the general fund money allocated in subsection (1),
19 the department shall allocate the amount of \$2,773,000.00 for 2020-
20 2021 to the Michigan Education Corps for the PreK Reading Corps,
21 the K3 Reading Corps, and the Math Corps. All of the following
22 apply to funding under this subsection:

23 (a) By September 1 of the current fiscal year, the Michigan
24 Education Corps shall provide a report concerning its use of the
25 funding to the senate and house appropriations subcommittees on
26 state school aid, the senate and house fiscal agencies, and the
27 senate and house caucus policy offices on outcomes and performance
28 measures of the Michigan Education Corps, including, but not
29 limited to, the degree to which the Michigan Education Corps'



1 replication of the PreK Reading Corps, the K3 Reading Corps, and
2 the Math Corps programs is demonstrating sufficient efficacy and
3 impact. The report must include data pertaining to at least all of
4 the following:

5 (i) The current impact of the programs on this state in terms
6 of numbers of children and schools receiving support. This portion
7 of the report must specify the number of children tutored,
8 including dosage and completion, and the demographics of those
9 children.

10 (ii) Whether the assessments and interventions are implemented
11 with fidelity. This portion of the report must include details on
12 the total number of assessments and interventions completed and the
13 range, mean, and standard deviation.

14 (iii) Whether the literacy or math improvement of children
15 participating in the programs is consistent with expectations. This
16 portion of the report must detail at least all of the following:

17 (A) Growth rate by grade or age level, in comparison to
18 targeted growth rate.

19 (B) Average linear growth rates.

20 (C) Exit rates.

21 (D) Percentage of children who exit who also meet or exceed
22 spring benchmarks.

23 (iv) The impact of the programs on organizations and
24 stakeholders, including, but not limited to, school administrators,
25 internal coaches, and AmeriCorps members.

26 (b) If the department determines that the Michigan Education
27 Corps has misused the funds allocated under this subsection, the
28 Michigan Education Corps shall reimburse this state for the amount
29 of state funding misused.



1 (c) The department may not reserve any portion of the
 2 allocation provided under this subsection for an evaluation of the
 3 Michigan Education Corps, the Michigan Education Corps' funding, or
 4 the Michigan Education Corps' programming unless agreed to in
 5 writing by the Michigan Education Corps. The department shall award
 6 the entire \$2,773,000.00 allocated under this subsection to the
 7 Michigan Education Corps and shall not condition the awarding of
 8 this funding on the implementation of an independent evaluation.

9 (9) ~~(8)~~—If a district or intermediate district expends any
 10 funding received under subsection (4) or (5) for professional
 11 development in research-based effective reading instruction, the
 12 district or intermediate district shall select a professional
 13 development program from the list described under subdivision (a).
 14 All of the following apply to the requirement under this
 15 subsection:

16 (a) The department shall issue a request for proposals for
 17 professional development programs in research-based effective
 18 reading instruction to develop an initial approved list of
 19 professional development programs in research-based effective
 20 reading instruction. The department shall ~~complete and~~ make the
 21 initial approved list public ~~not later than December 1, 2019. After~~
 22 ~~December 1, 2019, the department~~ **and** shall determine if it will, on
 23 a rolling basis, approve any new proposals submitted for addition
 24 to its initial approved list.

25 (b) To be included as an approved professional development
 26 program in research-based effective reading instruction under
 27 subdivision (a), an applicant must demonstrate to the department in
 28 writing the program's competency in all of the following topics:

29 (i) Understanding of phonemic awareness, phonics, fluency,



1 vocabulary, and comprehension.

2 (ii) Appropriate use of assessments and differentiated
3 instruction.

4 (iii) Selection of appropriate instructional materials.

5 (iv) Application of research-based instructional practices.

6 (c) As used in this subsection, "effective reading
7 instruction" means reading instruction scientifically proven to
8 result in improvement in pupil reading skills.

9 ~~(9) From the allocation under subsection (1), there is
10 allocated for 2019-2020 only an amount not to exceed \$5,000,000.00
11 for a summer school reading program for grade 3 pupils who did not
12 score at least proficient on the English language arts portion of
13 the Michigan student test of educational progress (M-STEP) and for
14 pupils in grades K to 2 who are not reading at grade level. All of
15 the following apply to the funding allocated under this subsection:~~

16 ~~(a) To be eligible for funding under this subsection, a
17 district must apply in a form and manner prescribed by the
18 department by not later than January 15, 2020.~~

19 ~~(b) The department shall award funding under this subsection
20 not later than March 15, 2020.~~

21 ~~(c) The amount of funding to each eligible district is equal
22 to the product of the quotient of \$5,000,000.00 divided by the sum
23 of the number of pupils determined by the department to have scored
24 less than proficient on the English language arts portion of the
25 2019 grade 3 Michigan student test of educational progress (M-STEP)
26 among all of the districts that apply and are eligible for funding
27 for a summer school reading program under this subsection,
28 multiplied by the number of pupils in the eligible district
29 determined by the department to have scored less than proficient on~~



1 ~~the English language arts portion of the 2019 grade 3 Michigan~~
 2 ~~student test of educational progress (M-STEP).~~

3 ~~(d) A district that is awarded funding under this subsection~~
 4 ~~must prioritize its summer school reading program toward grade 3~~
 5 ~~pupils who scored less than proficient on the English language arts~~
 6 ~~portion of the Michigan student test of educational progress (M-~~
 7 ~~STEP), but may extend the program to any pupil in grades K to 2 who~~
 8 ~~is not reading at grade level if the program has capacity.~~

9 (10) Notwithstanding section 17b, the department shall make
 10 payments made under subsections (7) ~~and (9)~~ **and (8)** on a schedule
 11 determined by the department.

12 Sec. 35b. (1) From the general fund money appropriated in
 13 section 11, there is allocated for ~~2018-2019~~ **2020-2021** an amount
 14 not to exceed \$250,000.00 for a grant to be distributed by the
 15 department to the Children's Choice Initiative ~~to create a pilot~~
 16 ~~program~~ **for a program** to use a multisensory structured language
 17 education method to improve reading proficiency rates and to comply
 18 with section 1280f of the revised school code, MCL 380.1280f.

19 (2) Grant funds awarded under this section must be expended
 20 for the following purposes:

21 (a) Professional development including training staff and
 22 tutors in a multisensory, sequential, systematic education
 23 approach.

24 (b) Additional instructional time before, during, or after
 25 school for pupils in grades K to 3 identified as having an early
 26 literacy delay or reading deficiency using a multisensory,
 27 sequential, systematic education approach.

28 (3) Not later than December 1, ~~2020,~~ **2021**, an entity that
 29 receives grant funds under this section shall report to the house



1 and senate appropriations subcommittees on school aid, the house
2 and senate fiscal agencies, and the state budget director on all of
3 the following for the grant funds awarded under this section:

4 (a) The number of staff and tutors trained.

5 (b) The number of pupils in grades K to 3 identified as having
6 an early literacy delay or reading deficiency served.

7 (c) The number of hours of added instructional time provided
8 to pupils served.

9 (d) Pupil reading proficiency and growth data of pupils served
10 necessary to evaluate the effectiveness of the program.

11 **Sec. 35d. (1) From the general fund money appropriated under**
12 **section 11, for 2020-2021, there is allocated an amount not to**
13 **exceed \$500,000.00 for the department to provide grants to**
14 **districts and intermediate districts for the purchase of 1 or more**
15 **components or trainings through an eligible 1-on-1 tutoring program**
16 **for children with dyslexia from a provider of an eligible 1-on-1**
17 **tutoring program for children with dyslexia as provided under this**
18 **section.**

19 (2) A provider that provides programming that meets all of the
20 following is considered to be a provider of an eligible 1-on-1
21 tutoring program for purposes of this section:

22 (a) Allows teachers to incorporate the 5 components essential
23 to an effective reading program into their daily lessons. The 5
24 components described in this subdivision are phonemic awareness,
25 phonics, vocabulary, fluency, and comprehension.

26 (b) Trains educators to teach reading using a proven,
27 multisensory approach.

28 (c) Educates teachers on how to explicitly and effectively
29 teach reading to beginning readers.



1 (d) Breaks reading and spelling down into smaller skills
2 involving letters and sounds, and then builds on these skills over
3 time.

4 (e) Uses multisensory teaching strategies to teach reading by
5 using sight, hearing, touch, and movement to help students connect
6 and learn the concepts being taught.

7 (3) Districts and intermediate districts may apply to the
8 department for grants to purchase components or training through an
9 eligible 1-on-1 tutoring program from a provider of an eligible 1-
10 on-1 tutoring program, and, upon receiving an application but
11 except as otherwise provided in this subsection, the department
12 shall make payments to districts and intermediate districts for
13 those purchases. The department shall make payments under this
14 section on a first-come, first-served basis until funds are
15 depleted.

16 Sec. 35e. (1) From the general fund money appropriated under
17 section 11, there is allocated an amount not to exceed
18 \$1,000,000.00 for 2020-2021 for a grant to be distributed by the
19 department to an organization to provide early literacy and
20 academic support to at-need youth in this state.

21 (2) To qualify for a grant under this section, an organization
22 must be exempt from federal income tax under section 501(c)(3) of
23 the internal revenue code, 26 USC 501, and must be affiliated and
24 in good standing with a national congressionally chartered
25 organization's standards under 36 USC 20101 to 240112, and must
26 meet both of the following:

27 (a) Is facility-based and provides proven and tested
28 recreational, educational, and character building programs for
29 children ages 6 to 18.



1 (b) Provides after-school and summer programs in at least 25
2 communities statewide, with youth development services available at
3 least 20 hours per week during the school year and 30 hours per
4 week during summer programming.

5 (3) A grant recipient under this section shall administer an
6 early learning literacy program targeted at students in grades K-3.
7 At least 60% of the participants in the program must qualify for
8 free or reduced-priced lunch. Each entity receiving funds to
9 implement the program shall report to the department on the number
10 of children served, the types of services, and the outcome of those
11 services.

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

15 Sec. 35f. From the general fund money appropriated in section
16 11, there is allocated for 2020-2021 an amount not to exceed
17 \$500,000.00 for the department to award to the Chaldean community
18 foundation. The Chaldean community foundation shall use funds
19 received under this section to support and expand early childhood
20 learning opportunities, improve early literacy achievement,
21 increase high school graduation rates for new Americans, and assist
22 with diploma acquisition, skills training, and postsecondary
23 education.

24 Sec. 39. (1) An eligible applicant receiving funds under
25 section 32d shall submit an application, in a form and manner
26 prescribed by the department, by a date specified by the department
27 in the immediately preceding fiscal year. An eligible applicant is
28 not required to amend the applicant's current accounting cycle or
29 adopt this state's fiscal year accounting cycle in accounting for



1 financial transactions under this section. The application must
2 include all of the following:

3 (a) The estimated total number of children in the community
4 who meet the criteria of section 32d, as provided to the applicant
5 by the department utilizing the most recent population data
6 available from the American Community Survey conducted by the
7 United States Census Bureau. The department shall ensure that it
8 provides updated American Community Survey population data at least
9 once every 3 years.

10 (b) The estimated number of children in the community who meet
11 the criteria of section 32d and are being served exclusively by
12 Head Start programs operating in the community.

13 (c) The number of children whom the applicant has the capacity
14 to serve who meet the criteria of section 32d including a
15 verification of physical facility and staff resources capacity.

16 (2) After notification of funding allocations, an applicant
17 receiving funds under section 32d shall also submit an
18 implementation plan for approval, in a form and manner prescribed
19 by the department, by a date specified by the department, that
20 details how the applicant complies with the program components
21 established by the department pursuant to section 32d.

22 (3) The initial allocation to each eligible applicant under
23 section 32d is the lesser of the following:

24 (a) The sum of the number of children served in a school-day
25 program in the preceding school year multiplied by \$7,250.00 and
26 the number of children served in a GSRP/Head Start blended program
27 or a part-day program in the preceding school year multiplied by
28 \$3,625.00.

29 (b) The sum of the number of children the applicant has the



1 capacity to serve in the current school year in a school-day
 2 program multiplied by \$7,250.00 and the number of children served
 3 in a GSRP/Head Start blended program or a part-day program the
 4 applicant has the capacity to serve in the current school year
 5 multiplied by \$3,625.00.

6 (4) If funds remain after the allocations under subsection
 7 (3), the department shall distribute the remaining funds to each
 8 intermediate district or consortium of intermediate districts that
 9 serves less than the state percentage benchmark determined under
 10 subsection (5). The department shall distribute these remaining
 11 funds to each eligible applicant based upon each applicant's
 12 proportionate share of the remaining unserved children necessary to
 13 meet the statewide percentage benchmark in intermediate districts
 14 or consortia of intermediate districts serving less than the
 15 statewide percentage benchmark. When all applicants have been given
 16 the opportunity to reach the statewide percentage benchmark, the
 17 statewide percentage benchmark may be reset, as determined by the
 18 department, until greater equity of opportunity to serve eligible
 19 children across all intermediate school districts has been
 20 achieved.

21 (5) For the purposes of subsection (4), the department shall
 22 calculate a percentage of children served by each intermediate
 23 district or consortium of intermediate districts by ~~dividing~~**adding**
 24 the number of children served in the immediately preceding year by
 25 that intermediate district or consortium **with the number of**
 26 **eligible children under section 32d served exclusively by head**
 27 **start, as reported in a form and manner prescribed by the**
 28 **department, within the intermediate district or consortia service**
 29 **area and dividing that total** by the total number of children within



1 the intermediate district or consortium of intermediate districts
 2 who meet the criteria of section 32d as determined by the
 3 department utilizing the most recent population data available from
 4 the American Community Survey conducted by the United States Census
 5 Bureau. The department shall compare the resulting percentage of
 6 eligible children served to a statewide percentage benchmark to
 7 determine if the intermediate district or consortium is eligible
 8 for additional funds under subsection (4). The statewide percentage
 9 benchmark is 60%.

10 (6) If, taking into account the total amount to be allocated
 11 to the applicant as calculated under this section, an applicant
 12 determines that it is able to include additional eligible children
 13 in the great start readiness program without additional funds under
 14 section 32d, the applicant may include additional eligible children
 15 but does not receive additional funding under section 32d for those
 16 children.

17 (7) The department shall review the program components under
 18 section 32d and under this section at least biennially. The
 19 department also shall convene a committee of internal and external
 20 stakeholders at least once every 5 years to ensure that the funding
 21 structure under this section reflects current system needs under
 22 section 32d.

23 (8) As used in this section, **"GSRP/Head Start blended**
 24 **program", "part-day program", and "school-day program"** ~~,"GSRP/Head~~
 25 ~~Start blended program", and "part-day program"~~ mean those terms as
 26 defined in section 32d **as, for 2020-2021, impacted by section**
 27 **32d(26) .**

28 Sec. 39a. (1) From the federal funds appropriated in section
 29 11, there is allocated for ~~2019-2020~~ **2020-2021** to districts,



1 intermediate districts, and other eligible entities all available
2 federal funding, estimated at ~~\$725,600,000.00~~ **\$749,200,000.00** for
3 the federal programs under the no child left behind act of 2001,
4 Public Law 107-110, or the every student succeeds act, Public Law
5 114-95. These funds are allocated as follows:

6 (a) An amount estimated at \$1,200,000.00 for ~~2019-2020-2020-~~
7 **2021** to provide students with drug- and violence-prevention
8 programs and to implement strategies to improve school safety,
9 funded from DED-OESE, drug-free schools and communities funds.

10 (b) An amount estimated at \$100,000,000.00 for ~~2019-2020-2020-~~
11 **2021** for the purpose of preparing, training, and recruiting high-
12 quality teachers and class size reduction, funded from DED-OESE,
13 improving teacher quality funds.

14 (c) An amount estimated at \$11,000,000.00 for ~~2019-2020-2020-~~
15 **2021** for programs to teach English to limited English proficient
16 (LEP) children, funded from DED-OESE, language acquisition state
17 grant funds.

18 (d) An amount estimated at \$2,800,000.00 for ~~2019-2020-2020-~~
19 **2021** for rural and low income schools, funded from DED-OESE, rural
20 and low income school funds.

21 (e) An amount estimated at \$535,000,000.00 for ~~2019-2020-2020-~~
22 **2021** to provide supplemental programs to enable educationally
23 disadvantaged children to meet challenging academic standards,
24 funded from DED-OESE, title I, disadvantaged children funds.

25 (f) An amount estimated at \$9,200,000.00 for ~~2019-2020-2020-~~
26 **2021** for the purpose of identifying and serving migrant children,
27 funded from DED-OESE, title I, migrant education funds.

28 (g) An amount estimated at \$39,000,000.00 for ~~2019-2020-2020-~~
29 **2021** for the purpose of providing high-quality extended learning



1 opportunities, after school and during the summer, for children in
 2 low-performing schools, funded from DED-OESE, twenty-first century
 3 community learning center funds.

4 (h) An amount estimated at ~~\$12,000,000.00~~ **\$14,000,000.00** for
 5 ~~2019-2020~~ **2020-2021** to help support local school improvement
 6 efforts, funded from DED-OESE, title I, local school improvement
 7 grants.

8 (i) An amount estimated at ~~\$15,400,000.00~~ **\$35,000,000.00** for
 9 ~~2019-2020~~ **2020-2021** to improve the academic achievement of
 10 students, funded from DED-OESE, title IV, student support and
 11 academic enrichment grants.

12 (2) From the federal funds appropriated in section 11, there
 13 is allocated ~~for 2019-2020~~ to districts, intermediate districts,
 14 and other eligible entities all available federal funding,
 15 estimated at ~~\$49,100,000.00~~ **\$55,000,000.00** for ~~2019-2020~~ **2020-2021**
 16 for the following programs that are funded by federal grants:

17 ~~(a) An amount estimated at \$100,000.00 for 2019-2020 for~~
 18 ~~acquired immunodeficiency syndrome education grants, funded from~~
 19 ~~HHS - Centers for Disease Control and Prevention, AIDS funding.~~

20 ~~(b) (a)~~ An amount estimated at ~~\$1,900,000.00~~ **\$3,000,000.00** for
 21 ~~2019-2020~~ **2020-2021** to provide services to homeless children and
 22 youth, funded from DED-OVAE, homeless children and youth funds.

23 ~~(c) An amount estimated at \$4,000,000.00 for 2019-2020 to~~
 24 ~~provide mental health, substance abuse, or violence prevention~~
 25 ~~services to students, funded from HHS-SAMHSA.~~

26 ~~(b) (d)~~ An amount estimated at \$24,000,000.00 for ~~2019-~~
 27 ~~2020~~ **2020-2021** for providing career and technical education services
 28 to pupils, funded from DED-OVAE, basic grants to states.

29 ~~(c) (e)~~ An amount estimated at \$14,000,000.00 for ~~2019-2020~~



1 **2020-2021** for the Michigan charter school subgrant program, funded
 2 from DED-OII, public charter schools program funds.

3 (d) ~~(f)~~—An amount estimated at ~~\$5,100,000.00~~ **\$14,000,000.00**
 4 for ~~2019-2020~~ **2020-2021** for the purpose of promoting and expanding
 5 high-quality preschool services, funded from HHS-OCC, preschool
 6 development funds.

7 (3) The department shall distribute all federal funds
 8 allocated under this section in accordance with federal law and
 9 with flexibility provisions outlined in Public Law 107-116, and in
 10 the education flexibility partnership act of 1999, Public Law 106-
 11 25. Notwithstanding section 17b, the department shall make payments
 12 of federal funds to districts, intermediate districts, and other
 13 eligible entities under this section on a schedule determined by
 14 the department.

15 (4) For the purposes of applying for federal grants
 16 appropriated under this article, the department shall allow an
 17 intermediate district to submit a consortium application on behalf
 18 of 2 or more districts with the agreement of those districts as
 19 appropriate according to federal rules and guidelines.

20 (5) For the purposes of funding federal title I grants under
 21 this article, in addition to any other federal grants for which the
 22 strict discipline academy is eligible, the department shall
 23 allocate to a strict discipline academy out of title I, part A an
 24 amount equal to what the strict discipline academy would have
 25 received if included and calculated under title I, part D, or what
 26 it would receive under the formula allocation under title I, part
 27 A, whichever is greater.

28 (6) As used in this section:

29 (a) "DED" means the United States Department of Education.



1 (b) "DED-OESE" means the DED Office of Elementary and
2 Secondary Education.

3 (c) "DED-OII" means the DED Office of Innovation and
4 Improvement.

5 (d) "DED-OVAE" means the DED Office of Vocational and Adult
6 Education.

7 (e) "HHS" means the United States Department of Health and
8 Human Services.

9 (f) "HHS-OCC" means the HHS Office of Child Care.

10 ~~(g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental~~
11 ~~Health Services Administration.~~

12 Sec. 41. (1) For a district ~~or public school academy~~ to be
13 eligible to receive funding under this section, the district ~~or~~
14 ~~public school academy~~ must administer to English language learners
15 the English language proficiency assessment known as the "WIDA
16 ACCESS for English language learners" or the "WIDA Alternate
17 ACCESS". From the appropriation in section 11, there is allocated
18 an amount not to exceed \$13,000,000.00 for ~~2019-2020~~ **2020-2021** for
19 payments to eligible districts ~~and eligible public school academies~~
20 for services for English language learners who have been
21 administered the WIDA ACCESS for English language learners.

22 (2) The department shall distribute funding allocated under
23 subsection (1) to eligible districts ~~and eligible public school~~
24 ~~academies~~ based on the number of full-time equivalent English
25 language learners as follows:

26 (a) \$900.00 per full-time equivalent English language learner
27 who has been assessed under the WIDA ACCESS for English language
28 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
29 Alternate ACCESS composite score between 1.0 and 1.9, or less, as



1 applicable to each assessment.

2 (b) \$620.00 per full-time equivalent English language learner
3 who has been assessed under the WIDA ACCESS for English language
4 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
5 Alternate ACCESS composite score between 2.0 and 2.9, or less, as
6 applicable to each assessment.

7 (c) \$100.00 per full-time equivalent English language learner
8 who has been assessed under the WIDA ACCESS for English language
9 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
10 Alternate ACCESS composite score between 3.0 and 3.9, or less, as
11 applicable to each assessment.

12 (3) If funds allocated under subsection (1) are insufficient
13 to fully fund the payments as prescribed under subsection (2), the
14 department shall prorate payments on an equal percentage basis,
15 with the same percentage proration applied to all funding
16 categories.

17 (4) Each district ~~or public school academy~~ receiving funds
18 under subsection (1) shall submit to the department by July 15 of
19 each fiscal year a report, not to exceed 10 pages, on the usage by
20 the district ~~or public school academy~~ of funds under subsection (1)
21 in a form and manner determined by the department, including a
22 brief description of each program conducted or services performed
23 by the district ~~or public school academy~~ using funds under
24 subsection (1) and the amount of funds under subsection (1)
25 allocated to each of those programs or services. If a district ~~or~~
26 ~~public school academy~~ does not comply with this subsection, the
27 department shall withhold an amount equal to the August payment due
28 under this section until the district ~~or public school academy~~
29 complies with this subsection. If the district ~~or public school~~



1 ~~academy~~ does not comply with this subsection by the end of the
 2 ~~state~~ fiscal year, the withheld funds are forfeited to the school
 3 aid fund.

4 (5) In order to receive funds under ~~this~~ subsection (1), a
 5 district ~~or public school academy shall~~ **must** allow access for the
 6 department or the department's designee to audit all records
 7 related to the program for which it receives those funds. The
 8 district ~~or public school academy~~ shall reimburse this state for
 9 all disallowances found in the audit.

10 (6) Beginning July 1, 2020, and every 3 years thereafter, the
 11 department shall review the per-pupil distribution under subsection
 12 (2), to ensure that funding levels are appropriate and make
 13 recommendations for adjustments to the members of the senate and
 14 house subcommittees on K-12 school aid appropriations.

15 Sec. 51a. (1) From the appropriation in section 11, there is
 16 allocated an amount not to exceed \$1,023,996,100.00 for 2019-2020
 17 **and there is allocated an amount not to exceed \$1,079,296,100.00**
 18 **for 2020-2021** from state sources and all available federal funding
 19 under sections 611 to 619 of part B of the individuals with
 20 disabilities education act, 20 USC 1411 to 1419, estimated at
 21 \$370,000,000.00 for 2019-2020 **and \$375,000,000.00 for 2020-2021,**
 22 plus any carryover federal funds from previous year appropriations.
 23 The allocations under this subsection are for the purpose of
 24 reimbursing districts and intermediate districts for special
 25 education programs, services, and special education personnel as
 26 prescribed in article 3 of the revised school code, MCL 380.1701 to
 27 380.1761; net tuition payments made by intermediate districts to
 28 the Michigan Schools for the Deaf and Blind; and special education
 29 programs and services for pupils who are eligible for special



1 education programs and services according to statute or rule. For
2 meeting the costs of special education programs and services not
3 reimbursed under this article, a district or intermediate district
4 may use money in general funds or special education funds, not
5 otherwise restricted, or contributions from districts to
6 intermediate districts, tuition payments, gifts and contributions
7 from individuals or other entities, or federal funds that may be
8 available for this purpose, as determined by the intermediate
9 district plan prepared under article 3 of the revised school code,
10 MCL 380.1701 to 380.1761. Notwithstanding section 17b, the
11 department shall make payments of federal funds to districts,
12 intermediate districts, and other eligible entities under this
13 section on a schedule determined by the department.

14 (2) From the funds allocated under subsection (1), there is
15 allocated the amount necessary, estimated at \$286,900,000.00 for
16 2019-2020 **and estimated at \$307,500,000.00 for 2020-2021**, for
17 payments toward reimbursing districts and intermediate districts
18 for 28.6138% of total approved costs of special education,
19 excluding costs reimbursed under section 53a, and 70.4165% of total
20 approved costs of special education transportation. Allocations
21 under this subsection are made as follows:

22 (a) The department shall calculate the initial amount
23 allocated to a district under this subsection toward fulfilling the
24 specified percentages by multiplying the district's special
25 education pupil membership, excluding pupils described in
26 subsection (11), times the foundation allowance under section 20 of
27 the pupil's district of residence, not to exceed the target
28 foundation allowance for the current fiscal year, or, for a special
29 education pupil in membership in a district that is a public school



1 academy, times an amount equal to the amount per membership pupil
2 calculated under section 20(6). For an intermediate district, the
3 amount allocated under this subdivision toward fulfilling the
4 specified percentages is an amount per special education membership
5 pupil, excluding pupils described in subsection (11), and is
6 calculated in the same manner as for a district, using the
7 foundation allowance under section 20 of the pupil's district of
8 residence, not to exceed the target foundation allowance for the
9 current fiscal year.

10 (b) After the allocations under subdivision (a), the
11 department shall pay a district or intermediate district for which
12 the payments calculated under subdivision (a) do not fulfill the
13 specified percentages the amount necessary to achieve the specified
14 percentages for the district or intermediate district.

15 (3) From the funds allocated under subsection (1), there is
16 allocated for 2019-2020 an amount not to exceed \$1,000,000.00 **and**
17 **there is allocated for 2020-2021 an amount not to exceed**
18 **\$1,000,000.00** to make payments to districts and intermediate
19 districts under this subsection. If the amount allocated to a
20 district or intermediate district for a fiscal year under
21 subsection (2)(b) is less than the sum of the amounts allocated to
22 the district or intermediate district for 1996-97 under sections 52
23 and 58, there is allocated to the district or intermediate district
24 for the fiscal year an amount equal to that difference, adjusted by
25 applying the same proration factor that was used in the
26 distribution of funds under section 52 in 1996-97 as adjusted to
27 the district's or intermediate district's necessary costs of
28 special education used in calculations for the fiscal year. This
29 adjustment is to reflect reductions in special education program



1 operations or services between 1996-97 and subsequent fiscal years.
2 The department shall make adjustments for reductions in special
3 education program operations or services in a manner determined by
4 the department and shall include adjustments for program or service
5 shifts.

6 (4) If the department determines that the sum of the amounts
7 allocated for a fiscal year to a district or intermediate district
8 under subsection (2)(a) and (b) is not sufficient to fulfill the
9 specified percentages in subsection (2), then the department shall
10 pay the shortfall to the district or intermediate district during
11 the fiscal year beginning on the October 1 following the
12 determination and shall adjust payments under subsection (3) as
13 necessary. If the department determines that the sum of the amounts
14 allocated for a fiscal year to a district or intermediate district
15 under subsection (2)(a) and (b) exceeds the sum of the amount
16 necessary to fulfill the specified percentages in subsection (2),
17 then the department shall deduct the amount of the excess from the
18 district's or intermediate district's payments under this article
19 for the fiscal year beginning on the October 1 following the
20 determination and shall adjust payments under subsection (3) as
21 necessary. However, if the amount allocated under subsection (2)(a)
22 in itself exceeds the amount necessary to fulfill the specified
23 percentages in subsection (2), there is no deduction under this
24 subsection.

25 (5) State funds are allocated on a total approved cost basis.
26 Federal funds are allocated under applicable federal requirements.
27 ~~, except that an amount not to exceed \$3,500,000.00 may be~~
28 ~~allocated by the department for 2019-2020 to districts,~~
29 ~~intermediate districts, or other eligible entities on a competitive~~



1 ~~grant basis for programs, equipment, and services that the~~
2 ~~department determines to be designed to benefit or improve special~~
3 ~~education on a statewide scale.~~

4 (6) From the amount allocated in subsection (1), there is
5 allocated an amount not to exceed \$2,200,000.00 for 2019-2020 **and**
6 **there is allocated an amount not to exceed \$2,200,000.00 for 2020-**
7 **2021** to reimburse 100% of the net increase in necessary costs
8 incurred by a district or intermediate district in implementing the
9 revisions in the administrative rules for special education that
10 became effective on July 1, 1987. As used in this subsection, "net
11 increase in necessary costs" means the necessary additional costs
12 incurred solely because of new or revised requirements in the
13 administrative rules minus cost savings permitted in implementing
14 the revised rules. The department shall determine net increase in
15 necessary costs in a manner specified by the department.

16 (7) For purposes of sections 51a to 58, all of the following
17 apply:

18 (a) "Total approved costs of special education" are determined
19 in a manner specified by the department and may include indirect
20 costs, but must not exceed 115% of approved direct costs for
21 section 52 and section 53a programs. The total approved costs
22 include salary and other compensation for all approved special
23 education personnel for the program, including payments for Social
24 Security and Medicare and public school employee retirement system
25 contributions. The total approved costs do not include salaries or
26 other compensation paid to administrative personnel who are not
27 special education personnel as that term is defined in section 6 of
28 the revised school code, MCL 380.6. Costs reimbursed by federal
29 funds, other than those federal funds included in the allocation



1 made under this article, are not included. Special education
2 approved personnel not utilized full time in the evaluation of
3 students or in the delivery of special education programs,
4 ancillary, and other related services are reimbursed under this
5 section only for that portion of time actually spent providing
6 these programs and services, with the exception of special
7 education programs and services provided to youth placed in child
8 caring institutions or juvenile detention programs approved by the
9 department to provide an on-grounds education program.

10 (b) Beginning with the 2004-2005 fiscal year, a district or
11 intermediate district that employed special education support
12 services staff to provide special education support services in
13 2003-2004 or in a subsequent fiscal year and that in a fiscal year
14 after 2003-2004 receives the same type of support services from
15 another district or intermediate district shall report the cost of
16 those support services for special education reimbursement purposes
17 under this article. This subdivision does not prohibit the transfer
18 of special education classroom teachers and special education
19 classroom aides if the pupils counted in membership associated with
20 those special education classroom teachers and special education
21 classroom aides are transferred and counted in membership in the
22 other district or intermediate district in conjunction with the
23 transfer of those teachers and aides.

24 (c) If the department determines before bookclosing for a
25 fiscal year that the amounts allocated for that fiscal year under
26 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
27 will exceed expenditures for that fiscal year under subsections
28 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
29 district or intermediate district whose reimbursement for that



1 fiscal year would otherwise be affected by subdivision (b),
2 subdivision (b) does not apply to the calculation of the
3 reimbursement for that district or intermediate district and the
4 department shall calculate reimbursement for that district or
5 intermediate district in the same manner as it was for 2003-2004.
6 If the amount of the excess allocations under subsections (2), (3),
7 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
8 fully fund the calculation of reimbursement to those districts and
9 intermediate districts under this subdivision, then the department
10 shall prorate calculations and resulting reimbursement under this
11 subdivision on an equal percentage basis. Beginning in 2015-2016,
12 the amount of reimbursement under this subdivision for a fiscal
13 year must not exceed \$2,000,000.00 for any district or intermediate
14 district.

15 (d) Reimbursement for ancillary and other related services, as
16 defined by R 340.1701c of the Michigan Administrative Code, is not
17 provided when those services are covered by and available through
18 private group health insurance carriers or federal reimbursed
19 program sources unless the department and district or intermediate
20 district agree otherwise and that agreement is approved by the
21 state budget director. Expenses, other than the incidental expense
22 of filing, must not be borne by the parent. In addition, the filing
23 of claims must not delay the education of a pupil. A district or
24 intermediate district is responsible for payment of a deductible
25 amount and for an advance payment required until the time a claim
26 is paid.

27 (e) Beginning with calculations for 2004-2005, if an
28 intermediate district purchases a special education pupil
29 transportation service from a constituent district that was



1 previously purchased from a private entity; if the purchase from
2 the constituent district is at a lower cost, adjusted for changes
3 in fuel costs; and if the cost shift from the intermediate district
4 to the constituent does not result in any net change in the revenue
5 the constituent district receives from payments under sections 22b
6 and 51c, then upon application by the intermediate district, the
7 department shall direct the intermediate district to continue to
8 report the cost associated with the specific identified special
9 education pupil transportation service and shall adjust the costs
10 reported by the constituent district to remove the cost associated
11 with that specific service.

12 (8) A pupil who is enrolled in a full-time special education
13 program conducted or administered by an intermediate district or a
14 pupil who is enrolled in the Michigan ~~schools for the deaf and~~
15 ~~blind~~ **Schools for the Deaf and Blind** is not included in the
16 membership count of a district, but is counted in membership in the
17 intermediate district of residence.

18 (9) Special education personnel transferred from 1 district to
19 another to implement the revised school code are entitled to the
20 rights, benefits, and tenure to which the person would otherwise be
21 entitled had that person been employed by the receiving district
22 originally.

23 (10) If a district or intermediate district uses money
24 received under this section for a purpose other than the purpose or
25 purposes for which the money is allocated, the department may
26 require the district or intermediate district to refund the amount
27 of money received. The department shall deposit money that is
28 refunded in the state treasury to the credit of the state school
29 aid fund.



1 (11) From the funds allocated in subsection (1), there is
2 allocated the amount necessary, estimated at \$3,100,000.00 for
3 2019-2020 **and estimated at \$3,000,000.00 for 2020-2021**, to pay the
4 foundation allowances for pupils described in this subsection. The
5 department shall calculate the allocation to a district under this
6 subsection by multiplying the number of pupils described in this
7 subsection who are counted in membership in the district times the
8 sum of the foundation allowance under section 20 of the pupil's
9 district of residence not to exceed the target foundation allowance
10 for the current fiscal year, or, for a pupil described in this
11 subsection who is counted in membership in a district that is a
12 public school academy, times an amount equal to the amount per
13 membership pupil under section 20(6). The department shall
14 calculate the allocation to an intermediate district under this
15 subsection in the same manner as for a district, using the
16 foundation allowance under section 20 of the pupil's district of
17 residence not to exceed the target foundation allowance for the
18 current fiscal year. This subsection applies to all of the
19 following pupils:

20 (a) Pupils described in section 53a.

21 (b) Pupils counted in membership in an intermediate district
22 who are not special education pupils and are served by the
23 intermediate district in a juvenile detention or child caring
24 facility.

25 (c) Pupils with an emotional impairment counted in membership
26 by an intermediate district and provided educational services by
27 the department of health and human services.

28 (12) If it is determined that funds allocated under subsection
29 (2) or (11) or under section 51c will not be expended, funds up to



1 the amount necessary and available may be used to supplement the
2 allocations under subsection (2) or (11) or under section 51c in
3 order to fully fund those allocations. After payments under
4 subsections (2) and (11) and section 51c, the department shall
5 expend the remaining funds from the allocation in subsection (1) in
6 the following order:

7 (a) 100% of the reimbursement required under section 53a.

8 (b) 100% of the reimbursement required under subsection (6).

9 (c) 100% of the payment required under section 54.

10 (d) 100% of the payment required under subsection (3).

11 (e) 100% of the payments under section 56.

12 (13) The allocations under subsections (2), (3), and (11) are
13 allocations to intermediate districts only and are not allocations
14 to districts, but instead are calculations used only to determine
15 the state payments under section 22b.

16 (14) If a public school academy that is not a cyber school, as
17 that term is defined in section 551 of the revised school code, MCL
18 380.551, enrolls under this section a pupil who resides outside of
19 the intermediate district in which the public school academy is
20 located and who is eligible for special education programs and
21 services according to statute or rule, or who is a child with
22 disabilities, as defined under the individuals with disabilities
23 education act, Public Law 108-446, the intermediate district in
24 which the public school academy is located and the public school
25 academy shall enter into a written agreement with the intermediate
26 district in which the pupil resides for the purpose of providing
27 the pupil with a free appropriate public education, and the written
28 agreement must include at least an agreement on the responsibility
29 for the payment of the added costs of special education programs



1 and services for the pupil. If the public school academy that
2 enrolls the pupil does not enter into an agreement under this
3 subsection, the public school academy shall not charge the pupil's
4 resident intermediate district or the intermediate district in
5 which the public school academy is located the added costs of
6 special education programs and services for the pupil, and the
7 public school academy is not eligible for any payouts based on the
8 funding formula outlined in the resident or nonresident
9 intermediate district's plan. If a pupil is not enrolled in a
10 public school academy under this subsection, the provision of
11 special education programs and services and the payment of the
12 added costs of special education programs and services for a pupil
13 described in this subsection are the responsibility of the district
14 and intermediate district in which the pupil resides.

15 (15) For the purpose of receiving its federal allocation under
16 part B of the individuals with disabilities education act, Public
17 Law 108-446, a public school academy that is a cyber school, as
18 that term is defined in section 551 of the revised school code, MCL
19 380.551, and is in compliance with section 553a of the revised
20 school code, MCL 380.553a, directly receives the federal allocation
21 under part B of the individuals with disabilities education act,
22 Public Law 108-446, from the intermediate district in which the
23 cyber school is located, as the subrecipient. If the intermediate
24 district does not distribute the funds described in this subsection
25 to the cyber school by the part B application due date of July 1,
26 the department may distribute the funds described in this
27 subsection directly to the cyber school according to the formula
28 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

29 (16) For a public school academy that is a cyber school, as



1 that term is defined in section 551 of the revised school code, MCL
2 380.551, and is in compliance with section 553a of the revised
3 school code, MCL 380.553a, that enrolls a pupil under this section,
4 the intermediate district in which the cyber school is located
5 shall ensure that the cyber school complies with sections 1701a,
6 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
7 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
8 and 380.1757; applicable rules; and the individuals with
9 disabilities education act, Public Law 108-446.

10 (17) For the purposes of this section, the department or the
11 center shall only require a district or intermediate district to
12 report information that is not already available from the financial
13 information database maintained by the center.

14 Sec. 51c. As required by the court in the consolidated cases
15 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
16 allocation under section 51a(1), there is allocated for 2019-2020
17 **and for 2020-2021**, the amount necessary, estimated at
18 \$678,600,000.00 for 2019-2020 **and \$713,400,000.00 for 2020-2021**,
19 for payments to reimburse districts for 28.6138% of total approved
20 costs of special education excluding costs reimbursed under section
21 53a, and 70.4165% of total approved costs of special education
22 transportation. **Funds allocated under this section that are not**
23 **expended in the fiscal year for which they were allocated, as**
24 **determined by the department, may be used to supplement the**
25 **allocations under sections 22a and 22b to fully fund those**
26 **allocations for the same fiscal year. For each fund transfer as**
27 **described in the immediately preceding sentence that occurs, the**
28 **state budget director shall send notification of the transfer to**
29 **the house and senate appropriations subcommittees on state school**



1 aid and the house and senate fiscal agencies by not later than 14
2 calendar days after the transfer occurs.

3 Sec. 51d. (1) From the federal funds appropriated in section
4 11, there is allocated for ~~2019-2020-2020-2021~~ all available
5 federal funding, estimated at ~~\$61,000,000.00, \$71,000,000.00~~ for
6 special education programs and services that are funded by federal
7 grants. The department shall distribute all federal funds allocated
8 under this section in accordance with federal law. Notwithstanding
9 section 17b, the department shall make payments of federal funds to
10 districts, intermediate districts, and other eligible entities
11 under this section on a schedule determined by the department.

12 (2) From the federal funds allocated under subsection (1), the
13 following amounts are allocated for ~~2019-2020-2020-2021~~:

14 (a) An amount estimated at \$14,000,000.00 for handicapped
15 infants and toddlers, funded from DED-OSERS, handicapped infants
16 and toddlers funds.

17 (b) An amount estimated at ~~\$12,000,000.00~~ **\$14,000,000.00** for
18 preschool grants (Public Law 94-142), funded from DED-OSERS,
19 handicapped preschool incentive funds.

20 (c) An amount estimated at ~~\$35,000,000.00~~ **\$43,000,000.00** for
21 special education programs funded by DED-OSERS, handicapped
22 program, individuals with disabilities act funds.

23 (3) As used in this section, "DED-OSERS" means the United
24 States Department of Education Office of Special Education and
25 Rehabilitative Services.

26 Sec. 51f. (1) From the funds appropriated under section 11,
27 there is allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
28 \$60,207,000.00 for payments to districts and intermediate districts
29 to increase the level of reimbursement of costs associated with



1 providing special education services required under state and
2 federal law.

3 (2) A district's or intermediate district's allocation under
4 this section is equal to the level percentage multiplied by each
5 district's or intermediate district's costs reported to the center
6 on the special education actual cost report, known as "SE-4096" as
7 referred to under section 18(6), as approved by the department.

8 (3) The total reimbursement under this section and under
9 section 51c must not exceed the total reported costs for a district
10 or intermediate district.

11 (4) For ~~2019-2020~~, **2020-2021**, the level percentage is
12 estimated at 2.0%.

13 (5) For the purposes of this section, "level percentage" means
14 the percentage calculated by dividing the allocation in subsection
15 (1) by the total of costs reported to the center on the special
16 education actual cost report, known as "SE-4096" as referred to
17 under section 18(6), as approved by the department.

18 Sec. 53a. (1) For districts, reimbursement for pupils
19 described in subsection (2) is 100% of the total approved costs of
20 operating special education programs and services approved by the
21 department and included in the intermediate district plan adopted
22 ~~pursuant to~~ **under** article 3 of the revised school code, MCL
23 380.1701 to 380.1761, minus the district's foundation allowance
24 calculated under section 20. For intermediate districts, the
25 department shall calculate reimbursement for pupils described in
26 subsection (2) in the same manner as for a district, using the
27 foundation allowance under section 20 of the pupil's district of
28 residence, not to exceed the target foundation allowance under
29 section 20 for the current fiscal year.



1 (2) Reimbursement under subsection (1) is for the following
2 special education pupils:

3 (a) Pupils assigned to a district or intermediate district
4 through the community placement program of the courts or a state
5 agency, if the pupil was a resident of another intermediate
6 district at the time the pupil came under the jurisdiction of the
7 court or a state agency.

8 (b) Pupils who are residents of institutions operated by the
9 department of health and human services.

10 (c) Pupils who are former residents of department of community
11 health institutions for the developmentally disabled who are placed
12 in community settings other than the pupil's home.

13 (d) Pupils enrolled in a department-approved on-grounds
14 educational program longer than 180 days, but not longer than 233
15 days, at a residential child care institution, if the child care
16 institution offered in 1991-92 an on-grounds educational program
17 longer than 180 days but not longer than 233 days.

18 (e) Pupils placed in a district by a parent for the purpose of
19 seeking a suitable home, if the parent does not reside in the same
20 intermediate district as the district in which the pupil is placed.

21 (3) Only those costs that are clearly and directly
22 attributable to educational programs for pupils described in
23 subsection (2), and that would not have been incurred if the pupils
24 were not being educated in a district or intermediate district, are
25 reimbursable under this section.

26 (4) The costs of transportation are funded under this section
27 and are not reimbursed under section 58.

28 (5) The department shall not allocate more than \$10,500,000.00
29 of the allocation for ~~2019-2020~~ **2020-2021** in section 51a(1) under



1 this section.

2 Sec. 54. Each intermediate district receives an amount per-
 3 pupil for each pupil in attendance at the Michigan ~~schools for the~~
 4 ~~deaf and blind.~~ **Schools for the Deaf and Blind.** The amount is
 5 proportionate to the total instructional cost at each school. The
 6 department shall not allocate more than \$1,688,000.00 of the
 7 allocation for ~~2019-2020-2020-2021~~ in section 51a(1) under this
 8 section.

9 Sec. 54b. (1) From the general fund ~~appropriation money~~
 10 **appropriated** in section 11, there is allocated an amount not to
 11 exceed \$1,600,000.00 for ~~2019-2020-2020-2021~~ to continue the
 12 implementation of the recommendations of the special education
 13 reform task force published in January 2016.

14 (2) The department shall use funds allocated under this
 15 section for the purpose of piloting statewide implementation of the
 16 Michigan Integrated Behavior and Learning Support Initiative
 17 (MiBLSI), a nationally recognized program that includes positive
 18 behavioral intervention and supports and provides a statewide
 19 structure to support local initiatives for an integrated behavior
 20 and reading program. With the assistance of the intermediate
 21 districts involved in MiBLSI, the department shall identify a
 22 number of intermediate districts to participate in the pilot that
 23 is sufficient to ensure that MiBLSI can be implemented statewide
 24 with fidelity and sustainability. In addition, the department shall
 25 identify an intermediate district to act as a fiscal agent for
 26 these funds.

27 Sec. 54d. (1) From the appropriations in section 11, there is
 28 allocated an amount not to exceed \$7,150,000.00 for ~~2019-2020-2020-~~
 29 **2021** to intermediate districts for the purpose of providing state



1 early on services ~~pilot~~-programs for children from birth to 3 years
2 of age with a developmental delay or a disability, or both, and
3 their families, as described in the early on Michigan state plan,
4 as approved by the department.

5 (2) To be eligible to receive grant funding under this
6 section, each intermediate district ~~shall~~**must** apply in a form and
7 manner determined by the department.

8 (3) The grant funding allocated under this section must be
9 used to increase early on services and resources available to
10 children that demonstrate developmental delays to help prepare them
11 for success as they enter school. State early on services include
12 evaluating and providing early intervention services for eligible
13 infants and toddlers and their families to address developmental
14 delays, including those affecting physical, cognitive,
15 communication, adaptive, social, or emotional development. Grant
16 funds must not be used to supplant existing services that are
17 currently being provided.

18 (4) The department shall distribute the funds allocated under
19 subsection (1) to intermediate districts according to the
20 department's early on funding formula utilized to distribute the
21 federal award to Michigan under part C of the individuals with
22 disabilities education act. Funds received under this section must
23 not supplant existing funds or resources allocated for early on
24 early intervention services. An intermediate district receiving
25 funds under this section shall maximize the capture of Medicaid
26 funds to support early on early intervention services to the extent
27 possible.

28 (5) Each intermediate district that receives funds under this
29 section shall report data and other information to the department



1 in a form, manner, and frequency prescribed by the department to
 2 allow for monitoring and evaluation of the ~~pilot projects~~ **program**
 3 and to ensure that the children described in subsection (1)
 4 received appropriate levels and types of services delivered by
 5 qualified personnel, based on the individual needs of the children
 6 and their families.

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

10 Sec. 55. (1) From the general fund money appropriated in
 11 section 11, there is allocated an amount not to exceed \$250,000.00
 12 for ~~2018-2019-2020-2021~~ to the Conductive Learning Center located
 13 at Aquinas College. This funding must be used to support the
 14 operational costs of the conductive education model taught at the
 15 Conductive Learning Center to maximize the independence and
 16 mobility of children and adults with neuromotor disabilities. The
 17 conductive education model funded under this section must be based
 18 on the concept of neuroplasticity and the ability of people to
 19 learn and improve when they are motivated, regardless of the
 20 severity of their disability.

21 (2) Notwithstanding section 17b, the department shall
 22 distribute the funding allocated under this section to the
 23 Conductive Learning Center not later than December 1, ~~2018-2020~~.

24 Sec. 56. (1) For the purposes of this section:

25 (a) "Membership" means for a particular fiscal year the total
 26 membership for the immediately preceding fiscal year of the
 27 intermediate district and the districts constituent to the
 28 intermediate district.

29 (b) "Millage levied" means the millage levied for special



1 education ~~pursuant to~~**under** part 30 of the revised school code, MCL
 2 380.1711 to 380.1741, including a levy for debt service
 3 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, membership and taxable value
 8 of the district are not included in the membership and taxable
 9 value of the intermediate district.

10 (2) From the allocation under section 51a(1), there is
 11 allocated \$40,008,100.00 for ~~2018-2019~~**2019-2020** and an amount not
 12 to exceed \$40,008,100.00 for ~~2019-2020~~**2020-2021** to reimburse
 13 intermediate districts levying millages for special education
 14 ~~pursuant to~~**under** part 30 of the revised school code, MCL 380.1711
 15 to 380.1741. The purpose, use, and expenditure of the reimbursement
 16 are limited as if the funds were generated by these millages and
 17 governed by the intermediate district plan adopted ~~pursuant to~~
 18 **under** article 3 of the revised school code, MCL 380.1701 to
 19 380.1761. As a condition of receiving funds under this section, an
 20 intermediate district distributing any portion of special education
 21 millage funds to its constituent districts ~~shall~~**must** submit for
 22 departmental approval and implement a distribution plan.

23 (3) Except as otherwise provided in this subsection,
 24 reimbursement for those millages levied in ~~2017-2018~~**2018-2019** is
 25 made in ~~2018-2019~~**2019-2020** at an amount per ~~2017-2018~~**2018-2019**
 26 membership pupil computed by subtracting from ~~\$193,900.00~~
 27 **\$201,700.00** the ~~2017-2018~~**2018-2019** taxable value behind each
 28 membership pupil and multiplying the resulting difference by the
 29 ~~2017-2018~~**2018-2019** millage levied, and then subtracting from that



1 amount the ~~2017-2018~~**2018-2019** local community stabilization share
 2 revenue for special education purposes behind each membership pupil
 3 for reimbursement of personal property exemption loss under the
 4 local community stabilization authority act, 2014 PA 86, MCL
 5 123.1341 to 123.1362. Reimbursement in ~~2018-2019~~**2019-2020** for an
 6 intermediate district whose 2017-2018 allocation was affected by
 7 the operation of subsection (5) is an amount equal to 102.5% of the
 8 2017-2018 allocation to that intermediate district.

9 (4) Except as otherwise provided in this subsection,
 10 reimbursement for those millages levied in ~~2018-2019~~**2019-2020** is
 11 made in ~~2019-2020~~**2020-2021** at an amount per ~~2018-2019~~**2019-2020**
 12 membership pupil computed by subtracting from ~~\$201,800.00~~
 13 **\$209,000.00** the ~~2018-2019~~**2019-2020** taxable value behind each
 14 membership pupil and multiplying the resulting difference by the
 15 ~~2018-2019~~**2019-2020** millage levied, and then subtracting from that
 16 amount the ~~2018-2019~~**2019-2020** local community stabilization share
 17 revenue for special education purposes behind each membership pupil
 18 for reimbursement of personal property exemption loss under the
 19 local community stabilization authority act, 2014 PA 86, MCL
 20 123.1341 to 123.1362. Reimbursement in ~~2019-2020~~**2020-2021** for an
 21 intermediate district whose 2017-2018 allocation was affected by
 22 the operation of subsection (5) is an amount equal to 102.5% of the
 23 2017-2018 allocation to that intermediate district.

24 (5) The department shall ensure that the amount paid to a
 25 single intermediate district under this section does not exceed
 26 62.9% of the total amount allocated under subsection (2).

27 (6) The department shall ensure that the amount paid to a
 28 single intermediate district under this section is not less than
 29 75% of the amount allocated to the intermediate district under this



1 section for the immediately preceding fiscal year.

2 Sec. 61a. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated an amount not to
4 exceed ~~\$27,893,500.00~~ **\$37,611,300.00** for ~~2019-2020,~~ **2020-2021** and
5 ~~from the talent investment fund money appropriated in section 11,~~
6 ~~there is allocated an amount not to exceed \$9,717,800.00 for 2019-~~
7 ~~2020,~~ to reimburse on an added cost basis districts, except for a
8 district that served as the fiscal agent for a vocational education
9 consortium in the 1993-94 school year and that has a foundation
10 allowance as calculated under section 20 greater than the minimum
11 foundation allowance under that section, and secondary area
12 vocational-technical education centers for secondary-level career
13 and technical education programs according to rules approved by the
14 superintendent. Applications for participation in the programs must
15 be submitted in the form prescribed by the department. The
16 department shall determine the added cost for each career and
17 technical education program area. The department shall prioritize
18 the allocation of added cost funds based on the capital and program
19 expenditures needed to operate the career and technical education
20 programs provided; the number of pupils enrolled; the advancement
21 of pupils through the instructional program; the existence of an
22 articulation agreement with at least 1 postsecondary institution
23 that provides pupils with opportunities to earn postsecondary
24 credit during the pupil's participation in the career and technical
25 education program and transfers those credits to the postsecondary
26 institution upon completion of the career and technical education
27 program; and the program rank in student placement, job openings,
28 and wages, and shall ensure that the allocation does not exceed 75%
29 of the added cost of any program. Notwithstanding any rule or



1 department determination to the contrary, when determining a
2 district's allocation or the formula for making allocations under
3 this section, the department shall include the participation of
4 pupils in grade 9 in all of those determinations and in all
5 portions of the formula. With the approval of the department, the
6 board of a district maintaining a secondary career and technical
7 education program may offer the program for the period from the
8 close of the school year until September 1. The program shall use
9 existing facilities and must be operated as prescribed by rules
10 promulgated by the superintendent.

11 (2) Except for a district that served as the fiscal agent for
12 a vocational education consortium in the 1993-94 school year, the
13 department shall reimburse districts and intermediate districts for
14 local career and technical education administration, shared time
15 career and technical education administration, and career education
16 planning district career and technical education administration.
17 The superintendent shall adopt guidelines for the definition of
18 what constitutes administration and shall make reimbursement
19 pursuant to those guidelines. The department shall not distribute
20 more than \$800,000.00 of the allocation in subsection (1) under
21 this subsection.

22 (3) A career and technical education program funded under this
23 section may provide an opportunity for participants who are
24 eligible to be funded under section 107 to enroll in the career and
25 technical education program funded under this section if the
26 participation does not occur during regular school hours.

27 Sec. 61b. (1) From the funds appropriated under section 11,
28 there is allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
29 \$8,000,000.00 from the state school aid fund appropriation for CTE



1 early/middle college and CTE dual enrollment programs authorized
 2 under this section and for planning grants for the development or
 3 expansion of CTE early/middle college programs. The purpose of
 4 these programs is to increase the number of Michigan residents with
 5 high-quality degrees or credentials, and to increase the number of
 6 students who are college and career ready upon high school
 7 graduation.

8 (2) From the funds allocated under subsection (1), the
 9 department shall allocate an amount as determined under this
 10 subsection to each intermediate district serving as a fiscal agent
 11 for state-approved CTE early/middle college and CTE dual enrollment
 12 programs in each of the ~~prosperity regions and subregions~~ **career**
 13 **education planning districts** identified by the department. An
 14 intermediate district shall not use more than 5% of the funds
 15 allocated under this subsection for administrative costs for
 16 serving as the fiscal agent.

17 (3) To be an eligible fiscal agent, an intermediate district
 18 must agree to do all of the following in a form and manner
 19 determined by the department:

20 (a) Distribute funds to eligible CTE early/middle college and
 21 CTE dual enrollment programs in a ~~prosperity region or subregion~~
 22 **career education planning district** as described in this section.

23 (b) Collaborate with the career and educational advisory
 24 council ~~that is located in the prosperity region or subregion~~ **in**
 25 **the workforce development board service delivery area** to develop a
 26 1 regional strategic plan under subsection (4) that aligns CTE
 27 programs and services into an efficient and effective delivery
 28 system for high school students. **The department will align career**
 29 **education planning districts, workforce development board service**



1 **delivery areas, and intermediate districts for the purpose of**
 2 **creating 1 regional strategic plan for each workforce development**
 3 **board service delivery area.**

4 (c) Implement a regional process to rank career clusters in
 5 the ~~prosperity region or subregion~~ **workforce development board**
 6 **service delivery area** as described under subsection (4). Regional
 7 processes must be approved by the department before the ranking of
 8 career clusters.

9 (d) Report CTE early/middle college and CTE dual enrollment
 10 program and student data and information as prescribed by the
 11 department and the center.

12 (4) A regional strategic plan must be approved by the career
 13 and educational advisory council before submission to the
 14 department. A regional strategic plan must include, but is not
 15 limited to, the following:

16 (a) An identification of regional employer need based on a
 17 ranking of all career clusters in the ~~prosperity region or~~
 18 ~~subregion~~ **workforce development board service delivery area** ranked
 19 by 10-year job openings projections and median wage for each
 20 standard occupational code in each career cluster as obtained from
 21 the United States Bureau of Labor Statistics. Standard occupational
 22 codes within high-ranking clusters also may be further ranked by
 23 median wage. The career and educational advisory council located in
 24 the ~~prosperity region or subregion~~ **workforce development board**
 25 **service delivery area** shall review the rankings and modify them if
 26 necessary to accurately reflect employer demand for talent in the
 27 ~~prosperity region or subregion.~~ **workforce development board service**
 28 **delivery area.** A career and educational advisory council shall
 29 document that it has conducted this review and certify that it is



1 accurate. These career cluster rankings must be determined and
2 updated once every 4 years.

3 (b) An identification of educational entities in the
4 ~~prosperity region or subregion~~ **workforce development board service**
5 **delivery area** that will provide eligible CTE early/middle college
6 and CTE dual enrollment programs including districts, intermediate
7 districts, postsecondary institutions, and noncredit occupational
8 training programs leading to an industry-recognized credential.

9 (c) A strategy to inform parents and students of CTE
10 early/middle college and CTE dual enrollment programs in the
11 ~~prosperity region or subregion~~ **workforce development board service**
12 **delivery area**.

13 (d) Any other requirements as defined by the department.

14 (5) An eligible CTE program is a program that meets all of the
15 following:

16 (a) Has been identified in the highest 5 career cluster
17 rankings in any of the ~~10 regional~~ **16 workforce development board**
18 **service delivery area** strategic plans jointly approved by the
19 ~~Michigan talent investment agency in the~~ department of labor and
20 economic opportunity and the department.

21 (b) Has a coherent sequence of courses that will allow a
22 student to earn a high school diploma and achieve at least 1 of the
23 following in a specific career cluster:

24 (i) An associate degree.

25 (ii) An industry-recognized technical certification approved by
26 ~~the Michigan talent investment agency in the~~ department of labor
27 and economic opportunity.

28 (iii) Up to 60 transferable college credits.

29 (iv) Participation in a registered apprenticeship, pre-



1 apprenticeship, or apprentice readiness program.

2 (c) Is aligned with the Michigan merit curriculum.

3 (d) Has an articulation agreement with at least 1
4 postsecondary institution that provides students with opportunities
5 to receive postsecondary credits during the student's participation
6 in the CTE early/middle college or CTE dual enrollment program and
7 transfers those credits to the postsecondary institution upon
8 completion of the CTE early/middle college or CTE dual enrollment
9 program.

10 (e) Provides instruction that is supervised, directed, or
11 coordinated by an appropriately certificated CTE teacher or, for
12 concurrent enrollment courses, a postsecondary faculty member.

13 (f) Provides for highly integrated student support services
14 that include at least the following:

15 (i) Teachers as academic advisors.

16 (ii) Supervised course selection.

17 (iii) Monitoring of student progress and completion.

18 (iv) Career planning services provided by a local one-stop
19 service center as described in the Michigan ~~Works!~~**works** one-stop
20 service center system act, 2006 PA 491, MCL 408.111 to 408.135, or
21 by a high school counselor or advisor.

22 (g) Has courses that are taught on a college campus, are
23 college courses offered at the high school and taught by college
24 faculty, or are courses taught in combination with online
25 instruction.

26 (6) The department shall distribute funds to eligible CTE
27 early/middle college and CTE dual enrollment programs as follows:

28 (a) The department shall determine statewide average CTE costs
29 per pupil for each CIP code program by calculating statewide



1 average costs for each CIP code program for the 3 most recent
2 fiscal years.

3 (b) The distribution to each eligible CTE early/middle college
4 or CTE dual enrollment program is the product of 50% of CTE costs
5 per pupil times the ~~current year~~ pupil enrollment of each eligible
6 CTE early/middle college or CTE dual enrollment program **in the**
7 **immediately preceding school year.**

8 (7) In order to receive funds under this section, a CTE
9 early/middle college or CTE dual enrollment program shall furnish
10 to the intermediate district that is the fiscal agent identified in
11 subsection (2), in a form and manner determined by the department,
12 all information needed to administer this program and meet federal
13 reporting requirements; shall allow the department or the
14 department's designee to review all records related to the program
15 for which it receives funds; and shall reimburse the state for all
16 disallowances found in the review, as determined by the department.

17 (8) There is allocated for ~~2019-2020~~ **2020-2021** from the funds
18 under subsection (1) an amount not to exceed \$500,000.00 from the
19 state school aid fund allocation for grants to intermediate
20 districts or consortia of intermediate districts for the purpose of
21 planning for new or expanded early/middle college programs.
22 Applications for grants must be submitted in a form and manner
23 determined by the department. The amount of a grant under this
24 subsection must not exceed ~~\$150,000.00~~ **\$50,000.00**. To be eligible
25 for a grant under this subsection, an intermediate district or
26 consortia of intermediate districts must provide matching funds
27 equal to the grant received under this subsection. Notwithstanding
28 section 17b, the department shall make payments under this
29 subsection in the manner determined by the department.



1 (9) Funds distributed under this section may be used to fund
 2 program expenditures that would otherwise be paid from foundation
 3 allowances. A program receiving funding under section 61a may
 4 receive funding under this section for allowable costs that exceed
 5 the reimbursement the program received under section 61a. The
 6 combined payments received by a program under section 61a and this
 7 section must not exceed the total allowable costs of the program. A
 8 program provider shall not use more than 5% of the funds allocated
 9 under this section to the program for administrative costs.

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

14 (11) If pupils enrolled in a career cluster in an eligible CTE
 15 early/middle college or CTE dual enrollment program qualify to be
 16 reimbursed under this section, those pupils continue to qualify for
 17 reimbursement until graduation, even if the career cluster is no
 18 longer identified as being in the highest 5 career cluster
 19 rankings.

20 (12) As used in this section:

21 (a) "Allowable costs" means those costs directly attributable
 22 to the program as jointly determined by the ~~Michigan talent~~
 23 ~~investment agency~~ **department of labor and economic opportunity** and
 24 the department.

25 (b) "Career and educational advisory council" means an
 26 advisory council to the local workforce development boards located
 27 in a ~~prosperity region~~ **workforce development board service delivery**
 28 **area** consisting of educational, employer, labor, and parent
 29 representatives.



1 (c) "CIP" means classification of instructional programs.

2 (d) "CTE" means career and technical education programs.

3 (e) "CTE dual enrollment program" means a 4-year high school
4 program of postsecondary courses offered by eligible postsecondary
5 educational institutions that leads to an industry-recognized
6 certification or degree.

7 (f) "Early/middle college program" means a 5-year high school
8 program.

9 (g) "Eligible postsecondary educational institution" means
10 that term as defined in section 3 of the career and technical
11 preparation act, 2000 PA 258, MCL 388.1903.

12 ~~(13) The funds allocated under subsection (8) for 2019-2020~~
13 ~~are a work project appropriation, and any unexpended funds for~~
14 ~~2019-2020 are carried forward into 2020-2021. The purpose of the~~
15 ~~work project is to continue providing CTE opportunities described~~
16 ~~in subsection (8). The estimated completion date of the work~~
17 ~~project is September 30, 2021.~~

18 Sec. 61d. (1) From the appropriation in section 11, there is
19 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
20 \$5,000,000.00 from the state school aid fund for additional
21 payments to districts for career and technical education programs
22 for the purpose of increasing the number of Michigan residents with
23 high-quality degrees or credentials, and to increase the number of
24 pupils who are college- and career-ready upon high school
25 graduation.

26 (2) The department shall calculate payments to districts under
27 this section in the following manner:

28 (a) A payment of ~~\$50.00~~ **\$35.00** multiplied by the number of
29 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.

3 (b) An additional payment of ~~\$50.00~~**\$35.00** multiplied by the
4 number of pupils in grades 9 to 12 who are counted in membership in
5 the district and are enrolled in at least 1 career and technical
6 education program that provides instruction in critical skills and
7 high-demand career fields.

8 (3) If the allocation under subsection (1) is insufficient to
9 fully fund payments under subsection (2), the department shall
10 prorate payments under this section on an equal per-pupil basis.

11 (4) As used in this section:

12 (a) "Career and technical education program" means a state-
13 approved career and technical education program, as determined by
14 the department.

15 (b) "Career and technical education program that provides
16 instruction in critical skills and high-demand career field" means
17 a career and technical education program classified under any of
18 the following 2-digit classification of instructional programs
19 (CIP) codes:

20 (i) 01, which refers to "agriculture, agriculture operations,
21 and related sciences".

22 (ii) 03, which refers to "natural resources and conservation".

23 (iii) 10 through 11, which refers to "communications
24 technologies/technicians and support services" and "computer and
25 information sciences and support services".

26 (iv) 14 through 15, which refers to "engineering" and
27 "engineering technologies and engineering-related fields".

28 (v) 26, which refers to "biological and biomedical sciences".

29 (vi) 46 through 48, which refers to "construction trades",



1 "mechanic and repair technologies/technicians", and "precision
2 production".

3 (vii) 51, which refers to "health professions and related
4 programs".

5 Sec. 62. (1) For the purposes of this section:

6 (a) "Membership" means for a particular fiscal year the total
7 membership for the immediately preceding fiscal year of the
8 intermediate district and the districts constituent to the
9 intermediate district or the total membership for the immediately
10 preceding fiscal year of the area vocational-technical program.

11 (b) "Millage levied" means the millage levied for area
12 vocational-technical education ~~pursuant to~~**under** sections 681 to
13 690 of the revised school code, MCL 380.681 to 380.690, including a
14 levy for debt service obligations incurred as the result of
15 borrowing for capital outlay projects and in meeting capital
16 projects fund requirements of area vocational-technical education.

17 (c) "Taxable value" means the total taxable value of the
18 districts constituent to an intermediate district or area
19 vocational-technical education program, except that if a district
20 has elected not to come under sections 681 to 690 of the revised
21 school code, MCL 380.681 to 380.690, the membership and taxable
22 value of that district are not included in the membership and
23 taxable value of the intermediate district. However, the membership
24 and taxable value of a district that has elected not to come under
25 sections 681 to 690 of the revised school code, MCL 380.681 to
26 380.690, are included in the membership and taxable value of the
27 intermediate district if the district meets both of the following:

28 (i) The district operates the area vocational-technical
29 education program pursuant to a contract with the intermediate



1 district.

2 (ii) The district contributes an annual amount to the operation
3 of the program that is commensurate with the revenue that would
4 have been raised for operation of the program if millage were
5 levied in the district for the program under sections 681 to 690 of
6 the revised school code, MCL 380.681 to 380.690.

7 (2) From the appropriation in section 11, there is allocated
8 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2018-~~
9 ~~2019 and for 2019-2020~~ **and for 2020-2021** to reimburse intermediate
10 districts and area vocational-technical education programs
11 established under section 690(3) of the revised school code, MCL
12 380.690, levying millages for area vocational-technical education
13 ~~pursuant to~~ **under** sections 681 to 690 of the revised school code,
14 MCL 380.681 to 380.690. The purpose, use, and expenditure of the
15 reimbursement are limited as if the funds were generated by those
16 millages.

17 (3) Reimbursement for those millages levied in ~~2017-2018-2018-~~
18 ~~2019~~ is made in ~~2018-2019-2019-2020~~ at an amount per ~~2017-2018~~
19 ~~2018-2019~~ membership pupil computed by subtracting from ~~\$205,700.00~~
20 **\$210,800.00** the ~~2017-2018-2018-2019~~ taxable value behind each
21 membership pupil and multiplying the resulting difference by the
22 ~~2017-2018-2018-2019~~ millage levied, and then subtracting from that
23 amount the ~~2017-2018-2018-2019~~ local community stabilization share
24 revenue for area vocational technical education behind each
25 membership pupil for reimbursement of personal property exemption
26 loss under the local community stabilization authority act, 2014 PA
27 86, MCL 123.1341 to 123.1362.

28 (4) Reimbursement for those millages levied in ~~2018-2019-2019-~~
29 ~~2020~~ is made in ~~2019-2020-2020-2021~~ at an amount per ~~2018-2019~~



1 ~~2019-2020~~ membership pupil computed by subtracting from ~~\$211,000.00~~
 2 **\$218,800.00** the ~~2018-2019-2019-2020~~ taxable value behind each
 3 membership pupil and multiplying the resulting difference by the
 4 ~~2018-2019-2019-2020~~ millage levied, and then subtracting from that
 5 amount the ~~2018-2019-2019-2020~~ local community stabilization share
 6 revenue for area vocational technical education behind each
 7 membership pupil for reimbursement of personal property exemption
 8 loss under the local community stabilization authority act, 2014 PA
 9 86, MCL 123.1341 to 123.1362.

10 (5) The department shall ensure that the amount paid to a
 11 single intermediate district under this section does not exceed
 12 38.4% of the total amount allocated under subsection (2).

13 (6) The department shall ensure that the amount paid to a
 14 single intermediate district under this section is not less than
 15 75% of the amount allocated to the intermediate district under this
 16 section for the immediately preceding fiscal year.

17 Sec. 65. (1) From the appropriation under section 11, there is
 18 allocated an amount not to exceed \$400,000.00 for ~~2019-2020-2020-~~
 19 **2021** for a pre-college engineering K-12 educational program that is
 20 focused on the development of a diverse future Michigan workforce,
 21 that serves multiple communities within southeast Michigan, that
 22 enrolls pupils from multiple districts, and that received funds
 23 appropriated for this purpose in the appropriations act that
 24 provided the Michigan strategic fund budget for 2014-2015.

25 (2) To be eligible for funding under this section, a program
 26 must have the ability to expose pupils to, and motivate and prepare
 27 pupils for, science, technology, engineering, and mathematics
 28 careers and postsecondary education with special attention given to
 29 groups of pupils who are at-risk and underrepresented in technical



1 professions and careers.

2 Sec. 67. (1) From the general fund ~~amount~~**money** appropriated
3 in section 11, there is allocated an amount not to exceed
4 \$3,000,000.00 for ~~2019-2020~~**2020-2021** for college access programs.
5 The programs funded under this section are intended to inform
6 students of college and career options and to provide resources
7 intended to increase the number of pupils who are adequately
8 prepared with the information needed to make informed decisions on
9 college and career. The funds appropriated under this section are
10 intended to be used to increase the number of Michigan residents
11 with high-quality degrees or credentials. Funds appropriated under
12 this section must not be used to supplant funding for counselors
13 already funded by districts.

14 (2) The ~~talent investment agency of the~~ department of labor
15 and economic opportunity shall administer funds allocated under
16 this section in collaboration with the Michigan college access
17 network. These funds may be used for any of the following purposes:

18 (a) Michigan college access network operations, programming,
19 and services to local college access networks.

20 (b) Local college access networks, which are community-based
21 college access/success partnerships committed to increasing the
22 college participation and completion rates within geographically
23 defined communities through a coordinated strategy.

24 (c) The Michigan college advising program, a program intended
25 to place trained, recently graduated college advisors in high
26 schools that serve significant numbers of low-income and first-
27 generation college-going pupils. State funds used for this purpose
28 may not exceed 33% of the total funds available under this
29 subsection.



1 (d) Subgrants of up to \$5,000.00 to districts with
2 comprehensive high schools that establish a college access team and
3 implement specific strategies to create a college-going culture in
4 a high school in a form and manner approved by the Michigan college
5 access network and the ~~Michigan talent investment agency~~**department**
6 **of labor and economic opportunity.**

7 (e) The Michigan college access portal, an online one-stop
8 portal to help pupils and families plan and apply for college.

9 (f) Public awareness and outreach campaigns to encourage low-
10 income and first-generation college-going pupils to take necessary
11 steps toward college and to assist pupils and families in
12 completing a timely and accurate free application for federal
13 student aid.

14 (g) Subgrants to postsecondary institutions to recruit, hire,
15 and train college student mentors and college advisors to assist
16 high school pupils in navigating the postsecondary planning and
17 enrollment process.

18 (3) For the purposes of this section, "college" means any
19 postsecondary educational opportunity that leads to a career,
20 including, but not limited to, a postsecondary degree, industry-
21 recognized technical certification, or registered apprenticeship.

22 **Sec. 67a. (1) From the general fund money appropriated under**
23 **section 11, there is allocated an amount not to exceed \$50,000.00**
24 **for 2020-2021 for a grant to be distributed by the department to an**
25 **organization to provide industrial and technological education and**
26 **workforce preparation for students and professional development**
27 **opportunities and support for teachers.**

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



1 **department.**

2 Sec. 74. (1) From the amount appropriated in section 11, there
3 is allocated an amount not to exceed ~~\$3,772,900.00~~ **\$3,814,500.00**
4 for ~~2019-2020~~ **2020-2021** for the purposes of this section.

5 (2) From the allocation in subsection (1), there is allocated
6 for ~~each fiscal year~~ **2020-2021** the amount necessary for payments to
7 state supported colleges or universities and intermediate districts
8 providing school bus driver safety instruction under section 51 of
9 the pupil transportation act, 1990 PA 187, MCL 257.1851. The
10 department shall make payments in an amount determined by the
11 department not to exceed the actual cost of instruction and driver
12 compensation for each public or nonpublic school bus driver
13 attending a course of instruction. For the purpose of computing
14 compensation, the hourly rate allowed each school bus driver must
15 not exceed the hourly rate received for driving a school bus. The
16 department shall make reimbursement compensating the driver during
17 the course of instruction to the college or university or
18 intermediate district providing the course of instruction.

19 (3) From the allocation in subsection (1), there is allocated
20 for ~~2019-2020~~ **2020-2021** the amount necessary to pay the reasonable
21 costs of nonspecial education auxiliary services transportation
22 provided under section 1323 of the revised school code, MCL
23 380.1323. Districts funded under this subsection do not receive
24 funding under any other section of this article for nonspecial
25 education auxiliary services transportation.

26 (4) From the funds allocated in subsection (1), there is
27 allocated an amount not to exceed ~~\$1,747,900.00~~ **\$1,789,500.00** for
28 ~~2019-2020~~ **2020-2021** for reimbursement to districts and intermediate
29 districts for costs associated with the inspection of school buses



1 and pupil transportation vehicles by the department of state police
2 as required under section 715a of the Michigan vehicle code, 1949
3 PA 300, MCL 257.715a, and section 39 of the pupil transportation
4 act, 1990 PA 187, MCL 257.1839. The department of state police
5 shall prepare a statement of costs attributable to each district
6 for which bus inspections are provided and submit it to the
7 department and to an intermediate district serving as fiduciary in
8 a time and manner determined jointly by the department and the
9 department of state police. Upon review and approval of the
10 statement of cost, the department shall forward to the designated
11 intermediate district serving as fiduciary the amount of the
12 reimbursement on behalf of each district and intermediate district
13 for costs detailed on the statement within 45 days after receipt of
14 the statement. The designated intermediate district shall make
15 payment in the amount specified on the statement to the department
16 of state police within 45 days after receipt of the statement. The
17 total reimbursement of costs under this subsection must not exceed
18 the amount allocated under this subsection. Notwithstanding section
19 17b, the department shall make payments to eligible entities under
20 this subsection on a schedule prescribed by the department.

21 Sec. 81. (1) From the appropriation in section 11, there is
22 allocated for ~~2019-2020~~**2020-2021** to the intermediate districts the
23 sum necessary, but not to exceed \$69,138,000.00, to provide state
24 aid to intermediate districts under this section.

25 (2) The amount allocated under this section to each
26 intermediate district is an amount equal to ~~101%~~**100%** of the amount
27 allocated to the intermediate district under this section for ~~2018-~~
28 ~~2019.~~**2019-2020**. An intermediate district shall use funding
29 provided under this section to comply with requirements of this



1 article and the revised school code that are applicable to
2 intermediate districts, and for which funding is not provided
3 elsewhere in this article, and to provide technical assistance to
4 districts as authorized by the intermediate school board.

5 (3) Intermediate districts receiving funds under this section
6 shall collaborate with the department to develop expanded
7 professional development opportunities for teachers to update and
8 expand their knowledge and skills needed to support the Michigan
9 merit curriculum.

10 (4) From the allocation in subsection (1), there is allocated
11 to an intermediate district, formed by the consolidation or
12 annexation of 2 or more intermediate districts or the attachment of
13 a total intermediate district to another intermediate ~~school~~
14 district or the annexation of all of the constituent K-12 districts
15 of a previously existing intermediate ~~school~~-district which has
16 disorganized, an additional allotment of \$3,500.00 each fiscal year
17 for each intermediate district included in the new intermediate
18 district for 3 years following consolidation, annexation, or
19 attachment.

20 (5) In order to receive funding under this section, an
21 intermediate district shall do all of the following:

22 (a) Demonstrate to the satisfaction of the department that the
23 intermediate district employs at least 1 person who is trained in
24 pupil accounting and auditing procedures, rules, and regulations.

25 (b) Demonstrate to the satisfaction of the department that the
26 intermediate district employs at least 1 person who is trained in
27 rules, regulations, and district reporting procedures for the
28 individual-level student data that serves as the basis for the
29 calculation of the district and high school graduation and dropout



1 rates.

2 (c) Comply with sections 1278a and 1278b of the revised school
3 code, MCL 380.1278a and 380.1278b.

4 (d) Furnish data and other information required by state and
5 federal law to the center and the department in the form and manner
6 specified by the center or the department, as applicable.

7 (e) Comply with section 1230g of the revised school code, MCL
8 380.1230g.

9 Sec. 94. (1) From the general fund ~~appropriation~~ **money**
10 **appropriated** in section 11, there is allocated to the department
11 for ~~2019-2020-2020-2021~~ an amount not to exceed ~~\$1,000,000.00~~
12 **\$1,200,000.00** for efforts to increase the number of pupils who
13 participate and succeed in advanced placement and international
14 baccalaureate programs, and to support the college-level
15 examination program (CLEP).

16 (2) From the funds allocated under this section, the
17 department shall award funds to cover all or part of the costs of
18 advanced placement test fees or international baccalaureate test
19 fees and international baccalaureate registration fees for low-
20 income pupils who take an advanced placement or an international
21 baccalaureate test and CLEP fees for low-income pupils who take a
22 CLEP test.

23 (3) The department shall only award funds under this section
24 if the department determines that all of the following criteria are
25 met:

26 (a) Each pupil for whom payment is made meets eligibility
27 requirements of the federal advanced placement test fee program
28 under section 1701 of the no child left behind act of 2001, Public
29 Law 107-110, or under a corresponding provision of the every



1 student succeeds act, Public Law 114-95.

2 (b) The tests are administered by the college board, the
3 international baccalaureate organization, or another test provider
4 approved by the department.

5 (c) The pupil for whom payment is made pays at least \$5.00
6 toward the cost of each test for which payment is made.

7 (4) The department shall establish procedures for awarding
8 funds under this section.

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

12 Sec. 94a. (1) There is created within the state budget office
13 in the department of technology, management, and budget the center
14 for educational performance and information. The center shall do
15 all of the following:

16 (a) Coordinate the collection of all data required by state
17 and federal law from districts, intermediate districts, and
18 postsecondary institutions.

19 (b) Create, maintain, and enhance this state's P-20
20 longitudinal data system and ensure that it meets the requirements
21 of subsection (4).

22 (c) Collect data in the most efficient manner possible in
23 order to reduce the administrative burden on reporting entities,
24 including, but not limited to, electronic transcript services.

25 (d) Create, maintain, and enhance this state's web-based
26 educational portal to provide information to school leaders,
27 teachers, researchers, and the public in compliance with all
28 federal and state privacy laws. Data must include, but are not
29 limited to, all of the following:



1 (i) Data sets that link teachers to student information,
2 allowing districts to assess individual teacher impact on student
3 performance and consider student growth factors in teacher and
4 principal evaluation systems.

5 (ii) Data access or, if practical, data sets, provided for
6 regional data hubs that, in combination with local data, can
7 improve teaching and learning in the classroom.

8 (iii) Research-ready data sets for researchers to perform
9 research that advances this state's educational performance.

10 (e) Provide data in a useful manner to allow state and local
11 policymakers to make informed policy decisions.

12 (f) Provide public reports to the residents of this state to
13 allow them to assess allocation of resources and the return on
14 their investment in the education system of this state.

15 (g) Other functions as assigned by the state budget director.

16 (2) Each state department, officer, or agency that collects
17 information from districts, intermediate districts, or
18 postsecondary institutions as required under state or federal law
19 shall make arrangements with the center to ensure that the state
20 department, officer, or agency is in compliance with subsection
21 (1). This subsection does not apply to information collected by the
22 department of treasury under the uniform budgeting and accounting
23 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
24 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
25 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
26 388.1939; or section 1351a of the revised school code, MCL
27 380.1351a.

28 (3) The center may enter into any interlocal agreements
29 necessary to fulfill its functions.



1 (4) The center shall ensure that the P-20 longitudinal data
2 system required under subsection (1)(b) meets all of the following:

3 (a) Includes data at the individual student level from
4 preschool through postsecondary education and into the workforce.

5 (b) Supports interoperability by using standard data
6 structures, data formats, and data definitions to ensure linkage
7 and connectivity in a manner that facilitates the exchange of data
8 among agencies and institutions within the state and between
9 states.

10 (c) Enables the matching of individual teacher and student
11 records so that an individual student may be matched with those
12 teachers providing instruction to that student.

13 (d) Enables the matching of individual teachers with
14 information about their certification and the institutions that
15 prepared and recommended those teachers for state certification.

16 (e) Enables data to be easily generated for continuous
17 improvement and decision-making, including timely reporting to
18 parents, teachers, and school leaders on student achievement.

19 (f) Ensures the reasonable quality, validity, and reliability
20 of data contained in the system.

21 (g) Provides this state with the ability to meet federal and
22 state reporting requirements.

23 (h) For data elements related to preschool through grade 12
24 and postsecondary, meets all of the following:

25 (i) Contains a unique statewide student identifier that does
26 not permit a student to be individually identified by users of the
27 system, except as allowed by federal and state law.

28 (ii) Contains student-level enrollment, demographic, and
29 program participation information.



1 (iii) Contains student-level information about the points at
 2 which students exit, transfer in, transfer out, drop out, or
 3 complete education programs.

4 (iv) Has the capacity to communicate with higher education data
 5 systems.

6 (i) For data elements related to preschool through grade 12
 7 only, meets all of the following:

8 (i) Contains yearly test records of individual students for
 9 assessments approved by DED-OESE for accountability purposes under
 10 section 1111(b) of the elementary and secondary education act of
 11 1965, 20 USC 6311, including information on individual students not
 12 tested, by grade and subject.

13 (ii) Contains student-level transcript information, including
 14 information on courses completed and grades earned.

15 (iii) Contains student-level college readiness test scores.

16 (j) For data elements related to postsecondary education only:

17 (i) Contains data that provide information regarding the extent
 18 to which individual students transition successfully from secondary
 19 school to postsecondary education, including, but not limited to,
 20 all of the following:

21 (A) Enrollment in remedial coursework.

22 (B) Completion of 1 year's worth of college credit applicable
 23 to a degree within 2 years of enrollment.

24 (ii) Contains data that provide other information determined
 25 necessary to address alignment and adequate preparation for success
 26 in postsecondary education.

27 (5) From the general fund ~~appropriation~~ **money appropriated** in
 28 section 11, there is allocated an amount not to exceed
 29 ~~\$16,045,800.00~~ **\$16,848,900.00** for ~~2019-2020~~ **2020-2021** to the



1 department of technology, management, and budget to support the
2 operations of the center. In addition, from the federal funds
3 appropriated in section 11, there is allocated for ~~2019-2020-2020-~~
4 **2021** the amount necessary, estimated at \$193,500.00, to support the
5 operations of the center and to establish a P-20 longitudinal data
6 system necessary for state and federal reporting purposes. The
7 center shall cooperate with the department to ensure that this
8 state is in compliance with federal law and is maximizing
9 opportunities for increased federal funding to improve education in
10 this state.

11 (6) From the funds allocated in subsection (5), the center may
12 use an amount determined by the center for competitive grants for
13 ~~2019-2020-2020-2021~~ to support collaborative efforts on the P-20
14 longitudinal data system. All of the following apply to grants
15 awarded under this subsection:

16 (a) The center shall award competitive grants to eligible
17 intermediate districts or a consortium of intermediate districts
18 based on criteria established by the center.

19 (b) Activities funded under the grant must support the P-20
20 longitudinal data system portal and may include portal hosting,
21 hardware and software acquisition, maintenance, enhancements, user
22 support and related materials, and professional learning tools and
23 activities aimed at improving the utility of the P-20 longitudinal
24 data system.

25 (c) An applicant that received a grant under this subsection
26 for the immediately preceding fiscal year has priority for funding
27 under this section. However, after 3 fiscal years of continuous
28 funding, an applicant is required to compete openly with new
29 applicants.



1 (7) Funds allocated under this section that are not expended
 2 in the fiscal year in which they were allocated may be carried
 3 forward to a subsequent fiscal year and are appropriated for the
 4 purposes for which the funds were originally allocated.

5 (8) The center may bill departments as necessary in order to
 6 fulfill reporting requirements of state and federal law. The center
 7 may also enter into agreements to supply custom data, analysis, and
 8 reporting to other principal executive departments, state agencies,
 9 local units of government, and other individuals and organizations.
 10 The center may receive and expend funds in addition to those
 11 authorized in subsection (5) to cover the costs associated with
 12 salaries, benefits, supplies, materials, and equipment necessary to
 13 provide such data, analysis, and reporting services.

14 (9) As used in this section:

15 (a) "DED-OESE" means the United States Department of Education
 16 Office of Elementary and Secondary Education.

17 (b) "State education agency" means the department.

18 **Sec. 94b. From the general fund money appropriated in section**
 19 **11, there is allocated an amount not to exceed \$100.00 for 2020-**
 20 **2021 to the connecting information in education committee created**
 21 **in this section. The connecting information in education committee**
 22 **is created for 2020-2021. Both of the following apply to the**
 23 **committee described in this section:**

24 (a) The committee shall provide recommendations concerning, at
 25 a minimum, all of the following to the legislature and the
 26 governor:

27 (i) How to lead the replication and scaling of best practices
 28 in instruction, administration, and student support to enable this
 29 state to be among the fastest improving states in the nation in



1 academic gains for all student groups.

2 (ii) How to close the educational achievement gap based on
3 income, race, geography, language, gender, and student needs.

4 (iii) How to prepare every student for success after high
5 school.

6 (b) The committee shall work in consultation with the
7 department, the center, the executive branch, the legislature,
8 education stakeholders, and other nongovernmental organizations, to
9 provide recommendations based on research to school leaders and
10 educators as they implement best practices proven to improve
11 student performance.

12 Sec. 95b. (1) From the general fund money appropriated under
13 section 11, there is allocated an amount not to exceed
14 \$2,000,000.00 for the model value-added growth and projection
15 analytics system. The department shall continue the model value-
16 added growth and projection analytics system and incorporate that
17 model into its reporting requirements under the every student
18 succeeds act, Public Law 114-95. It is the intent of the
19 legislature to fund the model under this section for 2021-2022 only
20 if at least 50% of districts that are not public school academies
21 opt in to student-teacher linkages provided by the model value-
22 added growth and projection analytics system and there is
23 verification that the value-added reporting platform continued
24 hosting and delivery of historical reporting as determined based on
25 the report under subsection (5). The model described in this
26 subsection must do at least all of the following:

27 (a) Utilize existing assessments and any future assessments
28 that are suitable for measuring student growth.

29 (b) Report student growth measures at the district, school,



1 teacher, and subgroup levels.

2 (c) Recognize the growth of tested students, including those
3 who may have missing assessment data.

4 (d) Include all available prior standardized assessment data
5 that meet inclusion criteria across grades, subjects, and state and
6 local assessments.

7 (e) Allow student growth results to be disaggregated.

8 (f) Provide individual student projections showing the
9 probability of a student reaching specific performance levels on
10 future assessments. Given school closures and extended
11 cancellations related to COVID-19, the data under this subdivision
12 may be used to inform decisions about student placement or students
13 that could benefit from additional supports or interventions.

14 (g) Demonstrate any prior success with this state's
15 assessments through the Michigan council of educator effectiveness
16 teacher evaluation pilot.

17 (h) Demonstrate prior statewide implementation in at least 2
18 other states for at least 10 years.

19 (i) Have a native roster verification system built into the
20 value-added reporting platform that has been implemented statewide
21 in at least 2 other states.

22 (j) Have a ~~"Help/Contact Us"~~ **"help/contact us"** ticketing
23 system built into the value-added reporting platform.

24 (k) Given school closures that have occurred pursuant to an
25 executive order issued by the governor, the value-added reporting
26 platform must provide continued hosting and delivery of reporting
27 and offer the department additional supports in the areas of
28 research, analysis, web reporting, and training.

29 (l) The department and the platform vendor shall provide



1 statewide training for educators to understand the reporting that
2 details the impact to student learning and growth.

3 (2) The department shall provide internet-based electronic
4 student growth and projection reporting based on the model under
5 subsection (1) to educators at the school, district, and state
6 levels. The model must include role-based permissions that allow
7 educators to access information about the performance of the
8 students within their immediate responsibility in accordance with
9 applicable privacy laws.

10 (3) The model under subsection (1) must not be a mandatory
11 part of teacher evaluation or educator pay-for-performance systems.

12 (4) The model under subsection (1) must be a model that
13 received funding under this section in 2018-2019.

14 (5) By March 31, 2021, the department shall work with the
15 center to provide a report to the senate and house appropriations
16 subcommittees on state school aid and the senate and house fiscal
17 agencies regarding the number of districts that are not public
18 school academies that opted in to student-teacher linkages in their
19 use of the model value-added growth and projection analytics system
20 under this section. The report under this subsection must also
21 include verification that the value-added reporting platform
22 continued hosting and delivery of historical reporting and specify
23 any additional research and analysis offered to the department.

24 Sec. 98. (1) From the general fund money appropriated in
25 section 11, there is allocated an amount not to exceed
26 ~~\$6,312,500.00~~ **\$7,500,000.00** for ~~2019-2020~~ **2020-2021** for the
27 purposes described in this section. The Michigan Virtual University
28 shall provide a report to the legislature not later than November 1
29 of each year that includes its mission, its plans, and proposed



1 benchmarks it must meet, including a plan to achieve the
2 organizational priorities identified in this section, in order to
3 receive full funding for ~~2020-2021.~~ **2021-2022**. Not later than March
4 1 of each year, the Michigan Virtual University shall provide an
5 update to the house and senate appropriations subcommittees on
6 school aid to show the progress being made to meet the benchmarks
7 identified.

8 (2) The Michigan Virtual University shall operate the Michigan
9 Virtual Learning Research Institute. The Michigan Virtual Learning
10 Research Institute shall do all of the following:

11 (a) Support and accelerate innovation in education through the
12 following activities:

13 (i) Test, evaluate, and recommend as appropriate new
14 technology-based instructional tools and resources.

15 (ii) Research, design, and recommend virtual education delivery
16 models for use by pupils and teachers that include age-appropriate
17 multimedia instructional content.

18 (iii) Research, develop, and recommend annually to the
19 department criteria by which cyber schools and virtual course
20 providers should be monitored and evaluated to ensure a quality
21 education for their pupils.

22 (iv) Based on pupil completion and performance data reported to
23 the department or the center from cyber schools and other virtual
24 course providers operating in this state, analyze the effectiveness
25 of virtual learning delivery models in preparing pupils to be
26 college- and career-ready and publish a report that highlights
27 enrollment totals, completion rates, and the overall impact on
28 pupils. The Michigan Virtual Learning Research Institute shall
29 submit the report to the house and senate appropriations



1 subcommittees on state school aid, the state budget director, the
2 house and senate fiscal agencies, the department, districts, and
3 intermediate districts not later than March 31 of each year.

4 (v) Provide an extensive professional development program to
5 at least 30,000 educational personnel, including teachers, school
6 administrators, and school board members, that focuses on the
7 effective integration of virtual learning into curricula and
8 instruction. The Michigan Virtual Learning Research Institute is
9 encouraged to work with the MiSTEM advisory council created under
10 section 99s to coordinate professional development of teachers in
11 applicable fields. In addition, the Michigan Virtual Learning
12 Research Institute and external stakeholders are encouraged to
13 coordinate with the department for professional development in this
14 state. Not later than December 1 of each year, the Michigan Virtual
15 Learning Research Institute shall submit a report to the house and
16 senate appropriations subcommittees on state school aid, the state
17 budget director, the house and senate fiscal agencies, and the
18 department on the number of teachers, school administrators, and
19 school board members who have received professional development
20 services from the Michigan Virtual University. The report must also
21 identify barriers and other opportunities to encourage the adoption
22 of virtual learning in the public education system.

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



1 to create student-centric learning tools and resources for sharing
2 in the state's open educational resource repository and facilitate
3 a user network that assists educators in using the content creation
4 platform and state repository for open educational resources. As
5 part of this initiative, the Michigan Virtual University shall work
6 collaboratively with districts and intermediate districts to
7 establish a plan to make available virtual resources that align to
8 Michigan's K-12 curriculum standards for use by students,
9 educators, and parents.

10 (x) Create and maintain a public statewide catalog of virtual
11 learning courses being offered by all public schools and community
12 colleges in this state. The Michigan Virtual Learning Research
13 Institute shall identify and develop a list of nationally
14 recognized best practices for virtual learning and use this list to
15 support reviews of virtual course vendors, courses, and
16 instructional practices. The Michigan Virtual Learning Research
17 Institute shall also provide a mechanism for intermediate districts
18 to use the identified best practices to review content offered by
19 constituent districts. The Michigan Virtual Learning Research
20 Institute shall review the virtual course offerings of the Michigan
21 Virtual University, and make the results from these reviews
22 available to the public as part of the statewide catalog. The
23 Michigan Virtual Learning Research Institute shall ensure that the
24 statewide catalog is made available to the public on the Michigan
25 Virtual University website and shall allow the ability to link it
26 to each district's website as provided for in section 21f. The
27 statewide catalog must also contain all of the following:

28 (A) The number of enrollments in each virtual course in the
29 immediately preceding school year.



1 (B) The number of enrollments that earned 60% or more of the
2 total course points for each virtual course in the immediately
3 preceding school year.

4 (C) The pass rate for each virtual course.

5 (xi) Support registration, payment services, and transcript
6 functionality for the statewide catalog and train key stakeholders
7 on how to use new features.

8 (xii) Collaborate with key stakeholders to examine district
9 level accountability and teacher effectiveness issues related to
10 virtual learning under section 21f and make findings and
11 recommendations publicly available.

12 (xiii) Provide a report on the activities of the Michigan
13 Virtual Learning Research Institute.

14 (3) To further enhance its expertise and leadership in virtual
15 learning, the Michigan Virtual University shall continue to operate
16 the Michigan Virtual School as a statewide laboratory and quality
17 model of instruction by implementing virtual and blended learning
18 solutions for Michigan schools in accordance with the following
19 parameters:

20 (a) The Michigan Virtual School must maintain its
21 accreditation status from recognized national and international
22 accrediting entities.

23 (b) The Michigan Virtual University shall use no more than
24 \$1,000,000.00 of the amount allocated under this section to
25 subsidize the cost paid by districts for virtual courses.

26 (c) In providing educators responsible for the teaching of
27 virtual courses as provided for in this section, the Michigan
28 Virtual School shall follow the requirements to request and assess,
29 and the department of state police shall provide, a criminal



1 history check and criminal records check under sections 1230 and
2 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
3 the same manner as if the Michigan Virtual School were a school
4 district under those sections.

5 (4) From the funds allocated under subsection (1), the
6 Michigan Virtual University shall allocate up to \$500,000.00 to
7 support the expansion of new online and blended educator
8 professional development programs.

9 (5) If the course offerings are included in the statewide
10 catalog of virtual courses under subsection (2)(b)(x), the Michigan
11 Virtual School operated by the Michigan Virtual University may
12 offer virtual course offerings, including, but not limited to, all
13 of the following:

14 (a) Information technology courses.

15 (b) College level equivalent courses, as defined in section
16 1471 of the revised school code, MCL 380.1471.

17 (c) Courses and dual enrollment opportunities.

18 (d) Programs and services for at-risk pupils.

19 (e) High school equivalency test preparation courses for
20 adjudicated youth.

21 (f) Special interest courses.

22 (g) Professional development programs for teachers, school
23 administrators, other school employees, and school board members.

24 (6) If a home-schooled or nonpublic school student is a
25 resident of a district that subscribes to services provided by the
26 Michigan Virtual School, the student may use the services provided
27 by the Michigan Virtual School to the district without charge to
28 the student beyond what is charged to a district pupil using the
29 same services.



1 (7) Not later than December 1 of each fiscal year, the
2 Michigan Virtual University shall provide a report to the house and
3 senate appropriations subcommittees on state school aid, the state
4 budget director, the house and senate fiscal agencies, and the
5 department that includes at least all of the following information
6 related to the Michigan Virtual School for the preceding state
7 fiscal year:

8 (a) A list of the districts served by the Michigan Virtual
9 School.

10 (b) A list of virtual course titles available to districts.

11 (c) The total number of virtual course enrollments and
12 information on registrations and completions by course.

13 (d) The overall course completion rate percentage.

14 (8) In addition to the information listed in subsection (7),
15 the report under subsection (7) must also include a plan to serve
16 at least 600 schools with courses from the Michigan Virtual School
17 or with content available through the internet-based platform
18 identified in subsection (2) (b) (ix).

19 (9) The governor may appoint an advisory group for the
20 Michigan Virtual Learning Research Institute established under
21 subsection (2). The members of the advisory group serve at the
22 pleasure of the governor and without compensation. The purpose of
23 the advisory group is to make recommendations to the governor, the
24 legislature, and the president and board of the Michigan Virtual
25 University that will accelerate innovation in this state's
26 education system in a manner that will prepare elementary and
27 secondary students to be career and college ready and that will
28 promote the goal of increasing the percentage of residents of this
29 state with high-quality degrees and credentials to at least 60% by



1 2025.

2 (10) Not later than November 1 of each year, the Michigan
3 Virtual University shall submit to the house and senate
4 appropriations subcommittees on state school aid, the state budget
5 director, and the house and senate fiscal agencies a detailed
6 budget for that fiscal year that includes a breakdown on its
7 projected costs to deliver virtual educational services to
8 districts and a summary of the anticipated fees to be paid by
9 districts for those services. Not later than March 1 each year, the
10 Michigan Virtual University shall submit to the house and senate
11 appropriations subcommittees on state school aid, the state budget
12 director, and the house and senate fiscal agencies a breakdown on
13 its actual costs to deliver virtual educational services to
14 districts and a summary of the actual fees paid by districts for
15 those services based on audited financial statements for the
16 immediately preceding fiscal year.

17 (11) As used in this section:

18 (a) "Blended learning" means a hybrid instructional delivery
19 model where pupils are provided content, instruction, and
20 assessment, in part at a supervised educational facility away from
21 home where the pupil and a teacher with a valid Michigan teaching
22 certificate are in the same physical location and in part through
23 internet-connected learning environments with some degree of pupil
24 control over time, location, and pace of instruction.

25 (b) "Cyber school" means a full-time instructional program of
26 virtual courses for pupils that may or may not require attendance
27 at a physical school location.

28 (c) "Virtual course" means a course of study that is capable
29 of generating a credit or a grade and that is provided in an



1 interactive learning environment in which the majority of the
2 curriculum is delivered using the internet and in which pupils are
3 separated from their instructor or teacher of record by time or
4 location, or both.

5 ~~(12) It is the intent of the legislature not to allocate an~~
6 ~~amount greater than \$6,342,500.00 for 2020-2021 for the purposes of~~
7 ~~this section.~~

8 Sec. 98a. (1) In order to receive state aid under this article
9 for 2020-2021, a district must provide, for the 2020-2021 school
10 year, instruction under an extended COVID-19 learning plan that has
11 been approved by an intermediate district or authorizing body, as
12 applicable, under subsection (2). It is the intent of the
13 legislature that extended COVID-19 learning plans described in this
14 subsection provide districts with maximum flexibility to adapt
15 their educational programs for some or all pupils at some or all of
16 the schools operated by the district to respond to the COVID-19
17 pandemic. An extended COVID-19 learning plan described in this
18 subsection must include all of the following elements:

19 (a) A statement indicating why an extended COVID-19 learning
20 plan is necessary to increase pupil engagement and achievement for
21 the 2020-2021 school year.

22 (b) The educational goals expected to be achieved for the
23 2020-2021 school year. The educational goals described in this
24 subdivision must not be utilized to determine state policy. The
25 district must establish all of its goals under this subdivision by
26 not later than September 15, 2020. An extended COVID-19 learning
27 plan described in this subsection must specify which educational
28 goals described in this subdivision are expected to be achieved by
29 the middle of the school year and which goals are expected to be



1 achieved by the end of the school year. All of the following apply
2 to the educational goals described in this subdivision:

3 (i) The goals must include increased pupil achievement or, if
4 growth can be validly and reliably measured using a benchmark
5 assessment or benchmark assessments, growth on a benchmark
6 assessment or benchmark assessments described in subparagraph (ii)
7 in the aggregate and for all subgroups of pupils.

8 (ii) The goals must include an assurance that the district
9 shall select a benchmark assessment or benchmark assessments that
10 are aligned to state standards and an assurance that the district
11 shall administer the benchmark assessment or benchmark assessments
12 to all pupils as prescribed under section 104 to determine whether
13 pupils are making meaningful progress toward mastery of these
14 standards.

15 (iii) The goals must be measurable through a benchmark
16 assessment or benchmark assessments described in subparagraph (ii).

17 (c) A description of how instruction will be delivered during
18 the 2020-2021 school year. Instruction, as described in this
19 subdivision, may be delivered at school or at a different location,
20 in person, online, digitally, by other remote means, in a
21 synchronous or asynchronous format, or any combination thereof,
22 but, except as otherwise provided in this subdivision, must be
23 delivered as included in the description. If the description of
24 instructional delivery under this subdivision differs from the
25 delivery of instruction re-confirmed under this subdivision, then
26 instruction must be delivered as re-confirmed. Thirty days after
27 the approval of the plan under subsection (2), and ~~every 30 days~~
28 **each month** thereafter, the district must, at a meeting of the board
29 or board of directors, as applicable, of the district, re-confirm



1 how instruction is going to be delivered during the 2020-2021
2 school year. Public comment must be solicited from the parents or
3 legal guardians of the pupils enrolled in the district during a
4 meeting described in this subdivision. **For each reconfirmation**
5 **described in this subdivision, the district shall report to the**
6 **center, in a form and manner prescribed by the center, the**
7 **instructional delivery method that was reconfirmed; how that**
8 **instruction will be delivered for each grade level offered by the**
9 **district, including pre-kindergarten, as applicable; and whether or**
10 **not, as determined by the department in consultation with the**
11 **center, the district is offering higher levels of in-person**
12 **instruction for English language learners, special education**
13 **students, or other special populations.**

14 (d) A description of how instruction for core academic areas
15 provided under the extended COVID-19 learning plan will expose each
16 pupil to the academic standards that apply for each pupil's grade
17 level or courses in the same scope and sequence as the district had
18 planned for that exposure to occur for in-person instruction, as
19 applicable, and a description of how pupil progress toward mastery
20 of the standards described in this subdivision will be graded or
21 otherwise reported to the pupil and the pupil's parent or legal
22 guardian.

23 (e) If the district is delivering pupil instruction virtually,
24 an assurance and description of how pupils will be provided with
25 equitable access to technology and the internet necessary to
26 participate in instruction. This subdivision does not prohibit a
27 district from providing pupil instruction through nonvirtual
28 educational materials.

29 (f) A description of how the district will ensure that



1 students with disabilities will be provided with equitable access
2 to instruction accommodation in accordance with applicable state
3 and federal laws, rules, and regulations.

4 (g) A requirement that the district, in consultation with a
5 local health department, as that term is defined in section 1105 of
6 the public health code, **1978 PA 368**, MCL 333.1105, and district
7 employees, develop districtwide guidelines concerning appropriate
8 methods for delivering pupil instruction for the 2020-2021 school
9 year that are based on local data that are based on key metrics.
10 However, regardless of the guidelines developed under this
11 subdivision, a determination concerning the method for delivering
12 pupil instruction remains with the district. As used in this
13 subdivision, "key metrics" means, at a minimum, all of the
14 following:

15 (i) The trend of COVID-19 cases or positive COVID-19 tests,
16 hospitalizations due to COVID-19, and the number of deaths
17 resulting from COVID-19 over a 14-day period.

18 (ii) COVID-19 cases for each day for every 1 million
19 individuals.

20 (iii) The percentage of positive COVID-19 tests over a 4-week
21 period.

22 (iv) Health care capacity strength.

23 (v) Testing, tracing, and containment infrastructure with
24 regard to COVID-19.

25 (h) A provision that, if the district determines that it is
26 safe to provide in-person pupil instruction to pupils, the district
27 shall prioritize providing in-person pupil instruction to pupils in
28 grades K to 5 who are enrolled in the district.

29 (i) A requirement that the district shall ensure that 2 2-way



1 interactions occur between a pupil enrolled in the district and the
2 pupil's teacher or at least 1 of the pupil's teachers **or another**
3 **district employee who has responsibility for the pupil's learning,**
4 **grade progression, or academic progress** during each week of the
5 school year for at least 75% of pupils enrolled in the district. A
6 district may utilize 2-way interactions that occur under this
7 subdivision toward meeting the requirement under section 101(3)(h).
8 The district shall publicly announce its weekly interaction rates
9 under this subdivision at each reconfirmation meeting described in
10 subdivision (c) and make those rates accessible through the
11 transparency reporting link located on the district's website each
12 month. As used in this subdivision, "2-way interaction" means a
13 communication that occurs between a pupil and the pupil's teacher
14 or at least 1 of the pupil's teachers **or another district employee**
15 **who has responsibility for the pupil's learning, grade progression,**
16 **or academic progress,** where 1 party initiates communication and a
17 response from the other party follows that communication, and that
18 is relevant to course progress or course content for at least 1 of
19 the courses in which the pupil is enrolled **or relevant to the**
20 **pupil's overall academic progress or grade progression.** Responses,
21 as described in this subdivision, must be to ~~the~~ communication
22 initiated by the teacher, **by another district employee who has**
23 **responsibility for the pupil's learning, grade progression, or**
24 **academic progress, or by the pupil,** and not some other action
25 taken. The communication described in this subdivision may occur
26 through, but is not limited to, any of the following means:
27 (i) Electronic mail.
28 (ii) Telephone.
29 (iii) Instant messaging.



1 (iv) Face-to-face conversation.

2 (2) A district that is not a public school academy that
3 intends to provide instruction under an extended COVID-19 learning
4 plan shall submit its extended COVID-19 learning plan described in
5 subsection (1) to the intermediate district in which the district
6 is located by not later than October 1, 2020, and, **except as**
7 **otherwise provided in this subsection**, a district that is a public
8 school academy that intends to provide instruction under an
9 extended COVID-19 learning plan shall submit its extended COVID-19
10 learning plan described in subsection (1) to its authorizing body
11 by not later than October 1, 2020, for approval. **A district that is**
12 **a public school academy that, by agreement, provides educational**
13 **services for the residents of a district that is not a public**
14 **school academy and that does not directly provide public**
15 **educational services to its residents that intends to provide**
16 **instruction under an extended COVID-19 learning plan shall submit**
17 **its extended COVID-19 learning plan described in subsection (1) to**
18 **the intermediate district in which it is located not later than**
19 **October 1, 2020 for approval.** An intermediate district or
20 authorizing body, as applicable, shall approve an extended COVID-19
21 learning plan submitted for approval under this subsection **by not**
22 **later than October 9, 2020** if the plan includes all of the elements
23 required for inclusion in the plan under subsection (1). If an
24 intermediate district or authorizing body, as applicable, approves
25 of a district's extended COVID-19 learning plan under this
26 subsection, the intermediate district or authorizing body, as
27 applicable, shall transmit copies of the approved plan to the
28 superintendent of public instruction and the state treasurer.

29 (3) An extended COVID-19 learning plan described in subsection



1 (1) and approved under subsection (2) must be made accessible
 2 through the transparency reporting link located on the district's
 3 website by not later than October ~~1~~**12**, 2020.

4 (4) ~~Both~~**All** of the following apply to a district that is
 5 providing instruction under an extended COVID-19 learning plan
 6 approved under this section:

7 (a) **By not later than January 15, 2021, the district shall**
 8 **create a report that includes information regarding both of the**
 9 **following and shall ensure that the report under this subdivision**
 10 **can be accessed through the transparency reporting link located on**
 11 **the district's website:**

12 (i) **The amount and type of training provided during the current**
 13 **school year as of the date of the report to teachers of the**
 14 **district through professional development that focuses on how to**
 15 **deliver virtual content.**

16 (ii) **The amount and type of training provided during the**
 17 **current school year as of the date of the report to the parents and**
 18 **legal guardians of pupils and to pupils on how to access and use**
 19 **virtual content provided by the district.**

20 (b) ~~(a)~~**By not later than February 1, 2021, the district shall**
 21 **create a report concerning progress made in meeting the educational**
 22 **goals described in subsection (1) that the district expected would**
 23 **be achieved by the middle of the school year and shall ensure that**
 24 **the report under this subdivision can be accessed through the**
 25 **transparency reporting link located on the district's website.**

26 (c) ~~(b)~~**By not later than the last day of the 2020-2021 school**
 27 **year, the district shall create a report concerning progress made**
 28 **in meeting the educational goals described in subsection (1) that**
 29 **the district expected would be achieved by the end of the school**



1 year and shall ensure that the report under this subdivision can be
2 accessed through the transparency reporting link located on the
3 district's website.

4 (5) This section does not apply to a district that operates as
5 a cyber school, as that term is defined in section 551 of the
6 revised school code, MCL 380.551.

7 **Sec. 98d. (1) From the state school aid fund money**
8 **appropriated under section 11, there is allocated for 2020-2021 an**
9 **amount not to exceed \$2,000,000.00 to Northern Michigan University**
10 **to support the MLC as described in this section. Northern Michigan**
11 **University shall not retain any portion of the funding received**
12 **under this section for administrative purposes and shall provide**
13 **funding to support the MLC. All of the following apply to the MLC:**

14 (a) The MLC must be created to help bridge equity gaps in K to
15 12 education linked to a student's ability to engage in distance
16 learning because of inadequate internet access or a lack of devices
17 in the home.

18 (b) The MLC shall provide over-the-air broadcasts 24 hours
19 each day for 7 days each week of quality instructional content that
20 is aligned with this state's K to 12 educational standards. Over-
21 the-air broadcasts as described in this subdivision must be
22 streamed live and must be archived for on-demand viewing on a
23 companion website, along with additional learning materials
24 relevant to lessons.

25 (c) The MLC must be managed and operated by DPTV, and DPTV
26 shall assume all risk, liability, and responsibility for the MLC in
27 accordance with regulations by the U.S. Federal Communications
28 Commission, PBS broadcast standards, and standard nonprofit
29 business standards. DPTV shall serve as the fiduciary agent and



1 service manager for the MLC. The MLC shall originate from a central
2 operations center that is responsible for providing the
3 infrastructure, content, and engagement of the MLC in partnership
4 with this state's educational leadership organizations.

5 (d) The MLC shall require that DPTV provide technology,
6 funding, staff training, and central management of the MLC to
7 station partners to insert additional channels into each station's
8 broadcast streams and to support staffing and engagement as
9 outlined in a memorandum of understanding among the stations.

10 (e) The MLC shall require that DPTV partner with at least 5
11 other Michigan public television stations including, but not
12 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
13 the-air MLC broadcasts described in this section and to support
14 engagement with local educators. Stations described in this
15 subdivision must be able to use the infrastructure provided by the
16 MLC to develop their own local content that best serves their
17 communities.

18 (f) The MLC shall not use the funds received from Northern
19 Michigan University under this section in support of the MLC for
20 any purposes fully funded by the governor's emergency education
21 relief fund grant.

22 (2) Not later than February 1, 2021, the MLC shall provide a
23 report to the house and senate appropriations subcommittees
24 responsible for state school aid, the house and senate fiscal
25 agencies, and the state budget director detailing the MLC's
26 compliance with ensuring that conditions listed under subsection
27 (1) were met.

28 (3) Notwithstanding section 17b, the department shall make
29 payments under this section not later than December 1, 2020.



1 (4) As used in this section:

2 (a) "DPTV" means Detroit public television.

3 (b) "MLC" means the Michigan learning channel.

4 Sec. 99h. (1) From the state school aid fund money
5 appropriated in section 11, there is allocated an amount not to
6 exceed ~~\$3,900,000.00~~ **\$4,400,000.00** for ~~2019-2020-2020-2021~~ for
7 competitive grants to districts and intermediate districts, **and**
8 **from the general fund money appropriated in section 11, there is**
9 **allocated \$300,000.00 for 2020-2021 for competitive grants to**
10 **nonpublic schools**, that provide pupils in grades ~~K~~**pre-K** to 12 with
11 expanded opportunities to improve mathematics, science, and
12 technology skills by participating in events hosted by a science
13 and technology development program known as FIRST (for inspiration
14 and recognition of science and technology) Robotics, including JR
15 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and
16 FIRST Robotics competition, or other competitive robotics programs,
17 including VEX and those hosted by the Robotics Education and
18 Competition (REC) Foundation. Programs funded under this section
19 are intended to increase the number of pupils demonstrating
20 proficiency in science and mathematics on the state assessments and
21 to increase the number of pupils who are college- and career-ready
22 upon high school graduation. Notwithstanding section 17b, the
23 department shall make grant payments to districts, **nonpublic**
24 **schools**, and intermediate districts under this section on a
25 schedule determined by the department. The department shall set
26 maximum grant awards for each different level of **programming and**
27 competition in a manner that both maximizes the number of teams
28 that will be able to receive funds and expands the geographical
29 distribution of teams.



1 (2) A district, **nonpublic school**, or intermediate district
 2 applying for a grant under this section shall submit an application
 3 in a form and manner prescribed by the department. To be eligible
 4 for a grant, a district, **nonpublic school**, or intermediate district
 5 ~~shall~~**must** demonstrate in its application that the district,
 6 **nonpublic school**, or intermediate district has established a
 7 partnership for the purposes of the robotics program with at least
 8 1 sponsor, business entity, higher education institution, or
 9 technical school, shall submit a spending plan, and shall ~~pay~~
 10 **provide a local in-kind or cash match from other private or local**
 11 **funds of** at least 25% of the cost of the robotics program **award**.

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

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

17 (b) Grants to districts, **nonpublic schools**, or intermediate
 18 districts for event registrations, materials, travel costs, and
 19 other expenses associated with the preparation for and attendance
 20 at robotics events and competitions. ~~Each grant recipient shall~~
 21 ~~provide a local match from other private or local funds for the~~
 22 ~~funds received under this subdivision equal to at least 50% of the~~
 23 ~~costs of participating in an event.~~

24 (c) Grants to districts, **nonpublic schools**, or intermediate
 25 districts for awards to teams that advance to the ~~state and world~~
 26 ~~championship competitions.~~**next levels of competition as determined**
 27 **by the department**. The department shall determine an equal amount
 28 per team for those teams that advance. ~~to the state championship~~
 29 ~~and a second equal award amount to those teams that advance to the~~



1 ~~world championship.~~

2 (4) The funds allocated under this section for ~~2019-2020-2020-~~
3 **2021** are a work project appropriation, and any unexpended funds for
4 ~~2019-2020-2020-2021~~ are carried forward into ~~2020-2021.~~ **2021-2022.**
5 The purpose of the work project is to continue support of FIRST
6 Robotics and must not be used to support other robotics
7 competitions. The estimated completion date of the work project is
8 September 30, ~~2022-2023.~~

9 (5) **A nonpublic school that receives a grant under this**
10 **section may use the funds for either robotics or Science Olympiad**
11 **programs.**

12 (6) **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 **Sec. 99i. From the general fund money appropriated in section**
17 **11, there is allocated for 2020-2021 an amount not to exceed**
18 **\$150,000.00 to support the Michigan council of women in technology**
19 **foundation. The funds awarded under this section must be used to**
20 **support the girls-exploring-together-information-technology clubs**
21 **for middle and high school girls that provide structured hands-on**
22 **learning activities through a comprehensive technology-focused**
23 **curriculum.**

24 **Sec. 99s. (1) From the funds appropriated under section 11,**
25 **there is allocated for ~~2019-2020-2020-2021~~ an amount not to exceed**
26 **\$7,634,300.00 from the state school aid fund appropriation and an**
27 **amount not to exceed \$300,000.00 from the general fund**
28 **appropriation for Michigan science, technology, engineering, and**
29 **mathematics (MiSTEM) programs. In addition, from the federal funds**



1 appropriated in section 11, there is allocated **to the department**
2 for ~~2019-2020-2020-2021~~ an amount estimated at \$235,000.00 from
3 DED-OESE, title II, mathematics and science partnership grants. The
4 MiSTEM network may receive funds from private sources. If the
5 MiSTEM network receives funds from private sources, the MiSTEM
6 network shall expend those funds in alignment with the statewide
7 STEM strategy. Programs funded under this section are intended to
8 increase the number of pupils demonstrating proficiency in science
9 and mathematics on the state assessments, ~~and~~ to increase the
10 number of pupils who are college- and career-ready upon high school
11 graduation, **and to promote certificate and degree attainment in**
12 **STEM fields**. Notwithstanding section 17b, the department shall make
13 payments under this section on a schedule determined by the
14 department.

15 (2) All of the following apply to the MiSTEM advisory council:

16 (a) The MiSTEM advisory council is created. The MiSTEM
17 advisory council shall provide to the governor, legislature,
18 department of labor and economic opportunity, and department
19 recommendations designed to improve and promote innovation in STEM
20 education and to prepare students for careers in science,
21 technology, engineering, and mathematics.

22 (b) The MiSTEM advisory council created under subdivision (a)
23 consists of the following members:

24 (i) The governor shall appoint 11 voting members who are
25 representative of business sectors that are important to Michigan's
26 economy and rely on a STEM-educated workforce, nonprofit
27 organizations and associations that promote STEM education, K-12
28 and postsecondary education entities involved in STEM-related
29 career education, or other sectors as considered appropriate by the



1 governor. Each of these members serves at the pleasure of the
2 governor and for a term determined by the governor.

3 (ii) The senate majority leader shall appoint 2 members of the
4 senate to serve as nonvoting, ex-officio members of the MiSTEM
5 advisory council, including 1 majority party member and 1 minority
6 party member.

7 (iii) The speaker of the house of representatives shall appoint
8 2 members of the house of representatives to serve as nonvoting,
9 ex-officio members of the MiSTEM advisory council, including 1
10 majority party member and 1 minority party member.

11 (iv) The governor shall appoint 1 state officer or employee to
12 serve as a nonvoting, ex-officio member of the MiSTEM advisory
13 council.

14 (c) Each member of the MiSTEM advisory council serves without
15 compensation.

16 (d) The MiSTEM advisory council annually shall review and make
17 recommendations to the governor, the legislature, and the
18 department concerning changes to the statewide strategy adopted by
19 the council for delivering STEM education-related opportunities to
20 pupils. The MiSTEM advisory council shall use funds received under
21 this subsection to ensure that its members or their designees are
22 trained in the Change the Equation STEMworks rating system program
23 for the purpose of rating STEM programs.

24 (3) ~~(e)~~—The MiSTEM advisory council shall make specific
25 funding recommendations for the funds allocated under subsection
26 ~~(3)~~—(4) by December 15 of each fiscal year. Each specific funding
27 recommendation must be for a program approved by the MiSTEM
28 advisory council. **All of the following apply:**

29 (a) To be eligible for MiSTEM advisory council approval **as**



1 **described in this subsection,** a program must satisfy all of the
2 following:

3 (i) Align with this state's academic standards.

4 (ii) Have STEMworks certification.

5 (iii) Provide project-based experiential learning, student
6 programming, or educator professional learning experiences.

7 (iv) Focus predominantly on classroom-based STEM experiences or
8 professional learning experiences.

9 **(b)** ~~(f)~~—The MiSTEM advisory council shall approve programs
10 that represent all network regions and include a diverse array of
11 options for students and educators and at least 1 program in each
12 of the following areas:

13 (i) Robotics.

14 (ii) Computer science or coding.

15 (iii) Engineering or bioscience.

16 **(c)** ~~(g)~~—The MiSTEM advisory council is encouraged to work with
17 the MiSTEM network to develop locally and regionally developed
18 programs and professional learning experiences for the programs on
19 the list of approved programs.

20 **(d)** ~~(h)~~—If the MiSTEM advisory council is unable to make
21 specific funding recommendations by December 15 of a fiscal year,
22 the department shall award and distribute the funds allocated under
23 subsection ~~(3)~~ **(4)** on a competitive grant basis that at least
24 follows the statewide STEM strategy plan and rating system
25 recommended by the MiSTEM advisory council. Each grant must provide
26 STEM education-related opportunities for pupils.

27 **(e)** ~~(i)~~—The MiSTEM advisory council shall work with the
28 executive director of the MiSTEM network to implement the statewide
29 STEM strategy adopted by the MiSTEM advisory council.



1 (4) ~~(3)~~—From the state school aid fund money allocated under
 2 subsection (1), there is allocated for ~~2019–2020–2020–2021~~ an
 3 amount not to exceed \$3,050,000.00 for the purpose of funding
 4 programs under this section for ~~2019–2020,–2020–2021~~ as recommended
 5 by the MiSTEM advisory council.

6 (5) ~~(4)~~—From the **state** school aid fund ~~allocation–money~~
 7 **allocated** under subsection (1), there is allocated an amount not to
 8 exceed \$3,834,300.00 for ~~2019–2020–2020–2021~~ to support the
 9 activities and programs of the MiSTEM network regions. In addition,
 10 from the federal funds allocated under subsection (1), there is
 11 allocated for ~~2019–2020–2020–2021~~ an amount estimated at
 12 \$235,000.00 from DED-OESE, title II, mathematics and science
 13 partnership grants, for the purposes of this subsection. From the
 14 money allocated under this subsection, the department shall award
 15 the fiscal agent for each MiSTEM network region \$200,000.00 for the
 16 base operations of each region. The department shall distribute the
 17 remaining funds to each fiscal agent in an equal amount per pupil,
 18 based on the number of K to 12 pupils enrolled in districts within
 19 each region in the immediately preceding fiscal year.

20 (6) ~~(5)~~—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 development 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 advisory council and its
 13 executive director.

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) ~~(6)~~ From the **state** school aid funds ~~fund money~~ allocated
 24 under subsection (1), the department shall distribute for ~~2019-2020~~
 25 **2020-2021** 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 provide curriculum and professional development support to assist
 28 districts in implementing the Michigan merit curriculum components
 29 for mathematics and science.



1 (8) ~~(7)~~—In order to receive state or federal funds under
 2 subsection ~~(4)~~—(5) or ~~(6)~~,—(7), or to receive funds from private
 3 sources as authorized under subsection (1), a grant recipient must
 4 allow access for the department or the department's designee to
 5 audit all records related to the program for which it receives
 6 those funds. The grant recipient shall reimburse the state for all
 7 disallowances found in the audit.

8 (9) ~~(8)~~—In order to receive state funds under subsection ~~(4)~~—
 9 (5) or ~~(6)~~,—(7), a grant recipient must provide at least a 10%
 10 local match from local public or private resources for the funds
 11 received under this subsection.

12 (10) ~~(9)~~—Not later than ~~July 1, 2019~~ and July 1 of each year,
 13 ~~thereafter~~, a MiSTEM network region that receives funds under
 14 subsection ~~(4)~~—(5) shall report to the executive director of the
 15 MiSTEM network in a form and manner prescribed by the executive
 16 director on performance measures developed by the MiSTEM network
 17 regions and approved by the executive director. The performance
 18 measures must be designed to ensure that the activities of the
 19 MiSTEM network are improving student academic outcomes.

20 (11) ~~(10)~~—Not more than 5% of a MiSTEM network region grant
 21 under subsection ~~(4)~~—(5) or ~~(6)~~—(7) may be retained by a fiscal
 22 agent for serving as the fiscal agent of a MiSTEM network region.

23 (12) ~~(11)~~—From the general fund allocation ~~money allocated~~
 24 under subsection (1), there is allocated an amount not to exceed
 25 \$300,000.00 to the department of ~~technology, management, and budget~~
 26 **labor and economic opportunity** to support the functions of the
 27 executive director and executive assistant for the MiSTEM network,
 28 and for administrative, training, and travel costs related to the
 29 MiSTEM advisory council. The executive director and executive



1 assistant for the MiSTEM network shall do all of the following:

2 (a) Serve as a liaison among and between the department, the
3 department of ~~technology, management, and budget,~~ **labor and**
4 **economic opportunity**, the MiSTEM advisory council, the governor's
5 future talent council, the MiSTEM regions, and any other relevant
6 organization or entity in a manner that creates a robust statewide
7 STEM culture, that empowers STEM teachers, that integrates business
8 and education into the STEM network, and that ensures high-quality
9 STEM experiences for pupils.

10 (b) Coordinate the implementation of a marketing campaign,
11 including, but not limited to, a website that includes dashboards
12 of outcomes, to build STEM awareness and communicate STEM needs and
13 opportunities to pupils, parents, educators, and the business
14 community.

15 (c) Work with the department and the MiSTEM advisory council
16 to coordinate, award, and monitor MiSTEM state and federal grants
17 to the MiSTEM network regions and conduct reviews of grant
18 recipients, including, but not limited to, pupil experience and
19 feedback.

20 (d) Report to the governor, the legislature, the department,
21 and the MiSTEM advisory council annually on the activities and
22 performance of the MiSTEM network regions.

23 (e) Coordinate recurring discussions and work with regional
24 staff to ensure that a network or loop of feedback and best
25 practices are shared, including funding, programming, professional
26 learning opportunities, discussion of MiSTEM strategic vision, and
27 regional objectives.

28 (f) Coordinate major grant application efforts with the MiSTEM
29 advisory council to assist regional staff with grant applications



1 on a local level. The MiSTEM advisory council shall leverage
 2 private and nonprofit relationships to coordinate and align private
 3 funds in addition to funds appropriated under this section.

4 (g) Train state and regional staff in the STEMworks rating
 5 system, in collaboration with the MiSTEM advisory council and the
 6 department.

7 (h) Hire MiSTEM network region staff in collaboration with the
 8 network region fiscal agent.

9 **(13)** ~~(12)~~ As used in this section:

10 (a) "Career and educational advisory council" means an
 11 advisory council to the local workforce development boards located
 12 in a prosperity region consisting of educational, employer, labor,
 13 and parent representatives.

14 (b) "DED" means the United States Department of Education.

15 (c) "DED-OESE" means the DED Office of Elementary and
 16 Secondary Education.

17 (d) "STEM" means science, technology, engineering, and
 18 mathematics delivered in an integrated fashion using cross-
 19 disciplinary learning experiences that can include language arts,
 20 performing and fine arts, and career and technical education.

21 Sec. 99t. (1) From the general fund appropriation under
 22 section 11, there is allocated an amount not to exceed
 23 ~~\$1,500,000.00~~ **\$1,000,000.00** for ~~2018-2019~~ **2020-2021** to purchase
 24 statewide access to an online algebra tool that meets all of the
 25 following:

26 (a) Provides students statewide with complete access to videos
 27 aligned with state standards including study guides and workbooks
 28 that are aligned with the videos.

29 (b) Provides students statewide with access to a personalized



1 online algebra learning tool including adaptive diagnostics.

2 (c) Provides students statewide with dynamic algebra practice
3 assessments that emulate the state assessment with immediate
4 feedback and help solving problems.

5 (d) Provides students statewide with online access to algebra
6 help 24 hours a day and 7 days a week from study experts, teachers,
7 and peers on a moderated social networking platform.

8 (e) Provides an online algebra professional development
9 network for teachers.

10 (f) Is already provided under a statewide contract in at least
11 1 other state that has a population of at least 18,000,000 but not
12 more than 19,000,000 according to the most recent decennial census
13 and is offered in that state in partnership with a public
14 university.

15 (2) The department shall purchase the online algebra tool that
16 was chosen under this section in 2016-2017.

17 (3) A grantee receiving funding under this section shall
18 comply with the requirements of section 19b.

19 Sec. 99u. (1) From the general fund ~~appropriation~~ **money**
20 **appropriated** under section 11, there is allocated for ~~2018-2019~~
21 **2020-2021** an amount not to exceed \$1,500,000.00 to ~~purchase~~
22 ~~statewide access to an~~ **a provider that is a provider of both of the**
23 **following:**

24 (a) **An** online mathematics tool that meets all of the
25 following:

26 (i) ~~(a)~~ Provides students statewide with complete access to
27 mathematics support aligned with state standards through a program
28 that has all of the following elements:

29 (A) ~~(i)~~ Student motivation.



- 1 (B) ~~(ii)~~ Valid and reliable assessments.
- 2 (C) ~~(iii)~~ Personalized learning pathways.
- 3 (D) ~~(iv)~~ Highly qualified, live teachers available all day and
4 all year.
- 5 (E) ~~(v)~~ Twenty-four-hour reporting.
- 6 (F) ~~(vi)~~ Content built for rigorous mathematics.
- 7 (ii) ~~(b)~~ Has a record of improving student mathematics scores
8 in at least 5 other states.
- 9 (iii) ~~(c)~~ Received funding under this section in 2017-2018.

10 **(b) A program that provides explicit, targeted literacy**
11 **instruction within an individualized learning path that continually**
12 **adjusts to a pupil's needs. A program described in this subdivision**
13 **that is funded under this subsection must be funded through a grant**
14 **to a provider described in this subsection that also promotes**
15 **literacy through the teaching of critical language and literacy**
16 **concepts, such as reading and listening comprehension, basic**
17 **vocabulary, academic language, grammar, phonological awareness,**
18 **phonics, and fluency.**

19 (2) A grantee that receives funding under this section shall
20 comply with the requirements of section 19b.

21 ~~(3) In addition to the funds allocated under subsection (1),~~
22 ~~from the general fund appropriation in section 11, there is~~
23 ~~allocated for 2018-2019 an amount not to exceed \$500,000.00 for a~~
24 ~~software-based solution designed to teach Spanish language literacy~~
25 ~~to students in pre-kindergarten through first grade. A program~~
26 ~~funded under this subsection shall be a grant to the eligible~~
27 ~~provider that promotes bilingualism and biliteracy, and is based on~~
28 ~~research that shows how students who become proficient readers in~~
29 ~~their first language have an easier time making the transition to~~



1 ~~reading proficiency in a second language. A provider of programming~~
 2 ~~under subsection (1) is the eligible provider of programming under~~
 3 ~~this subsection.~~

4 ~~(4) In addition to the funds allocated under subsection (1),~~
 5 ~~from the general fund money appropriated in section 11, there is~~
 6 ~~allocated for 2018-2019 an amount not to exceed \$1,000,000.00 for a~~
 7 ~~pilot program to provide explicit, targeted literacy instruction~~
 8 ~~within an individualized learning path that continually adjusts to~~
 9 ~~a pupil's needs. A program funded under this subsection shall be a~~
 10 ~~grant to the eligible provider that promotes literacy by teaching~~
 11 ~~critical language and literacy concepts such as reading and~~
 12 ~~listening comprehension, basic vocabulary, academic language,~~
 13 ~~grammar, phonological awareness, phonics, and fluency. A pilot~~
 14 ~~program funded under this subsection shall cover both the remainder~~
 15 ~~of 2018-2019 and also the entire 2019-2020 school year. A provider~~
 16 ~~of programming under subsection (1) is the eligible provider of~~
 17 ~~programming under this subsection.~~

18 ~~(3) (5) Notwithstanding section 17b, the department shall make~~
 19 ~~payments made under this section shall be made by not later than~~
 20 ~~March 1, 2019. December 1, 2020.~~

21 Sec. 99w. (1) From the general fund money appropriated under
 22 section 11, there is allocated an amount not to exceed \$500,000.00
 23 **\$400,000.00** for ~~2018-2019-2020-2021~~ to facilitate a culture of
 24 health and physical activity as part of daily life. Funding under
 25 this section ~~shall~~ **must** be a grant to the Michigan Fitness
 26 Foundation to work with the department to invest in a physical
 27 education curriculum. Funding under this section may support staff,
 28 evaluation, assessment, technology, meetings, training, travel,
 29 materials, and other administrative expenses in support of an



1 updated physical education curriculum. Funding under this section
 2 may be used as matching dollars to qualify for federal and private
 3 resources to support physical education.

4 **(2) An entity that received funding under this section for**
 5 **2018-2019 may expend those funds through September 30, 2021.**

6 **(3) ~~(2)~~ Notwithstanding section 17b, the department shall make**
 7 **payments ~~made~~ under this section ~~shall be made~~ by not later than**
 8 **~~March 1, 2019.~~ December 1, 2020.**

9 Sec. 99x. (1) From the general fund money appropriated under
 10 section 11, there is allocated for ~~2018-2019~~ **2020-2021** an amount
 11 not to exceed ~~\$300,000.00~~ **\$1,000,000.00** for Teach for America to
 12 host a summer training institute in the city of Detroit, recruit
 13 teachers into a master teacher fellowship, and retain a committed
 14 alumni community. A program funded under this section must provide
 15 coaching and professional development, with the goal to produce
 16 highly effective teachers that move pupils beyond their growth
 17 benchmarks.

18 (2) Notwithstanding section 17b, **the department shall make**
 19 **payments ~~made~~ under this section ~~shall be made~~ by not later than**
 20 **~~March 1, 2019.~~ December 1, 2020.**

21 **Sec. 99z. (1) From the state school aid fund money**
 22 **appropriated in section 11, there is allocated an amount not to**
 23 **exceed \$5,000,000.00 for 2020-2021 for payments to eligible**
 24 **districts described in subsection (3) to be used in the manner**
 25 **described in subsection (4).**

26 (2) **A district seeking funding under this section shall apply**
 27 **for the funding in a form and manner prescribed by the department.**

28 (3) **A district that meets all of the following is an eligible**
 29 **district under this section:**



1 (a) In its application described in subsection (2), the
2 district confirms its approval of a department-generated list that
3 includes the full name and personnel identification code for each
4 eligible teacher employed by the district in an assignment as
5 described in subsection (8) (b) (i) and (ii) to whom it will provide a
6 payment under subsection (4) with the funding received under this
7 section.

8 (b) The district agrees to provide to each eligible teacher
9 whose name is included on the list described in subdivision (a) a
10 payment of \$500.00, in addition to the payment it will provide
11 those eligible teachers under subsection (4).

12 (c) The district agrees to pay each eligible teacher the
13 payment described in subdivision (b) and subsection (4) by not
14 later than 45 days after receiving the disbursement of funds under
15 this section from the department.

16 (4) An eligible district that receives funding under this
17 section shall use that funding only as follows:

18 (a) If the eligible district is a district in which at least
19 70% of the pupils in membership in the district for the immediately
20 preceding fiscal year were economically disadvantaged, to provide a
21 payment of \$1,000.00 to each eligible teacher whose name is
22 included on the list described in subsection (3) (a).

23 (b) If the eligible district is not a district described in
24 subdivision (a), to provide a payment of \$500.00 to each eligible
25 teacher whose name is included on the list described in subsection
26 (3) (a).

27 (5) It is the intent of the legislature to provide for funding
28 so that an eligible teacher who receives a payment under this
29 section from the district to which he or she is assigned as



1 described in this section receives payments under this section
2 through that eligible teacher's third year of teaching at that
3 district if that teacher remains continuously employed full-time at
4 that district during those 3 years. For purposes of this
5 subsection, an eligible teacher is considered continuously employed
6 at a district during a period for which he or she is on approved
7 medical, parental, or military leave.

8 (6) The funds allocated under this section for 2020-2021 are a
9 work project appropriation, and any unexpended funds for 2020-2021
10 are carried forward into 2021-2022. The purpose of the work project
11 is to continue providing payments to eligible teachers as described
12 in this section. The estimated completion date of the work project
13 is September 30, 2023.

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

17 (8) As used in this section:

18 (a) "Economically disadvantaged" means that term as defined in
19 section 31a.

20 (b) "Eligible teacher" means an individual who meets all of
21 the following:

22 (i) Is assigned a teacher assignment code in the registry of
23 educational personnel for the first time in the 2020-2021 school
24 year.

25 (ii) Is assigned to a district in the registry of educational
26 personnel in the 2020-2021 school year.

27 (iii) Has completed a full school year as a full-time teacher at
28 the district to which he or she is assigned as described in
29 subparagraph (ii) or, through a cooperative agreement, at multiple



1 districts.

2 (iv) Holds a valid Michigan teaching certificate or holds a
3 full-year permit.

4 (v) Is employed by the district or districts described in
5 subparagraph (iii) on or before November 1, 2020.

6 (vi) Has not been subject to any recorded disciplinary action
7 during the school year.

8 (c) "Registry of educational personnel" means the data
9 collected biannually by the center on June 30 and the first
10 business day of December.

11 Sec. 101. (1) To be eligible to receive state aid under this
12 article, not later than the fifth Wednesday after the pupil
13 membership count day and not later than the fifth Wednesday after
14 the supplemental count day, each district superintendent shall
15 submit and certify to the center and the intermediate
16 superintendent, in the form and manner prescribed by the center,
17 the number of pupils enrolled and in regular daily attendance, or,
18 for 2020-2021 only, the number of pupils engaged in pandemic
19 learning for fall 2020 or the number of pupils engaged in pandemic
20 learning for spring 2021, as applicable, or, for a district that
21 operates as a cyber school, as that term is defined in section 551
22 of the revised school code, MCL 380.551, the number of pupils
23 enrolled and in regular daily attendance, including identification
24 of tuition-paying pupils, in the district as of the pupil
25 membership count day and as of the supplemental count day, as
26 applicable, for the current school year. In addition, a district
27 maintaining school during the entire year shall submit and certify
28 to the center and the intermediate superintendent, in the form and
29 manner prescribed by the center, the number of pupils enrolled and



1 in regular daily attendance in the district or, for 2020-2021 only,
2 the number of pupils engaged in pandemic learning for fall 2020 or
3 the number of pupils engaged in pandemic learning for spring 2021,
4 as applicable, or, for a district that operates as a cyber school,
5 as that term is defined in section 551 of the revised school code,
6 MCL 380.551, the number of pupils enrolled and in regular daily
7 attendance, for the current school year pursuant to rules
8 promulgated by the superintendent. Not later than the sixth
9 Wednesday after the pupil membership count day and not later than
10 the sixth Wednesday after the supplemental count day, the district
11 shall resolve any pupil membership conflicts with another district,
12 correct any data issues, and recertify the data in a form and
13 manner prescribed by the center and file the certified data with
14 the intermediate superintendent. If a district fails to submit and
15 certify the attendance data, as required under this subsection, the
16 center shall notify the department and the department shall
17 withhold state aid due to be distributed under this article from
18 the defaulting district immediately, beginning with the next
19 payment after the failure and continuing with each payment until
20 the district complies with this subsection. If a district does not
21 comply with this subsection by the end of the fiscal year, the
22 district forfeits the amount withheld. A person who willfully
23 falsifies a figure or statement in the certified and sworn copy of
24 enrollment is subject to penalty as prescribed by section 161. As
25 used in this subsection, "pupils engaged in pandemic learning for
26 spring 2021" means that term as defined in section 6a.

27 (2) To be eligible to receive state aid under this article,
28 not later than the twenty-fourth Wednesday after the pupil
29 membership count day and not later than the twenty-fourth Wednesday



1 after the supplemental count day, an intermediate district shall
2 submit to the center, in a form and manner prescribed by the
3 center, the audited enrollment and attendance data as described in
4 subsection (1) for the pupils of its constituent districts and of
5 the intermediate district. If an intermediate district fails to
6 submit the audited data as required under this subsection, the
7 department shall withhold state aid due to be distributed under
8 this article from the defaulting intermediate district immediately,
9 beginning with the next payment after the failure and continuing
10 with each payment until the intermediate district complies with
11 this subsection. If an intermediate district does not comply with
12 this subsection by the end of the fiscal year, the intermediate
13 district forfeits the amount withheld.

14 (3) Except as otherwise provided in subsections (11), (12),
15 and (13), all of the following apply to the provision of pupil
16 instruction:

17 (a) Except as otherwise provided in this section, each
18 district shall provide at least 1,098 hours and 180 days of pupil
19 instruction. If a collective bargaining agreement that provides a
20 complete school calendar was in effect for employees of a district
21 as of June 24, 2014, and if that school calendar is not in
22 compliance with this subdivision, then this subdivision does not
23 apply to that district until after the expiration of that
24 collective bargaining agreement. A district may apply for a waiver
25 under subsection (9) from the requirements of this subdivision.

26 (b) Except as otherwise provided in this article, a district
27 failing to comply with the required minimum hours and days of pupil
28 instruction under this subsection forfeits from its total state aid
29 allocation an amount determined by applying a ratio of the number



1 of hours or days the district was in noncompliance in relation to
2 the required minimum number of hours and days under this
3 subsection. Not later than August 1, the board of each district
4 shall either certify to the department that the district was in
5 full compliance with this section regarding the number of hours and
6 days of pupil instruction in the previous school year, or report to
7 the department, in a form and manner prescribed by the center, each
8 instance of noncompliance. If the district did not provide at least
9 the required minimum number of hours and days of pupil instruction
10 under this subsection, the department shall make the deduction of
11 state aid in the following fiscal year from the first payment of
12 state school aid. A district is not subject to forfeiture of funds
13 under this subsection for a fiscal year in which a forfeiture was
14 already imposed under subsection (6).

15 (c) Hours or days lost because of strikes or teachers'
16 conferences are not counted as hours or days of pupil instruction.

17 (d) Except as otherwise provided in subdivisions (e), (f), and
18 (h), if a district does not have at least 75% of the district's
19 membership in attendance on any day of pupil instruction, the
20 department shall pay the district state aid in that proportion of
21 $\frac{1}{180}$ that the actual percent of attendance bears to 75%.

22 (e) If a district adds 1 or more days of pupil instruction to
23 the end of its instructional calendar for a school year to comply
24 with subdivision (a) because the district otherwise would fail to
25 provide the required minimum number of days of pupil instruction
26 even after the operation of subsection (4) due to conditions not
27 within the control of school authorities, then subdivision (d) does
28 not apply for any day of pupil instruction that is added to the end
29 of the instructional calendar. Instead, for any of those days, if



1 the district does not have at least 60% of the district's
2 membership in attendance on that day, the department shall pay the
3 district state aid in that proportion of 1/180 that the actual
4 percentage of attendance bears to 60%. For any day of pupil
5 instruction added to the instructional calendar as described in
6 this subdivision, the district shall report to the department the
7 percentage of the district's membership that is in attendance, in
8 the form and manner prescribed by the department.

9 (f) At the request of a district that operates a department-
10 approved alternative education program and that does not provide
11 instruction for pupils in all of grades K to 12, the superintendent
12 shall grant a waiver from the requirements of subdivision (d). The
13 waiver must provide that an eligible district is subject to the
14 proration provisions of subdivision (d) only if the district does
15 not have at least 50% of the district's membership in attendance on
16 any day of pupil instruction. In order to be eligible for this
17 waiver, a district must maintain records to substantiate its
18 compliance with the following requirements:

19 (i) The district offers the minimum hours of pupil instruction
20 as required under this section.

21 (ii) For each enrolled pupil, the district uses appropriate
22 academic assessments to develop an individual education plan that
23 leads to a high school diploma.

24 (iii) The district tests each pupil to determine academic
25 progress at regular intervals and records the results of those
26 tests in that pupil's individual education plan.

27 (g) All of the following apply to a waiver granted under
28 subdivision (f):

29 (i) If the waiver is for a blended model of delivery, a waiver



1 that is granted for the 2011-2012 fiscal year or a subsequent
 2 fiscal year remains in effect unless it is revoked by the
 3 superintendent.

4 (ii) If the waiver is for a 100% online model of delivery and
 5 the educational program for which the waiver is granted makes
 6 educational services available to pupils for a minimum of at least
 7 1,098 hours during a school year and ensures that each pupil
 8 participates in the educational program for at least 1,098 hours
 9 during a school year, a waiver that is granted for the 2011-2012
 10 fiscal year or a subsequent fiscal year remains in effect unless it
 11 is revoked by the superintendent.

12 (iii) A waiver that is not a waiver described in subparagraph
 13 (i) or (ii) is valid for ~~1-3~~ fiscal year-years, **unless it is revoked**
 14 **by the superintendent**, and must be renewed ~~annually~~ **at the end of**
 15 **the 3-year period** to remain in effect.

16 (h) For the 2020-2021 school year only, subdivision (d) does
 17 not apply for any day of pupil instruction. However, for the 2020-
 18 2021 school year only, a district shall ensure that 1 2-way
 19 interaction occurs between a pupil enrolled in the district and the
 20 pupil's teacher or at least 1 of the pupil's teachers **or another**
 21 **district employee who has responsibility for the pupil's learning,**
 22 **grade progression, or academic progress** during each month of the
 23 school year for at least 75% of pupils enrolled in the district. **As**
 24 **used in the immediately preceding sentence, "school year" means a**
 25 **period comprising at least 9 calendar months that are chosen by a**
 26 **district and that are designated as part of the district's 2020-**
 27 **2021 school year.** If a district does not ensure that the
 28 interactions required under this subdivision occur for at least 75%
 29 of pupils enrolled in the district ~~during each month of the school~~



1 ~~year, as required under this subdivision,~~ the department shall pay
2 the district state aid in that proportion of ~~1/10~~**1/9** that the
3 actual percentage of interaction during each month bears to 75%. As
4 used in this subdivision, "2-way interaction" means a communication
5 that occurs between a pupil and the pupil's teacher or at least 1
6 of the pupil's teachers **or another district employee who has**
7 **responsibility for the pupil's learning, grade progression, or**
8 **academic progress,** where 1 party initiates communication and a
9 response from the other party follows that communication, and that
10 is relevant to course progress or course content for at least 1 of
11 the courses in which the pupil is enrolled **or relevant to the**
12 **pupil's overall academic progress or grade progression.** Responses,
13 as described in this subdivision, must be to ~~the~~ communication
14 initiated by the teacher, **by another district employee who has**
15 **responsibility for the pupil's learning, grade progression, or**
16 **academic progress, or by the pupil,** and not some other action
17 taken. The communication described in this subdivision may occur
18 through, but is not limited to, any of the following means:

19 (i) Electronic mail.

20 (ii) Telephone.

21 (iii) Instant messaging.

22 (iv) Face-to-face conversation.

23 (i) The superintendent shall promulgate rules for the
24 implementation of this subsection.

25 (4) Except as otherwise provided in this subsection, the first
26 6 days or the equivalent number of hours for which pupil
27 instruction is not provided because of conditions not within the
28 control of school authorities, such as severe storms, fires,
29 epidemics, utility power unavailability, water or sewer failure, or



1 health conditions as defined by the city, county, or state health
2 authorities, are counted as hours and days of pupil instruction.
3 With the approval of the superintendent of public instruction, the
4 department shall count as hours and days of pupil instruction for a
5 fiscal year not more than 3 additional days or the equivalent
6 number of additional hours for which pupil instruction is not
7 provided in a district due to unusual and extenuating occurrences
8 resulting from conditions not within the control of school
9 authorities such as those conditions described in this subsection.
10 Subsequent such hours or days are not counted as hours or days of
11 pupil instruction.

12 (5) A district does not forfeit part of its state aid
13 appropriation because it adopts or has in existence an alternative
14 scheduling program for pupils in kindergarten if the program
15 provides at least the number of hours required under subsection (3)
16 for a full-time equated membership for a pupil in kindergarten as
17 provided under section 6(4).

18 (6) In addition to any other penalty or forfeiture under this
19 section, if at any time the department determines that 1 or more of
20 the following have occurred in a district, the district forfeits in
21 the current fiscal year beginning in the next payment to be
22 calculated by the department a proportion of the funds due to the
23 district under this article that is equal to the proportion below
24 the required minimum number of hours and days of pupil instruction
25 under subsection (3), as specified in the following:

26 (a) The district fails to operate its schools for at least the
27 required minimum number of hours and days of pupil instruction
28 under subsection (3) in a school year, including hours and days
29 counted under subsection (4).



1 (b) The board of the district takes formal action not to
2 operate its schools for at least the required minimum number of
3 hours and days of pupil instruction under subsection (3) in a
4 school year, including hours and days counted under subsection (4).

5 (7) In providing the minimum number of hours and days of pupil
6 instruction required under subsection (3), a district shall use the
7 following guidelines, and a district shall maintain records to
8 substantiate its compliance with the following guidelines:

9 (a) Except as otherwise provided in this subsection, a pupil
10 must be scheduled for at least the required minimum number of hours
11 of instruction, excluding study halls, or at least the sum of 90
12 hours plus the required minimum number of hours of instruction,
13 including up to 2 study halls.

14 (b) The time a pupil is assigned to any tutorial activity in a
15 block schedule may be considered instructional time, unless that
16 time is determined in an audit to be a study hall period.

17 (c) Except as otherwise provided in this subdivision, a pupil
18 in grades 9 to 12 for whom a reduced schedule is determined to be
19 in the individual pupil's best educational interest must be
20 scheduled for a number of hours equal to at least 80% of the
21 required minimum number of hours of pupil instruction to be
22 considered a full-time equivalent pupil. A pupil in grades 9 to 12
23 who is scheduled in a 4-block schedule may receive a reduced
24 schedule under this subsection if the pupil is scheduled for a
25 number of hours equal to at least 75% of the required minimum
26 number of hours of pupil instruction to be considered a full-time
27 equivalent pupil.

28 (d) If a pupil in grades 9 to 12 who is enrolled in a
29 cooperative education program or a special education pupil cannot



1 receive the required minimum number of hours of pupil instruction
2 solely because of travel time between instructional sites during
3 the school day, that travel time, up to a maximum of 3 hours per
4 school week, is considered to be pupil instruction time for the
5 purpose of determining whether the pupil is receiving the required
6 minimum number of hours of pupil instruction. However, if a
7 district demonstrates to the satisfaction of the department that
8 the travel time limitation under this subdivision would create
9 undue costs or hardship to the district, the department may
10 consider more travel time to be pupil instruction time for this
11 purpose.

12 (e) In grades 7 through 12, instructional time that is part of
13 a Junior Reserve Officer Training Corps (JROTC) program is
14 considered to be pupil instruction time regardless of whether the
15 instructor is a certificated teacher if all of the following are
16 met:

17 (i) The instructor has met all of the requirements established
18 by the United States Department of Defense and the applicable
19 branch of the armed services for serving as an instructor in the
20 Junior Reserve Officer Training Corps program.

21 (ii) The board of the district or intermediate district
22 employing or assigning the instructor complies with the
23 requirements of sections 1230 and 1230a of the revised school code,
24 MCL 380.1230 and 380.1230a, with respect to the instructor to the
25 same extent as if employing the instructor as a regular classroom
26 teacher.

27 (8) Except as otherwise provided in subsections (11), (12),
28 and (13), the department shall apply the guidelines under
29 subsection (7) in calculating the full-time equivalency of pupils.



1 (9) Upon application by the district for a particular fiscal
2 year, the superintendent shall waive for a district the minimum
3 number of hours and days of pupil instruction requirement of
4 subsection (3) for a department-approved alternative education
5 program or another innovative program approved by the department,
6 including a 4-day school week. If a district applies for and
7 receives a waiver under this subsection and complies with the terms
8 of the waiver, the district is not subject to forfeiture under this
9 section for the specific program covered by the waiver. If the
10 district does not comply with the terms of the waiver, the amount
11 of the forfeiture is calculated based upon a comparison of the
12 number of hours and days of pupil instruction actually provided to
13 the minimum number of hours and days of pupil instruction required
14 under subsection (3). A district shall report pupils enrolled in a
15 department-approved alternative education program under this
16 subsection to the center in a form and manner determined by the
17 center. All of the following apply to a waiver granted under this
18 subsection:

19 (a) If the waiver is for a blended model of delivery, a waiver
20 that is granted for the 2011-2012 fiscal year or a subsequent
21 fiscal year remains in effect unless it is revoked by the
22 superintendent.

23 (b) If the waiver is for a 100% online model of delivery and
24 the educational program for which the waiver is granted makes
25 educational services available to pupils for a minimum of at least
26 1,098 hours during a school year and ensures that each pupil is on
27 track for course completion at proficiency level, a waiver that is
28 granted for the 2011-2012 fiscal year or a subsequent fiscal year
29 remains in effect unless it is revoked by the superintendent.



1 (c) A waiver that is not a waiver described in subdivision (a)
 2 or (b) is valid for ~~1-3~~ fiscal ~~year~~**years**, **unless it is revoked by**
 3 **the superintendent**, and must be renewed ~~annually~~**at the end of the**
 4 **3-year period** to remain in effect.

5 (10) A district may count up to 38 hours of ~~qualifying~~
 6 professional development for teachers as hours of pupil
 7 instruction. All of the following apply to the counting of
 8 ~~qualifying~~ professional development as pupil instruction under this
 9 subsection:

10 (a) If ~~qualifying~~**the** professional development exceeds 5 hours
 11 in a single day, that day may be counted as a day of pupil
 12 instruction.

13 (b) At least 8 hours of the ~~qualifying~~ professional
 14 development counted as hours of pupil instruction under this
 15 subsection must be recommended by a districtwide professional
 16 development advisory committee appointed by the district board. The
 17 advisory committee must be composed of teachers employed by the
 18 district who represent a variety of grades and subject matter
 19 specializations, including special education; nonteaching staff;
 20 parents; and administrators. The majority membership of the
 21 committee ~~shall~~**must** be composed of teaching staff.

22 (c) Professional development provided online is allowable and
 23 encouraged, as long as the instruction has been approved by the
 24 district. The department shall issue a list of approved online
 25 professional development providers ~~which~~**that** must include the
 26 Michigan Virtual School.

27 (d) ~~Qualifying professional~~**Professional** development may only
 28 be counted as hours of pupil instruction **under this subsection** for
 29 the pupils of those teachers scheduled to participate in the



1 ~~qualifying~~ professional development.

2 (e) ~~For professional~~ **The professional** development ~~to be~~
 3 ~~considered qualifying professional development under this~~
 4 ~~subsection, the professional development must meet all of the~~
 5 following **to be counted as pupil instruction under this subsection:**

6 (i) ~~Is~~ **Be** aligned to the school or district improvement plan
 7 for the school or district in which the professional development is
 8 being provided.

9 (ii) ~~Is~~ **Be** linked to 1 or more criteria in the evaluation tool
 10 developed or adopted by the district or intermediate district under
 11 section 1249 of the revised school code, MCL 380.1249.

12 (iii) Has been approved by the department as counting for state
 13 continuing education clock hours. The number of hours of
 14 professional development counted as hours of pupil instruction
 15 **under this subsection** may not exceed the number of state continuing
 16 education clock hours for which the ~~qualifying~~ professional
 17 development was approved.

18 (iv) Not more than a combined total of 10 hours of the
 19 professional development takes place before the first scheduled day
 20 of school for the school year ending in the fiscal year and after
 21 the last scheduled day of school for that school year.

22 (v) ~~No~~ **Not** more than 10 hours of ~~qualifying~~ **the** professional
 23 development takes place in a single month.

24 (vi) At least 75% of teachers scheduled to participate in the
 25 professional development are in attendance.

26 (11) Subsections (3) and (8) do not apply to a school of
 27 excellence that is a cyber school, as that term is defined in
 28 section 551 of the revised school code, MCL 380.551, and is in
 29 compliance with section 553a of the revised school code, MCL



1 380.553a.

2 (12) Subsections (3) and (8) do not apply to eligible pupils
3 enrolled in a dropout recovery program that meets the requirements
4 of section 23a. As used in this subsection, "eligible pupil" means
5 that term as defined in section 23a.

6 (13) For the 2020-2021 school year only, the minimum number of
7 hours and days of pupil instruction requirement under subsection
8 (3) is waived for ~~all districts. However, for the 2020-2021 school~~
9 ~~year only, districts shall, **each district that,**~~ at a minimum,
10 ~~provide~~ **provides** pupil instruction **for the 2020-2021 school year** at
11 school, at a different location, in person, online, digitally, by
12 other remote means, in a synchronous or asynchronous format, or
13 through any combination therein that results in an amount of hours
14 and days necessary to deliver the educational or course content
15 that would have been delivered in 180 days and 1,098 hours in a
16 school year in which pandemic learning was not provided and that
17 would have led to course completion. As used in this subsection,
18 "pandemic learning" means a mode of pupil instruction provided as a
19 result of the COVID-19 pandemic.

20 (14) At least every 2 years the superintendent shall review
21 the waiver standards set forth in the pupil accounting and auditing
22 manuals to ensure that the waiver standards and waiver process
23 continue to be appropriate and responsive to changing trends in
24 online learning. The superintendent shall solicit and consider
25 input from stakeholders as part of this review.

26 Sec. 104. (1) In order to receive state aid under this
27 article, a district shall comply with sections 1249, 1278a, 1278b,
28 1279g, and 1280b of the revised school code, MCL 380.1249,
29 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL



1 388.1081 to 388.1086. Subject to subsection (2), from the state
2 school aid fund money appropriated in section 11, there is
3 allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
4 ~~\$26,009,400.00~~ **\$31,009,400.00** for payments on behalf of districts
5 for costs associated with complying with those provisions of law.
6 In addition, from the federal funds appropriated in section 11,
7 there is allocated for ~~2019-2020-2020-2021~~ an amount estimated at
8 ~~\$6,250,000.00,~~ **\$6,250,000.00** funded from DED-OESE, title VI, state
9 assessment funds, and from DED-OSERS, section 504 of part B of the
10 individuals with disabilities education act, Public Law 94-142,
11 plus any carryover federal funds from previous year appropriations,
12 for the purposes of complying with the every student succeeds act,
13 Public Law 114-95.

14 (2) The results of each test administered as part of the
15 Michigan student test of educational progress (M-STEP), including
16 tests administered to high school students, must include an item
17 analysis that lists all items that are counted for individual pupil
18 scores and the percentage of pupils choosing each possible
19 response. The department shall work with the center to identify the
20 number of students enrolled at the time assessments are given by
21 each district. In calculating the percentage of pupils assessed for
22 a district's scorecard, the department shall use only the number of
23 pupils enrolled in the district at the time the district
24 administers the assessments and shall exclude pupils who enroll in
25 the district after the district administers the assessments.

26 (3) The department shall distribute federal funds allocated
27 under this section in accordance with federal law and with
28 flexibility provisions outlined in Public Law 107-116, and in the
29 education flexibility partnership act of 1999, Public Law 106-25.



1 (4) From the funds allocated in subsection (1), there is
2 allocated an amount not to exceed ~~\$2,500,000.00~~ **\$1,500,000.00** to an
3 intermediate district described in this subsection for, **except as**
4 **otherwise provided in this subsection**, statewide implementation of
5 the Michigan kindergarten entry observation tool (MKEO), ~~beginning~~
6 ~~in the fall of 2019~~, utilizing the Maryland-Ohio observational
7 tool, also referred to as the Kindergarten Readiness Assessment, as
8 piloted under this subsection in 2017-2018 and implemented in 2018-
9 2019 and 2019-2020. The funding in this subsection is allocated to
10 an intermediate district in prosperity region 9 with at least 3,000
11 kindergarten pupils enrolled in its constituent districts. ~~It is~~
12 ~~the intent of the legislature that funding will not be allocated~~
13 ~~under this subsection for 2020-2021 for the purposes under this~~
14 ~~subsection and that statewide implementation of the Michigan~~
15 ~~kindergarten entry observation tool (MKEO), as described in this~~
16 ~~subsection, will be suspended for 2020-2021.~~ **An intermediate**
17 **district described in this subsection is not required to carry out**
18 **the statewide implementation of the Michigan kindergarten entry**
19 **observation tool (MKEO), as described in this subsection, for the**
20 **fall of 2020. It is the intent of the legislature to account for**
21 **health, safety, and welfare concerns related to the COVID-19**
22 **pandemic by temporarily suspending the requirement for statewide**
23 **implementation of the Michigan kindergarten entry observation tool**
24 **(MKEO) under this subsection for the fall of 2020.** All of the
25 following apply to the implementation of the kindergarten entry
26 observation tool under this subsection:

27 (a) The department, in collaboration with all intermediate
28 districts, shall ensure that the Michigan kindergarten entry
29 observation tool is administered in each kindergarten classroom to



1 either the full census of kindergarten pupils enrolled in the
2 classroom or to a representative sample of not less than 35% of the
3 total kindergarten pupils enrolled in each classroom. If a district
4 elects to administer the Michigan kindergarten entry observation
5 tool to a random sample of pupils within each classroom, the
6 district's intermediate district shall select the pupils who will
7 receive the assessment based on the same random method. Beginning
8 in 2021, the observation tool must be administered within 45 days
9 after the start of the school year.

10 (b) The intermediate district that receives funding under this
11 subsection, in collaboration with all other intermediate districts,
12 shall implement a "train the trainer" professional development
13 model on the usage of the Michigan kindergarten entry observation
14 tool. This training model must provide training to intermediate
15 district staff so that they may provide similar training for staff
16 of their constituent districts. This training model must also
17 ensure that the tool produces reliable data and that there are a
18 sufficient number of trainers to train all kindergarten teachers
19 statewide.

20 (c) By March 1, 2022, and each year thereafter, the department
21 and the intermediate district that receives funding under this
22 subsection shall report to the house and senate appropriations
23 subcommittees on state school aid, the house and senate fiscal
24 agencies, and the state budget director on the results of the
25 statewide implementation, including, but not limited to, an
26 evaluation of the demonstrated readiness of kindergarten pupils
27 statewide and the effectiveness of state and federal early
28 childhood programs that are designed for school readiness under
29 this state's authority, including the great start readiness program



1 and the great start readiness/Head Start blended program, as
2 referenced under section 32d. By September 1, 2022, and each year
3 thereafter, the department and the center shall provide a method
4 for districts and public school academies with kindergarten
5 enrollment to look up and verify their student enrollment data for
6 pupils who were enrolled in a publicly funded early childhood
7 program in the year before kindergarten, including the individual
8 great start readiness program, individual great start
9 readiness/Head Start blended program, individual title I preschool
10 program, individual section 31a preschool program, individual early
11 childhood special education program, or individual developmental
12 kindergarten or program for young 5-year-olds in which each tested
13 child was enrolled. A participating district shall analyze the data
14 to determine whether high-performing children were enrolled in any
15 specific early childhood program and, if so, report that finding to
16 the department and to the intermediate district that receives
17 funding under this subsection.

18 (d) The department shall approve the language and literacy
19 domain within the Kindergarten Readiness Assessment for use by
20 districts as an initial assessment that may be delivered to all
21 kindergarten pupils to assist with identifying any possible area of
22 concern for a pupil in English language arts.

23 (e) As used in this subsection:

24 (i) "Kindergarten" includes a classroom for young 5-year-olds,
25 commonly referred to as "young 5s" or "developmental kindergarten".

26 (ii) "Representative sample" means a sample capable of
27 producing valid and reliable assessment information on all or major
28 subgroups of kindergarten pupils in a district.

29 (5) The department may recommend, but may not require,



1 districts to allow pupils to use an external keyboard with tablet
2 devices for online M-STEP testing, including, but not limited to,
3 open-ended test items such as constructed response or equation
4 builder items.

5 (6) Notwithstanding section 17b, the department shall make
6 payments on behalf of districts, intermediate districts, and other
7 eligible entities under this section on a schedule determined by
8 the department.

9 (7) From the allocation in subsection (1), there is allocated
10 an amount not to exceed \$500,000.00 for ~~2019-2020~~**2020-2021** for the
11 operation of an online reporting tool to provide student-level
12 assessment data in a secure environment to educators, parents, and
13 pupils immediately after assessments are scored. The department and
14 the center shall ensure that any data collected by the online
15 reporting tool do not provide individually identifiable student
16 data to the federal government.

17 (8) In order to receive state aid under this article for 2020-
18 2021, a district shall meet both of the following requirements:

19 (a) Within the first 9 weeks of the 2020-2021 school year, the
20 district shall administer 1 or more benchmark assessments provided
21 by a provider approved under subsection (9), benchmark assessments
22 described in subsection (10), or local benchmark assessments, or
23 any combination thereof, to all pupils in grades K to 8 to measure
24 proficiency in reading and mathematics.

25 (b) In addition to the benchmark assessment or benchmark
26 assessments administered under subdivision (a), by not later than
27 the last day of the 2020-2021 school year, the district shall
28 administer 1 or more benchmark assessments provided by a provider
29 approved under subsection (9), benchmark assessments described in



1 subsection (10), or local benchmark assessments, or any combination
2 thereof, to all pupils in grades K to 8 to measure proficiency in
3 reading and mathematics.

4 (9) The department shall approve at least 4 but not more than
5 5 providers of benchmark assessments for the purposes of subsection
6 (8). The department shall inform districts of all of the providers
7 approved under this subsection in an equitable manner. The
8 benchmark assessments provided for the purposes of subsection (8)
9 by approved providers under this subsection, with the exclusion of
10 the benchmark assessment described in subsection (14), must meet
11 all of the following:

12 (a) Be 1 of the most commonly administered benchmark
13 assessments in this state.

14 (b) Be aligned to the content standards of this state.

15 (c) Complement the state's summative assessment system.

16 (d) Be internet-delivered and include a standards-based
17 **remote, in-person, or both remote and in-person** assessment using a
18 computer-adaptive model to target the instructional level of each
19 pupil.

20 (e) Provide information on pupil achievement with regard to
21 learning content required in a given year or grade span.

22 (f) Provide immediate feedback to pupils and teachers.

23 (g) Be nationally normed.

24 (h) Provide multiple measures of growth and provide for
25 multiple testing opportunities.

26 (10) A district may administer 1 or more of the following
27 benchmark assessments toward meeting the requirement under
28 subsection (8):

29 (a) A benchmark assessment in reading for students in grades K



1 to 9 that contains progress monitoring tools and enhanced
2 diagnostic assessments.

3 (b) A benchmark assessment in math for students in grades K to
4 8 that contains progress monitoring tools.

5 (11) To the extent practicable, if a district administers a
6 benchmark assessment or benchmark assessments under this section,
7 the district shall administer the same benchmark assessment or
8 benchmark assessments provided by a provider approved under
9 subsection (9), benchmark assessment or benchmark assessments
10 described in subsection (10), or local benchmark assessment or
11 local benchmark assessments that it administered to pupils in
12 previous school years, as applicable.

13 (12) By not later than June 30, 2021, a district shall send
14 the aggregate district-level data from a benchmark assessment or
15 benchmark assessments, excluding data from a local benchmark
16 assessment or local benchmark assessments, administered under this
17 section to a regional data hub that is part of the Michigan data
18 hub network that shall compile the data and send it to the center.
19 Not later than ~~August~~**September** 1, 2021, the department and the
20 center shall provide a report to the governor and the senate and
21 house standing committees responsible for education legislation
22 identifying the number and percentage of pupils in this state who
23 are significantly behind grade level as determined by the
24 department and the center based on the data provided to the center
25 under this subsection. The benchmark assessment data under this
26 subsection may also be used to measure pupils' growth based on
27 their performance on state summative assessments to identify
28 districts and schools where pupil achievement has increased or
29 decreased. However, the benchmark assessment data under this



1 subsection must not be utilized for the state accountability
2 system. It is the intent of the legislature that the benchmark
3 assessment data under this subsection be primarily utilized to
4 determine the loss of learning, if any, resulting from the COVID-19
5 pandemic. After the administration of statewide assessments
6 resumes, the department shall also provide a report to the governor
7 and the senate and house standing committees responsible for
8 education legislation identifying the specific pupil groups whose
9 expected trajectory toward grade-level proficiency were most
10 impacted by school closures that occurred pursuant to the COVID-19
11 pandemic.

12 (13) If a district administers a benchmark assessment or
13 benchmark assessments under this section, the district shall
14 provide each pupil's data from the benchmark assessment or
15 benchmark assessments, as available, to the pupil's parent or legal
16 guardian within 30 days of administering the benchmark assessment
17 or benchmark assessments.

18 (14) The department shall make 1 of the benchmark assessments
19 provided by a provider approved under subsection (9) available to
20 districts at no cost to the districts. The benchmark assessment
21 described in this subsection must meet all of the following:

- 22 (a) Be aligned to the content standards of this state.
23 (b) Complement the state's summative assessment system.
24 (c) Be internet-delivered and include a standards-based
25 assessment.
26 (d) Provide information on pupil achievement with regard to
27 learning content required in a given year or grade span.
28 (e) Provide timely feedback to pupils and teachers.
29 (f) Be nationally normed.



1 (g) Provide information to educators about student growth and
2 allow for multiple testing opportunities.

3 (15) If a local benchmark assessment or local benchmark
4 assessments are administered under subsection (8), the district
5 shall report to the department and the center, in a form and manner
6 prescribed by the center, the local benchmark assessment or local
7 benchmark assessments that were administered and how that
8 assessment or those assessments measure changes, including any
9 losses, as applicable, in learning, and the district's plan for
10 addressing any losses in learning.

11 ~~It is the intent of the legislature to appropriate~~
12 ~~funding for a study to be conducted by a~~ **From the general fund**
13 **money appropriated in section 11, there is allocated for 2020-2021**
14 **an amount not to exceed \$150,000.00 to a** higher education
15 institution or other entity that is not a state governmental entity
16 that has expertise in conducting a study described in this
17 subsection ~~. It is the intent of the legislature that the study~~
18 ~~described in this subsection must,~~ **to conduct a study that,** at a
19 minimum, ~~accomplish~~ **accomplishes** all of the following:

20 (a) ~~Provide~~ **Provides** for an assessment of the distance-
21 learning programs utilized in this state that were effective at
22 meeting educational goals and attainment.

23 (b) ~~Provide~~ **Provides** for an assessment of how the programs
24 described in subdivision (a) operated.

25 (c) ~~Provide~~ **Provides** for an assessment of the best practices
26 implemented by the programs described in subdivision (a) that
27 should be replicated by schools engaged in distance learning.

28 (d) ~~Note~~ **Notes** distance-learning models that were ineffective
29 in achieving educational goals.



1 (17) As used in this section:

2 (a) "DED" means the United States Department of Education.

3 (b) "DED-OESE" means the DED Office of Elementary and
4 Secondary Education.

5 (c) "DED-OSERS" means the DED Office of Special Education and
6 Rehabilitative Services.

7 **Sec. 104f. (1) From the general fund money appropriated under**
8 **section 11, there is allocated an amount not to exceed \$500,000.00**
9 **for the implementation of an assessment digital literacy**
10 **preparation program for pupils enrolled in grades K to 8 for 2020-**
11 **2021. The department shall ensure that a program funded under this**
12 **subsection satisfies all of the following:**

13 (a) Is available to districts in the 2020-2021 school year.

14 (b) Focuses on ensuring pupils have the necessary skills
15 required for state online assessments by assessing pupil digital
16 literacy skill levels and providing teachers with a digital
17 curriculum targeted at areas of determined weakness.

18 (c) Allows pupils to engage with the digital curriculum in an
19 independent or teacher-facilitated modality.

20 (d) Includes training and professional development for
21 teachers.

22 (e) Is implemented in at least 100 districts that operate
23 grades K to 8 and that represent a diverse geography and socio-
24 economic demographic.

25 (2) Funding under subsection (1) must be allocated to a
26 district that did not receive funding under former section 104e for
27 2017-2018 and that operates at least grades K to 8 and has a
28 partnership with a third party that is experienced in the
29 assessment of digital literacy and the preparation of digital



1 literacy skills and has demonstrable experience serving districts
 2 in this state and local education agencies in 10 other states. The
 3 district, along with its third-party partner, shall provide a
 4 report to the house and senate appropriations subcommittees on
 5 state school aid and the house and senate fiscal agencies on the
 6 efficacy and usefulness of the assessment digital literacy
 7 preparation program no later than July 1, 2021.

8 (3) Notwithstanding section 17b, the department shall make
 9 payments under subsection (1) by not later than December 1, 2020.

10 Sec. 104g. (1) For the 2020-2021 school year only, a district
 11 shall make the SAT available in the fall of 2020 to pupils who were
 12 in grade 11 during the 2019-2020 school year and who were not able
 13 to take the examination during the 2019-2020 school year.

14 (2) For the 2020-2021 school year only, a district shall make
 15 the PSAT available in the fall of 2020 to pupils who were in grades
 16 8, 9, and 10 during the 2019-2020 school year and who were not able
 17 to take the examination during the 2019-2020 school year.

18 (3) The examinations offered by a district in subsections (1)
 19 and (2) are not considered state summative assessments or the
 20 college entrance portion of the Michigan merit examination for the
 21 2020-2021 school year.

22 (4) Pupils must be encouraged but not required to take the
 23 examinations under subsections (1) and (2).

24 Sec. 105. (1) In order to avoid a penalty under this section,
 25 and in order to count a nonresident pupil residing within the same
 26 intermediate district in membership without the approval of the
 27 pupil's district of residence, a district ~~shall~~**must** comply with
 28 this section.

29 (2) Except as otherwise provided in this section, a district



1 shall determine whether or not it will accept applications for
2 enrollment by nonresident applicants residing within the same
3 intermediate district for the next school year. If the district
4 determines to accept applications for enrollment of a number of
5 nonresidents, beyond those entitled to preference under this
6 section, the district shall use the following procedures for
7 accepting applications from and enrolling nonresidents:

8 (a) The district shall publish the grades, schools, and
9 special programs, if any, for which enrollment may be available to,
10 and for which applications will be accepted from, nonresident
11 applicants residing within the same intermediate district.

12 (b) If the district has a limited number of positions
13 available for nonresidents residing within the same intermediate
14 district in a grade, school, or program, all of the following apply
15 to accepting applications for and enrollment of nonresidents in
16 that grade, school, or program:

17 (i) The district shall do all of the following not later than
18 the second Friday in August:

19 (A) Provide notice to the general public that applications
20 will be taken for a period of at least 15 calendar days but not
21 more than 30 calendar days from nonresidents residing within the
22 same intermediate district for enrollment in that grade, school, or
23 program. The notice ~~shall~~**must** identify the dates of the
24 application period and the place and manner for submitting
25 applications.

26 (B) During the application period under sub-subparagraph (A),
27 accept applications from nonresidents residing within the same
28 intermediate district for enrollment in that grade, school, or
29 program.



1 (C) Within 15 calendar days after the end of the application
2 period under sub-subparagraph (A) **or, for 2020-2021 only, not later**
3 **than October 13, 2020**, using the procedures and preferences
4 required under this section, determine which nonresident applicants
5 will be allowed to enroll in that grade, school, or program, using
6 the random draw system required under subsection (14) as necessary,
7 and notify the parent or legal guardian of each nonresident
8 applicant of whether or not the applicant may enroll in the
9 district. The notification to parents or legal guardians of
10 nonresident applicants accepted for enrollment ~~shall~~**must** contain
11 notification of the date by which the applicant must enroll in the
12 district and procedures for enrollment. The date for enrollment
13 ~~shall~~**must** be no later than the end of the first week of school,
14 **or, for 2020-2021 only, not later than October 13, 2020.**

15 (ii) Beginning on the third Monday in August and not later than
16 the end of the first week of school ~~—~~**or, for 2020-2021 only, not**
17 **later than October 13, 2020**, if any positions become available in a
18 grade, school, or program due to accepted applicants failing to
19 enroll or to more positions being added, the district may enroll
20 nonresident applicants from the waiting list maintained under
21 subsection (14), offering enrollment in the order that applicants
22 appear on the waiting list. If there are still positions available
23 after enrolling all applicants from the waiting list who desire to
24 enroll, the district may not fill those positions until the second
25 semester or trimester enrollment under subsection (3), as provided
26 under that subsection, or until the next school year.

27 (c) For a grade, school, or program that has an unlimited
28 number of positions available for nonresidents residing within the
29 same intermediate district, all of the following apply to



1 enrollment of nonresidents in that grade, school, or program:

2 (i) The district may accept applications for enrollment in that
 3 grade, school, or program, and may enroll nonresidents residing
 4 within the same intermediate district in that grade, school, or
 5 program ~~—~~until the end of the first week of school **or, for 2020-**
 6 **2021 only, the district may enroll nonresidents residing within the**
 7 **same intermediate district in that grade, school, or program until**
 8 **October 13, 2020 if the application was received by the end of the**
 9 **first week of school.** The district shall provide notice to the
 10 general public of the place and manner for submitting applications
 11 and, if the district has a limited application period, the notice
 12 ~~shall~~**must** include the dates of the application period. The
 13 application period shall be at least a 15-calendar-day period.

14 (ii) Not later than the end of the first week of school ~~—~~**or,**
 15 **for 2020-2021 only, not later than October 13, 2020,** the district
 16 shall notify the parent or legal guardian of each nonresident
 17 applicant who is accepted for enrollment that the applicant has
 18 been accepted for enrollment in the grade, school, or program and
 19 of the procedures for enrollment. The date for enrollment ~~shall~~
 20 **must** be no later than the end of the first week of school **or, for**
 21 **2020-2021 only, not later than October 13, 2020.**

22 (3) If a district determines during the first semester or
 23 trimester of a school year that it has positions available for
 24 enrollment of a number of nonresidents residing within the same
 25 intermediate district, beyond those entitled to preference under
 26 this section, for the second semester or trimester of the school
 27 year, the district may accept applications from and enroll
 28 nonresidents residing within the same intermediate district for the
 29 second semester or trimester using the following procedures:



1 (a) Not later than 2 weeks before the end of the first
2 semester or trimester, the district shall publish the grades,
3 schools, and special programs, if any, for which enrollment for the
4 second semester or trimester may be available to, and for which
5 applications will be accepted from, nonresident applicants residing
6 within the same intermediate district.

7 (b) During the last 2 weeks of the first semester or
8 trimester, the district shall accept applications from nonresidents
9 residing within the same intermediate district for enrollment for
10 the second semester or trimester in the available grades, schools,
11 and programs.

12 (c) By the beginning of the second semester or trimester,
13 using the procedures and preferences required under this section,
14 the district shall determine which nonresident applicants will be
15 allowed to enroll in the district for the second semester or
16 trimester and notify the parent or legal guardian of each
17 nonresident applicant residing within the same intermediate
18 district of whether or not the applicant may enroll in the
19 district. The notification to parents or legal guardians of
20 nonresident applicants accepted for enrollment ~~shall~~**must** contain
21 notification of the date by which the applicant must enroll in the
22 district and procedures for enrollment. The date for enrollment
23 ~~shall~~**must** be no later than the end of the first week of school.

24 (4) If deadlines similar to those described in subsection (2)
25 or (3) have been established in an intermediate district, and if
26 those deadlines are not later than the deadlines under subsection
27 (2) or (3), the districts within the intermediate district may use
28 those deadlines.

29 (5) A district offering to enroll nonresident applicants



1 residing within the same intermediate district may limit the number
2 of nonresident pupils it accepts in a grade, school, or program, at
3 its discretion, and may use that limit as the reason for refusal to
4 enroll an applicant.

5 (6) A nonresident applicant residing within the same
6 intermediate district ~~shall~~**must** not be granted or refused
7 enrollment based on intellectual, academic, artistic, or other
8 ability, talent, or accomplishment, or lack thereof, or based on a
9 mental or physical disability, except that a district may refuse to
10 admit a nonresident applicant if the applicant does not meet the
11 same criteria, other than residence, that an applicant who is a
12 resident of the district must meet to be accepted for enrollment in
13 a grade or a specialized, magnet, or intra-district choice school
14 or program to which the applicant applies.

15 (7) A nonresident applicant residing within the same
16 intermediate district ~~shall~~**must** not be granted or refused
17 enrollment based on age, except that a district may refuse to admit
18 a nonresident applicant applying for a program that is not
19 appropriate for the age of the applicant.

20 (8) A nonresident applicant residing within the same
21 intermediate district ~~shall~~**must** not be granted or refused
22 enrollment based upon religion, race, color, national origin, sex,
23 height, weight, marital status, or athletic ability, or, generally,
24 in violation of any state or federal law prohibiting
25 discrimination.

26 (9) Subject to subsection (10), a district may refuse to
27 enroll a nonresident applicant if any of the following are met:

28 (a) The applicant is, or has been within the preceding 2
29 years, suspended from another school.



1 (b) The applicant, at any time before enrolling under this
2 section, has been expelled from another school.

3 (c) The applicant, at any time before enrolling under this
4 section, has been convicted of a felony.

5 (10) If a district has counted a pupil in membership on either
6 the pupil membership count day or the supplemental count day, the
7 district shall not refuse to enroll or refuse to continue to enroll
8 that pupil for a reason specified in subsection (9). This
9 subsection does not prohibit a district from expelling a pupil
10 described in this subsection for disciplinary reasons.

11 (11) A district shall continue to allow a pupil who was
12 enrolled in and attended the district under this section in the
13 school year or semester or trimester immediately preceding the
14 school year or semester or trimester in question to enroll in the
15 district until the pupil graduates from high school. This
16 subsection does not prohibit a district from expelling a pupil
17 described in this subsection for disciplinary reasons.

18 (12) A district shall give preference for enrollment under
19 this section over all other nonresident applicants residing within
20 the same intermediate district to other school-age children who
21 reside in the same household as a pupil described in subsection
22 (11).

23 (13) If a nonresident pupil was enrolled in and attending
24 school in a district as a nonresident pupil in the 1995-96 school
25 year and continues to be enrolled continuously each school year in
26 that district, the district shall allow that nonresident pupil to
27 continue to enroll in and attend school in the district until high
28 school graduation, without requiring the nonresident pupil to apply
29 for enrollment under this section. This subsection does not



1 prohibit a district from expelling a pupil described in this
2 subsection for disciplinary reasons.

3 (14) If the number of qualified nonresident applicants
4 eligible for acceptance in a school, grade, or program does not
5 exceed the positions available for nonresident pupils in the
6 school, grade, or program, the school district shall accept for
7 enrollment all of the qualified nonresident applicants eligible for
8 acceptance. If the number of qualified nonresident applicants
9 residing within the same intermediate district eligible for
10 acceptance exceeds the positions available in a grade, school, or
11 program in a district for nonresident pupils, the district shall
12 use a random draw system, subject to the need to abide by state and
13 federal antidiscrimination laws and court orders and subject to
14 preferences allowed by this section. The district shall develop and
15 maintain a waiting list based on the order in which nonresident
16 applicants were drawn under this random draw system.

17 (15) If a district, or the nonresident applicant, requests the
18 district in which a nonresident applicant resides to supply
19 information needed by the district for evaluating the applicant's
20 application for enrollment or for enrolling the applicant, the
21 district of residence shall provide that information on a timely
22 basis.

23 (16) If a district is subject to a court-ordered desegregation
24 plan, and if the court issues an order prohibiting pupils residing
25 in that district from enrolling in another district or prohibiting
26 pupils residing in another district from enrolling in that
27 district, this section is subject to the court order.

28 (17) This section does not require a district to provide
29 transportation for a nonresident pupil enrolled in the district



1 under this section or for a resident pupil enrolled in another
 2 district under this section. However, at the time a nonresident
 3 pupil enrolls in the district, a district shall provide to the
 4 pupil's parent or legal guardian information on available
 5 transportation to and from the school in which the pupil enrolls.

6 (18) A district may participate in a cooperative education
 7 program with 1 or more other districts or intermediate districts
 8 whether or not the district enrolls any nonresidents ~~pursuant to~~
 9 **under** this section.

10 (19) A district that, ~~pursuant to~~**under** this section, enrolls
 11 a nonresident pupil who is eligible for special education programs
 12 and services according to statute or rule, or who is a child with
 13 disabilities, as defined under the individuals with disabilities
 14 education act, Public Law 108-446, ~~shall be~~**is** considered to be the
 15 resident district of the pupil for the purpose of providing the
 16 pupil with a free appropriate public education. Consistent with
 17 state and federal law, that district is responsible for developing
 18 and implementing an individualized education ~~plan~~**program** annually
 19 for a nonresident pupil described in this subsection.

20 (20) If a district does not comply with this section, the
 21 district forfeits 5% of the total state school aid allocation to
 22 the district under this act.

23 (21) Upon application by a district, the superintendent may
 24 grant a waiver for the district from a specific requirement under
 25 this section for not more than 1 year.

26 Sec. 105c. (1) In order to avoid a penalty under this section,
 27 and in order to count a nonresident pupil residing in a district
 28 located in a contiguous intermediate district in membership without
 29 the approval of the pupil's district of residence, a district ~~shall~~



1 **must** comply with this section.

2 (2) Except as otherwise provided in this section, a district
3 shall determine whether or not it will accept applications for
4 enrollment by nonresident applicants residing in a district located
5 in a contiguous intermediate district for the next school year. If
6 the district determines to accept applications for enrollment of a
7 number of nonresidents under this section, beyond those entitled to
8 preference under this section, the district shall use the following
9 procedures for accepting applications from and enrolling
10 nonresidents under this section:

11 (a) The district shall publish the grades, schools, and
12 special programs, if any, for which enrollment may be available to,
13 and for which applications will be accepted from, nonresident
14 applicants residing in a district located in a contiguous
15 intermediate district.

16 (b) If the district has a limited number of positions
17 available for nonresidents residing in a district located in a
18 contiguous intermediate district in a grade, school, or program,
19 all of the following apply to accepting applications for and
20 enrollment of nonresidents under this section in that grade,
21 school, or program:

22 (i) The district shall do all of the following not later than
23 the second Friday in August:

24 (A) Provide notice to the general public that applications
25 will be taken for a period of at least 15 calendar days but not
26 more than 30 calendar days from nonresidents residing in a district
27 located in a contiguous intermediate district for enrollment in
28 that grade, school, or program. The notice ~~shall~~**must** identify the
29 dates of the application period and the place and manner for



1 submitting applications.

2 (B) During the application period under sub-subparagraph (A),
3 accept applications from nonresidents residing in a district
4 located in a contiguous intermediate district for enrollment in
5 that grade, school, or program.

6 (C) Within 15 calendar days after the end of the application
7 period under sub-subparagraph (A) **or, for 2020-2021 only, not later**
8 **than October 13, 2020**, using the procedures and preferences
9 required under this section, determine which nonresident applicants
10 will be allowed to enroll under this section in that grade, school,
11 or program, using the random draw system required under subsection
12 (14) as necessary, and notify the parent or legal guardian of each
13 nonresident applicant of whether or not the applicant may enroll in
14 the district. The notification to parents or legal guardians of
15 nonresident applicants accepted for enrollment under this section
16 ~~shall~~**must** contain notification of the date by which the applicant
17 must enroll in the district and procedures for enrollment. The date
18 for enrollment ~~shall~~**must** be no later than the end of the first
19 week of school **or, for 2020-2021 only, not later than October 13,**
20 **2020.**

21 (ii) Beginning on the third Monday in August and not later than
22 the end of the first week of school **or, for 2020-2021 only, not**
23 **later than October 13, 2020**, if any positions become available in a
24 grade, school, or program due to accepted applicants failing to
25 enroll or to more positions being added, the district may enroll
26 nonresident applicants from the waiting list maintained under
27 subsection (14), offering enrollment in the order that applicants
28 appear on the waiting list. If there are still positions available
29 after enrolling all applicants from the waiting list who desire to



1 enroll, the district may not fill those positions until the second
 2 semester or trimester enrollment under subsection (3), as provided
 3 under that subsection, or until the next school year.

4 (c) For a grade, school, or program that has an unlimited
 5 number of positions available for nonresidents residing in a
 6 district located in a contiguous intermediate district, all of the
 7 following apply to enrollment of nonresidents in that grade,
 8 school, or program under this section:

9 (i) The district may accept applications for enrollment in that
 10 grade, school, or program, and may enroll nonresidents residing in
 11 a district located in a contiguous intermediate district in that
 12 grade, school, or program ~~until the end of the first week of~~
 13 school **or, for 2020-2021 only, the district may enroll nonresidents**
 14 **residing in a district located in a contiguous intermediate**
 15 **district in that grade, school, or program until October 13, 2020**
 16 **if the application was received by the end of the first week of**
 17 **school.** The district shall provide notice to the general public of
 18 the place and manner for submitting applications and, if the
 19 district has a limited application period, the notice ~~shall~~**must**
 20 include the dates of the application period. The application period
 21 ~~shall~~**must** be at least a 15-calendar-day period.

22 (ii) Not later than the end of the first week of school **or, for**
 23 **2020-2021 only, not later than October 13, 2020,** the district shall
 24 notify the parent or legal guardian of each nonresident applicant
 25 who is accepted for enrollment under this section that the
 26 applicant has been accepted for enrollment in the grade, school, or
 27 program and of the date by which the applicant must enroll in the
 28 district and the procedures for enrollment. The date for enrollment
 29 ~~shall~~**must** be no later than the end of the first week of school **or,**



1 **for 2020-2021 only, not later than October 13, 2020.**

2 (3) If a district determines during the first semester or
3 trimester of a school year that it has positions available for
4 enrollment of a number of nonresidents residing in a district
5 located in a contiguous intermediate district, beyond those
6 entitled to preference under this section, for the second semester
7 or trimester of the school year, the district may accept
8 applications from and enroll nonresidents residing in a district
9 located in a contiguous intermediate district for the second
10 semester or trimester using the following procedures:

11 (a) Not later than 2 weeks before the end of the first
12 semester or trimester, the district shall publish the grades,
13 schools, and special programs, if any, for which enrollment for the
14 second semester or trimester may be available to, and for which
15 applications will be accepted from, nonresident applicants residing
16 in a district located in a contiguous intermediate district.

17 (b) During the last 2 weeks of the first semester or
18 trimester, the district shall accept applications from nonresidents
19 residing in a district located in a contiguous intermediate
20 district for enrollment for the second semester or trimester in the
21 available grades, schools, and programs.

22 (c) By the beginning of the second semester or trimester,
23 using the procedures and preferences required under this section,
24 the district shall determine which nonresident applicants will be
25 allowed to enroll under this section in the district for the second
26 semester or trimester and notify the parent or legal guardian of
27 each nonresident applicant residing in a district located in a
28 contiguous intermediate district of whether or not the applicant
29 may enroll in the district. The notification to parents or legal



1 guardians of nonresident applicants accepted for enrollment ~~shall~~
2 **must** contain notification of the date by which the applicant must
3 enroll in the district and procedures for enrollment. The date for
4 enrollment ~~shall~~**must** be no later than the end of the first week of
5 school.

6 (4) If deadlines similar to those described in subsection (2)
7 or (3) have been established in an intermediate district, and if
8 those deadlines are not later than the deadlines under subsection
9 (2) or (3), the districts within the intermediate district may use
10 those deadlines.

11 (5) A district offering to enroll nonresident applicants
12 residing in a district located in a contiguous intermediate
13 district may limit the number of those nonresident pupils it
14 accepts in a grade, school, or program, at its discretion, and may
15 use that limit as the reason for refusal to enroll an applicant
16 under this section.

17 (6) A nonresident applicant residing in a district located in
18 a contiguous intermediate district ~~shall~~**must** not be granted or
19 refused enrollment based on intellectual, academic, artistic, or
20 other ability, talent, or accomplishment, or lack thereof, or based
21 on a mental or physical disability, except that a district may
22 refuse to admit a nonresident applicant under this section if the
23 applicant does not meet the same criteria, other than residence,
24 that an applicant who is a resident of the district must meet to be
25 accepted for enrollment in a grade or a specialized, magnet, or
26 intra-district choice school or program to which the applicant
27 applies.

28 (7) A nonresident applicant residing in a district located in
29 a contiguous intermediate district ~~shall~~**must** not be granted or



1 refused enrollment under this section based on age, except that a
2 district may refuse to admit a nonresident applicant applying for a
3 program that is not appropriate for the age of the applicant.

4 (8) A nonresident applicant residing in a district located in
5 a contiguous intermediate district ~~shall~~**must** not be granted or
6 refused enrollment under this section based upon religion, race,
7 color, national origin, sex, height, weight, marital status, or
8 athletic ability, or, generally, in violation of any state or
9 federal law prohibiting discrimination.

10 (9) Subject to subsection (10), a district may refuse to
11 enroll a nonresident applicant under this section if any of the
12 following are met:

13 (a) The applicant is, or has been within the preceding 2
14 years, suspended from another school.

15 (b) The applicant, at any time before enrolling under this
16 section, has been expelled from another school.

17 (c) The applicant, at any time before enrolling under this
18 section, has been convicted of a felony.

19 (10) If a district has counted a pupil in membership on either
20 the pupil membership count day or the supplemental count day, the
21 district shall not refuse to enroll or refuse to continue to enroll
22 that pupil for a reason specified in subsection (9). This
23 subsection does not prohibit a district from expelling a pupil
24 described in this subsection for disciplinary reasons.

25 (11) A district shall continue to allow a pupil who was
26 enrolled in and attended the district under this section in the
27 school year or semester or trimester immediately preceding the
28 school year or semester or trimester in question to enroll in the
29 district until the pupil graduates from high school. This



1 subsection does not prohibit a district from expelling a pupil
2 described in this subsection for disciplinary reasons.

3 (12) A district shall give preference for enrollment under
4 this section over all other nonresident applicants residing in a
5 district located in a contiguous intermediate district to other
6 school-age children who reside in the same household as a pupil
7 described in subsection (11).

8 (13) If a nonresident pupil was enrolled in and attending
9 school in a district as a nonresident pupil in the 1995-96 school
10 year and continues to be enrolled continuously each school year in
11 that district, the district shall allow that nonresident pupil to
12 continue to enroll in and attend school in the district until high
13 school graduation, without requiring the nonresident pupil to apply
14 for enrollment under this section. This subsection does not
15 prohibit a district from expelling a pupil described in this
16 subsection for disciplinary reasons.

17 (14) If the number of qualified nonresident applicants
18 eligible for acceptance under this section in a school, grade, or
19 program does not exceed the positions available for nonresident
20 pupils under this section in the school, grade, or program, the
21 school district shall accept for enrollment all of the qualified
22 nonresident applicants eligible for acceptance. If the number of
23 qualified nonresident applicants residing in a district located in
24 a contiguous intermediate district eligible for acceptance under
25 this section exceeds the positions available in a grade, school, or
26 program in a district for nonresident pupils, the district shall
27 use a random draw system, subject to the need to abide by state and
28 federal antidiscrimination laws and court orders and subject to
29 preferences allowed by this section. The district shall develop and



1 maintain a waiting list based on the order in which nonresident
2 applicants were drawn under this random draw system.

3 (15) If a district, or the nonresident applicant, requests the
4 district in which a nonresident applicant resides to supply
5 information needed by the district for evaluating the applicant's
6 application for enrollment or for enrolling the applicant under
7 this section, the district of residence shall provide that
8 information on a timely basis.

9 (16) If a district is subject to a court-ordered desegregation
10 plan, and if the court issues an order prohibiting pupils residing
11 in that district from enrolling in another district or prohibiting
12 pupils residing in another district from enrolling in that
13 district, this section is subject to the court order.

14 (17) This section does not require a district to provide
15 transportation for a nonresident pupil enrolled in the district
16 under this section or for a resident pupil enrolled in another
17 district under this section. However, at the time a nonresident
18 pupil enrolls in the district, a district shall provide to the
19 pupil's parent or legal guardian information on available
20 transportation to and from the school in which the pupil enrolls.

21 (18) A district may participate in a cooperative education
22 program with 1 or more other districts or intermediate districts
23 whether or not the district enrolls any nonresidents pursuant to
24 this section.

25 (19) In order for a district or intermediate district to
26 enroll ~~pursuant to~~**under** this section a nonresident pupil who
27 resides in a district located in a contiguous intermediate district
28 and who is eligible for special education programs and services
29 according to statute or rule, or who is a child with disabilities,



1 as defined under the individuals with disabilities education act,
 2 Public Law 108-446, the enrolling district shall have a written
 3 agreement with the resident district of the pupil for the purpose
 4 of providing the pupil with a free appropriate public education.
 5 The written agreement ~~shall~~**must** include, but is not limited to, an
 6 agreement on the responsibility for the payment of the added costs
 7 of special education programs and services for the pupil. The
 8 written agreement ~~shall~~**must** address how the agreement ~~shall~~**must**
 9 be amended in the event of significant changes in the costs or
 10 level of special education programs or services required by the
 11 pupil.

12 (20) If a district does not comply with this section, the
 13 district forfeits 5% of the total state school aid allocation to
 14 the district under this act.

15 (21) Upon application by a district, the superintendent may
 16 grant a waiver for the district from a specific requirement under
 17 this section for not more than 1 year.

18 (22) This section is repealed if the final decision of a court
 19 of competent jurisdiction holds that any portion of this section is
 20 unconstitutional, ineffective, invalid, or in violation of federal
 21 law.

22 (23) As used in this section, "district located in a
 23 contiguous intermediate district" means a district located in an
 24 intermediate district that is contiguous to the intermediate
 25 district in which a pupil's district of residence is located.

26 Sec. 107. (1) From the appropriation in section 11, there is
 27 allocated an amount not to exceed \$30,000,000.00 for ~~2019-2020~~
 28 **2020-2021** for adult education programs authorized under this
 29 section. Except as otherwise provided under subsections (14) and



1 (15), funds allocated under this section are restricted for adult
2 education programs as authorized under this section only. A
3 recipient of funds under this section shall not use those funds for
4 any other purpose.

5 (2) To be eligible for funding under this section, an eligible
6 adult education provider shall employ certificated teachers and
7 qualified administrative staff and shall offer continuing education
8 opportunities for teachers to allow them to maintain certification.

9 (3) To be eligible to be a participant funded under this
10 section, an individual must be enrolled in an adult basic education
11 program, an adult secondary education program, an adult English as
12 a second language program, a high school equivalency test
13 preparation program, or a high school completion program, that
14 meets the requirements of this section, and for which instruction
15 is provided, and the individual must be at least 18 years of age
16 and the individual's graduating class must have graduated.

17 (4) By April 1 of each fiscal year, the intermediate districts
18 within a prosperity region or subregion shall determine which
19 intermediate district will serve as the prosperity region's or
20 subregion's fiscal agent for the next fiscal year and shall notify
21 the department in a form and manner determined by the department.
22 The department shall approve or disapprove of the prosperity
23 region's or subregion's selected fiscal agent. From the funds
24 allocated under subsection (1), an amount as determined under this
25 subsection is allocated to each intermediate district serving as a
26 fiscal agent for adult education programs in each of the prosperity
27 regions or subregions identified by the department. An intermediate
28 district shall not use more than 5% of the funds allocated under
29 this subsection for administration costs for serving as the fiscal



1 agent. ~~Beginning in 2019-2020, the~~ **The** allocation provided to each
 2 intermediate district serving as a fiscal agent is an amount equal
 3 to what the intermediate district received in 2018-2019. ~~The~~
 4 ~~funding factors for this section are as follows:~~

5 ~~(a) Sixty percent of this portion of the funding is~~
 6 ~~distributed based upon the proportion of the state population of~~
 7 ~~individuals between the ages of 18 and 24 that are not high school~~
 8 ~~graduates that resides in each of the prosperity regions or~~
 9 ~~subregions, as reported by the most recent 5-year estimates from~~
 10 ~~the American Community Survey (ACS) from the United States Census~~
 11 ~~Bureau.~~

12 ~~(b) Thirty-five percent of this portion of the funding is~~
 13 ~~distributed based upon the proportion of the state population of~~
 14 ~~individuals age 25 or older who are not high school graduates that~~
 15 ~~resides in each of the prosperity regions or subregions, as~~
 16 ~~reported by the most recent 5-year estimates from the American~~
 17 ~~Community Survey (ACS) from the United States Census Bureau.~~

18 ~~(c) Five percent of this portion of the funding is distributed~~
 19 ~~based upon the proportion of the state population of individuals~~
 20 ~~age 18 or older who lack basic English language proficiency that~~
 21 ~~resides in each of the prosperity regions or subregions, as~~
 22 ~~reported by the most recent 5-year estimates from the American~~
 23 ~~Community Survey (ACS) from the United States Census Bureau.~~

24 (5) To be an eligible fiscal agent, an intermediate district
 25 must agree to do the following in a form and manner determined by
 26 the department:

27 (a) Distribute funds to adult education programs in a
 28 prosperity region or subregion as described in this section.

29 (b) Collaborate with the career and educational advisory



1 council, which is an advisory council of the workforce development
2 boards located in the prosperity region or subregion, or its
3 successor, to develop a regional strategy that aligns adult
4 education programs and services into an efficient and effective
5 delivery system for adult education learners, with special
6 consideration for providing contextualized learning and career
7 pathways and addressing barriers to education and employment.

8 (c) Collaborate with the career and educational advisory
9 council, which is an advisory council of the workforce development
10 boards located in the prosperity region or subregion, or its
11 successor, to create a local process and criteria that will
12 identify eligible adult education providers to receive funds
13 allocated under this section based on location, demand for
14 services, past performance, quality indicators as identified by the
15 department, and cost to provide instructional services. The fiscal
16 agent shall determine all local processes, criteria, and provider
17 determinations. However, the local processes, criteria, and
18 provider services must be approved by the department before funds
19 may be distributed to the fiscal agent.

20 (d) Provide oversight to its adult education providers
21 throughout the program year to ensure compliance with the
22 requirements of this section.

23 (e) Report adult education program and participant data and
24 information as prescribed by the department.

25 (6) An adult basic education program, an adult secondary
26 education program, or an adult English as a second language program
27 operated on a year-round or school year basis may be funded under
28 this section, subject to all of the following:

29 (a) The program enrolls adults who are determined by a



1 department-approved assessment, in a form and manner prescribed by
2 the department, to be below twelfth grade level in reading or
3 mathematics, or both, or to lack basic English proficiency.

4 (b) The program tests individuals for eligibility under
5 subdivision (a) before enrollment and upon completion of the
6 program in compliance with the state-approved assessment policy.

7 (c) A participant in an adult basic education program is
8 eligible for reimbursement until 1 of the following occurs:

9 (i) The participant's reading and mathematics proficiency are
10 assessed at or above the ninth grade level.

11 (ii) The participant fails to show progress on 2 successive
12 assessments after having completed at least 450 hours of
13 instruction.

14 (d) A participant in an adult secondary education program is
15 eligible for reimbursement until 1 of the following occurs:

16 (i) The participant's reading and mathematics proficiency are
17 assessed above the twelfth grade level.

18 (ii) The participant fails to show progress on 2 successive
19 assessments after having at least 450 hours of instruction.

20 (e) A funding recipient enrolling a participant in an English
21 as a second language program is eligible for funding according to
22 subsection (9) until the participant meets 1 of the following:

23 (i) The participant is assessed as having attained basic
24 English proficiency as determined by a department-approved
25 assessment.

26 (ii) The participant fails to show progress on 2 successive
27 department-approved assessments after having completed at least 450
28 hours of instruction. The department shall provide information to a
29 funding recipient regarding appropriate assessment instruments for



1 this program.

2 (7) A high school equivalency test preparation program
3 operated on a year-round or school year basis may be funded under
4 this section, subject to all of the following:

5 (a) The program enrolls adults who do not have a high school
6 diploma or a high school equivalency certificate.

7 (b) The program administers a pre-test approved by the
8 department before enrolling an individual to determine the
9 individual's literacy levels, administers a high school equivalency
10 practice test to determine the individual's potential for success
11 on the high school equivalency test, and administers a post-test
12 upon completion of the program in compliance with the state-
13 approved assessment policy.

14 (c) A funding recipient receives funding according to
15 subsection (9) for a participant, and a participant may be enrolled
16 in the program until 1 of the following occurs:

17 (i) The participant achieves a high school equivalency
18 certificate.

19 (ii) The participant fails to show progress on 2 successive
20 department-approved assessments used to determine readiness to take
21 a high school equivalency test after having completed at least 450
22 hours of instruction.

23 (8) A high school completion program operated on a year-round
24 or school year basis may be funded under this section, subject to
25 all of the following:

26 (a) The program enrolls adults who do not have a high school
27 diploma.

28 (b) The program tests participants described in subdivision

29 (a) before enrollment and upon completion of the program in



1 compliance with the state-approved assessment policy.

2 (c) A funding recipient receives funding according to
3 subsection (9) for a participant in a course offered under this
4 subsection until 1 of the following occurs:

5 (i) The participant passes the course and earns a high school
6 diploma.

7 (ii) The participant fails to earn credit in 2 successive
8 semesters or terms in which the participant is enrolled after
9 having completed at least 900 hours of instruction.

10 (9) The department shall make payments to a funding recipient
11 under this section in accordance with all of the following:

12 (a) Statewide allocation criteria, including 3-year average
13 enrollments, census data, and local needs.

14 (b) Participant completion of the adult basic education
15 objectives by achieving an educational gain as determined by the
16 national reporting system levels; for achieving basic English
17 proficiency, as determined by the department; for achieving a high
18 school equivalency certificate or passage of 1 or more individual
19 high school equivalency tests; for attainment of a high school
20 diploma or passage of a course required for a participant to attain
21 a high school diploma; for enrollment in a postsecondary
22 institution, or for entry into or retention of employment, as
23 applicable.

24 (c) Participant completion of core indicators as identified in
25 the innovation and opportunity act.

26 (d) Allowable expenditures.

27 (10) A person who is not eligible to be a participant funded
28 under this section may receive adult education services upon the
29 payment of tuition. In addition, a person who is not eligible to be



1 served in a program under this section due to the program
2 limitations specified in subsection (6), (7), or (8) may continue
3 to receive adult education services in that program upon the
4 payment of tuition. The local or intermediate district conducting
5 the program shall determine the tuition amount.

6 (11) An individual who is an inmate in a state correctional
7 facility is not counted as a participant under this section.

8 (12) A funding recipient shall not commingle money received
9 under this section or from another source for adult education
10 purposes with any other funds and shall establish a separate ledger
11 account for funds received under this section. This subsection does
12 not prohibit a district from using general funds of the district to
13 support an adult education or community education program.

14 (13) A funding recipient receiving funds under this section
15 may establish a sliding scale of tuition rates based upon a
16 participant's family income. A funding recipient may charge a
17 participant tuition to receive adult education services under this
18 section from that sliding scale of tuition rates on a uniform
19 basis. The amount of tuition charged per participant must not
20 exceed the actual operating cost per participant minus any funds
21 received under this section per participant. A funding recipient
22 may not charge a participant tuition under this section if the
23 participant's income is at or below 200% of the federal poverty
24 guidelines published by the United States Department of Health and
25 Human Services.

26 (14) In order to receive funds under this section, a funding
27 recipient shall furnish to the department, in a form and manner
28 determined by the department, all information needed to administer
29 this program and meet federal reporting requirements; shall allow



1 the department or the department's designee to review all records
2 related to the program for which it receives funds; and shall
3 reimburse the state for all disallowances found in the review, as
4 determined by the department. In addition, a funding recipient
5 shall agree to pay to a career and technical education program
6 under section 61a the amount of funding received under this section
7 in the proportion of career and technical education coursework used
8 to satisfy adult basic education programming, as billed to the
9 funding recipient by programs operating under section 61a. In
10 addition to the funding allocated under subsection (1), there is
11 allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
12 \$500,000.00 to reimburse funding recipients for administrative and
13 instructional expenses associated with commingling programming
14 under this section and section 61a. The department shall make
15 payments under this subsection to each funding recipient in the
16 same proportion as funding calculated and allocated under
17 subsection (4).

18 (15) From the amount appropriated in subsection (1), an amount
19 not to exceed \$4,000,000.00 is allocated for ~~2019-2020-2020-2021~~
20 for grants to adult education or **state-approved** career technical
21 center programs that connect adult education participants with
22 employers as provided under this subsection. The department shall
23 determine the amount of the grant to each program under this
24 subsection, not to exceed \$350,000.00. To be eligible for funding
25 under this subsection, a program must provide a collaboration
26 linking adult education programs within the county, the area career
27 technical center, and local employers. To receive funding under
28 this subsection, an eligible program must satisfy all of the
29 following:



1 (a) Connect adult education participants directly with
 2 employers by linking adult education, career and technical skills,
 3 and workforce development.

4 (b) Require adult education staff to work with Michigan Works!
 5 agency to identify a cohort of participants who are most prepared
 6 to successfully enter the workforce. ~~Participants~~ **Except as**
 7 **otherwise provided under this subdivision, participants** identified
 8 under this subsection must be dually enrolled in adult education
 9 programming and in at least 1 **state-approved** technical course at
 10 the area career and technical center. **A program that links**
 11 **participants identified under this subsection with adult education**
 12 **programming and commercial driver license courses does not need to**
 13 **enroll the participants in at least 1 state-approved technical**
 14 **course at the area career and technical center to be considered an**
 15 **eligible program under this subsection.**

16 (c) Employ an individual staffed as an adult education
 17 navigator who will serve as a caseworker for each participant
 18 identified under subdivision (b). The navigator shall work with
 19 adult education staff and potential employers to design an
 20 educational program best suited to the personal and employment
 21 needs of the participant and shall work with human service agencies
 22 or other entities to address any barrier in the way of participant
 23 access.

24 ~~(16) A program that was a pilot program in 2017-2018 and that~~
 25 ~~was funded under this section in 2017-2018 is funded in 2019-2020~~
 26 ~~unless the program ceases operation. The intermediate district in~~
 27 ~~which that pilot program was funded is the fiscal agent for that~~
 28 ~~program and shall apply for that program's funding under subsection~~
 29 ~~(15).~~



1 **(16)** ~~(17)~~—Each program funded under subsection (15) will
 2 receive funding for 3 years. After 3 years of operations and
 3 funding, a program must reapply for funding.

4 **(17)** ~~(18)~~—Not later than December 1 ~~, 2020,~~ **of each year,** a
 5 program funded under subsection (15) shall provide a report to the
 6 senate and house appropriations subcommittees on school aid, to the
 7 senate and house fiscal agencies, and to the state budget director
 8 identifying the number of participants, graduation rates, and a
 9 measure of transition to employment.

10 **(18) It is the intent of the legislature to implement a**
 11 **phased-in cap on the percentage of adult education participants**
 12 **under subsection (15) that may already have a high school diploma**
 13 **or a high school equivalency certificate at the time of enrollment.**

14 (19) The department shall approve at least 3 high school
 15 equivalency tests and determine whether a high school equivalency
 16 certificate meets the requisite standards for high school
 17 equivalency in this state.

18 (20) As used in this section:

19 (a) "Career and educational advisory council" means an
 20 advisory council to the local workforce development boards located
 21 in a prosperity region consisting of educational, employer, labor,
 22 and parent representatives.

23 (b) "Career pathway" means a combination of rigorous and high-
 24 quality education, training, and other services that comply with
 25 all of the following:

26 (i) Aligns with the skill needs of industries in the economy of
 27 this state or in the regional economy involved.

28 (ii) Prepares an individual to be successful in any of a full
 29 range of secondary or postsecondary education options, including



1 apprenticeships registered under the act of August 16, 1937
 2 (commonly known as the "national apprenticeship act"), 29 USC 50 et
 3 seq.

4 (iii) Includes counseling to support an individual in achieving
 5 the individual's education and career goals.

6 (iv) Includes, as appropriate, education offered concurrently
 7 with and in the same context as workforce preparation activities
 8 and training for a specific occupation or occupational cluster.

9 (v) Organizes education, training, and other services to meet
 10 the particular needs of an individual in a manner that accelerates
 11 the educational and career advancement of the individual to the
 12 extent practicable.

13 (vi) Enables an individual to attain a secondary school diploma
 14 or its recognized equivalent, and at least 1 recognized
 15 postsecondary credential.

16 (vii) Helps an individual enter or advance within a specific
 17 occupation or occupational cluster.

18 (c) "Department" means the department of labor and economic
 19 opportunity.

20 (d) "Eligible adult education provider" means a district,
 21 intermediate district, a consortium of districts, a consortium of
 22 intermediate districts, or a consortium of districts and
 23 intermediate districts that is identified as part of the local
 24 process described in subsection (5) (c) and approved by the
 25 department.

26 Sec. 147. (1) The allocation for ~~2019-2020~~**2020-2021** for the
 27 public school employees' retirement system pursuant to the public
 28 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
 29 to 38.1437, is made using the individual projected benefit entry



1 age normal cost method of valuation and risk assumptions adopted by
2 the public school employees retirement board and the department of
3 technology, management, and budget.

4 (2) The annual level percentage of payroll contribution rates
5 for the ~~2019-2020-2020-2021~~ fiscal year, as determined by the
6 retirement system, are estimated as follows:

7 (a) For public school employees who first worked for a public
8 school reporting unit before July 1, 2010 and who are enrolled in
9 the health premium subsidy, the annual level percentage of payroll
10 contribution rate is estimated at ~~39.91%~~, **42.72%** with ~~27.50%~~ **28.21%**
11 paid directly by the employer.

12 (b) For public school employees who first worked for a public
13 school reporting unit on or after July 1, 2010 and who are enrolled
14 in the health premium subsidy, the annual level percentage of
15 payroll contribution rate is estimated at ~~36.96%~~, **39.76%** with
16 ~~24.55%~~ **25.25%** paid directly by the employer.

17 (c) For public school employees who first worked for a public
18 school reporting unit on or after July 1, 2010 and who participate
19 in the personal healthcare fund, the annual level percentage of
20 payroll contribution rate is estimated at ~~36.44%~~, **38.90%** with
21 ~~24.03%~~ **24.39%** paid directly by the employer.

22 (d) For public school employees who first worked for a public
23 school reporting unit on or after September 4, 2012, who elect
24 defined contribution, and who participate in the personal
25 healthcare fund, the annual level percentage of payroll
26 contribution rate is estimated at ~~33.37%~~ **35.47%** with 20.96% paid
27 directly by the employer.

28 (e) For public school employees who first worked for a public
29 school reporting unit before July 1, 2010, who elect defined



1 contribution, and who are enrolled in the health premium subsidy,
 2 the annual level percentage of payroll contribution rate is
 3 estimated at ~~33.89%~~ **36.33%** with ~~21.48%~~ **21.82%** paid directly by the
 4 employer.

5 (f) For public school employees who first worked for a public
 6 school reporting unit before July 1, 2010, who elect defined
 7 contribution, and who participate in the personal healthcare fund,
 8 the annual level percentage of payroll contribution rate is
 9 estimated at ~~33.37%~~ **35.47%** with 20.96% paid directly by the
 10 employer.

11 (g) For public school employees who first worked for a public
 12 school reporting unit before July 1, 2010 and who participate in
 13 the personal healthcare fund, the annual level percentage of
 14 payroll contribution rate is estimated at ~~39.39%~~ **41.86%** with
 15 ~~26.98%~~ **27.35%** paid directly by the employer.

16 (h) For public school employees who first worked for a public
 17 school reporting unit after January 31, 2018 and who elect to
 18 become members of the MPSERS plan, the annual level percentage of
 19 payroll contribution rate is estimated at ~~39.57%~~ **41.67%** with 27.16%
 20 paid directly by the employer.

21 (3) In addition to the employer payments described in
 22 subsection (2), the employer shall pay the applicable contributions
 23 to the Tier 2 plan, as determined by the public school employees
 24 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

25 (4) The contribution rates in subsection (2) reflect an
 26 amortization period of ~~19~~ **18** years for ~~2019-2020~~ **2020-2021**. The
 27 public school employees' retirement system board shall notify each
 28 district and intermediate district by February 28 of each fiscal
 29 year of the estimated contribution rate for the next fiscal year.



1 Sec. 147a. (1) From the appropriation in section 11, there is
 2 allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
 3 \$100,000,000.00 for payments to participating districts. A
 4 participating district that receives money under this subsection
 5 shall use that money solely for the purpose of offsetting a portion
 6 of the retirement contributions owed by the district for the fiscal
 7 year in which it is received. The amount allocated to each
 8 participating district under this subsection is based on each
 9 participating district's percentage of the total statewide payroll
 10 for all participating districts for the immediately preceding
 11 fiscal year. As used in this subsection, "participating district"
 12 means a district that is a reporting unit of the Michigan public
 13 school employees' retirement system under the public school
 14 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
 15 38.1437, and that reports employees to the Michigan public school
 16 employees' retirement system for the applicable fiscal year.

17 (2) In addition to the allocation under subsection (1), from
 18 the state school aid fund money appropriated under section 11,
 19 there is allocated an amount not to exceed ~~\$171,986,000.00~~
 20 **\$155,136,000.00** for ~~2019-2020-2020-2021~~ for payments to
 21 participating districts and intermediate districts and from the
 22 general fund money appropriated under section 11, there is
 23 allocated an amount not to exceed ~~\$83,000.00~~ **\$70,000.00** for ~~2019-~~
 24 ~~2020-2020-2021~~ for payments to participating district libraries.
 25 The amount allocated to each participating entity under this
 26 subsection is based on each participating entity's ~~percentage of~~
 27 ~~the total statewide payroll for that type of participating entity~~
 28 ~~for the immediately preceding fiscal year.~~ **reported quarterly**
 29 **payroll for members that became tier 1 prior to February 1, 2018**



1 **for the current fiscal year.** A participating entity that receives
2 money under this subsection shall use that money solely for the
3 purpose of offsetting a portion of the normal cost contribution
4 rate. As used in this subsection:

5 (a) "District library" means a district library established
6 under the district library establishment act, 1989 PA 24, MCL
7 397.171 to 397.196.

8 (b) "Participating entity" means a district, intermediate
9 district, or district library that is a reporting unit of the
10 Michigan public school employees' retirement system under the
11 public school employees retirement act of 1979, 1980 PA 300, MCL
12 38.1301 to 38.1437, and that reports employees to the Michigan
13 public school employees' retirement system for the applicable
14 fiscal year.

15 Sec. 147c. From the state school aid fund money appropriated
16 in section 11, there is allocated for ~~2019-2020~~**2020-2021** an amount
17 not to exceed ~~\$1,000,400,000.00~~, and from the ~~MPERS retirement~~
18 ~~obligation reform reserve fund money appropriated in section 11,~~
19 ~~there is allocated for 2019-2020 an amount not to exceed~~
20 ~~\$30,000,000.00~~, **\$1,219,300,000.00** for payments to districts and
21 intermediate districts that are participating entities of the
22 Michigan public school employees' retirement system. In addition,
23 from the general fund money appropriated in section 11, there is
24 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
25 \$500,000.00 for payments to district libraries that are
26 participating entities of the Michigan public school employees'
27 retirement system. All of the following apply to funding under this
28 subsection:

29 (a) For ~~2019-2020~~,**2020-2021**, the amounts allocated under this



1 subsection are estimated to provide an average MPSERS rate cap per
2 pupil amount of ~~\$693.00~~ **\$827.00** and are estimated to provide a rate
3 cap per pupil for districts ranging between ~~\$4.00~~ **\$5.00** and
4 \$4,000.00.

5 (b) Payments made under this subsection are equal to the
6 difference between the unfunded actuarial accrued liability
7 contribution rate as calculated pursuant to section 41 of the
8 public school employees retirement act of 1979, 1980 PA 300, MCL
9 38.1341, as calculated without taking into account the maximum
10 employer rate of 20.96% included in section 41 of the public school
11 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
12 maximum employer rate of 20.96% included in section 41 of the
13 public school employees retirement act of 1979, 1980 PA 300, MCL
14 38.1341.

15 (c) The amount allocated to each participating entity under
16 this subsection is based on each participating entity's proportion
17 of the total covered payroll for the immediately preceding fiscal
18 year for the same type of participating entities. A participating
19 entity that receives funds under this subsection shall use the
20 funds solely for the purpose of retirement contributions as
21 specified in subdivision (d).

22 (d) Each participating entity receiving funds under this
23 subsection shall forward an amount equal to the amount allocated
24 under subdivision (c) to the retirement system in a form, manner,
25 and time frame determined by the retirement system.

26 (e) Funds allocated under this subsection should be considered
27 when comparing a district's growth in total state aid funding from
28 1 fiscal year to the next.

29 (f) Not later than December 20, ~~2019~~, **2020**, the department



1 shall publish and post on its website an estimated MPERS rate cap
2 per pupil for each district.

3 (g) The office of retirement services shall first apply funds
4 allocated under this subsection to pension contributions and, if
5 any funds remain after that payment, shall apply those remaining
6 funds to other postemployment benefit contributions.

7 (h) As used in this section:

8 (i) "District library" means a district library established
9 under the district library establishment act, 1989 PA 24, MCL
10 397.171 to 397.196.

11 (ii) "MPERS rate cap per pupil" means an amount equal to the
12 quotient of the district's payment under this subsection divided by
13 the district's pupils in membership.

14 (iii) "Participating entity" means a district, intermediate
15 district, or district library that is a reporting unit of the
16 Michigan public school employees' retirement system under the
17 public school employees retirement act of 1979, 1980 PA 300, MCL
18 38.1301 to 38.1437, and that reports employees to the Michigan
19 public school employees' retirement system for the applicable
20 fiscal year.

21 (iv) "Retirement board" means the board that administers the
22 retirement system under the public school employees retirement act
23 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

24 (v) "Retirement system" means the Michigan public school
25 employees' retirement system under the public school employees
26 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

27 Sec. 147e. (1) From the appropriation in section 11, there is
28 allocated for ~~2019-2020~~ **2020-2021** an amount not to exceed
29 ~~\$1,900,000.00 from the MPERS retirement obligation reform reserve~~



1 ~~fund and \$26,471,000.00~~ **\$51,400,000.00** from the state school aid
2 fund for payments to participating entities.

3 (2) The payment to each participating entity under this
4 section is the sum of the amounts under this subsection as follows:

5 (a) An amount equal to the contributions made by a
6 participating entity for the additional contribution made to a
7 qualified participant's Tier 2 account in an amount equal to the
8 contribution made by the qualified participant not to exceed 3% of
9 the qualified participant's compensation as provided for under
10 section 131(6) of the public school employees retirement act of
11 1979, 1980 PA 300, MCL 38.1431.

12 (b) Beginning October 1, 2017, an amount equal to the
13 contributions made by a participating entity for a qualified
14 participant who is only a Tier 2 qualified participant under
15 section 81d of the public school employees retirement act of 1979,
16 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
17 February 1, 2018, not to exceed 1%, of the qualified participant's
18 compensation.

19 (c) An amount equal to the increase in employer normal cost
20 contributions under section 41b(2) of the public school employees
21 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
22 that was hired after February 1, 2018 and chose to participate in
23 Tier 1, compared to the employer normal cost contribution for a
24 member under section 41b(1) of the public school employees
25 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

26 (3) As used in this section:

27 (a) "Member" means that term as defined under the public
28 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
29 to 38.1437.



1 (b) "Participating entity" means a district, intermediate
2 district, or community college that is a reporting unit of the
3 Michigan public school employees' retirement system under the
4 public school employees retirement act of 1979, 1980 PA 300, MCL
5 38.1301 to 38.1437, and that reports employees to the Michigan
6 public school employees' retirement system for the applicable
7 fiscal year.

8 (c) "Qualified participant" means that term as defined under
9 section 124 of the public school employees retirement act of 1979,
10 1980 PA 300, MCL 38.1424.

11 Sec. 152a. (1) As required by the court in the consolidated
12 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
13 the state school aid fund money appropriated in section 11, there
14 is allocated for ~~2019-2020-2020-2021~~ an amount not to exceed
15 \$38,000,500.00 to be used solely for the purpose of paying
16 necessary costs related to the state-mandated collection,
17 maintenance, and reporting of data to this state.

18 (2) From the allocation in subsection (1), the department
19 shall make payments to districts and intermediate districts in an
20 equal amount per-pupil based on the total number of pupils in
21 membership in each district and intermediate district. The
22 department shall not make any adjustment to these payments after
23 the final installment payment under section 17b is made.

24 Sec. 152b. (1) From the general fund money appropriated under
25 section 11, there is allocated an amount not to exceed
26 ~~\$2,500,000.00 for 2017-2018 and an amount not to exceed \$250,000.00~~
27 **\$100.00** for ~~2018-2019-2020-2021~~ to reimburse actual costs incurred
28 by nonpublic schools in complying with a health, safety, or welfare
29 requirement mandated by a law or administrative rule of this state.



1 (2) By January 1 of each applicable fiscal year, the
2 department shall publish a form for reporting actual costs incurred
3 by a nonpublic school in complying with a health, safety, or
4 welfare requirement mandated under state law containing each
5 health, safety, or welfare requirement mandated by a law or
6 administrative rule of this state applicable to a nonpublic school
7 and with a reference to each relevant provision of law or
8 administrative rule for the requirement. The form ~~shall~~**must** be
9 posted on the department's website in electronic form.

10 (3) By June 30 of each applicable fiscal year, a nonpublic
11 school seeking reimbursement for actual costs incurred in complying
12 with a health, safety, or welfare requirement under a law or
13 administrative rule of this state during each applicable school
14 year shall submit a completed form described in subsection (2) to
15 the department. This section does not require a nonpublic school to
16 submit a form described in subsection (2). A nonpublic school is
17 not eligible for reimbursement under this section if the nonpublic
18 school does not submit the form described in subsection (2) in a
19 timely manner.

20 (4) By August 15 of each applicable fiscal year, the
21 department shall distribute funds to each nonpublic school that
22 submits a completed form described under subsection (2) in a timely
23 manner. The superintendent shall determine the amount of funds to
24 be paid to each nonpublic school in an amount that does not exceed
25 the nonpublic school's actual costs in complying with a health,
26 safety, or welfare requirement under a law or administrative rule
27 of this state. The superintendent shall calculate a nonpublic
28 school's actual cost in accordance with this section.

29 (5) If the funds allocated under this section are insufficient



1 to fully fund payments as otherwise calculated under this section,
2 the department shall distribute funds under this section on a
3 prorated or other equitable basis as determined by the
4 superintendent.

5 (6) The department may review the records of a nonpublic
6 school submitting a form described in subsection (2) only for the
7 limited purpose of verifying the nonpublic school's compliance with
8 this section. If a nonpublic school does not allow the department
9 to review records under this subsection, the nonpublic school is
10 not eligible for reimbursement under this section.

11 (7) The funds appropriated under this section are for purposes
12 related to education, are considered to be incidental to the
13 operation of a nonpublic school, are noninstructional in character,
14 and are intended for the public purpose of ensuring the health,
15 safety, and welfare of the children in nonpublic schools and to
16 reimburse nonpublic schools for costs described in this section.

17 (8) Funds allocated under this section are not intended to aid
18 or maintain any nonpublic school, support the attendance of any
19 student at a nonpublic school, employ any person at a nonpublic
20 school, support the attendance of any student at any location where
21 instruction is offered to a nonpublic school student, or support
22 the employment of any person at any location where instruction is
23 offered to a nonpublic school student.

24 (9) For purposes of this section, "actual cost" means the
25 hourly wage for the employee or employees performing a task or
26 tasks required to comply with a health, safety, or welfare
27 requirement under a law or administrative rule of this state
28 identified by the department under subsection (2) and is to be
29 calculated in accordance with the form published by the department



1 under subsection (2), which ~~shall~~**must** include a detailed
2 itemization of costs. The nonpublic school shall not charge more
3 than the hourly wage of its lowest-paid employee capable of
4 performing a specific task regardless of whether that individual is
5 available and regardless of who actually performs a specific task.
6 Labor costs under this subsection ~~shall~~**must** be estimated and
7 charged in increments of 15 minutes or more, with all partial time
8 increments rounded down. When calculating costs under subsection
9 (4), fee components ~~shall~~**must** be itemized in a manner that
10 expresses both the hourly wage and the number of hours charged. The
11 nonpublic school may not charge any applicable labor charge amount
12 to cover or partially cover the cost of health or fringe benefits.
13 A nonpublic school shall not charge any overtime wages in the
14 calculation of labor costs.

15 (10) For the purposes of this section, the actual cost
16 incurred by a nonpublic school for taking daily student attendance
17 ~~shall be~~**is** considered an actual cost in complying with a health,
18 safety, or welfare requirement under a law or administrative rule
19 of this state. Training fees, inspection fees, and criminal
20 background check fees are considered actual costs in complying with
21 a health, safety, or welfare requirement under a law or
22 administrative rule of this state.

23 (11) The funds allocated under this section for 2017-2018 are
24 a work project appropriation, and any unexpended funds for 2017-
25 2018 are carried forward into 2018-2019. The purpose of the work
26 project is to continue to reimburse nonpublic schools for actual
27 costs incurred in complying with a health, safety, or welfare
28 requirement mandated by a law or administrative rule of this state.
29 The estimated completion date of the work project is September 30,



1 ~~2020-2022.~~

2 (12) The funds allocated under this section for 2018-2019 are
 3 a work project appropriation, and any unexpended funds for 2018-
 4 2019 are carried forward into 2019-2020. The purpose of the work
 5 project is to continue to reimburse nonpublic schools for actual
 6 costs incurred in complying with a health, safety, or welfare
 7 requirement mandated by a law or administrative rule of this state.
 8 The estimated completion date of the work project is September 30,
 9 ~~2020-2022.~~

10 (13) **The funds allocated under this section for 2020-2021 are**
 11 **a work project appropriation, and any unexpended funds for 2020-**
 12 **2021 are carried forward into 2021-2022. The purpose of the work**
 13 **project is to continue to reimburse nonpublic schools for actual**
 14 **costs incurred in complying with a health, safety, or welfare**
 15 **requirement mandated by a law or administrative rule of this state.**
 16 **The estimated completion date of the work project is September 30,**
 17 **2023.**

18 Sec. 163. (1) Except as provided in the revised school code,
 19 the board of a district or intermediate district shall not permit
 20 any of the following:

21 (a) ~~Except for an individual engaged to teach under section~~
 22 ~~1233b of the revised school code, MCL 380.1233b, an~~ **An** individual
 23 ~~who does not hold~~ **is not appropriately placed under** a valid
 24 certificate, ~~or who is not working under a valid substitute permit,~~
 25 authorization, or approval issued under rules promulgated by the
 26 department to teach in an elementary or secondary school.

27 (b) An individual who does not satisfy the requirements of
 28 section 1233 of the revised school code, MCL 380.1233, and rules
 29 promulgated by the department to provide school counselor services



1 to pupils in an elementary or secondary school.

2 (c) An individual who does not satisfy the requirements of
3 section 1246 of the revised school code, MCL 380.1246, or who is
4 not working under a valid substitute permit issued under rules
5 promulgated by the department, to be employed as a superintendent,
6 principal, or assistant principal, or as an individual whose
7 primary responsibility is to administer instructional programs in
8 an elementary or secondary school, or in a district or intermediate
9 district.

10 (2) Except as provided in the revised school code, a district
11 or intermediate district employing individuals in violation of this
12 section shall have deducted the sum equal to the amount paid the
13 individuals for the period of employment. Each intermediate
14 superintendent shall notify the department of the name of the
15 individual employed in violation of this section, and the district
16 employing that individual and the amount of salary the individual
17 was paid within a constituent district.

18 (3) If a school official is notified by the department that he
19 or she is employing an individual in violation of this section and
20 knowingly continues to employ that individual, the school official
21 is guilty of a misdemeanor punishable by a fine of \$1,500.00 for
22 each incidence. This penalty is in addition to all other financial
23 penalties otherwise specified in this article.

24 Sec. 201. (1) Subject to the conditions set forth in this
25 article, the amounts listed in this section are appropriated for
26 community colleges for the fiscal year ending September 30, ~~2020,~~
27 **2021**, from the funds indicated in this section. The following is a
28 summary of the appropriations in this section: ~~and section 201c:~~

29 (a) The gross appropriation is ~~\$414,719,000.00.~~



1 **\$425,667,600.00.** After deducting total interdepartmental grants and
 2 intradepartmental transfers in the amount of \$0.00, the adjusted
 3 gross appropriation is ~~\$414,719,000.00.~~ **\$425,667,600.00.**

4 (b) The sources of the adjusted gross appropriation described
 5 in subdivision (a) are as follows:

6 (i) Total federal revenues, ~~\$36,273,400.00.~~ **\$0.00.**

7 (ii) Total local revenues, \$0.00.

8 (iii) Total private revenues, \$0.00.

9 (iv) Total other state restricted revenues,
 10 ~~\$378,445,600.00.~~ **\$425,667,600.00.**

11 (v) State general fund/general purpose money, \$0.00.

12 (2) Subject to subsection (3), the amount appropriated for
 13 community college operations is ~~\$289,200,000.00,~~ **\$325,440,000.00,**
 14 allocated as follows:

15 (a) The appropriation for Alpena Community College is
 16 ~~\$5,127,800.00,~~ ~~\$5,058,300.00~~ **\$5,767,500.00,** **\$5,753,300.00** for
 17 operations, ~~\$50,200.00~~ **\$0.00** for performance funding, and
 18 ~~\$19,300.00~~ **\$14,200.00** for costs incurred under the North American
 19 Indian tuition waiver.

20 (b) The appropriation for Bay de Noc Community College is
 21 ~~\$5,112,800.00,~~ ~~\$4,926,700.00~~ **\$5,719,500.00,** **\$5,602,800.00** for
 22 operations, ~~\$48,200.00~~ **\$0.00** for performance funding, and
 23 ~~\$137,900.00~~ **\$116,700.00** for costs incurred under the North American
 24 Indian tuition waiver.

25 (c) The appropriation for Delta College is ~~\$13,502,300.00,~~
 26 ~~\$13,371,000.00~~ **\$15,208,200.00,** **\$15,160,500.00** for operations,
 27 ~~\$90,400.00~~ **\$0.00** for performance funding, and ~~\$40,900.00~~ **\$47,700.00**
 28 for costs incurred under the North American Indian tuition waiver.

29 (d) The appropriation for Glen Oaks Community College is



1 ~~\$2,355,300.00, \$2,323,300.00~~ **\$2,651,200.00, \$2,651,200.00** for
 2 operations, ~~\$30,800.00~~ **\$0.00** for performance funding, and ~~\$1,200.00~~
 3 **\$0.00** for costs incurred under the North American Indian tuition
 4 waiver.

5 (e) The appropriation for Gogebic Community College is
 6 ~~\$4,387,500.00, \$4,287,700.00~~ **\$4,923,300.00, \$4,873,700.00** for
 7 operations, ~~\$39,900.00~~ **\$0.00** for performance funding, and
 8 ~~\$59,900.00~~ **\$49,600.00** for costs incurred under the North American
 9 Indian tuition waiver.

10 (f) The appropriation for Grand Rapids Community College is
 11 ~~\$16,909,400.00, \$16,540,900.00~~ **\$19,007,000.00, \$18,773,100.00** for
 12 operations, ~~\$128,200.00~~ **\$0.00** for performance funding, and
 13 ~~\$240,300.00~~ **\$233,900.00** for costs incurred under the North American
 14 Indian tuition waiver.

15 (g) The appropriation for Henry Ford College is
 16 ~~\$20,049,300.00, \$19,873,500.00~~ **\$22,557,600.00, \$22,533,100.00** for
 17 operations, ~~\$134,200.00~~ **\$0.00** for performance funding, and
 18 ~~\$41,600.00~~ **\$24,500.00** for costs incurred under the North American
 19 Indian tuition waiver.

20 (h) The appropriation for Jackson College is ~~\$11,373,300.00,~~
 21 ~~\$11,258,700.00~~ **\$12,814,200.00, \$12,756,200.00** for operations,
 22 ~~\$67,900.00~~ **\$0.00** for performance funding, and ~~\$46,700.00~~ **\$58,000.00**
 23 for costs incurred under the North American Indian tuition waiver.

24 (i) The appropriation for Kalamazoo Valley Community College
 25 is ~~\$11,687,700.00, \$11,551,400.00~~ **\$13,163,700.00, \$13,099,900.00**
 26 for operations, ~~\$80,300.00~~ **\$0.00** for performance funding, and
 27 ~~\$56,000.00~~ **\$63,800.00** for costs incurred under the North American
 28 Indian tuition waiver.

29 (j) The appropriation for Kellogg Community College is



1 ~~\$9,195,800.00, \$9,056,400.00~~ **\$10,328,700.00, \$10,267,100.00** for
 2 operations, ~~\$60,000.00~~ **\$0.00** for performance funding, and
 3 ~~\$79,400.00~~ **\$61,600.00** for costs incurred under the North American
 4 Indian tuition waiver.

5 (k) The appropriation for Kirtland Community College is
 6 ~~\$3,016,600.00, \$2,940,500.00~~ **\$3,394,800.00, \$3,358,400.00** for
 7 operations, ~~\$41,500.00~~ **\$0.00** for performance funding, and
 8 ~~\$34,600.00~~ **\$36,400.00** for costs incurred under the North American
 9 Indian tuition waiver.

10 (l) The appropriation for Lake Michigan College is
 11 ~~\$5,074,900.00, \$5,028,600.00~~ **\$5,711,300.00, \$5,702,700.00** for
 12 operations, ~~\$35,000.00~~ **\$0.00** for performance funding, and
 13 ~~\$11,300.00~~ **\$8,600.00** for costs incurred under the North American
 14 Indian tuition waiver.

15 (m) The appropriation for Lansing Community College is
 16 ~~\$29,324,000.00, \$28,992,800.00~~ **\$33,010,000.00, \$32,852,000.00** for
 17 operations, ~~\$177,300.00~~ **\$0.00** for performance funding, and
 18 ~~\$153,900.00~~ **\$158,000.00** for costs incurred under the North American
 19 Indian tuition waiver.

20 (n) The appropriation for Macomb Community College is
 21 ~~\$30,470,600.00, \$30,227,700.00~~ **\$34,319,500.00, \$34,276,100.00** for
 22 operations, ~~\$206,900.00~~ **\$0.00** for performance funding, and
 23 ~~\$36,000.00~~ **\$43,400.00** for costs incurred under the North American
 24 Indian tuition waiver.

25 (o) The appropriation for Mid Michigan Community College is
 26 ~~\$4,743,500.00, \$4,528,800.00~~ **\$5,309,200.00, \$5,184,400.00** for
 27 operations, ~~\$74,600.00~~ **\$0.00** for performance funding, and
 28 ~~\$140,100.00~~ **\$124,800.00** for costs incurred under the North American
 29 Indian tuition waiver.



1 (p) The appropriation for Monroe County Community College is
 2 ~~\$4,215,200.00, \$4,179,000.00~~ **\$4,746,700.00, \$4,746,200.00** for
 3 operations, ~~\$35,300.00~~ **\$0.00** for performance funding, and ~~\$900.00~~
 4 **\$500.00** for costs incurred under the North American Indian tuition
 5 waiver.

6 (q) The appropriation for Montcalm Community College is
 7 ~~\$3,176,100.00, \$3,144,500.00~~ **\$3,577,700.00, \$3,570,600.00** for
 8 operations, ~~\$25,900.00~~ **\$0.00** for performance funding, and ~~\$5,700.00~~
 9 **\$7,100.00** for costs incurred under the North American Indian
 10 tuition waiver.

11 (r) The appropriation for C.S. Mott Community College is
 12 ~~\$14,610,900.00, \$14,496,100.00~~ **\$16,464,000.00, \$16,440,000.00** for
 13 operations, ~~\$101,400.00~~ **\$0.00** for performance funding, and
 14 ~~\$13,400.00~~ **\$24,000.00** for costs incurred under the North American
 15 Indian tuition waiver.

16 (s) The appropriation for Muskegon Community College is
 17 ~~\$8,325,300.00, \$8,195,900.00~~ **\$9,363,000.00, \$9,289,100.00** for
 18 operations, ~~\$52,100.00~~ **\$0.00** for performance funding, and
 19 ~~\$77,300.00~~ **\$73,900.00** for costs incurred under the North American
 20 Indian tuition waiver.

21 (t) The appropriation for North Central Michigan College is
 22 ~~\$3,187,300.00, \$2,981,700.00~~ **\$3,562,700.00, \$3,389,300.00** for
 23 operations, ~~\$27,700.00~~ **\$0.00** for performance funding, and
 24 ~~\$177,900.00~~ **\$173,400.00** for costs incurred under the North American
 25 Indian tuition waiver.

26 (u) The appropriation for Northwestern Michigan College is
 27 ~~\$8,741,600.00, \$8,438,400.00~~ **\$9,843,100.00, \$9,567,100.00** for
 28 operations, ~~\$56,500.00~~ **\$0.00** for performance funding, and
 29 ~~\$246,700.00~~ **\$276,000.00** for costs incurred under the North American



1 Indian tuition waiver.

2 (v) The appropriation for Oakland Community College is
 3 ~~\$19,746,000.00, \$19,563,700.00~~ **\$22,246,800.00, \$22,211,700.00** for
 4 operations, ~~\$158,600.00~~ **\$0.00** for performance funding, and
 5 ~~\$23,700.00~~ **\$35,100.00** for costs incurred under the North American
 6 Indian tuition waiver.

7 (w) The appropriation for Schoolcraft College is
 8 ~~\$11,784,200.00, \$11,614,500.00~~ **\$13,236,500.00, \$13,196,200.00** for
 9 operations, ~~\$102,700.00~~ **\$0.00** for performance funding, and
 10 ~~\$67,000.00~~ **\$40,300.00** for costs incurred under the North American
 11 Indian tuition waiver.

12 (x) The appropriation for Southwestern Michigan College is
 13 ~~\$6,236,900.00, \$6,155,700.00~~ **\$7,016,600.00, \$6,979,400.00** for
 14 operations, ~~\$41,500.00~~ **\$0.00** for performance funding, and
 15 ~~\$39,700.00~~ **\$37,200.00** for costs incurred under the North American
 16 Indian tuition waiver.

17 (y) The appropriation for St. Clair County Community College
 18 is ~~\$6,566,000.00, \$6,508,200.00~~ **\$7,388,600.00, \$7,385,200.00** for
 19 operations, ~~\$49,300.00~~ **\$0.00** for performance funding, and ~~\$8,500.00~~
 20 **\$3,400.00** for costs incurred under the North American Indian
 21 tuition waiver.

22 (z) The appropriation for Washtenaw Community College is
 23 ~~\$12,334,000.00, \$12,191,500.00~~ **\$13,888,200.00, \$13,855,900.00** for
 24 operations, ~~\$111,500.00~~ **\$0.00** for performance funding, and
 25 ~~\$31,000.00~~ **\$32,300.00** for costs incurred under the North American
 26 Indian tuition waiver.

27 (aa) The appropriation for Wayne County Community College is
 28 ~~\$15,630,100.00, \$15,502,900.00~~ **\$17,608,300.00, \$17,593,400.00** for
 29 operations, ~~\$118,700.00~~ **\$0.00** for performance funding, and



1 ~~\$8,500.00~~ **\$14,900.00** for costs incurred under the North American
 2 Indian tuition waiver.

3 (bb) The appropriation for West Shore Community College is
 4 ~~\$2,315,600.00, \$2,278,500.00~~ **\$2,612,100.00, \$2,585,600.00** for
 5 operations, ~~\$17,300.00~~ **\$0.00** for performance funding, and
 6 ~~\$19,800.00~~ **\$26,500.00** for costs incurred under the North American
 7 Indian tuition waiver.

8 (3) The amount appropriated in subsection (2) for community
 9 college operations is ~~\$289,200,000.00~~ **\$325,440,000.00** and is
 10 appropriated from the state school aid fund.

11 (4) From the appropriations described in subsection (1), both
 12 of the following apply:

13 (a) Subject to section 207a, the amount appropriated for
 14 fiscal year ~~2019-2020~~ **2020-2021** to offset certain fiscal year ~~2019-~~
 15 ~~2020-2020-2021~~ retirement contributions is \$1,733,600.00,
 16 appropriated from the state school aid fund.

17 (b) For fiscal year ~~2019-2020,~~ **2020-2021**, there is allocated
 18 an amount not to exceed ~~\$12,212,000.00~~ **\$12,394,000.00** for payments
 19 to participating community colleges, appropriated from the state
 20 school aid fund. A community college that receives money under this
 21 subdivision shall use that money solely for the purpose of
 22 offsetting the normal cost contribution rate.

23 (5) From the appropriations described in subsection (1),
 24 subject to section 207b, the amount appropriated for payments to
 25 community colleges that are participating entities of the
 26 retirement system is ~~\$73,100,000.00,~~ **\$83,900,000.00** appropriated
 27 from the state school aid fund.

28 (6) From the appropriations described in subsection (1),
 29 subject to section 207c, the amount appropriated for renaissance



1 zone tax reimbursements is \$2,200,000.00, appropriated from the
 2 state school aid fund. **Each community college receiving funds in**
 3 **this subsection shall accrue these payments to its institutional**
 4 **fiscal year ending June 30, 2021.**

5 ~~(7) If the department of technology, management, and budget~~
 6 ~~determines that this state has overpaid the amount of operations~~
 7 ~~and performance funding allocated to a community college under this~~
 8 ~~article, the department shall establish as a receivable the amount~~
 9 ~~of overpayment and shall recoup the amount from the community~~
 10 ~~college in subsequent monthly apportionments of operations and~~
 11 ~~performance funding. The full amount of overpayment must be~~
 12 ~~recouped within 1 fiscal year.~~

13 Sec. 202a. As used in this article:

14 (a) "Center" means the center for educational performance and
 15 information created in section 94a.

16 (b) "Michigan renaissance zone act" means the Michigan
 17 renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

18 (c) "Participating college" means a community college that is
 19 a reporting unit of the retirement system and that reports
 20 employees to the retirement system for the state fiscal year.

21 (d) "Retirement board" means the board that administers the
 22 retirement system under the public school employees retirement act
 23 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

24 (e) "Retirement system" means the Michigan public school
 25 employees' retirement system under the public school employees
 26 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

27 ~~(f) "Workforce development agency" means the workforce~~
 28 ~~development agency within the department of talent and economic~~
 29 ~~development talent investment agency.~~



1 Sec. 203. Unless otherwise specified, a community college that
 2 receives appropriations in section 201 ~~, the workforce development~~
 3 ~~agency,~~ and the center shall use the internet to fulfill the
 4 reporting requirements of this article. This requirement ~~may~~
 5 ~~include~~ **includes** transmission of reports via electronic mail to the
 6 recipients identified for each reporting requirement ~~or it may~~
 7 ~~include~~ **and** placement of reports on an internet ~~or intranet~~ site.

8 Sec. 205. ~~The~~ **To the extent possible, the** principal executive
 9 officer of each community college that receives appropriations in
 10 section 201 shall take all reasonable steps to ensure businesses in
 11 deprived and depressed communities compete for and perform
 12 contracts to provide services or supplies, or both. Each principal
 13 executive officer shall strongly encourage businesses with which
 14 the community college contracts to subcontract with certified
 15 businesses in depressed and deprived communities for services or
 16 supplies, or both.

17 Sec. 206. (1) The funds appropriated in section 201 are
 18 appropriated for community colleges with fiscal years ending June
 19 30, ~~2020-2021~~ and shall be paid out of the state treasury and
 20 distributed by the state treasurer to the respective community
 21 colleges in 11 monthly installments on the sixteenth of each month,
 22 or the next succeeding business day, beginning with October 16,
 23 ~~2019-2020~~. Each community college shall accrue its July and August
 24 ~~2020-2021~~ payments to its institutional fiscal year ending June 30,
 25 ~~2020-2021~~.

26 (2) If the state budget director determines that a community
 27 college failed to submit any of the information described in
 28 subdivisions (a) to (f) in the form and manner specified by the
 29 center, the state treasurer shall, subject to subdivision (g),



1 withhold the monthly installments from that community college until
2 those data are submitted:

3 (a) The Michigan community colleges verified data inventory
4 data for the preceding academic year to the center by the first
5 business day of ~~November~~ **December for fiscal year 2020-2021 and the**
6 **first business day of November** of each year **thereafter** as specified
7 in section 217.

8 (b) The college credit opportunity data set as specified in
9 section 209.

10 (c) The longitudinal data set for the preceding academic year
11 to the center as specified in section 219.

12 (d) The annual independent audit as specified in section 222.

13 (e) Tuition and mandatory fees information for the current
14 academic year as specified in section 225.

15 (f) The number and type of associate degrees and other
16 certificates awarded during the previous academic year as specified
17 in section 226.

18 (g) The state budget director shall notify the chairs of the
19 house and senate appropriations subcommittees on community colleges
20 at least 10 days before withholding funds from any community
21 college.

22 Sec. 207a. All of the following apply to the allocation of the
23 fiscal year ~~2019-2020~~ **2020-2021** appropriations described in section
24 201(4):

25 (a) A community college that receives money under section
26 201(4) shall use that money solely for the purpose of offsetting a
27 portion of the retirement contributions owed by the college for
28 that fiscal year.

29 (b) The amount allocated to each participating community



1 college under section 201(4) shall be based on each college's
2 percentage of the total covered payroll for all community colleges
3 that are participating colleges in the immediately preceding fiscal
4 year.

5 Sec. 207b. All of the following apply to the allocation of the
6 fiscal year ~~2019-2020~~**2020-2021** appropriations described in section
7 201(5) for payments to community colleges that are participating
8 entities of the retirement system:

9 (a) The amount of a payment under section 201(5) shall be the
10 difference between the unfunded actuarial accrued liability
11 contribution rate as calculated under section 41 of the public
12 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
13 as calculated without taking into account the maximum employer rate
14 of 20.96% included in section 41 of the public school employees
15 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum
16 employer rate of 20.96% under section 41 of the public school
17 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

18 (b) The amount allocated to each community college under
19 section 201(5) shall be based on each community college's
20 percentage of the total covered payroll for all community colleges
21 that are participating colleges in the immediately preceding fiscal
22 year. A community college that receives funds under this
23 subdivision shall use the funds solely for the purpose of
24 retirement contributions under section 201(5).

25 (c) Each participating college that receives funds under
26 section 201(5) shall forward an amount equal to the amount
27 allocated under subdivision (b) to the retirement system in a form
28 and manner determined by the retirement system.

29 Sec. 207c. All of the following apply to the allocation of the



1 appropriations described in section 201(6) to community colleges
2 described in section 12(3) of the Michigan renaissance zone act,
3 1996 PA 376, MCL 125.2692:

4 (a) The amount allocated to each community college under
5 section 201(6) for fiscal year ~~2019-2020~~**2020-2021** shall be based
6 on that community college's proportion of total revenue lost by
7 community colleges as a result of the exemption of property taxes
8 levied in ~~2019-2020~~ under the Michigan renaissance zone act, 1996
9 PA 376, MCL 125.2681 to 125.2696.

10 (b) The appropriations described in section 201(6) shall be
11 made to each eligible community college within 60 days after the
12 department of treasury certifies to the state budget director that
13 it has received all necessary information to properly determine the
14 amounts payable to each eligible community college under section 12
15 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

16 Sec. 209. (1) Within 30 days after the board of a community
17 college adopts its annual operating budget for the following fiscal
18 year, or after the board adopts a subsequent revision to that
19 budget, the community college shall make all of the following
20 available through a link on its website homepage:

21 (a) The annual operating budget and subsequent budget
22 revisions.

23 (b) A link to the most recent "Michigan Community College Data
24 Inventory Report".

25 (c) General fund revenue and expenditure projections for the
26 current fiscal year and the next fiscal year.

27 (d) A listing of all debt service obligations, detailed by
28 project, anticipated payment of each project, and total outstanding
29 debt for the current fiscal year.



1 (e) Links to all of the following for the community college:

2 (i) The current collective bargaining agreement for each
3 bargaining unit.

4 (ii) Each health care benefits plan, including, but not limited
5 to, medical, dental, vision, disability, long-term care, or any
6 other type of benefits that would constitute health care services,
7 offered to any bargaining unit or employee of the community
8 college.

9 (iii) Audits and financial reports for the most recent fiscal
10 year for which they are available.

11 (iv) A copy of the board of trustees resolution regarding
12 compliance with best practices for the local strategic value
13 component described in section 230(2).

14 (f) A map that includes the boundaries of the community
15 college district.

16 (2) For statewide consistency and public visibility, community
17 colleges must use the icon badge provided by the department of
18 technology, management, and budget consistent with the icon badge
19 developed by the department of education for K-12 school districts.
20 It must appear on the front of each community college's homepage.
21 The size of the icon may be reduced to 150 x 150 pixels.

22 (3) The state budget director shall determine whether a
23 community college has complied with this section. The state budget
24 director may withhold a community college's monthly installments
25 described in section 206 until the community college complies with
26 this section. The state budget director shall notify the chairs of
27 the house and senate appropriations subcommittee on community
28 colleges at least 10 days before withholding funds from any
29 community college.



1 (4) Each community college shall report the following
 2 information to the senate and house appropriations subcommittees on
 3 community colleges, the senate and house fiscal agencies, and the
 4 state budget office by ~~November~~**December** 15 **for fiscal year 2020-**
 5 **2021 and November 15** of each fiscal year **thereafter** and post that
 6 information on its website as required under subsection (1):

7 (a) Budgeted current fiscal year general fund revenue from
 8 tuition and fees.

9 (b) Budgeted current fiscal year general fund revenue from
 10 state appropriations.

11 (c) Budgeted current fiscal year general fund revenue from
 12 property taxes.

13 (d) Budgeted current fiscal year total general fund revenue.

14 (e) Budgeted current fiscal year total general fund
 15 expenditures.

16 (5) By the first business day of November of each year, a
 17 community college shall ~~report the following information to the~~
 18 ~~center and~~ post the **following** information on its website under the
 19 budget transparency icon badge:

20 (a) Opportunities for earning college credit through the
 21 following programs:

22 (i) State approved career and technical education or a tech
 23 prep articulated program of study.

24 (ii) Direct college credit or concurrent enrollment.

25 (iii) Dual enrollment.

26 (iv) An early college/middle college program.

27 (b) For each program described in subdivision (a) that the
 28 community college offers, all of the following information:

29 (i) The number of high school students participating in the



1 program.

2 (ii) The number of school districts that participate in the
3 program with the community college.

4 (iii) Whether a college professor, qualified local school
5 district employee, or other individual teaches the course or
6 courses in the program.

7 (iv) The total cost to the community college to operate the
8 program.

9 (v) The cost per credit hour for the course or courses in the
10 program.

11 (vi) The location where the course or courses in the program
12 are held.

13 (vii) Instructional resources offered to the program
14 instructors.

15 (viii) Resources offered to the student in the program.

16 (ix) Transportation services provided to students in the
17 program.

18 Sec. 209a. (1) A public community college shall develop,
19 maintain, and update a "campus safety information and resources"
20 link, prominently displayed on the homepage of its website, to a
21 section of its website containing all of the information required
22 under subsection (2).

23 (2) The "campus safety information and resources" section of a
24 public community college's website shall include, but not be
25 limited to, all of the following information:

26 (a) Emergency contact numbers for police, fire, health, and
27 other services.

28 (b) Hours, locations, phone numbers, and electronic mail
29 contacts for campus public safety offices and title IX offices.



1 (c) A list of safety and security services provided by the
2 community college, including transportation, escort services,
3 building surveillance, anonymous tip lines, and other available
4 security services.

5 (d) A public community college's policies applicable to minors
6 on community college property.

7 (e) A directory of resources available at the community
8 college or surrounding community for students or employees who are
9 survivors of sexual assault or sexual abuse.

10 (f) An electronic copy of "A Resource Handbook for Campus
11 Sexual Assault Survivors, Friends and Family", published in 2018.
12 ~~by the office of the governor in conjunction with the first lady of~~
13 ~~Michigan.~~

14 (g) Campus security policies and crime statistics pursuant to
15 the student right-to-know and campus security act, Public Law 101-
16 542, 104 Stat 2381. Information shall include all material prepared
17 pursuant to the public information reporting requirements under the
18 crime awareness and campus security act of 1990, title II of the
19 student right-to-know and campus security act, Public Law 101-542,
20 104 Stat 2381.

21 (3) A community college shall certify to the state budget
22 director by October 1, ~~2019 and the last business day of each~~
23 ~~August thereafter,~~ **2020** that it is in compliance with this section.
24 The state budget director may withhold a public community college's
25 monthly installments described in section 206 until the public
26 community college complies with this section.

27 Sec. 217. (1) The center shall do all of the following:

28 (a) Establish, maintain, and coordinate the state community
29 college database commonly known as the "Michigan Community College



1 Data Inventory".

2 (b) Collect data concerning community colleges and community
3 college programs in this state, including data required by law.

4 (c) Establish procedures to ensure the validity and
5 reliability of the data and the collection process.

6 (d) Develop model data collection policies, including, but not
7 limited to, policies that ensure the privacy of any individual
8 student data. Privacy policies shall ensure that student ~~social~~
9 ~~security~~ **Social Security** numbers are not released to the public for
10 any purpose.

11 (e) Provide data in a useful manner to allow state
12 policymakers and community college officials to make informed
13 policy decisions.

14 (f) Compile and publish electronically the demographic
15 enrollment profile.

16 (g) Compile and publish the community college performance
17 improvement and performance completion rate data to support the
18 performance funding formula metrics specified in section 230(1)(c)
19 and (e).

20 (2) There is created within the center the Michigan Community
21 College Data Inventory advisory committee. The committee shall
22 provide advice to the director of the center regarding the
23 management of the state community college database, including, but
24 not limited to:

25 (a) Determining what data are necessary to collect and
26 maintain to enable state and community college officials to make
27 informed policy decisions.

28 (b) Defining the roles of all stakeholders in the data
29 collection system.



1 (c) Recommending timelines for the implementation and ongoing
2 collection of data.

3 (d) Establishing and maintaining data definitions, data
4 transmission protocols, and system specifications and procedures
5 for the efficient and accurate transmission and collection of data.

6 (e) Establishing and maintaining a process for ensuring the
7 accuracy of the data.

8 (f) Establishing and maintaining policies related to data
9 collection, including, but not limited to, privacy policies related
10 to individual student data.

11 (g) Ensuring that the data are made available to state
12 policymakers and citizens of this state in the most useful format
13 possible.

14 (h) Addressing other matters as determined by the director of
15 the center or as required by law.

16 (3) The Michigan Community College Data Inventory advisory
17 committee created in subsection (2) shall consist of the following
18 members:

19 (a) One representative from the house fiscal agency, appointed
20 by the director of the house fiscal agency.

21 (b) One representative from the senate fiscal agency,
22 appointed by the director of the senate fiscal agency.

23 (c) One representative from the ~~workforce development agency,~~
24 **department of labor and economic opportunity**, appointed by the
25 director of the ~~workforce development agency.~~**department of labor**
26 **and economic opportunity.**

27 (d) One representative from the center, appointed by the
28 director of the center.

29 (e) One representative from the state budget office, appointed



1 by the state budget director.

2 (f) One representative from the governor's policy office,
3 appointed by that office.

4 (g) Four representatives of the Michigan Community College
5 Association, appointed by the president of the association, that
6 represent a diverse mix of college sizes.

7 Sec. 222. Each community college shall have an annual audit of
8 all income and expenditures performed by an independent auditor and
9 shall furnish the independent auditor's management letter and an
10 annual audited accounting of all general and current funds income
11 and expenditures including audits of college foundations to the
12 center before ~~November~~ **December 15 for fiscal year 2020-2021 and**
13 **November 15** of each year **thereafter**. The center shall provide this
14 information to members of the senate and house appropriations
15 subcommittees on community colleges, the senate and house fiscal
16 agencies, the auditor general, the ~~workforce development agency,~~
17 **department of labor and economic opportunity**, and the state budget
18 director. If a community college fails to furnish the audit
19 materials, the monthly state aid installments shall be withheld
20 from that college until the information is submitted. All reporting
21 shall conform to the requirements set forth in the "2001 Manual for
22 Uniform Financial Reporting, Michigan Public Community Colleges". A
23 community college shall make the information the community college
24 is required to provide under this section available to the public
25 on its website.

26 Sec. 223. (1) By ~~February~~ **January** 15 of each year, the
27 department of civil rights shall annually submit to the state
28 budget director, the house and senate appropriations subcommittees
29 on community colleges, and the house and senate fiscal agencies a



1 report on North American Indian tuition waivers for the preceding
2 academic year that includes, but is not limited to, all of the
3 following information:

4 (a) The number of waiver applications received and the number
5 of waiver applications approved.

6 (b) For each community college submitting information under
7 subsection (2), all of the following:

8 (i) The number of North American Indian students enrolled each
9 term for the previous academic year.

10 (ii) The number of North American Indian waivers granted each
11 term, including continuing education students, and the monetary
12 value of the waivers for the previous academic year.

13 (iii) The number of students attending under a North American
14 Indian tuition waiver who withdrew from the college each term
15 during the previous academic year. For purposes of this
16 subparagraph, a withdrawal occurs when a student who has been
17 awarded the waiver withdraws from the institution at any point
18 during the term, regardless of enrollment in subsequent terms.

19 (iv) The number of students attending under a North American
20 Indian tuition waiver who successfully complete a degree or
21 certificate program, separated by degree or certificate level, and
22 the graduation rate for students attending under a North American
23 Indian tuition waiver who complete a degree or certificate within
24 150% of the normal time to complete, separated by the level of the
25 degree or certificate.

26 (2) A community college that receives funds under section 201
27 **or a tribal institution that receives funding for the North**
28 **American Indian tuition waiver** shall provide to the department of
29 civil rights any information necessary for preparing the report



1 described in subsection (1), using guidelines and procedures
2 developed by the department of civil rights.

3 (3) The department of civil rights may consolidate the report
4 required under this section with the report required under section
5 268, but a consolidated report must separately identify data for
6 universities and data for community colleges.

7 Sec. 226. Each community college shall report to the center by
8 October 15 of each year the numbers and type of associate degrees
9 and other certificates awarded by the community college during the
10 previous academic year ~~using the~~ **for inclusion in the statewide P-**
11 **20** longitudinal data system.

12 **Sec. 226a. A community college receiving an appropriation in**
13 **section 201 shall place a prominent link to the website created**
14 **under section 260 on its website homepage.**

15 **Sec. 226b. (1) By September 30, 2021, each community college**
16 **receiving an appropriation in section 201 shall submit a report to**
17 **the senate and house appropriations subcommittees on community**
18 **colleges, the senate and house fiscal agencies, and the state**
19 **budget director containing the following information:**

20 (a) **The number of students enrolled during the 2020-2021**
21 **academic year.**

22 (b) **The number of courses offered by course type.**

23 (c) **The number of students enrolled by course type.**

24 (d) **The drop rate and pass/fail rate by course type.**

25 (e) **The average number of credit hours for which each student**
26 **was enrolled at the start and end of each semester.**

27 (f) **The number of students residing on campus each semester.**

28 (g) **The number of students residing on campus between**
29 **semesters.**



1 (2) By November 1, 2020, each community college receiving an
2 appropriation in section 201 shall submit a report to the senate
3 and house appropriations subcommittees on community colleges, the
4 senate and house fiscal agencies, and the state budget director
5 containing the following information:

6 (a) A list of any student fees assessed related to online
7 learning, and the amount of those fees.

8 (b) A list of any student fees assessed related to COVID-19,
9 and the amount of those fees.

10 (c) A timeline of when decisions regarding the course types
11 offered during the 2020-2021 academic year were made, and whether
12 there were changes to those decisions before the academic year
13 began.

14 (d) An overview of COVID-19 mitigation strategies employed or
15 that may be employed, if necessary.

16 (e) An overview of COVID-19 testing criteria and mitigation
17 strategies employed for controlling an outbreak on campus.

18 (3) As used in this section, "course type" means the style of
19 course delivery as being in-person, online, or as a hybrid of in-
20 person and online learning.

21 Sec. 226d. By February 1, 2021, each community college shall
22 submit to the senate and house appropriations subcommittees on
23 community colleges, the senate and house fiscal agencies, and the
24 state budget director a report on activities related to strategic
25 planning and internal assessment or reassessment to best provide
26 for open and free expression and speech, while protecting students
27 from hate-speech, violence, and discrimination.

28 Sec. 226e. It is the intent of the legislature to ensure that
29 60% of Michigan's residents achieve a postsecondary credential,



1 **high-quality industry certification, associate degree, or**
 2 **bachelor's degree by 2030.**

3 Sec. 229. (1) Each community college that receives an
 4 appropriation in section 201 is expected to include in its
 5 admission application process a specific question as to whether an
 6 applicant for admission has ever served or is currently serving in
 7 the United States Armed Forces or is the spouse or dependent of an
 8 individual who has served or is currently serving in the United
 9 States Armed Forces, in order to more quickly identify potential
 10 educational assistance available to that applicant.

11 (2) It is expected that each public community college that
 12 receives an appropriation in section 201 shall work with the house
 13 and senate community college subcommittees, the Michigan Community
 14 College Association, and veterans groups to review the issue of in-
 15 district tuition for veterans of this state when determining
 16 tuition rates and fees.

17 **(3) Each community college that receives an appropriation in**
 18 **section 201 is expected to provide reasonable programming and**
 19 **scheduling accommodations necessary to facilitate a student's**
 20 **military, national guard, or military reserves duties and training**
 21 **obligations.**

22 **(4) ~~(3)~~**As used in this section, "veteran" means an honorably
 23 discharged veteran entitled to educational assistance under the
 24 provisions of section 5003 of the post-911 veterans educational
 25 assistance act of 2008, 38 USC 3301 to 3327.

26 Sec. 229a. Included in the fiscal year ~~2019-2020~~**2020-2021**
 27 appropriations for the department of technology, management, and
 28 budget are appropriations totaling ~~\$34,181,600.00~~**\$35,696,200.00** to
 29 provide funding for the state share of costs for previously



1 constructed capital projects for community colleges. Those
 2 appropriations for state building authority rent represent
 3 additional state general fund support for community colleges, and
 4 the following is an estimate of the amount of that support to each
 5 community college:

- 6 (a) Alpena Community College, ~~\$702,500.00~~ **\$701,800.00**.
- 7 (b) Bay de Noc Community College, ~~\$679,000.00~~ **\$686,600.00**.
- 8 (c) Delta College, ~~\$3,905,300.00~~ **\$3,845,000.00**.
- 9 (d) Glen Oaks Community College, ~~\$123,400.00~~ **\$124,700.00**.
- 10 (e) Gogebic Community College, ~~\$56,200.00~~ **\$56,800.00**.
- 11 (f) Grand Rapids Community College,
 12 ~~\$2,208,700.00~~ **\$2,604,800.00**.
- 13 (g) Henry Ford College, ~~\$1,031,000.00~~ **\$1,042,600.00**.
- 14 (h) Jackson College, ~~\$2,170,400.00~~ **\$2,194,800.00**.
- 15 (i) Kalamazoo Valley Community College,
 16 ~~\$1,947,700.00~~ **\$1,969,600.00**.
- 17 (j) Kellogg Community College, ~~\$715,300.00~~ **\$688,600.00**.
- 18 (k) Kirtland Community College, ~~\$639,100.00~~ **\$228,200.00**.
- 19 (l) Lake Michigan College, ~~\$532,300.00~~ **\$1,032,500.00**.
- 20 (m) Lansing Community College, ~~\$1,144,300.00~~ **\$1,157,200.00**.
- 21 (n) Macomb Community College, ~~\$1,653,900.00~~ **\$1,672,400.00**.
- 22 (o) Mid Michigan Community College,
 23 ~~\$1,619,700.00~~ **\$1,637,900.00**.
- 24 (p) Monroe County Community College,
 25 ~~\$1,604,900.00~~ **\$1,585,200.00**.
- 26 (q) Montcalm Community College, ~~\$973,900.00~~ **\$984,800.00**.
- 27 (r) C.S. Mott Community College, ~~\$1,808,300.00~~ **\$2,157,600.00**.
- 28 (s) Muskegon Community College, ~~\$1,076,800.00~~ **\$996,000.00**.
- 29 (t) North Central Michigan College, ~~\$490,900.00~~ **\$694,700.00**.



1 (u) Northwestern Michigan College,

2 ~~\$1,471,300.00.~~ **\$1,857,000.00.**

3 (v) Oakland Community College, ~~\$466,400.00.~~ **\$471,600.00.**

4 (w) Schoolcraft College, ~~\$1,550,600.00.~~ **\$1,770,800.00.**

5 (x) Southwestern Michigan College, ~~\$890,100.00.~~ **\$834,200.00.**

6 (y) St. Clair County Community College,

7 ~~\$799,300.00.~~ **\$758,600.00.**

8 (z) Washtenaw Community College, ~~\$1,680,900.00.~~ **\$1,699,800.00.**

9 (aa) Wayne County Community College,

10 ~~\$1,466,300.00.~~ **\$1,482,800.00.**

11 (bb) West Shore Community College, ~~\$773,100.00.~~ **\$759,600.00.**

12 Sec. 230. (1) ~~Money~~ **With the exception of fiscal year 2020-**

13 **2021, money** included in the appropriations for community college

14 operations under section 201(2) ~~in fiscal year 2019-2020~~ for

15 performance funding is distributed based on the following formula:

16 (a) Allocated proportionate to fiscal year 2018-2019 base
17 appropriations, 30%.

18 (b) Based on a weighted student contact hour formula as
19 provided for in the 2016 recommendations of the performance
20 indicators task force, ~~25%.~~ **30%.**

21 (c) Based on the performance improvement as provided for in
22 the 2016 recommendations of the performance indicators task force
23 and based on data provided by the center, 10%.

24 (d) Based on the performance completion number as provided for
25 in the 2016 recommendations of the performance indicators task
26 force, 10%.

27 (e) Based on the performance completion rate as provided for
28 in the 2016 recommendations of the performance indicators task
29 force and based on data provided by the center, 10%.



1 (f) Based on administrative costs, 5%.

2 (g) Based on the local strategic value component, as developed
3 in cooperation with the Michigan Community College Association and
4 described in subsection (2), 5%.

5 ~~(h) Based on the 6 community colleges with the lowest taxable~~
6 ~~values in the 2017-2018 Michigan community college data inventory~~
7 ~~report, weighted by fiscal year equated students, 5%.~~

8 (2) Money included in the appropriations for community college
9 operations under section 201(2) for local strategic value shall be
10 allocated to each community college that certifies to the state
11 budget director, through a board of trustees resolution on or
12 before October 15, ~~2019~~, **2020**, that the college has met 4 out of 5
13 best practices listed in each category described in subsection (3).
14 The resolution shall provide specifics as to how the community
15 college meets each best practice measure within each category. One-
16 third of funding available under the strategic value component
17 shall be allocated to each category described in subsection (3).
18 Amounts distributed under local strategic value shall be on a
19 proportionate basis to each college's fiscal year ~~2018-2019~~**2019-**
20 **2020** operations funding. Payments to community colleges that
21 qualify for local strategic value funding shall be distributed with
22 the November installment payment described in section 206.

23 (3) For purposes of subsection (2), the following categories
24 of best practices reflect functional activities of community
25 colleges that have strategic value to the local communities and
26 regional economies:

27 (a) For Category A, economic development and business or
28 industry partnerships, the following:

29 (i) The community college has active partnerships with local



1 employers including hospitals and health care providers.

2 (ii) The community college provides customized on-site training
3 for area companies, employees, or both.

4 (iii) The community college supports entrepreneurship through a
5 small business assistance center or other training or consulting
6 activities targeted toward small businesses.

7 (iv) The community college supports technological advancement
8 through industry partnerships, incubation activities, or operation
9 of a Michigan technical education center or other advanced
10 technology center.

11 (v) The community college has active partnerships with local
12 or regional workforce and economic development agencies.

13 (b) For Category B, educational partnerships, the following:

14 (i) The community college has active partnerships with regional
15 high schools, intermediate school districts, and career-tech
16 centers to provide instruction through dual enrollment, concurrent
17 enrollment, direct credit, middle college, or academy programs.

18 (ii) The community college hosts, sponsors, or participates in
19 enrichment programs for area K-12 students, such as college days,
20 summer or after-school programming, or Science Olympiad.

21 (iii) The community college provides, supports, or participates
22 in programming to promote successful transitions to college for
23 traditional age students, including grant programs such as talent
24 search, upward bound, or other activities to promote college
25 readiness in area high schools and community centers.

26 (iv) The community college provides, supports, or participates
27 in programming to promote successful transitions to college for new
28 or reentering adult students, such as adult basic education, a high
29 school equivalency test preparation program and testing, or



1 recruiting, advising, or orientation activities specific to adults.
2 As used in this subparagraph, "high school equivalency test
3 preparation program" means that term as defined in section 4.

4 (v) The community college has active partnerships with
5 regional 4-year colleges and universities to promote successful
6 transfer, such as articulation, 2+2, or reverse transfer agreements
7 or operation of a university center.

8 (c) For Category C, community services, the following:

9 (i) The community college provides continuing education
10 programming for leisure, wellness, personal enrichment, or
11 professional development.

12 (ii) The community college operates or sponsors opportunities
13 for community members to engage in activities that promote leisure,
14 wellness, cultural or personal enrichment such as community sports
15 teams, theater or musical ensembles, or artist guilds.

16 (iii) The community college operates public facilities to
17 promote cultural, educational, or personal enrichment for community
18 members, such as libraries, computer labs, performing arts centers,
19 museums, art galleries, or television or radio stations.

20 (iv) The community college operates public facilities to
21 promote leisure or wellness activities for community members,
22 including gymnasiums, athletic fields, tennis courts, fitness
23 centers, hiking or biking trails, or natural areas.

24 (v) The community college promotes, sponsors, or hosts
25 community service activities for students, staff, or community
26 members.

27 (4) Payments for performance funding under section 201(2)
28 shall be made to a community college only if that community college
29 actively participates in the Michigan Transfer Network sponsored by



1 the Michigan Association of Collegiate Registrars and Admissions
 2 Officers and submits timely updates, including updated course
 3 equivalencies at least every 6 months, to the Michigan transfer
 4 network. The state budget director shall determine if a community
 5 college has not satisfied this requirement. The state budget
 6 director may withhold payments for performance funding until a
 7 community college is in compliance with this section.

8 Sec. 236. (1) Subject to the conditions set forth in this
 9 article, the amounts listed in this section are appropriated for
 10 higher education for the fiscal year ending September 30, ~~2020,~~
 11 **2021**, from the funds indicated in this section. The following is a
 12 summary of the appropriations in this section: ~~and 236g:~~

13 (a) The gross appropriation is ~~\$1,691,395,000.00.~~
 14 **\$1,699,925,400.00**. After deducting total interdepartmental grants
 15 and intradepartmental transfers in the amount of \$0.00, the
 16 adjusted gross appropriation is
 17 ~~\$1,691,395,000.00.~~ **\$1,699,925,400.00**.

18 (b) The sources of the adjusted gross appropriation described
 19 in subdivision (a) are as follows:

20 (i) Total federal revenues, ~~\$297,753,000.00.~~ **\$126,026,400.00**.

21 (ii) Total local revenues, \$0.00.

22 (iii) Total private revenues, \$0.00.

23 (iv) Total other state restricted revenues,
 24 ~~\$185,692,700.00.~~ **\$356,063,300.00**.

25 (v) State general fund/general purpose money,
 26 ~~\$1,207,949,300.00.~~ **\$1,217,835,700.00**.

27 (2) Amounts appropriated for public universities are as
 28 follows:

29 (a) The appropriation for Central Michigan University is



1 ~~\$79,406,800.00, \$77,335,600.00~~ **\$89,564,500.00, \$87,600,000.00** for
 2 operations, ~~\$473,100.00~~ **\$0.00** for performance funding, and
 3 ~~\$1,598,100.00~~ **\$1,964,500.00** for costs incurred under the North
 4 American Indian tuition waiver.

5 (b) The appropriation for Eastern Michigan University is
 6 ~~\$68,897,800.00, \$68,207,300.00~~ **\$77,555,200.00, \$77,253,700.00** for
 7 operations, ~~\$388,200.00~~ **\$0.00** for performance funding, and
 8 ~~\$302,300.00~~ **\$301,500.00** for costs incurred under the North
 9 American Indian tuition waiver.

10 (c) The appropriation for Ferris State University is
 11 ~~\$49,865,900.00, \$48,598,300.00~~ **\$55,934,300.00, \$55,025,500.00** for
 12 operations, ~~\$260,300.00~~ **\$0.00** for performance funding, and
 13 ~~\$1,007,300.00~~ **\$908,800.00** for costs incurred under the North
 14 American Indian tuition waiver.

15 (d) The appropriation for Grand Valley State University is
 16 ~~\$65,284,000.00, \$63,735,600.00~~ **\$73,490,700.00, \$72,313,500.00** for
 17 operations, ~~\$473,400.00~~ **\$0.00** for performance funding, and
 18 ~~\$1,075,000.00~~ **\$1,177,200.00** for costs incurred under the North
 19 American Indian tuition waiver.

20 (e) The appropriation for Lake Superior State University is
 21 ~~\$12,858,400.00, \$11,853,200.00~~ **\$15,252,100.00, \$13,307,000.00** for
 22 operations, ~~\$51,200.00~~ **\$0.00** for performance funding, and
 23 ~~\$954,000.00~~ **\$945,100.00** for costs incurred under the North American
 24 Indian tuition waiver, **and \$1,000,000.00 for a 1-time pass-through**
 25 **payment for Bay Mills Community College.**

26 (f) The appropriation for Michigan State University is
 27 ~~\$321,670,300.00, \$253,773,700.00~~ **\$354,009,100.00, \$287,331,700.00**
 28 for operations, ~~\$1,355,500.00~~ **\$0.00** for performance funding,
 29 ~~\$1,467,700.00~~ **\$1,604,000.00** for costs incurred under the North



1 American Indian tuition waiver, \$34,937,300.00 for MSU
2 AgBioResearch, and \$30,136,100.00 for MSU Extension.

3 (g) The appropriation for Michigan Technological University is
4 ~~\$44,953,000.00, \$44,250,000.00~~ **\$50,795,200.00, \$50,101,600.00** for
5 operations, ~~\$236,500.00~~ **\$0.00** for performance funding, and
6 ~~\$466,500.00~~ **\$693,600.00** for costs incurred under the North American
7 Indian tuition waiver.

8 (h) The appropriation for Northern Michigan University is
9 ~~\$43,550,900.00, \$42,244,100.00~~ **\$48,869,700.00, \$47,809,100.00** for
10 operations, ~~\$206,800.00~~ **\$0.00** for performance funding, and
11 ~~\$1,100,000.00~~ **\$1,060,600.00** for costs incurred under the North
12 American Indian tuition waiver.

13 (i) The appropriation for Oakland University is
14 ~~\$47,476,000.00, \$46,811,300.00~~ **\$53,413,500.00, \$53,147,400.00** for
15 operations, ~~\$379,600.00~~ **\$0.00** for performance funding, and
16 ~~\$285,100.00~~ **\$266,100.00** for costs incurred under the North American
17 Indian tuition waiver.

18 (j) The appropriation for Saginaw Valley State University is
19 ~~\$27,380,000.00, \$27,043,100.00~~ **\$30,803,300.00, \$30,583,800.00** for
20 operations, ~~\$113,000.00~~ **\$0.00** for performance funding, and
21 ~~\$223,900.00~~ **\$219,500.00** for costs incurred under the North American
22 Indian tuition waiver.

23 (k) The appropriation for University of Michigan - Ann Arbor
24 is ~~\$286,689,000.00, \$284,363,300.00~~ **\$322,931,100.00,**
25 **\$321,970,100.00** for operations, ~~\$1,522,200.00~~ **\$0.00** for performance
26 funding, and ~~\$803,500.00~~ **\$961,000.00** for costs incurred under the
27 North American Indian tuition waiver.

28 (l) The appropriation for University of Michigan - Dearborn is
29 ~~\$23,394,600.00, \$23,074,000.00~~ **\$26,334,800.00, \$26,167,000.00** for



1 operations, ~~\$160,400.00~~ **\$0.00** for performance funding, and
 2 ~~\$160,200.00~~ **\$167,800.00** for costs incurred under the North American
 3 Indian tuition waiver.

4 (m) The appropriation for University of Michigan - Flint is
 5 ~~\$21,246,400.00, \$20,860,700.00~~ **\$23,964,400.00, \$23,616,200.00** for
 6 operations, ~~\$108,700.00~~ **\$0.00** for performance funding, and
 7 ~~\$277,000.00~~ **\$348,200.00** for costs incurred under the North American
 8 Indian tuition waiver.

9 (n) The appropriation for Wayne State University is
 10 ~~\$180,663,300.00, \$179,461,100.00~~ **\$203,458,900.00, \$202,996,700.00**
 11 for operations, ~~\$785,000.00~~ **\$0.00** for performance funding, and
 12 ~~\$417,200.00~~ **\$462,200.00** for costs incurred under the North American
 13 Indian tuition waiver.

14 (o) The appropriation for Western Michigan University is
 15 ~~\$99,791,300.00, \$98,538,400.00~~ **\$112,363,900.00, \$111,522,200.00** for
 16 operations, ~~\$485,000.00~~ **\$0.00** for performance funding, and
 17 ~~\$767,900.00~~ **\$841,700.00** for costs incurred under the North American
 18 Indian tuition waiver.

19 (3) The amount appropriated in subsection (2) for public
 20 universities is ~~\$1,373,127,700.00,~~ **\$1,538,740,700.00**, appropriated
 21 from the following:

22 (a) State school aid fund, ~~\$179,441,700.00~~ **\$343,168,300.00**.

23 (b) State general fund/general purpose money,
 24 ~~\$1,193,686,000.00~~ **\$1,195,572,400.00**.

25 (4) The amount appropriated for Michigan public school
 26 employees' retirement system reimbursement is ~~\$5,017,000.00,~~
 27 **\$11,695,000.00**, appropriated from the state school aid fund.

28 (5) The amount appropriated for state and regional programs is
 29 \$315,000.00, appropriated from general fund/general purpose money



1 and allocated as follows:

2 (a) Higher education database modernization and conversion,
3 \$200,000.00.

4 (b) Midwestern Higher Education Compact, \$115,000.00.

5 (6) The amount appropriated for the Martin Luther King, Jr. -
6 Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated
7 from general fund/general purpose money and allocated as follows:

8 (a) Select student support services, \$1,956,100.00.

9 (b) Michigan college/university partnership program,
10 \$586,800.00.

11 (c) Morris Hood, Jr. educator development program,
12 \$148,600.00.

13 (7) Subject to subsection (8), the amount appropriated for
14 grants and financial aid is \$145,283,200.00, allocated as follows:

15 (a) State competitive scholarships, \$29,861,700.00.

16 (b) Tuition grants, \$42,021,500.00.

17 (c) Tuition incentive program, \$68,800,000.00.

18 (d) Children of veterans and officer's survivor tuition grant
19 programs, \$1,400,000.00.

20 (e) Project GEAR-UP, \$3,200,000.00.

21 (8) The money appropriated in subsection (7) for grants and
22 financial aid is appropriated from the following:

23 (a) Federal revenues under the United States Department of
24 Education, Office of Elementary and Secondary Education, GEAR-UP
25 program, \$3,200,000.00.

26 (b) Federal revenues under the social security act, temporary
27 assistance for needy families, ~~\$130,826,400.00~~ **\$122,826,400.00**.

28 (c) State general fund/general purpose money,
29 ~~\$11,256,800.00~~ **\$19,256,800.00**.



1 (9) For fiscal year ~~2019-2020~~**2020-2021** only, in addition to
2 the allocation under subsection (4), from the appropriations
3 described in subsection (1), there is allocated an amount not to
4 exceed ~~\$1,234,000.00~~**\$1,200,000.00** for payments to participating
5 public universities, appropriated from the state school aid fund. A
6 university that receives money under this subsection shall use that
7 money solely for the purpose of offsetting the normal cost
8 contribution rate. As used in this subsection, "participating
9 public universities" means public universities that are a reporting
10 unit of the Michigan public school employees' retirement system
11 under the public school employees retirement act of 1979, 1980 PA
12 300, MCL 38.1301 to 38.1437, and that pay contributions to the
13 Michigan public school employees' retirement system for the state
14 fiscal year.

15 ~~(10) If the department of technology, management, and budget~~
16 ~~determines that this state has overpaid the amount of operations~~
17 ~~and performance funding allocated to a university under this~~
18 ~~article, the department shall establish as a receivable the amount~~
19 ~~of overpayment and shall recoup the amount from the university in~~
20 ~~subsequent monthly apportionments of operations and performance~~
21 ~~funding. The full amount of overpayment must be recouped within 1~~
22 ~~fiscal year.~~

23 Sec. 236b. In addition to the funds appropriated in section
24 236, there is appropriated for grants and financial aid in fiscal
25 year ~~2019-2020~~**2020-2021** an amount not to exceed \$6,000,000.00 for
26 federal contingency funds. These funds are not available for
27 expenditure until they have been transferred under section 393(2)
28 of the management and budget act, 1984 PA 431, MCL 18.1393, for
29 another purpose under this article.



1 Sec. 236c. In addition to the funds appropriated for fiscal
 2 year ~~2019-2020-2020-2021~~ in section 236, appropriations to the
 3 department of technology, management, and budget in the act
 4 providing general appropriations for fiscal year ~~2019-2020-2020-~~
 5 **2021** for state building authority rent, totaling an estimated
 6 ~~\$144,995,300.00~~ **\$145,848,500.00** provide funding for the state share
 7 of costs for previously constructed capital projects for state
 8 universities. These appropriations for state building authority
 9 rent represent additional state general fund support provided to
 10 public universities, and the following is an estimate of the amount
 11 of that support to each university:

12 (a) Central Michigan University,

13 ~~\$12,141,800.00~~ **\$13,078,900.00.**

14 (b) Eastern Michigan University, ~~\$7,673,600.00~~ **\$7,074,300.00.**

15 (c) Ferris State University, ~~\$8,434,200.00~~ **\$7,939,200.00.**

16 (d) Grand Valley State University,

17 ~~\$6,752,400.00~~ **\$7,229,800.00.**

18 (e) Lake Superior State University,

19 ~~\$1,856,100.00~~ **\$1,805,200.00.**

20 (f) Michigan State University, ~~\$15,514,900.00~~ **\$15,199,500.00.**

21 (g) Michigan Technological University,

22 ~~\$6,912,500.00~~ **\$6,805,300.00.**

23 (h) Northern Michigan University, ~~\$7,449,600.00~~ **\$7,334,200.00.**

24 (i) Oakland University, ~~\$12,908,600.00~~ **\$12,708,600.00.**

25 (j) Saginaw Valley State University,

26 ~~\$10,670,900.00~~ **\$7,907,100.00.**

27 (k) University of Michigan - Ann Arbor,

28 ~~\$9,795,900.00~~ **\$9,644,100.00.**

29 (l) University of Michigan - Dearborn,



1 ~~\$9,522,700.00.~~ **\$11,106,100.00.**

2 (m) University of Michigan - Flint,

3 ~~\$4,128,900.00.~~ **\$6,413,000.00.**

4 (n) Wayne State University, ~~\$16,008,000.00.~~ **\$16,610,900.00.**

5 (o) Western Michigan University,

6 ~~\$15,225,200.00.~~ **\$14,989,300.00.**

7 Sec. 237b. As used in this article, ÷

8 ~~(a) "Center"~~ **"center"** means the center for educational
9 performance and information created in section 94a.

10 ~~(b) "Workforce development agency" means the workforce~~
11 ~~development agency within the department of talent and economic~~
12 ~~development--talent investment agency.~~

13 Sec. 238. Unless otherwise specified, a public university
14 receiving appropriations in section 236 shall use the internet to
15 fulfill the reporting requirements of this article. This
16 requirement ~~may include~~ **includes** transmission of reports via
17 electronic mail to the recipients identified for each reporting
18 requirement ~~, or it may include~~ **and** placement of reports on an
19 internet ~~or intranet~~ site.

20 Sec. 241. (1) Subject to sections 244 and 265a, the funds
21 appropriated in section 236 to public universities shall be paid
22 out of the state treasury and distributed by the state treasurer to
23 the respective institutions in 11 equal monthly installments on the
24 sixteenth of each month, or the next succeeding business day,
25 beginning with October 16, ~~2019.~~ **2020.** Except for Wayne State
26 University, each institution shall accrue its July and August ~~2020~~
27 **2021** payments to its institutional fiscal year ending June 30,
28 ~~2020.~~ **2021.**

29 (2) All public universities shall submit higher education



1 institutional data inventory (HEIDI) data and associated financial
 2 and program information requested by and in a manner prescribed by
 3 the state budget director. For public universities with fiscal
 4 years ending June 30, ~~2019~~, these data shall be submitted to the
 5 state budget director by ~~October~~ **November** 15, ~~2019~~. **for fiscal**
 6 **year 2020-2021 and October 15 of each fiscal year thereafter.**

7 Public universities with a fiscal year ending September 30, ~~2019~~
 8 **2020** shall submit preliminary HEIDI data by November 15, ~~2019~~ **2020**
 9 and final data by December 15, ~~2019~~ **2020**. If a public university
 10 fails to submit HEIDI data and associated financial aid program
 11 information in accordance with this reporting schedule, the state
 12 treasurer may withhold the monthly installments under subsection
 13 (1) to the public university until those data are submitted.

14 Sec. 242. Funds received by the state from the federal
 15 government or private sources for the use of a college or
 16 university are appropriated for the purposes for which they are
 17 provided. ~~The acceptance and use of federal or private funds do not~~
 18 ~~place an obligation on the legislature to continue the purposes for~~
 19 ~~which the funds are made available.~~

20 Sec. 245. (1) A public university shall maintain a public
 21 transparency website available through a link on its website
 22 homepage. The public university shall update this website within 30
 23 days after the university's governing board adopts its annual
 24 operating budget for the next academic year, or after the governing
 25 board adopts a subsequent revision to that budget.

26 (2) The website required under subsection (1) shall include
 27 all of the following concerning the public university:

28 (a) The annual operating budget and subsequent budget
 29 revisions.



1 (b) A summary of current expenditures for the most recent
2 fiscal year for which they are available, expressed as pie charts
3 in the following 2 categories:

4 (i) A chart of personnel expenditures, broken into the
5 following subcategories:

6 (A) Earnings and wages.

7 (B) Employee benefit costs, including, but not limited to,
8 medical, dental, vision, life, disability, and long-term care
9 benefits.

10 (C) Retirement benefit costs.

11 (D) All other personnel costs.

12 (ii) A chart of all current expenditures the public university
13 reported as part of its higher education institutional data
14 inventory data under section 241(2), broken into the same
15 subcategories in which it reported those data.

16 (c) Links to all of the following for the public university:

17 (i) The current collective bargaining agreement for each
18 bargaining unit.

19 (ii) Each health care benefits plan, including, but not limited
20 to, medical, dental, vision, disability, long-term care, or any
21 other type of benefits that would constitute health care services,
22 offered to any bargaining unit or employee of the public
23 university.

24 (iii) Audits and financial reports for the most recent fiscal
25 year for which they are available.

26 (d) A list of all positions funded partially or wholly through
27 institutional general fund revenue that includes the position title
28 and annual salary or wage amount for each position.

29 (e) General fund revenue and expenditure projections for the



1 current fiscal year and the next fiscal year.

2 (f) A listing of all debt service obligations, detailed by
3 project, anticipated fiscal year payment for each project, and
4 total outstanding debt for the current fiscal year.

5 (g) The institution's policy regarding the transferability of
6 core college courses between community colleges and the university.

7 (h) A listing of all community colleges that have entered into
8 reverse transfer agreements with the university.

9 (3) On the website required under subsection (1), a public
10 university shall provide a dashboard or report card demonstrating
11 the university's performance in several "best practice" measures.
12 The dashboard or report card shall include at least all of the
13 following for the 3 most recent academic years for which the data
14 are available:

15 (a) Enrollment.

16 (b) Student retention rate.

17 (c) Six-year graduation rates.

18 (d) Number of Pell grant recipients and graduating Pell grant
19 recipients.

20 (e) Geographic origination of students, categorized as in-
21 state, out-of-state, and international.

22 (f) Faculty to student ratios and total university employee to
23 student ratios.

24 (g) Teaching load by faculty classification.

25 (h) Graduation outcome rates, including employment and
26 continuing education.

27 (4) For statewide consistency and public visibility, public
28 universities must use the icon badge provided by the department of
29 technology, management, and budget consistent with the icon badge



1 developed by the department of education for K-12 school districts.
2 It must appear on the front of each public university's homepage.
3 The size of the icon may be reduced to 150 x 150 pixels. The font
4 size and style for this reporting must be consistent with other
5 documents on each university's website.

6 (5) The state budget director shall determine whether a public
7 university has complied with this section. The state budget
8 director may withhold a public university's monthly installments
9 described in section 241 until the public university complies with
10 this section.

11 (6) By the first business day of November of each year, a
12 public university shall ~~report the following information to the~~
13 ~~center and~~ post the **following** information on its website under the
14 budget transparency icon badge:

15 (a) Opportunities for earning college credit through the
16 following programs:

17 (i) State approved career and technical education or a tech
18 prep articulated program of study.

19 (ii) Direct college credit or concurrent enrollment.

20 (iii) Dual enrollment.

21 (iv) An early college/middle college program.

22 (b) For each program described in subdivision (a) that the
23 public university offers, all of the following information:

24 (i) The number of high school students participating in the
25 program.

26 (ii) The number of school districts that participate in the
27 program with the public university.

28 (iii) Whether a university professor, qualified local school
29 district employee, or other individual teaches the course or



1 courses in the program.

2 (iv) The total cost to the public university to operate the
3 program.

4 (v) The cost per credit hour for the course or courses in the
5 program.

6 (vi) The location where the course or courses in the program
7 are held.

8 (vii) Instructional resources offered to the program
9 instructors.

10 (viii) Resources offered to the student in the program.

11 (ix) Transportation services provided to students in the
12 program.

13 (7) A public university shall collect and report the number
14 and percentage of all enrolled students who complete the Free
15 Application for Federal Student Aid, broken out by undergraduate
16 and graduate/professional classifications, to the center and post
17 the information on its website under the budget transparency icon
18 badge.

19 Sec. 245a. (1) A public university shall develop, maintain,
20 and update a "campus safety information and resources" link,
21 prominently displayed on the homepage of its website, to a section
22 of its website containing all of the information required under
23 subsection (2).

24 (2) The "campus safety information and resources" section of a
25 public university's website shall include, but not be limited to,
26 all of the following information:

27 (a) Emergency contact numbers for police, fire, health, and
28 other services.

29 (b) Hours, locations, phone numbers, and electronic mail



1 contacts for campus public safety offices and title IX offices.

2 (c) A listing of safety and security services provided by the
3 university, including transportation, escort services, building
4 surveillance, anonymous tip lines, and other available security
5 services.

6 (d) A public university's policies applicable to minors on
7 university property.

8 (e) A directory of resources available at the university or
9 surrounding community for students or employees who are survivors
10 of sexual assault or sexual abuse.

11 (f) An electronic copy of "A Resource Handbook for Campus
12 Sexual Assault Survivors, Friends and Family", published in 2018.
13 ~~by the office of the governor in conjunction with the first lady of~~
14 ~~Michigan.~~

15 (g) Campus security policies and crime statistics pursuant to
16 the student right-to-know and campus security act, Public Law 101-
17 542, 104 Stat 2381. Information shall include all material prepared
18 pursuant to the public information reporting requirements under the
19 crime awareness and campus security act of 1990, title II of the
20 student right-to-know and campus security act, Public Law 101-542,
21 104 Stat 2381.

22 (3) A public university shall certify to the state budget
23 director by October 1, ~~2019 and the last business day of each~~
24 ~~August thereafter~~ **2020** that it is in compliance with this section.
25 The state budget director may withhold a public university's
26 monthly installments described in section 241 until the public
27 university complies with this section.

28 Sec. 256. (1) The funds appropriated in section 236 for the
29 tuition incentive program must be distributed as provided in this



1 section and pursuant to the administrative procedures for the
2 tuition incentive program of the department of treasury.

3 (2) As used in this section:

4 (a) "Phase I" means the first part of the tuition incentive
5 program defined as the academic period of 80 semester or 120 term
6 credits, or less, leading to an associate degree or certificate.
7 Students must be enrolled in a certificate or associate degree
8 program and taking classes within the program of study for a
9 certificate or associate degree. Tuition will not be covered for
10 courses outside of a certificate or associate degree program.

11 (b) "Phase II" means the second part of the tuition incentive
12 program that provides assistance in the third and fourth year of 4-
13 year degree programs.

14 (c) "Department" means the department of treasury.

15 (d) "High school equivalency certificate" means that term as
16 defined in section 4.

17 (3) An individual must meet the following basic criteria and
18 financial thresholds to be eligible for tuition incentive program
19 benefits:

20 (a) To be eligible for phase I, an individual must meet all of
21 the following criteria:

22 ~~(i) Apply for certification to the department any time after he~~
23 ~~or she begins the sixth grade but before August 31 of the school~~
24 ~~year in which he or she graduates from high school or before~~
25 ~~achieving a high school equivalency certificate. However, an~~
26 ~~individual who graduated or achieved a high school equivalency~~
27 ~~certificate after March 15, 2020 and before September 1, 2020 may~~
28 ~~apply for certification to the department any time before August~~
29 ~~31, 2021.~~



1 (i) ~~(ii)~~—Be less than 20 years of age at the time he or she
 2 graduates from high school with a diploma or certificate of
 3 completion or achieves a high school equivalency certificate or,
 4 for students attending a 5-year middle college approved by the
 5 Michigan department of education, be less than 21 years of age when
 6 he or she graduates from high school.

7 (ii) ~~(iii)~~—Be a United States citizen and a resident of this
 8 state according to institutional criteria.

9 (iii) ~~(iv)~~—Be at least a half-time student, earning less than 80
 10 semester or 120 term credits at a participating educational
 11 institution within 4 years of high school graduation or achievement
 12 of a high school equivalency certificate. All program eligibility
 13 expires ~~6 years from high school graduation or achievement of a~~
 14 ~~high school equivalency certificate.~~ **10 years after initial**
 15 **enrollment at a participating educational institution.**

16 (iv) ~~(v)~~—Meet the satisfactory academic progress policy of the
 17 educational institution he or she attends.

18 (b) To be eligible for phase II, an individual must meet
 19 either of the following criteria in addition to the criteria in
 20 subdivision (a):

21 (i) Complete at least 56 transferable semester or 84
 22 transferable term credits.

23 (ii) Obtain an associate degree or certificate at a
 24 participating institution.

25 (c) To be eligible for phase I or phase II, an individual must
 26 be financially eligible as determined by the department. An
 27 individual is financially eligible for the tuition incentive
 28 program if he or she was eligible for Medicaid from this state for
 29 24 months within the 36 consecutive months before application. The



1 department shall accept certification of Medicaid eligibility only
2 from the department of health and human services for the purposes
3 of verifying if a person is Medicaid eligible for 24 months within
4 the 36 consecutive months before application. Certification of
5 eligibility may begin in the sixth grade.

6 (4) For phase I, the department shall provide payment on
7 behalf of a person eligible under subsection (3). The department
8 shall only accept standard per-credit hour tuition billings and
9 shall reject billings that are excessive or outside the guidelines
10 for the type of educational institution.

11 (5) For phase I, all of the following apply:

12 (a) Payments for associate degree or certificate programs must
13 not be made for more than 80 semester or 120 term credits for any
14 individual student at any participating institution.

15 (b) For persons enrolled at a Michigan community college, the
16 department shall pay the current in-district tuition and mandatory
17 fees. For persons residing in an area that is not included in any
18 community college district, the out-of-district tuition rate may be
19 authorized.

20 (c) For persons enrolled at a Michigan public university, the
21 department shall pay lower division resident tuition and mandatory
22 fees for the current year.

23 (d) For persons enrolled at a Michigan independent, nonprofit
24 degree-granting college or university, or a Michigan federal
25 tribally controlled community college, or Focus: HOPE, the
26 department shall pay mandatory fees for the current year and a per-
27 credit payment that does not exceed the average community college
28 in-district per-credit tuition rate as reported ~~on August 1,~~ **by the**
29 **last business day of August** for the immediately preceding academic



1 year.

2 (6) A person participating in phase II may be eligible for
3 additional funds not to exceed \$500.00 per semester or \$400.00 per
4 term up to a maximum of \$2,000.00 subject to the following
5 conditions:

6 (a) Credits are earned in a 4-year program at a Michigan
7 degree-granting 4-year college or university.

8 (b) The tuition reimbursement is for coursework completed
9 within 30 months of completion of the phase I requirements.

10 (7) The department shall work closely with participating
11 institutions to ~~develop an application and eligibility~~
12 ~~determination process that will provide the highest level of~~
13 participation and ensure that all requirements of the program are
14 met.

15 (8) ~~Applications for the tuition incentive program may be~~
16 ~~approved at any time after the student begins the sixth grade. If a~~
17 ~~determination of financial eligibility is made, that determination~~
18 ~~is valid as long as the student meets all other program~~
19 ~~requirements and conditions.~~ **The department shall notify students of**
20 **their financial eligibility for the program any time after the**
21 **student begins sixth grade.**

22 (9) Except as otherwise provided in section 3(d) of the
23 Michigan reconnect grant act, 2020 PA 84, MCL 390.1703, and section
24 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL
25 390.1717, each institution shall ensure that all known available
26 restricted grants for tuition and fees are used prior to billing
27 the tuition incentive program for any portion of a student's
28 tuition and fees.

29 (10) The department shall ensure that the tuition incentive



1 program is well publicized and that eligible Medicaid clients are
2 provided information on the program. The department shall provide
3 the necessary funding and staff to fully operate the program.

4 ~~(11) Any unexpended and unencumbered funds remaining on
5 September 30, 2020 from the amounts appropriated in section 236 for
6 the tuition incentive program for fiscal year 2019-2020 do not
7 lapse on September 30, 2020, but continue to be available for
8 expenditure for tuition incentive program funds under a work
9 project account.~~

10 **(11)** ~~(12)~~ The department of treasury shall collaborate with
11 the center to use the P-20 longitudinal data system to report the
12 following information for each qualified postsecondary institution:

13 (a) The number of phase I students in the most recently
14 completed academic year who in any academic year received a tuition
15 incentive program award and who successfully completed a degree or
16 certificate program. Cohort graduation rates for phase I students
17 shall be calculated using the established success rate methodology
18 developed by the center in collaboration with the postsecondary
19 institutions.

20 (b) The number of students in the most recently completed
21 academic year who in any academic year received a Pell grant at the
22 reporting institution and who successfully completed a degree or
23 certificate program. Cohort graduation rates for students who
24 received Pell grants must be calculated using the established
25 success rate methodology developed by the center in collaboration
26 with the postsecondary institutions.

27 ~~(13) If a qualified postsecondary institution does not report
28 the data necessary to comply with subsection (12) to the P-20
29 longitudinal data system, the institution shall report, in a form~~



1 ~~and manner satisfactory to the department of treasury and the~~
 2 ~~center, all of the information needed to comply with subsection~~
 3 ~~(12) by December 1, 2020.~~

4 **(12)** ~~(14)~~ Beginning in fiscal year 2020-2021, if a qualified
 5 postsecondary institution does not report the data necessary to
 6 complete the reporting in subsection ~~(12)~~ **(11)** to the P-20
 7 longitudinal data system by October 15 for the prior academic year,
 8 the department of treasury shall not award phase I tuition
 9 incentive program funding to otherwise eligible students enrolled
 10 in that institution until the data are submitted.

11 **Sec. 259. It is the intent of the legislature that the**
 12 **department of treasury launch an aggressive campaign to inform high**
 13 **school students about the financial aid programs offered by this**
 14 **state and the eligibility requirements for participation in those**
 15 **financial aid programs.**

16 **Sec. 260. (1) The department of treasury shall work with**
 17 **student and postsecondary education groups, including the Michigan**
 18 **College Access Network, the Michigan Association of State**
 19 **Universities, the Michigan Community College Association, and the**
 20 **Michigan Independent Colleges and Universities, to provide an**
 21 **online informational resource for prospective and current student**
 22 **loan borrowers. The online informational resource must be a website**
 23 **or a portion of an existing website designed and maintained by the**
 24 **department of treasury that, to the extent practicable, contains**
 25 **information including, but not limited to, all of the following:**

26 **(a) A list of public and private community support centers,**
 27 **student debt clinics, and other organizations and their contact**
 28 **information submitted by Michigan College Access Network that**
 29 **provides free information and services for student loan borrowers**



1 to help educate them about repayment options and to help them
2 access student loan programs or benefits for which they may be
3 eligible.

4 (b) Links to state and federal financial aid programs,
5 including FAFSA and College Scorecard.

6 (c) Benefits of federal student loans that may no longer be
7 available if a borrower refinances a loan.

8 (d) Links to net price calculators for community colleges
9 receiving an appropriation in section 201 and universities
10 receiving an appropriation in section 236, if available.

11 (e) A list of loan servicers, including FAFSA.gov for federal
12 loans, and contact information for each and for federally held
13 loans made through the William D. Ford Federal Direct Loan Program
14 and the Federal Family Education Loan Program.

15 (f) Information on the fundamentals of borrowing and
16 repayment, including, but not limited to, all of the following:

17 (i) Types of student loans and repayment options, including
18 income-driven repayment, and a listing of employers in this state
19 offering employment eligible for public service loan-forgiveness.

20 (ii) Deciding how much to borrow.

21 (iii) Creating a plan for borrowing and repayment.

22 (iv) Estimating how much borrowing is needed for a given school
23 year.

24 (v) Evaluating financial aid offers.

25 (vi) Factors that affect total student loan costs.

26 (vii) Tips for graduating with less student loan debt.

27 (viii) A loan payment calculator or a link to a loan payment
28 calculator that can be used for different types of loans.



1 (ix) Links to federal student loan entrance and exit counseling
2 services and the FACT tool.

3 (x) Student loan debt relief scams.

4 (g) A list of student loan providers in this state.

5 (2) A university receiving an appropriation in section 236
6 shall place a prominent link to the website created under this
7 section on its website homepage.

8 (3) Independent colleges and universities in this state are
9 encouraged to place a link to the website created under this
10 section on their website homepages.

11 Sec. 263. (1) Included in the appropriation in section 236 for
12 fiscal year ~~2019-2020-2020-2021~~ for MSU AgBioResearch is
13 \$2,982,900.00 and included in the appropriation in section 236 for
14 MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN
15 is intended to address critical regulatory, food safety, economic,
16 and environmental problems faced by this state's plant-based
17 agriculture, forestry, and processing industries. "GREEN" is an
18 acronym for Generating Research and Extension to Meet Environmental
19 and Economic Needs.

20 (2) The department of agriculture and rural development and
21 Michigan State University, in consultation with agricultural
22 commodity groups and other interested parties, shall develop
23 Project GREEN and its program priorities.

24 Sec. 264. Included in the appropriation in section 236 for
25 fiscal year ~~2019-2020-2020-2021~~ for Michigan State University is
26 \$80,000.00 for the Michigan Future Farmers of America Association.
27 This \$80,000.00 allocation shall not supplant any existing support
28 that Michigan State University provides to the Michigan Future
29 Farmers of America Association.



1 Sec. 265. (1) Payments under section 265a for performance
 2 funding for fiscal years ~~2019-2020, 2020-2021,~~ **2020-2021, 2021-**
 3 **2022,** and ~~2021-2022-2022-2023~~ shall only be made to a public
 4 university that certifies to the state budget director by October
 5 1, ~~2019-2020~~ that its board did not adopt an increase in tuition
 6 and fee rates for resident undergraduate students after September
 7 1, ~~2018-2019~~ for the ~~2018-2019-2019-2020~~ academic year and that its
 8 board will not adopt an increase in tuition and fee rates for
 9 resident undergraduate students for the ~~2019-2020-2020-2021~~
 10 academic year that is greater than ~~4.4%-4.25%~~ or ~~\$587.00,~~ **\$586.00,**
 11 whichever is greater. As used in this subsection:

12 (a) "Fee" means any board-authorized fee that will be paid by
 13 more than 1/2 of all resident undergraduate students at least once
 14 during their enrollment at a public university, as described in the
 15 higher education institutional data inventory (HEIDI) user manual.
 16 A university increasing a fee that applies to a specific subset of
 17 students or courses shall provide sufficient information to prove
 18 that the increase applied to that subset will not cause the
 19 increase in the average amount of board-authorized total tuition
 20 and fees paid by resident undergraduate students in the ~~2019-2020~~
 21 **2020-2021** academic year to exceed the limit established in this
 22 subsection.

23 (b) "Tuition and fee rate" means the average of full-time
 24 rates paid by a majority of students in each undergraduate class,
 25 based on an unweighted average of the rates authorized by the
 26 university board and actually charged to students, deducting any
 27 uniformly rebated or refunded amounts, for the 2 semesters with the
 28 highest levels of full-time equated resident undergraduate
 29 enrollment during the academic year, as described in the higher



1 education institutional data inventory (HEIDI) user manual.

2 (2) The state budget director shall implement uniform
3 reporting requirements to ensure that a public university receiving
4 a payment under section 265a for performance funding has satisfied
5 the tuition restraint requirements of this section. The state
6 budget director shall have the sole authority to determine if a
7 public university has met the requirements of this section.
8 Information reported by a public university to the state budget
9 director under this subsection shall also be reported to the house
10 and senate appropriations subcommittees on higher education and the
11 house and senate fiscal agencies.

12 (3) Universities that exceed the tuition and fee rate cap
13 described in subsection (1) shall not receive a planning or
14 construction authorization for a state-funded capital outlay
15 project in fiscal years ~~2020-2021, 2021-2022, 2021-2022, 2022-2023,~~
16 or ~~2022-2023, 2023-2024.~~

17 (4) Notwithstanding any other provision of this act, the
18 legislature may at any time adjust appropriations for a university
19 that adopts an increase in tuition and fee rates for resident
20 undergraduate students that exceeds the rate cap established in
21 subsection (1).

22 Sec. 265b. (1) Appropriations to public universities in
23 section 236 for the fiscal year ending September 30, ~~2020-2021~~ for
24 operations funding shall be reduced by 10% pursuant to the
25 procedures described in subdivision (a) for a public university
26 that fails to submit certification to the state budget director,
27 the house and senate appropriations subcommittees on higher
28 education, and the house and senate fiscal agencies by October 1,
29 ~~2019-2020~~ that the university complies with sections 274c and 274d



1 and that it complies with all of the requirements described in
2 subdivisions (b) to (i), as follows:

3 (a) If a university fails to submit certification, the state
4 budget director shall withhold 10% of that university's annual
5 operations funding until the university submits certification. If a
6 university fails to submit certification by the end of the fiscal
7 year, the 10% of its annual operations funding that is withheld
8 shall lapse to the general fund.

9 (b) For title IX investigations of alleged sexual misconduct,
10 the university prohibits the use of medical experts that have an
11 actual or apparent conflict of interest.

12 (c) For title IX investigations of alleged sexual misconduct,
13 the university prohibits the issuance of divergent reports to
14 complainants, respondents, and administration and instead requires
15 that identical reports be issued to them.

16 (d) Consistent with the university's obligations under 20 USC
17 1092(f), the university notifies each individual who reports having
18 experienced sexual assault by a student, faculty member, or staff
19 member of the university that the individual has the option to
20 report the matter to law enforcement, to the university, to both,
21 or to neither, as the individual may choose.

22 (e) The university provides both of the following:

23 (i) For all freshmen and incoming transfer students enrolled,
24 an in-person sexual misconduct prevention presentation or course,
25 which must include contact information for the title IX office of
26 the university.

27 (ii) For all students not considered freshmen or incoming
28 transfer students, an online or electronic sexual misconduct
29 prevention presentation or course.



1 (f) The university prohibits seeking compensation from the
2 recipient of any medical procedure, treatment, or care provided by
3 a medical professional who has been convicted of a felony arising
4 out of the medical procedure, treatment, or care.

5 (g) The university had a third party review its title IX
6 compliance office and related policies and procedures by the end of
7 the 2018-2019 academic year. A copy of the third-party review shall
8 be transmitted to the state budget director, the house and senate
9 appropriations subcommittees on higher education, and the house and
10 senate fiscal agencies. After the third-party review has been
11 conducted for the 2018-2019 academic year, the university shall
12 have a third-party review once every three years and a copy of the
13 third-party review shall be transmitted to the state budget
14 director, the house and senate appropriations subcommittees on
15 higher education, and the house and senate fiscal agencies.

16 (h) The university requires that the governing board and the
17 president or chancellor of the university receive not less than
18 quarterly reports from their title IX coordinator or title IX
19 office. The report shall contain aggregated data of the number of
20 sexual misconduct reports that the office received for the academic
21 year, the types of reports received, including reports received
22 against employees, and a summary of the general outcomes of the
23 reports and investigations. A member of the governing board may
24 request to review a title IX investigation report involving a
25 complaint against an employee, and the university shall provide the
26 report in a manner it considers appropriate. The university shall
27 protect the complainant's anonymity, and the report shall not
28 contain specific identifying information.

29 (i) If allegations against an employee are made in more than 1



1 title IX complaint that resulted in the university finding that no
2 misconduct occurred, the university requires that the title IX
3 officer promptly notify the president or chancellor and a member of
4 the university's governing board in writing and take all
5 appropriate steps to ensure that the matter is being investigated
6 thoroughly, including hiring an outside investigator for future
7 cases involving that employee. A third-party title IX investigation
8 under this subdivision does not prohibit the university from
9 simultaneously conducting its own title IX investigation through
10 its own title IX coordinator.

11 (2) Each public university that receives an appropriation in
12 section 236 shall also certify that its president or chancellor and
13 a member of its governing board has reviewed all title IX reports
14 involving the alleged sexual misconduct of an employee of the
15 university, and shall send the certification to the house and
16 senate appropriations subcommittees on higher education, the house
17 and senate fiscal agencies, and the state budget director by
18 October 1, ~~2019-2020~~.

19 (3) For purposes of this section, "sexual misconduct"
20 includes, but is not limited to, any of the following:

- 21 (a) Intimate partner violence.
- 22 (b) Nonconsensual sexual conduct.
- 23 (c) Sexual assault.
- 24 (d) Sexual exploitation.
- 25 (e) Sexual harassment.
- 26 (f) Stalking.

27 Sec. 267. All public universities shall submit the amount of
28 tuition and fees actually charged to a full-time resident
29 undergraduate student for academic year ~~2019-2020~~**2020-2021** as part



1 of their higher education institutional data inventory (HEIDI) data
 2 by October 1, ~~2019, 2020~~, and by ~~August 31~~ of **the last business day**
 3 **of August** each year thereafter. A public university shall report
 4 any revisions for any semester of the reported academic year ~~2019-~~
 5 ~~2020-2020-2021~~ tuition and fee charges to HEIDI within 15 days of
 6 being adopted.

7 Sec. 268. (1) For the fiscal year ending September 30, ~~2020,~~
 8 **2021**, it is the intent of the legislature that funds be allocated
 9 for unfunded North American Indian tuition waiver costs incurred by
 10 public universities under 1976 PA 174, MCL 390.1251 to 390.1253,
 11 from the general fund.

12 (2) By ~~February~~ **January** 15 of each year, the department of
 13 civil rights shall annually submit to the state budget director,
 14 the house and senate appropriations subcommittees on higher
 15 education, and the house and senate fiscal agencies a report on
 16 North American Indian tuition waivers for the preceding academic
 17 year that includes, but is not limited to, all of the following
 18 information:

19 (a) The number of waiver applications received and the number
 20 of waiver applications approved.

21 (b) For each university submitting information under
 22 subsection (3), all of the following:

23 (i) The number of graduate and undergraduate North American
 24 Indian students enrolled each term for the previous academic year.

25 (ii) The number of North American Indian waivers granted each
 26 term, including to continuing education students, and the monetary
 27 value of the waivers for the previous academic year.

28 (iii) The number of graduate and undergraduate students
 29 attending under a North American Indian tuition waiver who withdrew



1 from the university each term during the previous academic year.
 2 For purposes of this subparagraph, a withdrawal occurs when a
 3 student who has been awarded the waiver withdraws from the
 4 institution at any point during the term, regardless of enrollment
 5 in subsequent terms.

6 (iv) The number of graduate and undergraduate students
 7 attending under a North American Indian tuition waiver who
 8 successfully complete a degree or certificate program, separated by
 9 degree or certificate level, and the graduation rate for graduate
 10 and undergraduate students attending under a North American Indian
 11 tuition waiver who complete a degree or certificate within 150% of
 12 the normal time to complete, separated by the level of the degree
 13 or certificate.

14 (3) A public university that receives funds under section 236,
 15 **or a tribal college receiving pass-through funds under section 269,**
 16 **270, or 270c,** shall provide to the department of civil rights any
 17 information necessary for preparing the report detailed in
 18 subsection (2), using guidelines and procedures developed by the
 19 department of civil rights.

20 (4) The department of civil rights may consolidate the report
 21 required under this section with the report required under section
 22 223, but a consolidated report must separately identify data for
 23 universities and data for community colleges.

24 Sec. 269. For fiscal year ~~2019-2020,~~ **2020-2021,** from the
 25 amount appropriated in section 236 to Central Michigan University
 26 for ~~operations, \$29,700.00~~ **costs incurred under the North American**
 27 **Indian tuition waiver, \$79,700.00** shall be paid to Saginaw Chippewa
 28 Tribal College for the costs of waiving tuition for North American
 29 Indians under 1976 PA 174, MCL 390.1251 to 390.1253. **It is the**



1 intent of the legislature that Saginaw Chippewa Tribal College
2 provide the department of civil rights the necessary information
3 for the college to be included in the report required under section
4 268.

5 Sec. 270. For fiscal year ~~2019-2020, 2020-2021~~, from the
6 amount appropriated in section 236 to Lake Superior State
7 University for ~~operations, \$100,000.00~~ **costs incurred under the**
8 **North American Indian tuition waiver, \$0.00** shall be paid to Bay
9 Mills Community College for the costs of waiving tuition for North
10 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. **It is**
11 **the intent of the legislature that Bay Mills Community College**
12 **provide the department of civil rights the necessary information**
13 **for the college to be included in the report required under section**
14 **268.**

15 Sec. 270b. (1) For fiscal year 2020-2021, from the amount
16 appropriated in section 236 to Lake Superior State University for
17 1-time pass-through payment for Bay Mills Community College,
18 \$1,000,000.00 is to be paid to Bay Mills Community College for the
19 costs of educating non-Native American students.

20 (2) The state treasurer shall direct Lake Superior State
21 University to provide the payment described in subsection (1) after
22 the state budget director determines that Bay Mills Community
23 College submitted all of the information described in subdivisions
24 (a) to (f), as follows, in the form and manner specified by the
25 center. If the state budget director determines that Bay Mills
26 Community College failed to submit any of the following information
27 in the form and manner specified by the center, the state treasurer
28 shall, subject to subsection (3), direct Lake Superior State
29 University to withhold the payment from the community college until



1 that information is submitted:

2 (a) The Michigan community colleges verified data inventory
3 data for the preceding academic year to the center by the first
4 business day of December of each year as specified in section 217.

5 (b) The college credit opportunity data set as specified in
6 section 209.

7 (c) The longitudinal data set for the preceding academic year
8 to the center as specified in section 219.

9 (d) The annual independent audit as specified in section 222.

10 (e) Tuition and mandatory fees information for the current
11 academic year as specified in section 225.

12 (f) The number and type of associate degrees and other
13 certificates awarded during the previous academic year as specified
14 in section 226.

15 (3) The state budget director shall notify the chairs of the
16 house and senate appropriations subcommittees on community colleges
17 at least 10 days before directing funds to be withheld from Bay
18 Mills Community College under this section.

19 Sec. 270c. For fiscal year 2020-2021, from the amount
20 appropriated in section 236 to Northern Michigan University for
21 costs incurred under the North American Indian tuition waiver,
22 \$50,000.00 is to be paid to Keweenaw Bay Ojibwa Community College
23 for the costs of waiving tuition for North American Indians under
24 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the
25 legislature that Keweenaw Bay Ojibwa Community College provide the
26 department of civil rights the necessary information for the
27 community college to be included in the report required under
28 section 268.

29 Sec. 275. (1) Each public university that receives an



1 appropriation in section 236 shall do all of the following:

2 (a) Meet the provisions of section 5003 of the post-911
3 veterans educational assistance act of 2008, 38 USC 3301 to 3327,
4 including voluntary participation in the Yellow Ribbon GI Education
5 Enhancement Program established in that act in 38 USC 3317. By
6 October 1 of each year, each public university shall report to the
7 house and senate appropriations subcommittees on higher education,
8 the house and senate fiscal agencies, and the Michigan Association
9 of State Universities on whether or not it has chosen to
10 participate in the Yellow Ribbon GI Education Enhancement Program.
11 If at any time during the fiscal year a university participating in
12 the Yellow Ribbon Program chooses to leave the Yellow Ribbon
13 Program, it shall notify the house and senate appropriations
14 subcommittees on higher education, the house and senate fiscal
15 agencies, and the Michigan Association of State Universities.

16 (b) Establish an on-campus veterans' liaison to provide
17 information and assistance to all student veterans.

18 (c) Provide flexible enrollment application deadlines for all
19 veterans.

20 (d) Include in its admission application process a specific
21 question as to whether an applicant for admission is a veteran, an
22 active member of the military, a member of the National Guard or
23 military reserves, or the spouse or dependent of a veteran, active
24 member of the military, or member of the National Guard or military
25 reserves, in order to more quickly identify potential educational
26 assistance available to that applicant.

27 (e) Consider all veterans residents of this state for
28 determining their tuition rates and fees.

29 (f) Waive enrollment fees for all veterans.



1 (g) Provide reasonable programming and scheduling
2 accommodations necessary to facilitate a student's military,
3 national guard, or military reserves duties and training
4 obligations.

5 (2) By October 1 of each year, each public university shall
6 report to the house and senate appropriations subcommittees on
7 higher education, the house and senate fiscal agencies, and the
8 department of military and veterans affairs regarding services
9 provided specifically to veterans and active military duty
10 personnel, including, but not limited to, the services described in
11 subsection (1).

12 (3) As used in this section, "veteran" means an honorably
13 discharged veteran entitled to educational assistance under the
14 provisions of section 5003 of the post-911 veterans educational
15 assistance act of 2008, 38 USC 3301 to 3327.

16 **Sec. 275f. By February 1, 2021, each public university**
17 **receiving an appropriation in section 236 shall submit to the**
18 **senate and house appropriations subcommittees on higher education,**
19 **the senate and house fiscal agencies, and the state budget director**
20 **a report on activities related to strategic planning and internal**
21 **assessment or reassessment to best provide for open and free**
22 **expression and speech, while protecting students from hate-speech,**
23 **violence, and discrimination.**

24 **Sec. 275g. (1) By September 30, 2021, each public university**
25 **receiving an appropriation in section 236 shall submit a report to**
26 **the senate and house appropriations subcommittees on higher**
27 **education, the senate and house fiscal agencies, and the state**
28 **budget director containing the following information:**

29 (a) The number of students enrolled during the 2020-2021



1 academic year.

2 (b) The number of courses offered by course type.

3 (c) The number of students enrolled by course type.

4 (d) The drop rate and pass/fail rate by course type.

5 (e) The average number of credit hours for which each student
6 was enrolled at the start and end of each semester.

7 (f) The number of students residing on campus each semester.

8 (g) The number of students residing on campus between
9 semesters.

10 (2) By November 1, 2020, each public university receiving an
11 appropriation in section 236 shall submit a report to the senate
12 and house appropriations subcommittees on higher education, the
13 senate and house fiscal agencies, and the state budget director
14 containing the following information:

15 (a) A list of any student fees assessed related to online
16 learning, and the amount of those fees.

17 (b) A list of any student fees assessed related to COVID-19,
18 and the amount of those fees.

19 (c) A timeline of when decisions regarding the course types
20 offered during the 2020-2021 academic year were made, and whether
21 there were changes to those decisions before the academic year
22 began.

23 (d) An overview of COVID-19 mitigation strategies employed or
24 that may be employed, if necessary.

25 (e) An overview of COVID-19 testing criteria and mitigation
26 strategies employed for controlling an outbreak on campus.

27 (3) As used in this section, "course type" means the style of
28 course delivery as being in-person, online, or as a hybrid of in-
29 person and online learning.



1 Sec. 275h. It is the intent of the legislature to ensure that
2 60% of Michigan's residents achieve a postsecondary credential,
3 high-quality industry certification, associate degree, or
4 bachelor's degree by 2030.

5 Sec. 275i. (1) Each public university receiving an
6 appropriation in section 236 shall use a portion of those funds to
7 collect demographic information about students with dependent
8 children to better identify the needs of those students, barriers
9 to degree and certification completion for them, and campus support
10 structures and resources available to them. This demographic
11 information must include at least all of the following:

12 (a) The number of students with dependent children enrolled
13 per semester.

14 (b) The number of students with dependent children enrolled
15 living in university residence halls, in dormitories, and in
16 apartments.

17 (c) The names of programs and resources available to students
18 with dependent children, as well as offices that support those
19 students.

20 (d) Identified barriers to certificate or degree completion
21 for students with dependent children.

22 (2) A public university shall collect demographic information
23 from students with dependent children through a method best
24 determined by the institution using best practice research
25 methodology. This may include admission application questions,
26 incoming-student orientation surveys, campus-wide climate surveys,
27 financial aid surveys, housing surveys, or partnerships with
28 government and nonprofit agencies that can provide general data
29 that protects the individual privacy rights of students with



1 dependent children.

2 (3) Student privacy rights must be protected during the
3 collection process. Reporting must be voluntary on the part of
4 students with dependent children. The public university shall
5 include privacy protections for students and a description of the
6 rationale for collecting the data.

7 (4) Each public university shall report to the senate and
8 house appropriations subcommittees on higher education, the senate
9 and house fiscal agencies, and the state budget director its
10 collected data and survey results by the first business day of
11 February.

12 (5) The collected data on students with dependent children
13 will be used by the legislature to inform future appropriation
14 decisions.

15 Sec. 276. (1) Included in the appropriation for fiscal year
16 ~~2019-2020~~ **2020-2021** for each public university in section 236 is
17 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
18 future faculty program that is intended to increase the pool of
19 academically or economically disadvantaged candidates pursuing
20 faculty teaching careers in postsecondary education. Preference may
21 not be given to applicants on the basis of race, color, ethnicity,
22 gender, or national origin. Institutions should encourage
23 applications from applicants who would otherwise not adequately be
24 represented in the graduate student and faculty populations. Each
25 public university shall apply the percentage change applicable to
26 every public university in the calculation of appropriations in
27 section 236 to the amount of funds allocated to the future faculty
28 program.

29 (2) The program shall be administered by each public



1 university in a manner prescribed by the ~~workforce development~~
 2 ~~agency.~~ **department of labor and economic opportunity.** The ~~workforce~~
 3 ~~development agency~~ **department of labor and economic opportunity**
 4 shall use a good faith effort standard to evaluate whether a
 5 fellowship is in default.

6 Sec. 277. (1) Included in the appropriation for fiscal year
 7 ~~2019-2020-2020-2021~~ for each public university in section 236 is
 8 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
 9 college day program that is intended to introduce academically or
 10 economically disadvantaged schoolchildren to the potential of a
 11 college education. Preference may not be given to participants on
 12 the basis of race, color, ethnicity, gender, or national origin.
 13 Public universities should encourage participation from those who
 14 would otherwise not adequately be represented in the student
 15 population.

16 (2) Individual program plans of each public university shall
 17 include a budget of equal contributions from this program, the
 18 participating public university, the participating school district,
 19 and the participating independent degree-granting college. College
 20 day funds shall not be expended to cover indirect costs. Not more
 21 than 20% of the university match shall be attributable to indirect
 22 costs. Each public university shall apply the percentage change
 23 applicable to every public university in the calculation of
 24 appropriations in section 236 to the amount of funds allocated to
 25 the college day program.

26 (3) The program described in this section shall be
 27 administered by each public university in a manner prescribed by
 28 the ~~workforce development agency.~~ **department of labor and economic**
 29 **opportunity.**



1 Sec. 278. (1) Included in section 236 for fiscal year ~~2019-~~
 2 ~~2020-2020-2021~~ is funding for the Martin Luther King, Jr. - Cesar
 3 Chavez - Rosa Parks select student support services program for
 4 developing academically or economically disadvantaged student
 5 retention programs for 4-year public and independent educational
 6 institutions in this state. Preference may not be given to
 7 participants on the basis of race, color, ethnicity, gender, or
 8 national origin. Institutions should encourage participation from
 9 those who would otherwise not adequately be represented in the
 10 student population.

11 (2) An award made under this program to any 1 institution
 12 shall not be greater than \$150,000.00, and the amount awarded shall
 13 be matched on a 70% state, 30% college or university basis.

14 (3) The program described in this section shall be
 15 administered by the ~~workforce development agency.~~**department of**
 16 **labor and economic opportunity.**

17 Sec. 279. (1) Included in section 236 for fiscal year ~~2019-~~
 18 ~~2020-2020-2021~~ is funding for the Martin Luther King, Jr. - Cesar
 19 Chavez - Rosa Parks college/university partnership program between
 20 4-year public and independent colleges and universities and public
 21 community colleges, which is intended to increase the number of
 22 academically or economically disadvantaged students who transfer
 23 from community colleges into baccalaureate programs. Preference may
 24 not be given to participants on the basis of race, color,
 25 ethnicity, gender, or national origin. Institutions should
 26 encourage participation from those who would otherwise not
 27 adequately be represented in the transfer student population.

28 (2) The grants shall be made under the program described in
 29 this section to Michigan public and independent colleges and



1 universities. An award to any 1 institution shall not be greater
 2 than \$150,000.00, and the amount awarded shall be matched on a 70%
 3 state, 30% college or university basis.

4 (3) The program described in this section shall be
 5 administered by the ~~workforce development agency~~**department of**
 6 **labor and economic opportunity.**

7 Sec. 280. (1) Included in the appropriation for fiscal year
 8 ~~2019-2020~~**2020-2021** for each public university in section 236 is
 9 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
 10 visiting professors program which is intended to increase the
 11 number of instructors in the classroom to provide role models for
 12 academically or economically disadvantaged students. Preference may
 13 not be given to participants on the basis of race, color,
 14 ethnicity, gender, or national origin. Public universities should
 15 encourage participation from those who would otherwise not
 16 adequately be represented in the student population.

17 (2) The program described in this section shall be
 18 administered by the ~~workforce development agency~~**department of**
 19 **labor and economic opportunity.**

20 Sec. 281. (1) Included in the appropriation for fiscal year
 21 ~~2019-2020~~**2020-2021** in section 236 is funding under the Martin
 22 Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the
 23 Morris Hood, Jr. educator development program which is intended to
 24 increase the number of academically or economically disadvantaged
 25 students who enroll in and complete K-12 teacher education programs
 26 at the baccalaureate level. Preference may not be given to
 27 participants on the basis of race, color, ethnicity, gender, or
 28 national origin. Institutions should encourage participation from
 29 those who would otherwise not adequately be represented in the



1 teacher education student population.

2 (2) The program described in this section shall be
3 administered by each state-approved teacher education institution
4 in a manner prescribed by the ~~workforce development~~
5 ~~agency~~. **department of labor and economic opportunity.**

6 (3) Approved teacher education institutions may and are
7 encouraged to use student support services funding in coordination
8 with the Morris Hood, Jr. funding to achieve the goals of the
9 program described in this section.

10 **Sec. 281a. (1) Each public university that receives an amount**
11 **of the appropriations in section 236 for the Martin Luther King,**
12 **Jr. - Cesar Chavez - Rosa Parks initiatives shall submit a report**
13 **to the department of labor and economic opportunity by December 15**
14 **of each year containing, at a minimum, all of the following**
15 **information from the immediately preceding academic year:**

16 (a) For the future faculty program detailed in section 276,
17 the number of completions by degree type, and the fellowship
18 default rate.

19 (b) For the college day program detailed in section 277, the
20 number of students served and the amount of matching funds from
21 each college and participating school district.

22 (c) For the select student support services program detailed
23 in section 278, the number of students served, the amount of any
24 university matching funds for the program, and the number and
25 percentage of program participants who graduate.

26 (d) For the college/university partnership program detailed in
27 section 279, the number of students served, the number of
28 bachelor's degrees conferred to program participants, the 6-year
29 graduation rate of program participants, and the amount of any



1 university matching funds for the program.

2 (e) For the visiting professors program detailed in section
3 280, the number of students who took a class taught by an
4 instructor hired using program funds, the number of instructors
5 hired using program funds, the number of class sections taught by
6 instructors hired using program funds, and the amount of any
7 university matching funds for the program.

8 (f) For the educator development program detailed in section
9 281, the number of students participating in the program and the
10 number of education-related bachelor's degrees conferred to
11 participants in the program.

12 (2) By February 15 of each year, the department of labor and
13 economic opportunity shall compile the reports submitted under
14 subsection (1) and submit them to the house and senate
15 appropriations subcommittees on higher education, the house and
16 senate fiscal agencies, and the state budget director.

17 Sec. 282. Each institution receiving funds for fiscal year
18 ~~2019-2020-2020-2021~~ under section 278, 279, or 281 shall provide to
19 the ~~workforce development agency~~ **department of labor and economic**
20 **opportunity** by April 15, ~~2020-2021~~ the unobligated and unexpended
21 funds as of March 31, ~~2020-2021~~ and a plan to expend the remaining
22 funds by the end of the fiscal year. Notwithstanding the award
23 limitations in sections 278 and 279, the amount of funding reported
24 as not being expended will be reallocated to the institutions that
25 intend to expend all funding received under section 278, 279, or
26 281.

27 Sec. 289. (1) ~~At~~ **In accordance with section 299(4) of the**
28 **management and budget act, 1984 PA 431, MCL 18.1299, at** least once
29 every 4 years, the auditor general shall audit higher education



1 institutional data inventory (HEIDI) data submitted by all public
2 universities under section 241 and may perform audits of selected
3 public universities if determined necessary. The audits shall be
4 based upon the definitions, requirements, and uniform reporting
5 categories established by the state budget director in consultation
6 with the HEIDI advisory committee. The auditor general shall submit
7 a report of findings to the house and senate appropriations
8 committees and the state budget director no later than July 1 of
9 each year an audit takes place.

10 (2) Student credit hours reports shall not include the
11 following:

12 (a) Student credit hours generated through instructional
13 activity by faculty or staff in classrooms located outside
14 Michigan, with the exception of instructional activity related to
15 study-abroad programs or field programs.

16 (b) Student credit hours generated through credit by
17 examination.

18 (c) Student credit hours generated in new degree programs
19 created on or after January 1, 1975 and before January 1, 2013,
20 that were not specifically authorized for funding by the
21 legislature, except spin-off programs converted from existing core
22 programs, and student credit hours generated in any new degree
23 programs created after January 1, 2013, that are specifically
24 excluded from reporting by the legislature under this section.

25 Sec. 296. (1) If the maximum amount appropriated under this
26 act from the state school aid fund for a fiscal year exceeds the
27 amount necessary to fully fund allocations under this act from the
28 state school aid fund, that excess amount shall not be expended in
29 that state fiscal year and shall not lapse to the general fund, but



1 instead shall be deposited into the school aid stabilization fund
2 created in section 11a.

3 (2) If the total maximum amount appropriated under all
4 articles of this act from the state school aid fund and the school
5 aid stabilization fund exceeds the amount available for expenditure
6 from the state school aid fund for that fiscal year, payments under
7 sections ~~11f, 11g, 11j~~, **11m**, 22a, 26a, 26b, **26c**, 31d, 31f, 51a(2),
8 ~~51a(12)~~, **51a(11)**, 51c, 53a, 56, **147c**, **147e(2)(a)**, and 152a shall be
9 made in full. In addition, for districts beginning operations after
10 1994-95 that qualify for payments under section 22b, payments under
11 section 22b shall be made so that the qualifying districts receive
12 the lesser of an amount equal to the 1994-95 foundation allowance
13 of the district in which the district beginning operations after
14 1994-95 is located or \$5,500.00. The amount of the payment to be
15 made under section 22b for these qualifying districts shall be as
16 calculated under section 22a, with the balance of the payment under
17 section 22b being subject to the proration otherwise provided under
18 this subsection and subsection (3). If proration is necessary,
19 state payments under each of the other sections of article I from
20 all state funding sources, and state appropriations to community
21 colleges and public universities under articles II and III from the
22 state school aid fund, shall be prorated in the manner prescribed
23 in subsection (3) as necessary to reflect the amount available for
24 expenditure from the state school aid fund for the affected fiscal
25 year. However, if the department of treasury determines that
26 proration will be required under this subsection, or if the
27 department of treasury determines that further proration is
28 required under this subsection after an initial proration has
29 already been made for a fiscal year, the department of treasury



1 shall notify the state budget director, and the state budget
2 director shall notify the legislature at least 30 calendar days or
3 6 legislative session days, whichever is more, before the
4 department reduces any payments under this act because of the
5 proration. During the 30-calendar-day or 6-legislative-session-day
6 period after that notification by the state budget director, the
7 department shall not reduce any payments under this act because of
8 proration under this subsection. The legislature may prevent
9 proration from occurring by, within the 30-calendar-day or 6-
10 legislative-session-day period after that notification by the state
11 budget director, enacting legislation appropriating additional
12 funds from the general fund, countercyclical budget and economic
13 stabilization fund, state school aid fund balance, or another
14 source to fund the amount of the projected shortfall.

15 (3) If proration is necessary under subsection (2), the
16 department shall calculate the proration in district and
17 intermediate district payments under article I that is required
18 under subsection (2), and the department of treasury shall
19 calculate the proration in community college and public university
20 payments under articles II and III that is required under
21 subsection (2), as follows:

22 (a) The department and the department of treasury shall
23 calculate the percentage of total state school aid fund money that
24 is appropriated and allocated under this act for the affected
25 fiscal year for each of the following:

26 (i) Districts.

27 (ii) Intermediate districts.

28 (iii) Entities receiving funding from the state school aid fund
29 under article I other than districts or intermediate districts.



1 (iv) Community colleges and public universities that receive
2 funding from the state school aid fund.

3 (b) The department shall recover a percentage of the proration
4 amount required under subsection (2) that is equal to the
5 percentage calculated under subdivision (a) (i) for districts by
6 reducing payments to districts. This reduction shall be made by
7 calculating an equal dollar amount per pupil as necessary to
8 recover this percentage of the proration amount and reducing each
9 district's total state school aid from state sources, other than
10 payments under sections ~~11f, 11g, 11j~~, **11m**, 22a, 26a, 26b, **26c**,
11 31d, 31f, 51a(2), ~~51a(12)~~, **51a(11)**, 51c, 53a, **147c**, **147e(2)(a)**, and
12 152a, by that amount.

13 (c) The department shall recover a percentage of the proration
14 amount required under subsection (2) that is equal to the
15 percentage calculated under subdivision (a) (ii) for intermediate
16 districts by reducing payments to intermediate districts. This
17 reduction shall be made by reducing the payments to each
18 intermediate district, other than payments under sections ~~11f, 11g,~~
19 26a, 26b, **26c**, 51a(2), ~~51a(12)~~, **51a(11)**, 53a, 56, **147c**, **147e(2)(a)**,
20 and 152a, on an equal percentage basis.

21 (d) The department shall recover a percentage of the proration
22 amount required under subsection (2) that is equal to the
23 percentage calculated under subdivision (a) (iii) for entities
24 receiving funding from the state school aid fund under article I
25 other than districts and intermediate districts by reducing
26 payments to these entities. This reduction shall be made by
27 reducing the payments to each of these entities, other than
28 payments under sections 11j, **11m**, 26a, ~~and 26b~~, **and 26c** on an equal
29 percentage basis.



1 (e) The department of treasury shall recover a percentage of
2 the proration amount required under subsection (2) that is equal to
3 the percentage calculated under subdivision (a) (iv) for community
4 colleges and public universities that receive funding from the
5 state school aid fund by reducing that portion of the payments
6 under articles II and III to these community colleges and public
7 universities, **other than payments under sections 201(5) and 236(4)**,
8 that is from the state school aid fund on an equal percentage
9 basis.

10 Enacting section 1. (1) In accordance with section 30 of
11 article IX of the state constitution of 1963, total state spending
12 on school aid under article I of the state school aid act of 1979,
13 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2019 PA 58,
14 2019 PA 162, 2020 PA 146, and this amendatory act, from state
15 sources for fiscal year 2019-2020 is estimated at
16 \$13,051,648,700.00 and state appropriations for school aid to be
17 paid to local units of government for fiscal year 2019-2020 are
18 estimated at \$12,845,578,900.00. In accordance with section 30 of
19 article IX of the state constitution of 1963, total state spending
20 on 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 2020 PA 147,
22 2020 PA 148, 2020 PA 149, and this amendatory act, from state
23 sources for fiscal year 2020-2021 is estimated at
24 \$13,718,286,400.00 and state appropriations for school aid to be
25 paid to local units of government for fiscal year 2020-2021 are
26 estimated at \$13,546,289,200.00.

27 (2) In accordance with section 30 of article IX of the state
28 constitution of 1963, total state spending from state sources for
29 community colleges for fiscal year 2020-2021 under article II of



1 the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to
2 388.1830, is estimated at \$425,667,600.00 and the amount of that
3 state spending from state sources to be paid to local units of
4 government for fiscal year 2020-2021 is estimated at
5 \$425,667,600.00.

6 (3) In accordance with section 30 of article IX of the state
7 constitution of 1963, total state spending from state sources for
8 higher education for fiscal year 2020-2021 under article III of the
9 state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891,
10 is estimated at \$1,573,899,000.00 and the amount of that state
11 spending from state sources to be paid to local units of government
12 for fiscal year 2020-2021 is estimated at \$0.00.

13 Enacting section 2. (1) Article V of the state school aid act
14 of 1979, 1979 PA 94, MCL 388.1897 to 388.1897/, is repealed
15 effective October 1, 2020.

16 (2) Sections 31b, 35c, 54e, 61f, 64d, 74a, 95a, 99v, 102d,
17 201a, 201c, 210f, 236a, 236g, and 265c of the state school aid act
18 of 1979, MCL 388.1631b, 388.1635c, 388.1654e, 388.1661f, 388.1664d,
19 388.1674a, 388.1695a, 388.1699v, 388.1702d, 388.1801a, 388.1801c,
20 388.1810f, 388.1836a, 388.1836g, and 388.1865c, are repealed
21 effective October 1, 2020.

22 Enacting section 3. (1) Except as otherwise provided in
23 subsection (2), this amendatory act takes effect October 1, 2020.

24 (2) Sections 11, 11p, 22a, 22b, 31n, 51c, 56, 62, and 99w of
25 the state school aid act of 1979, MCL 388.1611, 388.1611p,
26 388.1622a, 388.1622b, 388.1631n, 388.1651c, 388.1656, 388.1662, and
27 388.1699w, as amended by this amendatory act, take effect upon
28 enactment of this amendatory act.

