

**SUBSTITUTE FOR
HOUSE BILL NO. 4411**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18,
19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f,
25g, 25i, 26a, 26b, 26c, 28, 29a, 31a, 31d, 31f, 31j, 31m, 31n,
32d, 32p, 35a, 35b, 35d, 35e, 35f, 39, 39a, 41, 51a, 51c, 51d, 51f,
53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74,
81, 94, 94a, 95b, 98, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 104a,
104c, 105, 105c, 107, 147, 147a, 147b, 147c, 147e, 152a, and 152b
(MCL 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j,
388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1619,
388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a,
388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a,



388.1625f, 388.1625g, 388.1625i, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1629a, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a, 388.1635b, 388.1635d, 388.1635e, 388.1635f, 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, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1701, 388.1704, 388.1704a, 388.1704c, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), sections 4 and 104c as amended by 2019 PA 58, sections 6, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 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, 99h, 99s, 99t, 99u, 99w, 99x, 101, 104, 105, 105c, 107, 147, 147a, 147c, 147e, and 152a as amended and sections 25i, 29a, 35d, 35e, 35f, and 67a as added by 2020 PA 165, section 6a as amended by 2020 PA 149, sections 11, 21f, and 31n as amended and section 104a as added by 2021 PA 3, and sections 19, 61c, 147b, and 152b as amended and section 31m as added by 2018 PA 265, and by adding sections 20m, 22c, 26d, 31o, 31p, 35g, 51g, 67b, 94c, 94d, 97, 97a, 98b, 99aa, 99bb, and 104h; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) "Elementary pupil" means a pupil in membership in
 2 grades K to 8 in a district not maintaining classes above ~~the~~
 3 ~~eighth~~-grade **8** or in grades K to 6 in a district maintaining



1 classes above ~~the eighth~~-grade **8** or a child enrolled and in regular
2 attendance in a publicly funded prekindergarten setting.

3 (2) "Extended school year" means an educational program
4 conducted by a district in which pupils must be enrolled but not
5 necessarily in attendance on the pupil membership count day in an
6 extended year program. The mandatory clock hours must be completed
7 by each pupil not more than 365 calendar days after the pupil's
8 first day of classes for the school year prescribed. The department
9 shall prescribe pupil, personnel, and other reporting requirements
10 for the educational program.

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

13 (4) "High school equivalency certificate" means a certificate
14 granted for the successful completion of a high school equivalency
15 test.

16 (5) "High school equivalency test" means the G.E.D. test
17 developed by the GED Testing Service, ~~the Test Assessing Secondary~~
18 ~~Completion (TASC) developed by CTS/McGraw-Hill, the HISET test exam~~
19 developed by Educational Testing Service (ETS), or another
20 comparable test approved by the department of labor and economic
21 opportunity.

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

26 (7) "High school pupil" means a pupil in membership in grades
27 7 to 12, except in a district not maintaining grades above ~~the~~
28 ~~eighth~~-grade **8**.

29 Sec. 6. (1) "Center program" means a program operated by a



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

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

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

28 (4) "Membership", except as otherwise provided in this
29 subsection or this article, means for a district, a public school



1 academy, or an intermediate district the sum of the product of .90
2 times the number of full-time equated pupils in grades K to 12
3 actually enrolled and in regular daily attendance in the district,
4 public school academy, or intermediate district on the pupil
5 membership count day for the current school year, plus the product
6 of .10 times the final audited count from the supplemental count
7 day of full-time equated pupils in grades K to 12 actually enrolled
8 and in regular daily attendance in the district, public school
9 academy, or intermediate district for the immediately preceding
10 school year. A district's, public school academy's, or intermediate
11 district's membership is adjusted as provided under section 25e for
12 pupils who enroll after the pupil membership count day in a strict
13 discipline academy operating under sections 1311b to 1311m of the
14 revised school code, MCL 380.1311b to 380.1311m. For ~~2020-2021~~
15 **2021-2022** only, membership means for a district, a public school
16 academy, or an intermediate district, the sum of the product of ~~.75~~
17 **.90** times the ~~district's, public school academy's, or intermediate~~
18 ~~district's 2019-2020 membership as calculated under this section in~~
19 **2019-2020 number of full-time equated pupils in grades K to 12**
20 **actually enrolled and in regular daily attendance in the district,**
21 **public school academy, or intermediate district on the pupil**
22 **membership count day for the current school year** and the product of
23 ~~.25-.10~~ times ~~{the sum of (the product of .90 times the number of~~
24 ~~full-time equated pupils engaged in pandemic learning for fall 2020~~
25 ~~or, for a public school academy that operates as a cyber school, as~~
26 ~~that term is defined in section 551 of the revised school code, MCL~~
27 ~~380.551, the number of full-time equated pupils in grades K to 12~~
28 ~~actually enrolled and in regular daily attendance in the public~~
29 ~~school academy on pupil membership count day for the current school~~



1 ~~year) and (the product of .10 times the final audited count from~~
 2 ~~the supplemental count day of full-time equated pupils in grades K~~
 3 ~~to 12 actually enrolled and in regular daily attendance in the~~
 4 ~~district, public school academy, or intermediate district for the~~
 5 ~~immediately preceding school year)]]. **the final audited count of the**
 6 **number of full-time equated pupils engaged in pandemic learning for**
 7 **spring 2021, or, for a public school academy that operates as a**
 8 **cyber school, as that term is defined in section 551 of the revised**
 9 **school code, MCL 380.551, the final audited count from the**
 10 **supplemental count day of full-time equated pupils in grades K to**
 11 **12 actually enrolled and in regular daily attendance in the public**
 12 **school academy for the immediately preceding school year.** All pupil
 13 counts used in this subsection are as determined by the department
 14 and calculated by adding the number of pupils registered for
 15 attendance plus pupils received by transfer and minus pupils lost
 16 as defined by rules promulgated by the superintendent, and as
 17 corrected by a subsequent department audit. The amount of the
 18 foundation allowance for a pupil in membership is determined under
 19 section 20. In making the calculation of membership, all of the
 20 following, as applicable, apply to determining the membership of a
 21 district, a public school academy, or an intermediate district:~~

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

27 (b) If a pupil is educated in a district other than the
 28 pupil's district of residence, if the pupil is not being educated
 29 as part of a cooperative education program, if the pupil's district



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

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

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

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

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

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

26 (h) For the purposes of this section and section 6a, for a
27 cyber school, as that term is defined in section 551 of the revised
28 school code, MCL 380.551, that is in compliance with section 553a
29 of the revised school code, MCL 380.553a, a pupil's participation



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

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

12 (i) ~~Except as otherwise provided in this subparagraph, if~~ **If**
 13 operations begin before the pupil membership count day for the
 14 fiscal year, membership is the average number of full-time equated
 15 pupils in grades K to 12 actually enrolled and in regular daily
 16 attendance on the pupil membership count day for the current school
 17 year and on the supplemental count day for the current school year,
 18 as determined by the department and calculated by adding the number
 19 of pupils registered for attendance on the pupil membership count
 20 day plus pupils received by transfer and minus pupils lost as
 21 defined by rules promulgated by the superintendent, and as
 22 corrected by a subsequent department audit, plus the final audited
 23 count from the supplemental count day for the current school year,
 24 and dividing that sum by 2. ~~However, for 2020-2021 only, if~~
 25 ~~operations begin before the pupil membership count day for the~~
 26 ~~fiscal year, except for a public school academy that operates as a~~
 27 ~~cyber school, as that term is defined in section 551 of the revised~~
 28 ~~school code, MCL 380.551, membership is the average number of full-~~
 29 ~~time equated pupils engaged in pandemic learning for fall 2020 and~~



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

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

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



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

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

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

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

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

21 (B) Had dropped out of school.

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

24 (iii) If a child does not meet the minimum age requirement to be
 25 eligible to attend school for that school year under section 1147
 26 of the revised school code, MCL 380.1147, but will be 5 years of
 27 age not later than December 1 of that school year, the district may
 28 count the child in membership for that school year if the parent or
 29 legal guardian has notified the district in writing that he or she



1 intends to enroll the child in kindergarten for that school year.

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

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

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



1 section 101 for full-time equivalency, and the remainder of the
2 full-time membership for each of those pupils is allocated to the
3 district or intermediate district providing the remainder of the
4 hours of instruction.

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

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

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

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



1 work experience, including necessary travel time, on the number of
2 class hours provided by the district to the pupil.

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

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



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

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

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

28 (i) The district provides at least 2 nonconsecutive hours of
 29 instruction per week to the pupil at the pupil's home or otherwise



1 apart from the general school population under the supervision of a
2 certificated teacher.

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

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

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

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

17 (w) For a public school academy that has been in operation for
18 at least 2 years and that suspended operations for at least 1
19 semester and is resuming operations, membership is the sum of the
20 product of .90 times the number of full-time equated pupils in
21 grades K to 12 actually enrolled and in regular daily attendance on
22 the first pupil membership count day or supplemental count day,
23 whichever is first, occurring after operations resume, plus the
24 product of .10 times the final audited count from the most recent
25 pupil membership count day or supplemental count day that occurred
26 before suspending operations, as determined by the superintendent.
27 ~~, but, for 2020-2021 only, except for a public school academy that~~
28 ~~operates as a cyber school, as that term is defined in section 551~~
29 ~~of the revised school code, MCL 380.551, membership is the sum of~~



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

9 (x) If a district's membership for a particular fiscal year,
 10 as otherwise calculated under this subsection, would be less than
 11 1,550 pupils, the district has 4.5 or fewer pupils per square mile,
 12 as determined by the department, and the district does not receive
 13 funding under section 22d(2), the district's membership is
 14 considered to be the membership figure calculated under this
 15 subdivision. If a district educates and counts in its membership
 16 pupils in grades 9 to 12 who reside in a contiguous district that
 17 does not operate grades 9 to 12 and if 1 or both of the affected
 18 districts request the department to use the determination allowed
 19 under this sentence, the department shall include the square
 20 mileage of both districts in determining the number of pupils per
 21 square mile for each of the districts for the purposes of this
 22 subdivision. If a district has established a community engagement
 23 advisory committee in partnership with the department of treasury,
 24 is required to submit a deficit elimination plan or an enhanced
 25 deficit elimination plan under section 1220 of the revised school
 26 code, MCL 380.1220, and is located in a city with a population
 27 between 9,000 and 11,000, **as determined by the department**, that is
 28 in a county with a population between ~~155,000~~**150,000** and 160,000,
 29 **as determined by the department**, the district's membership is



1 considered to be the membership figure calculated under this
 2 subdivision. The membership figure calculated under this
 3 subdivision is the greater of the following:

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

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

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

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

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



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

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

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

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



1 following are met:

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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

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

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

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

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



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

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

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

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

27 (ii) "Serious assault" means an act that constitutes a felony
 28 violation of chapter XI of the Michigan penal code, 1931 PA 328,
 29 MCL 750.81 to 750.90h, or that constitutes an assault and



1 infliction of serious or aggravated injury under section 81a of the
2 Michigan penal code, 1931 PA 328, MCL 750.81a.

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

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

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

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

16 **(iii)** The pupil is pregnant or is a parent.

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

18 **(h)** ~~(i)~~—A pupil enrolled in the Michigan Virtual School, for
19 the pupil's enrollment in the Michigan Virtual School.

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

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



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

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

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

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

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

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

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



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

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

- 6 (i) Fourth Wednesday in July.
 7 (ii) First Wednesday in October.
 8 (iii) Second Wednesday in February.
 9 (iv) Fourth Wednesday in April.

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



1 membership count day or supplemental count day is only counted as
 2 1.0 full-time equated membership if the pupil resumed attendance in
 3 the district, intermediate district, or public school academy
 4 within 45 days after the pupil membership count day or supplemental
 5 count day of that particular year. A pupil not counted as 1.0 full-
 6 time equated membership due to an absence from a class is counted
 7 as a prorated membership for the classes the pupil attended. For
 8 purposes of this subsection, "class" means ~~a~~**either of the**
 9 **following, as applicable:**

10 (a) A period of time in 1 day when pupils and an individual
 11 who is appropriately placed under a valid certificate, substitute
 12 permit, authorization, or approval issued by the department, are
 13 together and instruction is taking place. **This subdivision does not**
 14 **apply for the 2020-2021 school year.**

15 (b) **For the 2020-2021 school year only, a period of time in 1**
 16 **day when pupils and a certificated teacher, a teacher engaged to**
 17 **teach under section 1233b of the revised school code, MCL**
 18 **380.1233b, or an individual working under a valid substitute**
 19 **permit, authorization, or approval issued by the department are**
 20 **together and instruction is taking place.**

21 (9) "~~Pupils engaged in pandemic learning for fall 2020~~**spring**
 22 **2021**" means ~~pupils in grades K to 12 who are enrolled in a~~
 23 ~~district, excluding a district that operates as a cyber school, as~~
 24 ~~that term is defined in section 551 of the revised school code, MCL~~
 25 ~~380.551, or intermediate district and to which any of the following~~
 26 ~~apply:~~

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

29 (i) ~~The pupil attends a live lesson from the pupil's teacher or~~



1 ~~at least 1 of the pupil's teachers on 2020-2021 pupil membership~~
 2 ~~count day.~~

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

6 ~~(iii) The pupil and the pupil's teacher or at least 1 of the~~
 7 ~~pupil's teachers engage in a subject-oriented telephone~~
 8 ~~conversation on 2020-2021 pupil membership count day.~~

9 ~~(iv) The district or intermediate district documents that an~~
 10 ~~electronic mail dialogue occurred between the pupil and the pupil's~~
 11 ~~teacher or at least 1 of the pupil's teachers on 2020-2021 pupil~~
 12 ~~membership count day.~~

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

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

19 ~~(ii) The pupil completes a course assignment on 2020-2021 pupil~~
 20 ~~membership count day and the completion is documented by the~~
 21 ~~district or intermediate district.~~

22 ~~(iii) The pupil completes a course lesson or lesson activity on~~
 23 ~~2020-2021 pupil membership count day and the completion is~~
 24 ~~documented by the district or intermediate district.~~

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

28 ~~(c) At a minimum, 1 2-way interaction has occurred between the~~
 29 ~~pupil and the pupil's teacher or at least 1 of the pupil's teachers~~



1 ~~or another district employee who has responsibility for the pupil's~~
 2 ~~learning, grade progression, or academic progress during the week~~
 3 ~~on which 2020-2021 pupil membership count day falls and during each~~
 4 ~~week for the 3 consecutive weeks after the week on which 2020-2021~~
 5 ~~pupil membership count day falls. A district may utilize 2-way~~
 6 ~~interactions that occur under this subdivision toward meeting the~~
 7 ~~requirement under section 101(3)(h). As used in this subdivision:~~

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

- 23 ~~(A) Electronic mail.~~
 24 ~~(B) Telephone.~~
 25 ~~(C) Instant messaging.~~
 26 ~~(D) Face to face conversation.~~

27 ~~(ii) "Week" means a period beginning on Wednesday and ending on~~
 28 ~~the following Tuesday.~~

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



1 ~~as described in subdivision (a), (b), or (c) and the pupil was not~~
 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 10 consecutive school days immediately~~
 5 ~~following the 2020-2021 pupil membership count day.~~

6 ~~(e) The pupil has not participated in or completed an activity~~
 7 ~~as described in subdivision (a), (b), or (c) and the pupil was~~
 8 ~~excused from participation or completion, but the pupil~~
 9 ~~participates in or completes an activity described in subdivision~~
 10 ~~(a) or (b) during the 30 calendar days immediately following the~~
 11 ~~2020-2021 pupil membership count day.~~

12 ~~(f) The pupil meets the criteria of pupils in grades K to 12~~
 13 ~~actually enrolled and in regular daily attendance.~~ **that term as**
 14 **defined in section 6a.**

15 (10) "Rule" means a rule promulgated pursuant to the
 16 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 17 24.328.

18 (11) "The revised school code" means the revised school code,
 19 1976 PA 451, MCL 380.1 to 380.1852.

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

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

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

27 (15) "Superintendent", unless the context clearly refers to a
 28 district or intermediate district superintendent, means the
 29 superintendent of public instruction described in section 3 of



1 article VIII of the state constitution of 1963.

2 (16) "Supplemental count day" means the day on which the
3 supplemental pupil count is conducted under section 6a or the day
4 specified as supplemental count day under section 6a.

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

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

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

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



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

5 Sec. 6a. (1) Except as otherwise provided in this subsection
6 and this act, in addition to the pupil membership count day, there
7 is a supplemental pupil count of the number of full-time equated
8 pupils in grades K-12 actually enrolled and in regular daily
9 attendance in a district or intermediate district on the second
10 Wednesday in February or, for a district that is not in session on
11 that day due to conditions not within the control of school
12 authorities, with the approval of the superintendent, the
13 immediately following day on which the district is in session, but,
14 for 2020-2021 only, in addition to the pupil membership count day,
15 there is a supplemental pupil count of the number of full-time
16 equated pupils engaged in pandemic learning for spring 2021 or, for
17 a district that operates as a cyber school, as that term is defined
18 in section 551 of the revised school code, MCL 380.551, the number
19 of full-time equated pupils in grades K to 12 actually enrolled and
20 in regular attendance in the district on 2020-2021 supplemental
21 count day. For the purposes of this act, and except as otherwise
22 provided in this subsection, the day on which the supplemental
23 pupil count is conducted is the supplemental count day. For 2020-
24 2021, for purposes of this act, and except as otherwise
25 specifically provided in this article, supplemental count day is
26 the second Wednesday in February or, for a district that is not in
27 session on that day due to conditions not within the control of
28 school authorities, with the approval of the superintendent, the
29 immediately following day on which the district is in session. A



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

5 (2) As used in this section, "pupils engaged in pandemic
6 learning for spring 2021" means pupils in grades K to 12 who are
7 enrolled in a district, excluding a district that operates as a
8 cyber school, as that term is defined in section 551 of the revised
9 school code, MCL 380.551, or intermediate district and to which any
10 of the following apply:

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

13 (i) The pupil attends a live lesson from the pupil's teacher or
14 at least 1 of the pupil's teachers on 2020-2021 supplemental count
15 day.

16 (ii) The pupil logs into an online or virtual lesson or lesson
17 activity on 2020-2021 supplemental count day and the login can be
18 documented by the district or intermediate district.

19 (iii) The pupil and the pupil's teacher or at least 1 of the
20 pupil's teachers engage in a subject-oriented telephone
21 conversation on 2020-2021 supplemental count day.

22 (iv) The district or intermediate district documents that an
23 ~~electronic mail~~**email** dialogue occurred between the pupil and the
24 pupil's teacher or at least 1 of the pupil's teachers on 2020-2021
25 supplemental count day.

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

28 (i) The pupil attends a virtual course where synchronous, live
29 instruction occurs with the pupil's teacher or at least 1 of the



1 pupil's teachers on 2020-2021 supplemental count day and the
2 attendance is documented by the district or intermediate district.

3 (ii) The pupil completes a course assignment on 2020-2021
4 supplemental count day and the completion is documented by the
5 district or intermediate district.

6 (iii) The pupil completes a course lesson or lesson activity on
7 2020-2021 supplemental count day and the completion is documented
8 by the district or intermediate district.

9 (iv) The pupil accesses an ongoing lesson that is not a login
10 on 2020-2021 supplemental count day and the access is documented by
11 the district or intermediate district.

12 (c) At a minimum, 1 2-way interaction has occurred between the
13 pupil and the pupil's teacher or at least 1 of the pupil's teachers
14 **or another district employee who has responsibility for the pupil's**
15 **learning, grade progression, or academic progress** during the week
16 on which 2020-2021 supplemental count day falls and during each
17 week for the 3 consecutive weeks after the week on which 2020-2021
18 supplemental count day falls. A district may utilize 2-way
19 interactions that occur under this subdivision toward meeting the
20 requirement under section 101(3) (h). As used in this subdivision:

21 (i) "2-way interaction" means a communication that occurs
22 between a pupil and the pupil's teacher or at least 1 of the
23 pupil's teachers **or another district employee who has**
24 **responsibility for the pupil's learning, grade progression, or**
25 **academic progress**, where 1 party initiates communication and a
26 response from the other party follows that communication, and that
27 is relevant to course progress or course content for at least 1 of
28 the courses in which the pupil is enrolled **or relevant to the**
29 **pupil's overall academic progress or grade progression**. Responses,



1 as described in this subparagraph, must be to ~~the~~ communication
2 initiated by the teacher, **by another district employee who has**
3 **responsibility for the pupil's learning, grade progression, or**
4 **academic progress, or by the pupil**, and not some other action
5 taken. The communication described in this subparagraph may occur
6 through, but is not limited to, any of the following means:

7 (A) ~~Electronic mail.~~ **Email.**

8 (B) Telephone.

9 (C) Instant messaging.

10 (D) Face-to-face conversation.

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

13 (d) The pupil has not participated or completed an activity
14 described in subdivision (a), (b), or (c) and the pupil was not
15 excused from participation or completion, but the pupil
16 participates in or completes an activity described in subdivision
17 (a) or (b) during the 10 consecutive school days immediately
18 following the 2020-2021 supplemental count day.

19 (e) The pupil has not participated or completed an activity
20 described in subdivision (a), (b), or (c) and the pupil was excused
21 from participation or completion, but the pupil participates in or
22 completes an activity described in subdivision (a) or (b) during
23 the 30 calendar days immediately following the 2020-2021
24 supplemental count day.

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

27 Sec. 11. (1) For the fiscal year ending September 30, 2021,
28 there is appropriated for the public schools of this state and
29 certain other state purposes relating to education the sum of



1 ~~\$13,759,819,500.00~~ **\$13,715,807,900.00** from the state school aid
 2 fund, the sum of ~~\$50,964,600.00~~ **\$54,464,600.00** from the general
 3 fund, an amount not to exceed ~~\$77,700,000.00~~ **\$79,800,000.00** from
 4 the community district education trust fund created under section
 5 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an
 6 amount not to exceed \$100.00 from the water emergency reserve fund.
 7 **For the fiscal year ending September 30, 2022, there is**
 8 **appropriated for the public schools of this state and certain other**
 9 **state purposes relating to education the sum of \$14,506,892,900.00**
 10 **from the state school aid fund, the sum of \$80,000,000.00 from the**
 11 **general fund, an amount not to exceed \$72,000,000.00 from the**
 12 **community district education trust fund created under section 12 of**
 13 **the Michigan trust fund act, 2000 PA 489, MCL 12.262, an amount not**
 14 **to exceed \$140,000,000.00 from the MPSERS retirement obligation**
 15 **reform reserve fund created in section 147b, and an amount not to**
 16 **exceed \$100.00 from the water emergency reserve fund.** In addition,
 17 all available federal funds are **only** appropriated **as allocated in**
 18 **this article** for the fiscal year ~~years~~ ending **September 30, 2021**
 19 **and** September 30, ~~2021-2022~~.

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

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

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



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

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

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

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

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

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

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

24 (6) If the maximum amount appropriated under section 11 from
25 the state school aid fund for a fiscal year exceeds the amount
26 available for expenditure from the state school aid fund for that
27 fiscal year, there is appropriated from the school aid
28 stabilization fund to the state school aid fund an amount equal to
29 the projected shortfall as determined by the department of



1 treasury, but not to exceed available money in the school aid
 2 stabilization fund. If the money in the school aid stabilization
 3 fund is insufficient to fully fund an amount equal to the projected
 4 shortfall, the state budget director shall notify the legislature
 5 as required under section 296(2) and state payments in an amount
 6 equal to the remainder of the projected shortfall must be prorated
 7 in the manner provided under section 296(3).

8 (7) For ~~2020-2021~~, **2021-2022**, in addition to the
 9 appropriations in section 11, there is appropriated from the school
 10 aid stabilization fund to the state school aid fund the amount
 11 necessary to fully fund the allocations under this article.

12 **(8) For 2021-2022, \$100,000,000.00 from the state school aid**
 13 **fund must be deposited into the school aid stabilization fund**
 14 **created under this section.**

15 Sec. 11j. From the ~~appropriation~~ **state school aid fund money**
 16 **appropriated** in section 11, there is allocated an amount not to
 17 exceed \$111,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to the
 18 school loan bond redemption fund in the department of treasury on
 19 behalf of districts and intermediate districts. Notwithstanding
 20 section 296 or any other provision of this act, funds allocated
 21 under this section are not subject to proration and must be paid in
 22 full.

23 Sec. 11k. For ~~2020-2021~~, **2021-2022**, there is appropriated from
 24 the general fund to the school loan revolving fund an amount equal
 25 to the amount of school bond loans assigned to the Michigan finance
 26 authority, not to exceed the total amount of school bond loans held
 27 in reserve as long-term assets. As used in this section, "school
 28 loan revolving fund" means that fund created in section 16c of the
 29 shared credit rating act, 1985 PA 227, MCL 141.1066c.



1 Sec. 11m. From the ~~appropriation~~ **state school aid fund money**
 2 **appropriated** in section 11, there is allocated for 2020-2021 an
 3 amount not to exceed ~~\$11,400,000.00~~ **\$8,700,000.00 and there is**
 4 **allocated for 2021-2022 an amount not to exceed \$9,500,000.00** for
 5 fiscal year cash-flow borrowing costs solely related to the state
 6 school aid fund established under section 11 of article IX of the
 7 state constitution of 1963.

8 Sec. 11s. (1) From the state school aid fund money
 9 appropriated in section 11, there is allocated \$5,000,000.00 for
 10 ~~2020-2021~~ **2021-2022** and from the general fund money appropriated in
 11 section 11, there is allocated \$3,075,000.00 for ~~2020-2021~~ **2021-**
 12 **2022** for the purpose of providing services and programs to children
 13 who reside within the boundaries of a district with the majority of
 14 its territory located within the boundaries of a city for which an
 15 executive proclamation of emergency concerning drinking water is
 16 issued in the current or immediately preceding ~~5-6~~ fiscal years
 17 under the emergency management act, 1976 PA 390, MCL 30.401 to
 18 30.421. From the funding appropriated in section 11, there is
 19 allocated for ~~2020-2021~~ **2021-2022** \$100.00 from the water emergency
 20 reserve fund for the purposes of this section.

21 (2) From the general fund money allocated in subsection (1),
 22 there is allocated to a district with the majority of its territory
 23 located within the boundaries of a city ~~in~~ **for** which an executive
 24 proclamation of emergency **concerning drinking water** is issued in
 25 the current or immediately preceding ~~5-6~~ fiscal years and that has
 26 at least 4,500 pupils in membership for the 2016-2017 fiscal year
 27 or has at least 3,000 pupils in membership for a fiscal year after
 28 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2020-2021~~
 29 **2021-2022** for the purpose of employing school nurses, classroom



1 aides, and school social workers. The district shall provide a
 2 report to the department in a form, manner, and frequency
 3 prescribed by the department. The department shall provide a copy
 4 of that report to the governor, the house and senate school aid
 5 subcommittees, the house and senate fiscal agencies, and the state
 6 budget director within 5 days after receipt. The report must
 7 provide at least the following information:

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

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

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

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

17 (3) For ~~2020-2021 only,~~ **2021-2022**, from the state school aid
 18 fund money allocated in subsection (1), there is allocated an
 19 amount not to exceed ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate
 20 district that has a constituent district described in subsection
 21 (2) to provide state early intervention services for children
 22 described in subsection (1) who are between age 3 and age 5. The
 23 intermediate district shall use these funds to provide state early
 24 intervention services that are similar to the services described in
 25 the early on Michigan state plan. ~~, including ensuring that all~~
 26 ~~children described in subsection (1) who are less than 4 years of~~
 27 ~~age as of September 1, 2016 are assessed and evaluated at least~~
 28 ~~twice annually.~~

29 (4) From the state school aid fund money allocated in



1 subsection (1), there is allocated an amount not to exceed
2 \$1,000,000.00 for ~~2020-2021~~**2021-2022** to the intermediate district
3 described in subsection (3) to enroll children described in
4 subsection (1) in school-day great start readiness programs,
5 regardless of household income eligibility requirements contained
6 in section 32d. The department shall administer this funding
7 consistent with all other provisions that apply to great start
8 readiness programs under sections 32d and 39.

9 (5) For ~~2020-2021~~**2021-2022**, from the general fund money
10 allocated in subsection (1), there is allocated an amount not to
11 exceed \$650,000.00 for nutritional services to children described
12 in subsection (1).

13 (6) For ~~2020-2021~~**2021-2022**, from the state school aid fund
14 money allocated in subsection (1), there is allocated an amount not
15 to exceed ~~\$1,600,000.00~~**\$2,000,000.00** to the intermediate district
16 described in subsection (3) for interventions and supports for
17 students in K to 12 who were impacted by an executive proclamation
18 of emergency described in subsection (1) concerning drinking water.
19 Funds under this subsection must be used for behavioral supports,
20 social workers, counselors, psychologists, nursing services,
21 including, but not limited to, vision and hearing services,
22 transportation services, parental engagement, community
23 coordination, and other support services.

24 (7) In addition to other funding allocated and appropriated in
25 this section, there is appropriated an amount not to exceed
26 \$5,000,000.00 for ~~2020-2021~~**2021-2022** for state restricted
27 contingency funds. These contingency funds are not available for
28 expenditure until they have been transferred to a section within
29 this article under section 393(2) of the management and budget act,



1 1984 PA 431, MCL 18.1393.

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

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

28 (2) If the result of an audit conducted by or for the
29 department affects the current fiscal year membership, the



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

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



1 applicable must be satisfied from the proceeds of a loan to the
2 district under the emergency municipal loan act, 1980 PA 243, MCL
3 141.931 to 141.942, or from the proceeds of millage levied or
4 pledged under section 1211 of the revised school code, MCL
5 380.1211, as determined by the department.

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

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

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

21 (7) In addition to funds appropriated in section 11 for all
22 programs and services, there is appropriated for ~~2020-2021~~**2021-**
23 **2022** for obligations in excess of applicable appropriations an
24 amount equal to the collection of overpayments, but not to exceed
25 amounts available from overpayments.

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 **financial** audit conducted under
26 subsection (4) for the most recent fiscal year for which it is
27 available.

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



1 (v) The district's written policy governing procurement of
2 supplies, materials, and equipment.

3 (vi) The district's written policy establishing specific
4 categories of reimbursable expenses, as described in section
5 1254(2) of the revised school code, MCL 380.1254.

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

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

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

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

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

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

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



1 of out-of-state travel, including at least identification of each
2 individual on the trip, destination, and purpose.

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

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

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

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



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

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

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

15 (e) All of the following must be done not later than November
16 1 each year for reporting the prior fiscal year data: ~~, but, for~~
17 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~
18 ~~2020 data:~~

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

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

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

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



1 15.246.

2 (g) Not later than January 31 of each year, the department
3 shall notify the state budget director and the legislative
4 appropriations subcommittees responsible for review of the school
5 aid budget of districts and intermediate districts that have not
6 filed an annual financial audit and pupil accounting procedures
7 report required under this section for the school year ending in
8 the immediately preceding fiscal year.

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



1 services, supplies, capital outlay, and other. A district shall
2 report the required level of detail consistent with the manual as
3 part of the comprehensive annual financial report.

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

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

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

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

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



1 (4), (5), (6), (7), and (12). If the district or intermediate
2 district does not comply with subsections (4), (5), (6), (7), and
3 (12) by the end of the fiscal year, the district or intermediate
4 district forfeits the amount withheld.

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

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

27 (13) By March 31 of each year, the department shall submit to
28 the house and senate appropriations subcommittees on state school
29 aid, the state budget director, and the house and senate fiscal



1 agencies a report summarizing the per-pupil costs by vendor type of
 2 virtual courses available under section 21f and virtual courses
 3 provided by a school of excellence that is a cyber school, as
 4 defined in section 551 of the revised school code, MCL 380.551.

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

7 (a) Virtual courses provided by the Michigan Virtual
 8 University.

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

12 (c) Virtual courses provided by third party vendors not
 13 affiliated with a ~~Michigan~~ public school **in this state**.

14 (d) Virtual courses created and offered by a district or
 15 intermediate district.

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

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

27 Sec. 19. (1) A district or intermediate district shall comply
 28 with all applicable reporting requirements specified in state and
 29 federal law. Data provided to the center, in a form and manner



1 prescribed by the center, shall be aggregated and disaggregated as
 2 required by state and federal law. In addition, a district or
 3 intermediate district shall cooperate with all measures taken by
 4 the center to establish and maintain a statewide P-20 longitudinal
 5 data system.

6 (2) Each district shall furnish to the center not later than 5
 7 weeks after the pupil membership count day and by the last business
 8 day in June of the school fiscal year ending in the fiscal year, in
 9 a manner prescribed by the center, the information necessary for
 10 the preparation of the district and high school graduation report,
 11 **information regarding completion of early middle college**
 12 **credentials obtained and postsecondary credits obtained in any**
 13 **college acceleration program, and information necessary** for the
 14 preparation of the state and federal accountability reports. This
 15 information shall meet requirements established in the pupil
 16 auditing manual approved and published by the department. The
 17 center shall calculate an annual graduation and pupil dropout rate
 18 for each high school, each district, and this state, in compliance
 19 with nationally recognized standards for these calculations. The
 20 center shall report all graduation and dropout rates to the senate
 21 and house education committees and appropriations committees, the
 22 state budget director, and the department not later than 30 days
 23 after the publication of the list described in subsection (5).
 24 Before reporting these graduation and dropout rates, the department
 25 shall allow a school or district to appeal the calculations. The
 26 department shall consider and act upon the appeal within 30 days
 27 after it is submitted and shall not report these graduation and
 28 dropout rates until after all appeals have been considered and
 29 decided.



1 (3) By the first business day in December and by the last
 2 business day in June of each year, a district shall furnish to the
 3 center, in a manner prescribed by the center, information related
 4 to educational personnel as necessary for reporting required by
 5 state and federal law. For the purposes of this subsection, the
 6 center shall only require districts and intermediate districts to
 7 report information that is not already available from the office of
 8 retirement services in the department of technology, management,
 9 and budget.

10 (4) If a district or intermediate district fails to meet the
 11 requirements of this section, the department shall withhold 5% of
 12 the total funds for which the district or intermediate district
 13 qualifies under this article until the district or intermediate
 14 district complies with ~~all of these subsections.~~ **this section.** If
 15 the district or intermediate district does not comply with ~~all of~~
 16 ~~these subsections~~ **this section** by the end of the fiscal year, the
 17 department shall place the amount withheld in an escrow account
 18 until the district or intermediate district complies with ~~all of~~
 19 ~~these subsections.~~ **this section.**

20 (5) Before publishing a list of school or district
 21 accountability designations as required by the no child left behind
 22 act of 2001, Public Law 107-110, or the every student succeeds act,
 23 Public Law 114-95, and utilizing data that were certified as
 24 accurate and complete after districts and intermediate districts
 25 adhered to deadlines, data quality reviews, and correction
 26 processes leading to local certification of final student data in
 27 subsection (2), the department shall allow a school or district to
 28 appeal any calculation errors used in the preparation of
 29 accountability metrics. The department shall consider and act upon



1 the appeal within 30 days after it is submitted and shall not
 2 publish the list until after all appeals have been considered and
 3 decided.

4 (6) ~~Beginning in 2016-2017, the~~ **The** department shall implement
 5 statewide standard reporting requirements for education data
 6 approved by the department in conjunction with the center. The
 7 department shall work with the center, intermediate districts,
 8 districts, and other interested stakeholders to implement this
 9 policy change. A district or intermediate district shall implement
 10 the statewide standard reporting requirements not later than 2017-
 11 2018 or when a district or intermediate district updates its
 12 education data reporting system, whichever is later.

13 Sec. 20. (1) For ~~2020-2021,~~ **2021-2022**, both of the following
 14 apply:

15 (a) The target foundation allowance is ~~\$8,529.00.~~ **\$8,700.00.**

16 (b) The minimum foundation allowance is ~~\$8,111.00.~~ **\$8,453.00.**

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).

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

26 (a) Except as otherwise provided in this subdivision, for a
 27 district that had a foundation allowance for the immediately
 28 preceding fiscal year that was at least equal to the minimum
 29 foundation allowance for the immediately preceding fiscal year, but



1 less than the target foundation allowance for the immediately
 2 preceding fiscal year, the district receives a foundation allowance
 3 in an amount equal to the sum of the district's foundation
 4 allowance for the immediately preceding fiscal year plus the
 5 difference between twice the dollar amount of the adjustment from
 6 the immediately preceding fiscal year to the current fiscal year
 7 made in the target foundation allowance and [(the difference
 8 between the target foundation allowance for the current fiscal year
 9 and target foundation allowance for the immediately preceding
 10 fiscal year minus ~~\$40.00~~ **\$57.00**) times (the difference between the
 11 district's foundation allowance for the immediately preceding
 12 fiscal year and the minimum foundation allowance for the
 13 immediately preceding fiscal year) divided by the difference
 14 between the target foundation allowance for the current fiscal year
 15 and the minimum foundation allowance for the immediately preceding
 16 fiscal year.] However, the foundation allowance for a district that
 17 had less than the target foundation allowance for the immediately
 18 preceding fiscal year must not exceed the target foundation
 19 allowance for the current fiscal year.

20 (b) Except as otherwise provided in this subsection, for a
 21 district that in the immediately preceding fiscal year had a
 22 foundation allowance in an amount equal to the amount of the target
 23 foundation allowance for the immediately preceding fiscal year, the
 24 district receives a foundation allowance for ~~2020-2021~~ **2021-2022** in
 25 an amount equal to the target foundation allowance for ~~2020-~~
 26 ~~2021-~~ **2021-2022**.

27 (c) For a district that had a foundation allowance for the
 28 immediately preceding fiscal year that was greater than the target
 29 foundation allowance for the immediately preceding fiscal year, the



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

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

15 (4) Except as otherwise provided in this subsection, beginning
16 in 2014-2015, the state portion of a district's foundation
17 allowance is an amount equal to the district's foundation allowance
18 or the target foundation allowance for the current fiscal year,
19 whichever is less, minus the local portion of the district's
20 foundation allowance. For a district described in subsection
21 (3)(c), beginning in 2014-2015, the state portion of the district's
22 foundation allowance is an amount equal to \$6,962.00 plus the
23 difference between the district's foundation allowance for the
24 current fiscal year and the district's foundation allowance for
25 1998-99, minus the local portion of the district's foundation
26 allowance. For a district that has a millage reduction required
27 under section 31 of article IX of the state constitution of 1963,
28 the department shall calculate the state portion of the district's
29 foundation allowance as if that reduction did not occur. For a



1 receiving district, if school operating taxes continue to be levied
2 on behalf of a dissolved district that has been attached in whole
3 or in part to the receiving district to satisfy debt obligations of
4 the dissolved district under section 12 of the revised school code,
5 MCL 380.12, the taxable value per membership pupil of property in
6 the receiving district used for the purposes of this subsection
7 does not include the taxable value of property within the
8 geographic area of the dissolved district. For a community
9 district, if school operating taxes continue to be levied by a
10 qualifying school district under section 12b of the revised school
11 code, MCL 380.12b, with the same geographic area as the community
12 district, the taxable value per membership pupil of property in the
13 community district to be used for the purposes of this subsection
14 does not include the taxable value of property within the
15 geographic area of the community district.

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



1 **allocation under section 20m.**

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

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

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



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

9 **The calculation under this subsection must take into account a**
10 **district's per-pupil allocation under section 20m.**

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

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

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

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



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

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

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



1 (12) Payments to districts and public school academies are not
 2 made under this section. Rather, the calculations under this
 3 section are used to determine the amount of state payments under
 4 section 22b.

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

10 (14) As used in this section:

11 (a) "Certified mills" means the lesser of 18 mills or the
 12 number of mills of school operating taxes levied by the district in
 13 1993-94.

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

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

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

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

27 (f) "Immediately preceding fiscal year" means the fiscal year
 28 immediately preceding the current fiscal year.

29 (g) "Local portion of the district's foundation allowance"



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

11 (h) "Local school operating revenue" means school operating
12 taxes levied under section 1211 of the revised school code, MCL
13 380.1211. For a receiving district, if school operating taxes are
14 to be levied on behalf of a dissolved district that has been
15 attached in whole or in part to the receiving district to satisfy
16 debt obligations of the dissolved district under section 12 of the
17 revised school code, MCL 380.12, local school operating revenue
18 does not include school operating taxes levied within the
19 geographic area of the dissolved district.

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

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

26 (k) "Nonexempt property" means property that is not a
27 principal residence, qualified agricultural property, qualified
28 forest property, supportive housing property, industrial personal
29 property, commercial personal property, or property occupied by a



1 public school academy.

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

7 (m) "Receiving district" means a district to which all or part
8 of the territory of a dissolved district is attached under section
9 12 of the revised school code, MCL 380.12.

10 (n) "School operating purposes" means the purposes included in
11 the operation costs of the district as prescribed in sections 7 and
12 18 and purposes authorized under section 1211 of the revised school
13 code, MCL 380.1211.

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

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

21 (q) "Taxable value per membership pupil" means taxable value,
22 as certified by the county treasurer and reported to the
23 department, for the calendar year ending in the current state
24 fiscal year divided by the district's membership excluding special
25 education pupils for the school year ending in the current state
26 fiscal year.

27 Sec. 20d. In making the final determination required under
28 former section 20a of a district's combined state and local revenue
29 per membership pupil in 1993-94 and in making calculations under



1 section 20 for ~~2020-2021~~, **2021-2022**, the department and the
 2 department of treasury shall comply with all of the following:

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

18 (b) If a district had an adjustment made to its 1993-94 total
 19 state school aid that excluded payments made under former section
 20 146 and under section 147 on behalf of the district's employees who
 21 provided direct services for intermediate district center programs
 22 operated by the district under **former section 51 and** sections ~~51~~
 23 **51a** to 56, if nonresident pupils attending the center programs were
 24 included in the district's membership for purposes of calculating
 25 the combined state and local revenue per membership pupil for 1993-
 26 94, and if there is a signed agreement by all constituent districts
 27 of the intermediate district agreeing to an adjustment under this
 28 subdivision, the department shall calculate the foundation
 29 allowances for 1995-96 and 1996-97 of all districts that had pupils



1 attending the intermediate district center program operated by the
2 district that had the adjustment as if their combined state and
3 local revenue per membership pupil for 1993-94 included resident
4 pupils attending the center program and excluded nonresident pupils
5 attending the center program.

6 Sec. 20f. (1) From the ~~funds~~**state school aid fund money**
7 appropriated in section 11, there is allocated an amount not to
8 exceed \$18,000,000.00 for ~~2020-2021~~**2021-2022** for payments to
9 eligible districts under this section.

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

15 (a) The increase in the district's foundation allowance or
16 per-pupil payment as calculated under section 20 from 2012-2013 to
17 2013-2014.

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

20 (c) The quotient of the district's allocation under section
21 147a for 2012-2013 divided by the district's membership pupils for
22 2012-2013 minus the quotient of the district's allocation under
23 section 147a for 2013-2014 divided by the district's membership
24 pupils for 2013-2014.

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

29 (4) The funding under this subsection is from the allocation



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

3 (a) The increase in the district's foundation allowance or
4 per-pupil payment as calculated under section 20 from 2014-2015 to
5 2015-2016.

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

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

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

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

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

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

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

25 (d) The quotient of the district's allocation under section
26 31a for 2015-2016 divided by the district's membership pupils for
27 2015-2016 minus the quotient of the district's allocation under
28 section 31a for 2014-2015 divided by the district's membership
29 pupils for 2014-2015.



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

5 **Sec. 20m. (1) Foundation allowance supplemental payments for**
6 **the current fiscal year to districts that in the immediately**
7 **preceding fiscal year had a foundation allowance greater than the**
8 **target foundation allowance must be calculated under this section.**

9 (2) The per-pupil allocation to each district under this
10 section is the difference between the dollar amount of the
11 adjustment from the immediately preceding fiscal year to the
12 current fiscal year in the target foundation allowance minus the
13 dollar amount of the adjustment from the immediately preceding
14 fiscal year to the current fiscal year in a qualifying district's
15 foundation allowance.

16 (3) If a district's local revenue per pupil does not exceed
17 the sum of its foundation allowance under section 20 plus the per-
18 pupil allocation under subsection (2), the total payment to the
19 district calculated under this section is the product of the per-
20 pupil allocation under subsection (2) multiplied by the district's
21 membership, excluding special education pupils. If a district's
22 local revenue per pupil exceeds the foundation allowance under
23 section 20 but does not exceed the sum of the foundation allowance
24 under section 20 plus the per-pupil allocation under subsection
25 (2), the total payment to the district calculated under this
26 section is the product of the difference between the sum of the
27 foundation allowance under section 20 plus the per-pupil allocation
28 under subsection (2) minus the local revenue per pupil multiplied
29 by the district's membership, excluding special education pupils.



1 If a district's local revenue per pupil exceeds the sum of the
 2 foundation allowance under section 20 plus the per-pupil allocation
 3 under subsection (2), there is no payment calculated under this
 4 section for the district.

5 (4) Payments to districts must not be made under this section.
 6 Rather, the calculations under this section are used to determine
 7 the amount of state payments that are made under section 22b.

8 (5) As used in this section, "qualifying district" means a
 9 district where the millage limitation in section 1211(3) of the
 10 revised school code, MCL 380.1211, is applied due to the increase
 11 in the target foundation allowance from the immediately preceding
 12 fiscal year to the current fiscal year exceeding the percentage
 13 increase in the general price level in the immediately preceding
 14 calendar year applied to the district's immediately preceding
 15 fiscal year foundation allowance.

16 Sec. 21f. (1) ~~Except as otherwise provided under subsection~~
 17 ~~(15), a~~ **A** primary district shall enroll an eligible pupil in
 18 virtual courses in accordance with the provisions of this section.
 19 ~~Except as otherwise provided under subsection (15), a~~ **A** primary
 20 district shall not offer a virtual course to an eligible pupil
 21 unless the virtual course is published in the primary district's
 22 catalog of board-approved courses or in the statewide catalog of
 23 virtual courses maintained by the Michigan Virtual University
 24 pursuant to section 98. The primary district shall also provide on
 25 its publicly accessible website a link to the statewide catalog of
 26 virtual courses maintained by the Michigan Virtual University.
 27 ~~Except as otherwise provided under subsection (15), unless~~ **Unless**
 28 the pupil is at least age 18 or is an emancipated minor, a pupil
 29 must not be enrolled in a virtual course without the consent of the



1 pupil's parent or legal guardian.

2 (2) Subject to subsection (3), ~~and except as otherwise~~
3 ~~provided under subsection (15),~~ a primary district shall enroll an
4 eligible pupil in up to 2 virtual courses as requested by the pupil
5 during an academic term, semester, or trimester.

6 (3) ~~Except as otherwise provided under subsection (15),~~ a **A**
7 pupil may be enrolled in more than 2 virtual courses in a specific
8 academic term, semester, or trimester if all of the following
9 conditions are met:

10 (a) The primary district has determined that it is in the best
11 interest of the pupil.

12 (b) The pupil agrees with the recommendation of the primary
13 district.

14 (c) The primary district, in collaboration with the pupil, has
15 developed an education development plan, in a form and manner
16 specified by the department, that is kept on file by the district.
17 This subdivision does not apply to a pupil enrolled as a part-time
18 pupil under section 166b.

19 (4) ~~Except as otherwise provided under subsection (15),~~ **if**
20 the number of applicants eligible for acceptance in a virtual
21 course does not exceed the capacity of the provider to provide the
22 virtual course, the provider shall accept for enrollment all of the
23 applicants eligible for acceptance. If the number of applicants
24 exceeds the provider's capacity to provide the virtual course, the
25 provider shall use a random draw system, subject to the need to
26 abide by state and federal antidiscrimination laws and court
27 orders. A primary district that is also a provider shall determine
28 whether or not it has the capacity to accept applications for
29 enrollment from nonresident applicants in virtual courses and may



1 use that limit as the reason for refusal to enroll a nonresident
2 applicant.

3 (5) ~~Except as otherwise provided under subsection (15), a~~ **A**
4 primary district may not establish additional requirements beyond
5 those specified in this subsection that would prohibit a pupil from
6 taking a virtual course. ~~Except as otherwise provided under~~
7 ~~subsection (15), a~~ **A** pupil's primary district may deny the pupil
8 enrollment in a virtual course if any of the following apply, as
9 determined by the district:

10 (a) The pupil is enrolled in any of grades K to 5.

11 (b) The pupil has previously gained the credits that would be
12 provided from the completion of the virtual course.

13 (c) The virtual course is not capable of generating academic
14 credit.

15 (d) The virtual course is inconsistent with the remaining
16 graduation requirements or career interests of the pupil.

17 (e) The pupil has not completed the prerequisite coursework
18 for the requested virtual course or has not demonstrated
19 proficiency in the prerequisite course content.

20 (f) The pupil has failed a previous virtual course in the same
21 subject during the 2 most recent academic years.

22 (g) The virtual course is of insufficient quality or rigor. A
23 primary district that denies a pupil enrollment request for this
24 reason shall enroll the pupil in a virtual course in the same or a
25 similar subject that the primary district determines is of
26 acceptable rigor and quality.

27 (h) The cost of the virtual course exceeds the amount
28 identified in subsection (10), unless the pupil or the pupil's
29 parent or legal guardian agrees to pay the cost that exceeds this



1 amount.

2 (i) The request for a virtual course enrollment did not occur
3 within the same timelines established by the primary district for
4 enrollment and schedule changes for regular courses.

5 (j) The request for a virtual course enrollment was not made
6 in the academic term, semester, trimester, or summer preceding the
7 enrollment. This subdivision does not apply to a request made by a
8 pupil who is newly enrolled in the primary district.

9 (6) ~~Except as otherwise provided under subsection (15), if~~ **If**
10 a pupil is denied enrollment in a virtual course by the pupil's
11 primary district, the primary district shall provide written
12 notification to the pupil of the denial, the reason or reasons for
13 the denial under subsection (5), and a description of the appeal
14 process. The pupil may appeal the denial by submitting a letter to
15 the superintendent of the intermediate district in which the
16 pupil's primary district is located. The letter of appeal must
17 include the reason provided by the primary district for not
18 enrolling the pupil and the reason why the pupil is claiming that
19 the enrollment should be approved. The intermediate district
20 superintendent or designee shall respond to the appeal within 5
21 days after it is received. If the intermediate district
22 superintendent or designee determines that the denial of enrollment
23 does not meet 1 or more of the reasons specified in subsection (5),
24 the primary district shall enroll the pupil in the virtual course.

25 (7) ~~Except as otherwise provided under subsection (15), to~~ **To**
26 provide a virtual course to an eligible pupil under this section, a
27 provider must do all of the following:

28 (a) Ensure that the virtual course has been published in the
29 pupil's primary district's catalog of board-approved courses or



1 published in the statewide catalog of virtual courses maintained by
2 the Michigan Virtual University.

3 (b) Assign to each pupil a teacher of record and provide the
4 primary district with the personnel identification code assigned by
5 the center for the teacher of record. If the provider is a
6 community college, the virtual course must be taught by an
7 instructor employed by or contracted through the providing
8 community college.

9 (c) Offer the virtual course on an open entry and exit method,
10 or aligned to a semester, trimester, or accelerated academic term
11 format.

12 (d) If the virtual course is offered to eligible pupils in
13 more than 1 district, the following additional requirements must
14 also be met:

15 (i) Provide the Michigan Virtual University with a course
16 syllabus that meets the definition under subsection (14)(g) in a
17 form and manner prescribed by the Michigan Virtual University for
18 inclusion in a statewide catalog of virtual courses.

19 (ii) Not later than October 1 of each fiscal year, provide the
20 Michigan Virtual University with an aggregated count of enrollments
21 for each virtual course the provider delivered to pupils under this
22 section during the immediately preceding school year, and the
23 number of enrollments in which the pupil earned 60% or more of the
24 total course points for each virtual course.

25 (8) ~~Except as otherwise provided under subsection (15), to~~ **To**
26 provide a virtual course under this section, a community college
27 shall ensure that each virtual course it provides under this
28 section generates postsecondary credit.

29 (9) ~~Except as otherwise provided under subsection (15), for~~



1 **For** any virtual course a pupil enrolls in under this section, the
 2 pupil's primary district must assign to the pupil a mentor and
 3 shall supply the provider with the mentor's contact information.

4 ~~(10) Except as otherwise provided under subsection (15), for~~
 5 **For** a pupil enrolled in 1 or more virtual courses, the primary
 6 district shall use foundation allowance or per-pupil funds
 7 calculated under section 20 to pay for the expenses associated with
 8 the virtual course or courses. ~~Except as otherwise provided under~~
 9 ~~subsection (15), a~~ **A** primary district is not required to pay toward
 10 the cost of a virtual course an amount that exceeds 6.67% of the
 11 minimum foundation allowance for the current fiscal year as
 12 calculated under section 20.

13 (11) A virtual learning pupil has the same rights and access
 14 to technology in his or her primary district's school facilities as
 15 all other pupils enrolled in the pupil's primary district. The
 16 department shall establish standards for hardware, software, and
 17 internet access for pupils who are enrolled in more than 2 virtual
 18 courses under this section in an academic term, semester, or
 19 trimester taken at a location other than a school facility.

20 (12) If a pupil successfully completes a virtual course, as
 21 determined by the pupil's primary district, the pupil's primary
 22 district shall grant appropriate academic credit for completion of
 23 the course and shall count that credit toward completion of
 24 graduation and subject area requirements. A pupil's school record
 25 and transcript must identify the virtual course title as it appears
 26 in the virtual course syllabus.

27 (13) The enrollment of a pupil in 1 or more virtual courses
 28 must not result in a pupil being counted as more than 1.0 full-time
 29 equivalent pupils under this article. ~~Except as otherwise provided~~



1 ~~under subsection (15), the~~ **The** minimum requirements to count the
2 pupil in membership are those established by the pupil accounting
3 manual as it was in effect for the 2015-2016 school year or as
4 subsequently amended by the department if the department notifies
5 the legislature about the proposed amendment at least 60 days
6 before the amendment becomes effective.

7 (14) As used in this section:

8 (a) "Instructor" means an individual who is employed by or
9 contracted through a community college.

10 (b) "Mentor" means a professional employee of the primary
11 district who monitors the pupil's progress, ensures the pupil has
12 access to needed technology, is available for assistance, and
13 ensures access to the teacher of record. A mentor may also serve as
14 the teacher of record if the primary district is the provider for
15 the virtual course and the mentor meets the requirements under
16 subdivision (e).

17 (c) "Primary district" means the district that enrolls the
18 pupil and reports the pupil for pupil membership purposes.

19 (d) "Provider" means the district, intermediate district, or
20 community college that the primary district pays to provide the
21 virtual course or the Michigan Virtual University if it is
22 providing the virtual course. Beginning on the first day of the
23 2020-2021 school year through August 31, 2021, "provider" also
24 includes any other institution or individual that the primary
25 district pays to provide the virtual course.

26 (e) "Teacher of record" means a teacher who meets all of the
27 following:

28 (i) Holds a valid Michigan teaching certificate or a teaching
29 permit recognized by the department.



1 (ii) If applicable, is endorsed in the subject area and grade
2 of the virtual course.

3 (iii) Is responsible for providing instruction, determining
4 instructional methods for each pupil, diagnosing learning needs,
5 assessing pupil learning, prescribing intervention strategies and
6 modifying lessons, reporting outcomes, and evaluating the effects
7 of instruction and support strategies.

8 (iv) Has a personnel identification code provided by the
9 center.

10 (v) If the provider is a community college, is an instructor
11 employed by or contracted through the providing community college.

12 (f) "Virtual course" means a course of study that is capable
13 of generating a credit or a grade and that is provided in an
14 interactive learning environment where the majority of the
15 curriculum is delivered using the internet and in which pupils may
16 be separated from their instructor or teacher of record by time or
17 location, or both.

18 (g) "Virtual course syllabus" means a document that includes
19 all of the following:

20 (i) An alignment document detailing how the course meets
21 applicable state standards or, if the state does not have state
22 standards, nationally recognized standards.

23 (ii) The virtual course content outline.

24 (iii) The virtual course required assessments.

25 (iv) The virtual course prerequisites.

26 (v) Expectations for actual instructor or teacher of record
27 contact time with the virtual learning pupil and other
28 communications between a pupil and the instructor or teacher of
29 record.



1 (vi) Academic support available to the virtual learning pupil.

2 (vii) The virtual course learning outcomes and objectives.

3 (viii) The name of the institution or organization providing the
4 virtual content.

5 (ix) The name of the institution or organization providing the
6 instructor or teacher of record.

7 (x) The course titles assigned by the provider and the course
8 titles and course codes from the National Center for Education
9 Statistics (NCES) school codes for the exchange of data (SCED).

10 (xi) The number of eligible pupils that will be accepted by the
11 provider in the virtual course. A primary district that is also the
12 provider may limit the enrollment to those pupils enrolled in the
13 primary district.

14 (xii) The results of the virtual course quality review using
15 the guidelines and model review process published by the Michigan
16 Virtual University.

17 (h) "Virtual learning pupil" means a pupil enrolled in 1 or
18 more virtual courses.

19 ~~(15) The requirements under this section concerning virtual~~
20 ~~courses do not apply to virtual courses offered as part of pandemic~~
21 ~~learning. As used in this subsection, "pandemic learning" means a~~
22 ~~mode of pupil instruction provided as a result of the COVID-19~~
23 ~~pandemic.~~

24 Sec. 21h. (1) From the ~~appropriation~~ **state school aid fund**
25 **money appropriated** in section 11, there is allocated \$6,137,400.00
26 for ~~2020-2021~~ **2021-2022** for assisting districts assigned by the
27 superintendent to participate in a partnership and districts that
28 have established a community engagement advisory committee in
29 partnership with the department of treasury, are required to submit



1 a deficit elimination plan or an enhanced deficit elimination plan
2 under section 1220 of the revised school code, MCL 380.1220, and
3 are located in a city with a population between 9,000 and 11,000,
4 **as determined by the department**, that is in a county with a
5 population between ~~155,000~~**150,000** and 160,000, **as determined by**
6 **the department**, to improve student achievement and district
7 financial stability. The superintendent shall collaborate with the
8 state treasurer to identify any conditions that may be contributing
9 to low academic performance within a district being considered for
10 assignment to a partnership. The purpose of the partnership is to
11 identify district needs, develop intervention plans, and partner
12 with public, private, and nonprofit organizations to coordinate
13 resources and improve student achievement. Assignment of a district
14 to a partnership is made by the superintendent in consultation with
15 the state treasurer.

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

22 (a) For a partnership district under this section, within 90
23 days of assignment to the partnership described in this section,
24 and for a district described in subsection (1) that is not a
25 partnership district under this section, by October 15 of each
26 year, complete a comprehensive needs assessment or evaluation in
27 collaboration with an intermediate district, community members,
28 education organizations, and postsecondary institutions, as
29 applicable, that is approved by the superintendent. The



1 comprehensive needs assessment or evaluation must include at least
2 all of the following:

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

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

8 (iii) A review of classroom, instructional, and operational
9 practices and curriculum to ensure alignment with research-based
10 instructional practices and state curriculum standards.

11 (b) Develop an academic and financial operating or
12 intervention plan that has been approved by the superintendent and
13 that addresses the needs identified in the comprehensive needs
14 assessment or evaluation completed under subdivision (a). The
15 intervention plan must include at least all of the following:

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

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

22 (c) Craft academic goals that put pupils on track to meet or
23 exceed grade level proficiency.

24 (3) Upon approval of the academic and financial operating or
25 intervention plan developed under subsection (2), the department,
26 in collaboration with the department of treasury, shall assign a
27 team of individuals with expertise in comprehensive school and
28 district reform to partner with the district, the intermediate
29 district, community organizations, education organizations, and



1 postsecondary institutions identified in the academic and financial
2 operating or intervention plan to review the district's use of
3 existing financial resources to ensure that those resources are
4 being used as efficiently and effectively as possible to improve
5 student academic achievement and to ensure district financial
6 stability. The superintendent of public instruction may waive
7 burdensome administrative rules for a partnership district for the
8 duration of the partnership agreement and for a district described
9 in subsection (1) that is not a partnership district under this
10 section and that receives funding under this section in the current
11 fiscal year.

12 (4) Funds allocated under this section, excluding funds
13 allocated under subsection (5), may be used to pay for district
14 expenditures approved by the superintendent to improve student
15 achievement. Funds may be used for professional development for
16 teachers or district or school leadership, increased instructional
17 time, teacher mentors, or other expenditures that directly impact
18 student achievement and cannot be paid from existing district
19 financial resources. An eligible district must not receive funds
20 under this section for more than 3 years. Notwithstanding section
21 17b, the department shall make payments to districts under this
22 section on a schedule determined by the department.

23 (5) From the funds allocated under subsection (1), there is
24 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
25 \$137,400.00 for the purchase of a data analytics tool to be used by
26 districts described in subsection (1). The superintendent of public
27 instruction shall require districts described in subsection (1) to
28 purchase a data analytics tool funded under this subsection as part
29 of the agreements described in this section.



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

8 Sec. 22a. (1) From the ~~appropriation~~ **state school aid fund**
 9 **money appropriated** in section 11, there is allocated an amount not
 10 to exceed ~~\$4,916,000,000.00~~ **\$4,836,000,000.00** for ~~2019-2020-2020-~~
 11 **2021** and there is allocated an amount not to exceed
 12 ~~\$4,880,500,000.00~~ **\$4,702,000,000.00** for ~~2020-2021-2021-2022~~ for
 13 payments to districts and qualifying public school academies to
 14 guarantee each district and qualifying public school academy an
 15 amount equal to its 1994-95 total state and local ~~per pupil~~ **per-**
 16 **pupil** revenue for school operating purposes under section 11 of
 17 article IX of the state constitution of 1963. Pursuant to section
 18 11 of article IX of the state constitution of 1963, this guarantee
 19 does not apply to a district in a year in which the district levies
 20 a millage rate for school district operating purposes less than it
 21 levied in 1994. However, subsection (2) applies to calculating the
 22 payments under this section. Funds allocated under this section
 23 that are not expended in the fiscal year for which they were
 24 allocated, as determined by the department, may be used to
 25 supplement the allocations under sections 22b and 51c to fully fund
 26 those allocations for the same fiscal year. For each fund transfer
 27 as 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 (2) To ensure that a district receives an amount equal to the
4 district's 1994-95 total state and local ~~per pupil~~ **per-pupil**
5 revenue for school operating purposes, there is allocated to each
6 district a state portion of the district's 1994-95 foundation
7 allowance in an amount calculated as follows:

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



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

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



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

10 (3) ~~Beginning in 2003-2004, for~~ **For** pupils in membership in a
 11 qualifying public school academy, there is allocated under this
 12 section to the authorizing body that is the fiscal agent for the
 13 qualifying public school academy for forwarding to the qualifying
 14 public school academy an amount equal to the 1994-95 ~~per pupil per-~~
 15 **pupil** payment to the qualifying public school academy under section
 16 20.

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

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



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

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

11 (7) As used in this section:

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

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

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

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



1 taxable value of property within the geographic area of the
2 dissolved district.

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

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

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

28 (h) "Nonexempt property" means property that is not a
29 principal residence, qualified agricultural property, qualified



1 forest property, supportive housing property, industrial personal
2 property, commercial personal property, or property occupied by a
3 public school academy.

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

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

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

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

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

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

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



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

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

24 Sec. 22b. (1) For discretionary nonmandated payments to
 25 districts under this section, there is allocated for ~~2019-2020~~
 26 **2020-2021** an amount not to exceed ~~\$4,499,100,000.00~~
 27 **\$4,478,200,000.00** from the state school aid fund and general fund
 28 appropriations in section 11 and an amount not to exceed
 29 ~~\$75,900,000.00~~ **\$79,800,000.00** from the community district education



1 trust fund appropriation in section 11, and there is allocated for
 2 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$4,488,800,000.00~~
 3 **\$4,873,000,000.00** from the state school aid fund and general fund
 4 appropriations in section 11 and an amount not to exceed
 5 ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education
 6 trust fund appropriation in section 11. **Of the funds allocated**
 7 **under this section for 2021-2022, \$11,500,000.00 represents the**
 8 **amount of the general fund revenue deposited into the state school**
 9 **aid fund to reimburse the state school aid fund for community**
 10 **district education trust fund costs in excess of \$72,000,000.00.**
 11 Except for money allocated under this section from the community
 12 district education trust fund appropriation in section 11, funds
 13 allocated under this section that are not expended in the fiscal
 14 year for which they were allocated, as determined by the
 15 department, may be used to supplement the allocations under
 16 sections 22a and 51c to fully fund those allocations for the same
 17 fiscal year. For each fund transfer as described in the immediately
 18 preceding sentence that occurs, the state budget director shall
 19 send notification of the transfer to the house and senate
 20 appropriations subcommittees on state school aid and the house and
 21 senate fiscal agencies by not later than 14 calendar days after the
 22 transfer occurs.

23 (2) Subject to subsection (3) and section 296, the allocation
 24 to a district under this section is an amount equal to the sum of
 25 the amounts calculated under sections 20, **20m**, 51a(2), 51a(3), and
 26 51a(11), minus the sum of the allocations to the district under
 27 sections 22a and 51c. For a community district, the allocation as
 28 otherwise calculated under this section is increased by an amount
 29 equal to the amount of local school operating tax revenue that



1 would otherwise be due to the community district if not for the
2 operation of section 386 of the revised school code, MCL 380.386,
3 and this increase must be paid from the community district
4 education trust fund allocation in subsection (1) in order to
5 offset the absence of local school operating revenue in a community
6 district in the funding of the state portion of the foundation
7 allowance under section 20(4).

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

10 (a) Comply with section 1280b of the revised school code, MCL
11 380.1280b.

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

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

17 (d) Comply with section 1230g of the revised school code, MCL
18 380.1230g.

19 (e) Comply with section 21f.

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

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

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

29 (5) From the allocation in subsection (1), the department



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

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

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

28 (8) If the local claims review board or a court of competent
29 jurisdiction makes a final determination that this state is in



1 violation of section 29 of article IX of the state constitution of
2 1963 regarding state payments to districts, the state budget
3 director shall use work project funds under subsection (7) or
4 allocate from the discretionary funds for nonmandated payments
5 under this section the amount as may be necessary to satisfy the
6 amount owed to districts before making any payments to districts
7 under subsection (2).

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

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

23 (11) If a lawsuit challenging payments made to districts
24 related to costs reimbursed by federal title XIX Medicaid funds is
25 filed against this state, then, for the purpose of addressing
26 potential liability under such a lawsuit, the state budget director
27 may place funds allocated under this section in escrow or allocate
28 money from the funds otherwise allocated under this section, up to
29 a maximum of 50% of the amount allocated in subsection (1). If



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

12 **Sec. 22c. From the state school aid fund money appropriated in**
 13 **section 11, there is allocated for 2021-2022 an amount not to**
 14 **exceed \$262,000,000.00 for equity payments to districts that have a**
 15 **foundation allowance or per-pupil payment as calculated under**
 16 **section 20 for 2021-2022 that is less than the target foundation**
 17 **allowance. The equity payment for a district under this section**
 18 **must be in an amount per membership pupil equal to the difference**
 19 **between the target foundation allowance and the district's 2021-**
 20 **2022 foundation allowance or per-pupil payment as calculated under**
 21 **section 20.**

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~~ **\$7,342,700.00** is allocated for ~~2020-2021~~ **2021-2022**
 25 for supplemental payments to rural districts under this section.

26 (2) From the allocation under subsection (1), there is
 27 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 28 ~~\$957,300.00~~ **\$1,300,000.00** for payments under this subsection to
 29 districts that 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 ~~2020-2021~~**2021-2022** 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~~ **state school aid fund**
23 **money appropriated** in section 11, there is allocated for ~~2020-2021~~
24 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the
25 integration of local data systems into the Michigan data hub
26 network based on common standards and applications that are in
27 compliance with section 19(6).

28 (2) An entity that is the fiscal agent for no more than 5
29 consortia of intermediate districts that previously received



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

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

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

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

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

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

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

28 (a) Creating an infrastructure that effectively manages the
29 movement of data between data systems used by intermediate



1 districts, districts, and other educational organizations in
2 Michigan based on common data standards to improve student
3 achievement.

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

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

10 (d) Promoting 100% district adoption of the Michigan data hub
11 network by September 30, ~~2021~~**2022**.

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

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

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

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

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



1 shall submit the report to the house and senate appropriations
 2 subcommittees on ~~state~~-school aid and to the house and senate
 3 fiscal agencies.

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

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

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

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

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

21 (B) ~~For 2020-2021 only, at~~ **At** least 1 proficiency or growth
 22 outcome based on a benchmark assessment described in section
 23 ~~104.104a.~~

24 (b) Accountability measures to be imposed if the district or
 25 public school academy does not achieve the measurable academic
 26 outcomes described in subdivision (a) for each school operated by
 27 the district or public school academy that is subject to the
 28 partnership agreement. For a district assigned as a partnership
 29 district as described in this subsection, accountability measures



1 under this subdivision must include the reconstitution of the
2 school. For a public school academy assigned as a partnership
3 district as described in this subsection, accountability measures
4 under this subdivision may include the reconstitution of the
5 school.

6 (c) For a public school academy assigned as a partnership
7 district as described in this subsection, a requirement that, if
8 reconstitution is imposed on a school that is operated by the
9 public school academy and that is subject to the partnership
10 agreement, the school must be reconstituted as described in section
11 507, 528, or 561, as applicable, of the revised school code, MCL
12 380.507, 380.528, and 380.561.

13 (d) For a district assigned as a partnership district as
14 described in this subsection, a provision that, if reconstitution
15 is imposed on a school that is operated by the district and that is
16 subject to the partnership agreement, reconstitution may require
17 closure of the school building, but, if the school building remains
18 open, reconstitution must include, but is not limited to, all of
19 the following:

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

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

26 (iii) The reconstitution plan for the school must require the
27 adoption of goals similar to the goals included in the partnership
28 agreement, with a limit of 3 years to achieve the goals. If the
29 goals are not achieved within 3 years, the superintendent of public



1 instruction shall impose a second reconstitution plan.

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

13 Sec. 24. (1) From the ~~appropriation~~ **state school aid fund**
 14 **money appropriated** in section 11, there is allocated for 2020-2021
 15 an amount not to exceed ~~\$7,150,000.00~~ **\$7,650,000.00 and there is**
 16 **allocated for 2021-2022 an amount not to exceed \$7,650,000.00** for
 17 payments to the educating district or intermediate district for
 18 educating pupils assigned by a court or the department of health
 19 and human services to reside in or to attend a juvenile detention
 20 facility or child caring institution licensed by the department of
 21 health and human services and approved by the department to provide
 22 an on-grounds education program. The amount of the payment under
 23 this section to a district or intermediate district is calculated
 24 as prescribed under subsection (2).

25 (2) The department shall allocate the total amount allocated
 26 under this section by paying to the educating district or
 27 intermediate district an amount equal to the lesser of the
 28 district's or intermediate district's added cost or the
 29 department's approved per-pupil allocation for the district or



1 intermediate district. For the purposes of this subsection:

2 (a) "Added cost" means 100% of the added cost each fiscal year
3 for educating all pupils assigned by a court or the department of
4 health and human services to reside in or to attend a juvenile
5 detention facility or child caring institution licensed by the
6 department of health and human services or the department of
7 licensing and regulatory affairs and approved by the department to
8 provide an on-grounds education program. Added cost is computed by
9 deducting all other revenue received under this article for pupils
10 described in this section from total costs, as approved by the
11 department, in whole or in part, for educating those pupils in the
12 on-grounds education program or in a program approved by the
13 department that is located on property adjacent to a juvenile
14 detention facility or child caring institution. Costs reimbursed by
15 federal funds are not included.

16 (b) "Department's approved per-pupil allocation" for a
17 district or intermediate district is determined by dividing the
18 total amount allocated under this section for a fiscal year by the
19 full-time equated membership total for all pupils approved by the
20 department to be funded under this section for that fiscal year for
21 the district or intermediate district.

22 (3) A district or intermediate district educating pupils
23 described in this section at a residential child caring institution
24 may operate, and receive funding under this section for, a
25 department-approved on-grounds educational program for those pupils
26 that is longer than 181 days, but not longer than 233 days, if the
27 child caring institution was licensed as a child caring institution
28 and offered in 1991-92 an on-grounds educational program that was
29 longer than 181 days but not longer than 233 days and that was



1 operated by a district or intermediate district.

2 (4) Special education pupils funded under section 53a are not
3 funded under this section.

4 Sec. 24a. From the ~~appropriation~~**state school aid fund money**
5 **appropriated** in section 11, there is allocated an amount not to
6 exceed \$1,355,700.00 for ~~2020-2021~~**2021-2022** for payments to
7 intermediate districts for pupils who are placed in juvenile
8 justice service facilities operated by the department of health and
9 human services. The amount of the payment to each intermediate
10 district is an amount equal to the state share of those costs that
11 are clearly and directly attributable to the educational programs
12 for pupils placed in facilities described in this section that are
13 located within the intermediate district's boundaries. The
14 intermediate districts receiving payments under this section shall
15 cooperate with the department of health and human services to
16 ensure that all funding allocated under this section is utilized by
17 the intermediate district and department of health and human
18 services for educational programs for pupils described in this
19 section. Pupils described in this section are not eligible to be
20 funded under section 24. However, a program responsibility or other
21 fiscal responsibility associated with these pupils must not be
22 transferred from the department of health and human services to a
23 district or intermediate district unless the district or
24 intermediate district consents to the transfer.

25 Sec. 25f. (1) From the state school aid fund money
26 appropriated in section 11, there is allocated an amount not to
27 exceed \$1,600,000.00 for ~~2020-2021~~**2021-2022** for payments to strict
28 discipline academies established under sections 1311b to 1311m of
29 the revised school code, MCL 380.1311b to 380.1311m, as provided



1 under this section.

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

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

20 (a) "Added cost" means 100% of the added cost each fiscal year
21 for educating all pupils enrolled and in regular daily attendance
22 at a strict discipline academy. Added cost must be computed by
23 deducting all other revenue received under this article for pupils
24 described in this subsection from total costs, as approved by the
25 department, in whole or in part, for educating those pupils in a
26 strict discipline academy. The department shall include all costs
27 including, but not limited to, educational costs, insurance,
28 management fees, technology costs, legal fees, auditing fees,
29 interest, pupil accounting costs, and any other administrative



1 costs necessary to operate the program or to comply with statutory
2 requirements. Costs reimbursed by federal funds are not included.

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

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

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

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

17 Sec. 25g. (1) From the state school aid fund money
18 appropriated in section 11, there is allocated an amount not to
19 exceed \$750,000.00 for ~~2020-2021~~**2021-2022** for the purposes of this
20 section. Except as otherwise provided in this section, if the
21 operation of the special membership counting provisions under
22 section 6(4) (dd) and the other membership counting provisions under
23 section 6(4) result in a pupil being counted as more than 1.0 FTE
24 in a fiscal year, then the payment made for the pupil under
25 sections 22a and 22b must not be based on more than 1.0 FTE for
26 that pupil, and that portion of the FTE that exceeds 1.0 is paid
27 under this section in an amount equal to that portion multiplied by
28 the educating district's foundation allowance or per-pupil payment
29 calculated under section 20.



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

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

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

9 Sec. 25i. (1) From the general fund money appropriated in
10 section 11, there is allocated for ~~2020-2021~~ **2021-2022** an amount
11 not to exceed ~~\$2,000,000.00~~ **\$4,000,000.00** for an eligible
12 attendance recovery program as described in subsection (3). The
13 funds allocated under this section must be used to administer an
14 eligible attendance recovery program for all districts that opt
15 into the program to serve eligible pupils described in subsection
16 (2).

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

20 (a) The pupil did not engage in the district's remote
21 continuous education offerings in spring ~~2020~~ **2021**.

22 (b) The pupil needs intervention based on his or her absences
23 **or chronic absenteeism** or consistent disengagement in classes.

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

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

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

29 (f) The pupil has disengaged in his or her education, is



1 attending school irregularly, or is not progressing in his or her
2 coursework.

3 **(g) The pupil participated in or was eligible to participate**
4 **in the district's summer 2021 educational offerings.**

5 (3) An attendance recovery program that ~~meets all of the~~
6 ~~following received funding under this section in 2020-2021~~ is an
7 **the** eligible attendance recovery program under this section. ÷

8 ~~(a) Reflects experience and successful outcomes running~~
9 ~~statewide student recovery programs.~~

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

12 ~~(c) Has multimodal contact capabilities that include, but are~~
13 ~~not limited to, a call center, electronic mail, text, social media~~
14 ~~matching, and public service announcements.~~

15 ~~(d) Reflects experience in assisting at risk students in~~
16 ~~overcoming learning barriers in a remote or online learning~~
17 ~~environment.~~

18 ~~(e) Has the ability to scale to provide outreach to at least~~
19 ~~20,000 students before the end of 2020.~~

20 (4) ~~The department shall choose and designate the provider of~~
21 ~~the eligible attendance recovery program under this section by not~~
22 ~~later than November 1, 2020.~~ The provider chosen and designated by
23 the department under this subsection **in 2020-2021** must **continue to**
24 do all of the following:

25 (a) Work with the department to notify districts about the
26 program and provide technical assistance to districts interested in
27 opting in.

28 (b) Work with each district to obtain contact information for
29 each eligible pupil.



1 (c) Provide outreach using differentiated treatment strategies
 2 to pupils and families using multiple modalities that may include
 3 phone, text, social media, ~~electronic mail, email~~, and traditional
 4 mail, to find and engage eligible pupils.

5 (d) Implement a culturally and linguistically responsive
 6 outreach and support plan. Elements of the plan must include
 7 differentiated outreach and ongoing coaching strategies to families
 8 to ensure cultural and linguistic relevance.

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

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

17 (g) Report weekly to each district that has opted into the
 18 program and to the department with metrics agreed upon by the
 19 provider and the department.

20 (5) Notwithstanding section 17b, the department shall make
 21 payments under this section by not later than December 1,
 22 ~~2020-2021~~.

23 Sec. 26a. From the ~~funds~~ **state school aid fund money**
 24 appropriated in section 11, there is allocated an amount not to
 25 exceed \$15,300,000.00 for ~~2020-2021~~ **2021-2022** to reimburse
 26 districts and intermediate districts under section 12 of the
 27 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
 28 levied in ~~2020-2021~~. The department shall pay the allocations not
 29 later than 60 days after the department of treasury certifies to



1 the department and to the state budget director that the department
 2 of treasury has received all necessary information to properly
 3 determine the amounts due to each eligible recipient.

4 Sec. 26b. (1) From the ~~appropriation~~ **state school aid fund**
 5 **money appropriated** in section 11, there is allocated an amount not
 6 to exceed ~~\$4,645,000.00~~ **\$4,710,000.00** for ~~2020-2021~~ **2021-2022** for
 7 payments to districts, intermediate districts, and community
 8 college districts for the portion of the payment in lieu of taxes
 9 obligation that is attributable to districts, intermediate
 10 districts, and community college districts under section 2154 of
 11 the natural resources and environmental protection act, 1994 PA
 12 451, MCL 324.2154.

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

17 Sec. 26c. (1) From the state school aid fund money
 18 appropriated under section 11, there is allocated an amount not to
 19 exceed ~~\$9,700,000.00~~ **\$11,300,000.00** for 2020-2021 **and there is**
 20 **allocated an amount not to exceed \$13,800,000.00 for 2021-2022** to
 21 the promise zone fund created in subsection (3). The funds
 22 allocated under this section reflect the amount of revenue from the
 23 collection of the state education tax captured under section 17 of
 24 the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

25 (2) Funds allocated to the promise zone fund under this
 26 section must be used solely for payments to eligible districts and
 27 intermediate districts, in accordance with section 17 of the
 28 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
 29 that have a promise zone development plan approved by the



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

7 (3) The promise zone fund is created as a separate account
8 within the state school aid fund to be used solely for the purposes
9 of the Michigan promise zone authority act, 2008 PA 549, MCL
10 390.1661 to 390.1679. All of the following apply to the promise
11 zone fund:

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

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

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

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

26 **Sec. 26d. (1) From the state school aid fund money**
27 **appropriated under section 11, there is allocated an amount not to**
28 **exceed \$7,500,000.00 for 2021-2022 for reimbursements to**
29 **intermediate districts as required under section 15b of the**



1 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

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

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

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

12 Sec. 28. (1) To recognize differentiated instructional costs
13 for different types of pupils in ~~2020-2021~~, **2021-2022**, the
14 following sections provide a weighted foundation allocation or an
15 additional payment of some type in the following amounts, as
16 allocated under those sections:

17 (a) Section 22d, isolated and rural districts,
18 ~~\$7,000,000.00~~. **\$7,342,700.00.**

19 (b) Section 31a, at risk, standard programming,
20 ~~\$510,000,000.00~~. **\$512,500,000.00.**

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

22 (d) Section 41, bilingual education for English language
23 learners, ~~\$13,000,000.00~~. **\$25,200,000.00.**

24 (e) Section 51c, special education, mandated percentages,
25 ~~\$713,400,000.00~~. **\$733,400,000.00.**

26 (f) Section 51f, special education, additional percentages,
27 ~~\$60,207,000.00~~. **\$90,207,000.00.**

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



1 (h) Section 61d, career and technical education incentives,
2 \$5,000,000.00.

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

6 Sec. 29a. (1) From the state school aid fund money
7 appropriated under section 11, there is allocated for 2020-2021 an
8 amount not to exceed ~~\$66,000,000.00~~ **\$50,000,000.00** for payments as
9 provided under this section to eligible districts described in
10 subsection (2).

11 (2) A district for which its 2020-2021 pupils in membership
12 exceeds the calculation of membership for that district under
13 section 6(4) for 2020-2021 is an eligible district under this
14 section.

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

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

24 (5) As used in this section, "2020-2021 pupils in membership"
25 means the sum of (the product of .90 times the number of full-time
26 equated pupils engaged in pandemic learning for fall 2020 or, for a
27 district that is a public school academy that operates as a cyber
28 school, as that term is defined in section 551 of the revised
29 school code, MCL 380.551, the number of full-time equated pupils in



1 grades K to 12 actually enrolled and in regular daily attendance in
 2 the district on pupil membership count day for the current school
 3 year) and (the product of .10 times the final audited count from
 4 the supplemental count day of full-time equated pupils in grades K
 5 to 12 actually enrolled and in regular daily attendance in the
 6 district for the immediately preceding school year).

7 Sec. 31a. (1) From the state school aid fund money
 8 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
 9 **2022** an amount not to exceed ~~\$535,150,000.00~~ **\$537,650,000.00, and**
 10 **from the general fund money appropriated in section 11 there is**
 11 **allocated for 2021-2022 an amount not to exceed \$1,500,000.00,** for
 12 payments to eligible districts and eligible public school academies
 13 for the purposes of ensuring that pupils are proficient in English
 14 language arts by the end of grade 3, that pupils are proficient in
 15 mathematics by the end of grade 8, that pupils are attending school
 16 regularly, that high school graduates are career and college ready,
 17 and for the purposes under subsections (7) and (8).

18 (2) For a district that has combined state and local revenue
 19 per membership pupil under section 20 that is greater than the
 20 target foundation allowance under section 20 for the current fiscal
 21 year and that, for the immediately preceding fiscal year, had
 22 combined state and local revenue per membership pupil under section
 23 20 that was greater than the target foundation allowance under
 24 section 20 that was in effect for that fiscal year, the allocation
 25 under ~~this section~~ **subsection (4)** is an amount equal to ~~30%~~ **35%** of
 26 the allocation for which it would otherwise be eligible under ~~this~~
 27 ~~section~~ **subsection (4)** before any proration under subsection (14).
 28 It is the intent of the legislature that, if revenues are
 29 sufficient and if districts with combined state and local revenue



1 per membership pupil under section 20 that is below the target
2 foundation allowance are receiving nonprorated payments under ~~this~~
3 ~~section, subsection (4)~~, the percentage in the immediately
4 preceding sentence must be increased annually until it reaches
5 100%. If a district has combined state and local revenue per
6 membership pupil under section 20 that is greater than the target
7 foundation allowance under section 20 for the current fiscal year,
8 but for the 2018-2019 fiscal year had combined state and local
9 revenue per membership pupil under section 20 that was less than
10 the basic foundation allowance under section 20 that was in effect
11 for the 2018-2019 fiscal year, the district shall receive an amount
12 per pupil equal to 11.5% of the statewide weighted average
13 foundation allowance, as applied under subsection (4), and before
14 any proration under subsection (14).

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



1 (a) Team-based leadership.

2 (b) A tiered delivery system.

3 (c) Selection and implementation of instruction,
4 interventions, and supports.

5 (d) A comprehensive screening and assessment system.

6 (e) Continuous data-based decision making.

7 (4) From the ~~funds~~ **state school aid fund money** allocated under
8 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
9 amount not to exceed ~~\$510,000,000.00~~ **\$512,500,000.00** to continue a
10 weighted foundation per pupil payment for districts and public
11 school academies enrolling economically disadvantaged pupils. The
12 department shall pay under this ~~section~~ **subsection** to each eligible
13 district or eligible public school academy an amount per pupil
14 equal to 11.5% of the statewide weighted average foundation
15 allowance for the following, as applicable:

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

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

23 (ii) If the district or public school academy is in the
24 community eligibility program, the number of pupils determined to
25 be eligible based on the product of the identified student
26 percentage multiplied by the total number of pupils in the district
27 or public school academy, as reported to the center in the form and
28 manner prescribed by the center not later than the fifth Wednesday
29 after the pupil membership count day of the immediately preceding



1 fiscal year. These calculations must be made at the building level.
2 This subparagraph only applies to an eligible district or eligible
3 public school academy for the fiscal year immediately following the
4 first fiscal year in which it is in the community eligibility
5 program. As used in this subparagraph, "identified student
6 percentage" means the quotient of the number of pupils in an
7 eligible district or eligible public school academy who are
8 determined to be economically disadvantaged, as reported to the
9 center in a form and manner prescribed by the center, not later
10 than the fifth Wednesday after the pupil membership count day in
11 the fiscal year preceding the first fiscal year in which the
12 eligible district or eligible public school academy is in the
13 community eligibility program, divided by the total number of
14 pupils counted in an eligible district or eligible public school
15 academy on the pupil membership count day in the fiscal year
16 preceding the first fiscal year in which the eligible district or
17 eligible public school academy is in the community eligibility
18 program.

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

27 (c) If the district or public school academy began operations
28 as a district or public school academy after the pupil membership
29 count day of the current fiscal year, 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 current fiscal
5 year.

6 (d) If, for a particular fiscal year, the number of membership
7 pupils in a district or public school academy who are determined
8 under subdivision (a) to be economically disadvantaged or to be
9 eligible based on the identified student percentage varies by more
10 than 20 percentage points from the number of those pupils in the
11 district or public school academy as calculated under subdivision
12 (a) for the immediately preceding fiscal year caused by an
13 egregious reporting error by the district or public school academy,
14 the department may choose to have the calculations under
15 subdivision (a) instead be made using the number of membership
16 pupils in the district or public school academy who are determined
17 to be economically disadvantaged, as reported to the center in the
18 form and manner prescribed by the center not later than the fifth
19 Wednesday after the supplemental count day of the immediately
20 preceding fiscal year.

21 (5) Except as otherwise provided in this section, a district
22 or public school academy receiving funding under this section shall
23 use that money only to provide instructional programs and direct
24 noninstructional services, including, but not limited to, medical,
25 mental health, or counseling services, for at-risk pupils; for
26 school health clinics; and for the purposes of subsection (6), (7),
27 or (8). In addition, a district that is a school district of the
28 first class or a district or public school academy in which at
29 least 50% of the pupils in membership were determined to be



1 economically disadvantaged in the immediately preceding state
2 fiscal year, as determined and reported as described in subsection
3 (4), may use ~~not more than 20% of the funds it receives under this~~
4 section for school security that aligns to the needs assessment and
5 the multi-tiered system of supports model. A district or public
6 school academy shall not use any of ~~that the~~ **money received under**
7 **this section** for administrative costs. The instruction or direct
8 noninstructional services provided under this section may be
9 conducted before or after regular school hours or by adding extra
10 school days to the school year.

11 (6) A district or public school academy that receives funds
12 under this section and that operates a school breakfast program
13 under section 1272a of the revised school code, MCL 380.1272a,
14 shall use from the funds received under this section an amount, not
15 to exceed \$10.00 per pupil for whom the district or public school
16 academy receives funds under this section, necessary to pay for
17 costs associated with the operation of the school breakfast
18 program.

19 (7) From the ~~funds~~ **state school aid fund money** allocated under
20 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
21 amount not to exceed \$8,000,000.00 to support primary health care
22 services provided to children and adolescents up to age 21. These
23 funds must be expended in a form and manner determined jointly by
24 the department and the department of health and human services. If
25 any funds allocated under this subsection are not used for the
26 purposes of this subsection for the fiscal year in which they are
27 allocated, those unused funds must be used that fiscal year to
28 avoid or minimize any proration that would otherwise be required
29 under subsection (14) for that fiscal year.



1 (8) From the ~~funds~~**state school aid fund money** allocated under
2 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
3 amount not to exceed \$5,150,000.00 for the state portion of the
4 hearing and vision screenings as described in ~~section 9301~~**part 93**
5 of the public health code, 1978 PA 368, MCL 333.9301 **to 333.9329,**
6 **and, from the general fund money allocated under subsection (1),**
7 **there is allocated for 2021-2022 an amount not to exceed**
8 **\$1,500,000.00 for the state portion of the dental screenings as**
9 **described in part 93 of the public health code, 1978 PA 368, MCL**
10 **333.9301 to 333.9329.** A local public health department shall pay at
11 least 50% of the total cost of the screenings. The frequency of the
12 **vision** screenings must be as required under R 325.13091 to R
13 325.13096 **of the Michigan Administrative Code and the frequency of**
14 **the hearing screenings must be as required under** R 325.3271 to R
15 325.3276 of the Michigan Administrative Code. Funds must be awarded
16 in a form and manner approved jointly by the department and the
17 department of health and human services. Notwithstanding section
18 17b, the department shall make payments to eligible entities under
19 this subsection on a schedule determined by the department.

20 (9) Each district or public school academy receiving funds
21 under this section shall submit to the department by July 15 of
22 each fiscal year a report, in the form and manner prescribed by the
23 department, that includes a brief description of each program
24 conducted or services performed by the district or public school
25 academy using funds under this section, the amount of funds under
26 this section allocated to each of those programs or services, the
27 total number of at risk pupils served by each of those programs or
28 services, and the data necessary for the department and the
29 department of health and human services to verify matching funds



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

12 (10) In order to receive funds under this section, a district
13 or public school academy must allow access for the department or
14 the department's designee to audit all records related to the
15 program for which it receives those funds. The district or public
16 school academy shall reimburse the state for all disallowances
17 found in the audit.

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



1 learners and effectively meet the needs of most pupils.

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

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

13 (b) Implementing section 1280f of the revised school code, MCL
14 380.1280f, as required under subsection (3), with fidelity.

15 (13) A district or public school academy that receives funds
16 under ~~this section~~ **subsection (4) or (16)** may use funds received
17 under ~~this section to~~ **subsection (4) or (16) for** support
18 ~~instructional or behavioral coaches. Funds used for this purpose~~
19 ~~are not subject to the cap under subsection (12).~~ **staff providing**
20 **services to at-risk pupils.**

21 (14) If necessary, and before any proration required under
22 section 296, the department shall prorate payments under this
23 section, except payments under subsection (7), (8), or (16), by
24 reducing the amount of the allocation as otherwise calculated under
25 this section by an equal percentage per district.

26 (15) If a district is dissolved pursuant to section 12 of the
27 revised school code, MCL 380.12, the intermediate district to which
28 the dissolved district was constituent shall determine the
29 estimated number of pupils that are economically disadvantaged and



1 that are enrolled in each of the other districts within the
 2 intermediate district and provide that estimate to the department
 3 for the purposes of distributing funds under this section within 60
 4 days after the district is declared dissolved.

5 (16) From the ~~funds~~ **state school aid fund money** allocated
 6 under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
 7 amount not to exceed \$12,000,000.00 for payments to districts and
 8 public school academies that otherwise received an allocation under
 9 this subsection for ~~2019-2020~~ **2020-2021** and whose allocation under
 10 this section for ~~2019-2020~~ **2020-2021**, excluding any payments under
 11 subsection (7) or (8), would have been more than the district's or
 12 public school academy's allocation under this section for ~~2020-2021~~
 13 **2021-2022** as calculated under subsection (4) only and as adjusted
 14 under subsection (14). The allocation for each district or public
 15 school academy under this subsection is an amount equal to its
 16 allocation under this section for ~~2019-2020~~ **2020-2021** minus its
 17 allocation as otherwise calculated under subsection (4) for ~~2020-~~
 18 ~~2021~~ **2021-2022** as adjusted by subsection (14), using in those
 19 calculations the 2017-2018 number of pupils determined to be
 20 economically disadvantaged. However, if the allocation as otherwise
 21 calculated under this subsection would have been less than \$0.00,
 22 the allocation under this subsection is \$0.00. If necessary, and
 23 before any proration required under section 296, the department
 24 shall prorate payments under this subsection by reducing the amount
 25 of the allocation as otherwise calculated under this subsection by
 26 an equal percentage per district or public school academy. Any
 27 unexpended funds under this subsection are to be distributed
 28 through payments made under subsection (4) as provided under
 29 subsection (4), but those funds must not be factored into



1 calculating payments under this subsection.

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

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

11 (19) As used in this section:

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

15 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

28 (ix) For pupils for whom the results of the state summative
29 assessment have been received, is a pupil who did not achieve



1 proficiency on the English language arts, mathematics, science, or
2 social studies content area assessment.

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

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

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

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

26 Sec. 31d. (1) From the appropriations in section 11, there is
27 allocated an amount not to exceed ~~\$23,144,000.00~~ **\$23,838,400.00** for
28 2020-2021 **and there is allocated an amount not to exceed**
29 **\$23,838,400.00 for 2021-2022** for the purpose of making payments to



1 districts and other eligible entities under this section.

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

10 (3) The payments made under this section include all state
 11 payments made to districts so that each district receives at least
 12 6.0127% of the necessary costs of operating the state mandated
 13 portion of the lunch program in a fiscal year.

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

23 (5) From the federal funds appropriated in section 11, there
 24 is allocated for 2020-2021 all available federal funding, estimated
 25 at ~~\$545,000,000.00~~ **\$800,000,000.00, and there is allocated for**
 26 **2021-2022 all available federal funding, estimated at**
 27 **\$545,000,000.00** for child nutrition programs and, **for 2020-2021,**
 28 all available federal funding, estimated at ~~\$5,000,000.00~~
 29 **\$15,712,000.00 for food distribution programs, \$50,000,000.00 for**



1 the child nutrition program pandemic electronic benefit transfer
 2 cost reimbursement program, \$50,000,000.00 for child nutrition
 3 program emergency operational cost reimbursement programs, and
 4 \$259,600.00 for commodity supplemental fund programs, and, for
 5 2021-2022, all available federal funding, estimated at
 6 \$11,000,000.00, for food distribution programs.

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

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

14 Sec. 31f. (1) From the ~~appropriations~~ **state school aid fund**
 15 **money appropriated** in section 11, there is allocated an amount not
 16 to exceed ~~\$4,500,000.00~~ **\$11,900,000.00** for 2020-2021 **and there is**
 17 **allocated an amount not to exceed \$11,900,000.00 for 2021-2022** for
 18 the purpose of making payments to districts to reimburse for the
 19 cost of providing breakfast.

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

23 (a) The district participates in the federal school breakfast
 24 program and meets all standards as prescribed by 7 CFR parts 210,
 25 220, 225, 226, and 245.

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

28 (3) The payment for a district under this section is at a per
 29 meal rate equal to the lesser of the district's actual cost or 100%



1 of the statewide average cost of a meal served, as determined and
2 approved by the department, less federal reimbursement, participant
3 payments, and other state reimbursement. The department shall
4 determine the statewide average cost using costs as reported in a
5 manner approved by the department for the preceding school year.

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

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

13 Sec. 31j. (1) From the general fund money appropriated in
14 section 11, there is allocated an amount not to exceed \$200,000.00
15 and from the state school aid fund money appropriated in section
16 11, there is allocated an amount not to exceed \$1,800,000.00 for
17 ~~2020-2021~~**2021-2022** for a program to support districts and sponsors
18 of child care centers in the purchase of locally grown fruits and
19 vegetables as described in this section.

20 (2) Funding retained by districts and the sponsors of child
21 care centers that administer the program must not exceed 10%, and
22 funding retained by the department for administration must not
23 exceed 6%. A district or the sponsor of a child care center may
24 enter into a memorandum of understanding with the department or
25 another district or sponsor of a child care center, or both, to
26 administer the program. If the department administers the program
27 for a district or the sponsor of a child care center, the
28 department may retain up to 10% of that district's or sponsor's
29 funding for administration or may distribute some or all of that



1 10% to project partners as appropriate.

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

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

21 (5) A district or the sponsor of a child care center that
22 receives a grant under this section shall use those funds for the
23 costs incurred by the district or the sponsor to purchase whole or
24 minimally processed fruits, vegetables, and legumes that meet all
25 of the following:

26 (a) Were purchased for ~~the 2020-2021 fiscal year, including~~
27 ~~purchases to launch meals in August 2020 and September 2020.~~ **use in**
28 **school meals served between September 1, 2021 through August 30,**
29 **2022.**



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

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

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

11 (7) A district or the sponsor of a child care center that
12 receives a grant for reimbursement under this section shall use the
13 grant to purchase whole or minimally processed fruits, vegetables,
14 and legumes that are grown in this state and, if minimally
15 processed, are also processed in this state.

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

25 (9) The department shall give preference to districts or
26 sponsors of child care centers that propose educational activities
27 that meet 1 or more of the following: promote healthy food
28 activities; have clear educational objectives; involve parents or
29 the community; connect to a school's or child care center's farm-



1 to-school or farm-to-early-child-care procurement activities; and
 2 market and promote the program, leading to increased pupil
 3 knowledge and consumption of Michigan-grown products. The
 4 department shall give stronger weighting and consideration to
 5 applications with robust marketing and promotional activities.

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

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

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

13 (c) The existing or future collaboration opportunities between
 14 more than 1 district or child care center.

15 (11) As a condition of receiving a grant under this section, a
 16 district or the sponsor of a child care center shall provide or
 17 direct its vendors to provide to the department copies of monthly
 18 receipts that show the quantity of different Michigan-grown fruits,
 19 vegetables, and legumes purchased, the amount of money spent on
 20 each of these products, the name and Michigan location of the farm
 21 that grew the products, and the methods or plans to market and
 22 promote the program. The district or the sponsor of a child care
 23 center also shall provide to the department monthly ~~lunch~~**United**
 24 **States Department of Agriculture child nutrition reimbursable meal**
 25 **numbers and ~~lunch~~ participation rates and ~~calendars~~ or **must retain****
 26 monthly menus noting when and how Michigan-grown products were used
 27 in meals. The district or the sponsor of the child care center and
 28 school or child care center food service director or directors also
 29 shall agree to respond to brief online surveys and to provide a



1 report that shows the percentage relationship of Michigan spending
2 compared to total food spending. Not later than 60 days after the
3 end of the school year in which funds under this section were
4 received, each district or each sponsor of a child care center
5 shall submit a report to the department on outcomes and related
6 measurements for economic development and children's nutrition and
7 readiness to learn. The report must include at least both of the
8 following:

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

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

23 (ii) The district or the sponsor of a child care center shall
24 use purchasing data collected for the program and surveys of school
25 and child care food service directors on the impact and success of
26 the program as the source for the data described in subparagraph
27 (i).

28 (b) The ability to which pupils can access a variety of
29 healthy Michigan-grown foods through schools and child care centers



1 and increase their consumption of those foods. All of the following
2 apply for purposes of this subdivision:

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

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

14 (12) The department shall compile the reports provided by
15 districts and sponsors of child care centers under subsection (11)
16 into 1 legislative report. The department shall provide this report
17 not later than November 1, ~~2021~~2022 to the house and senate
18 subcommittees responsible for state school aid, the house and
19 senate fiscal agencies, and the state budget director.

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

23 Sec. 31m. (1) The school mental health and support services
24 fund is created as a separate account within the state school aid
25 fund.

26 (2) The state treasurer may receive money or other assets from
27 any source for deposit into the school mental health and support
28 services fund. The state treasurer shall direct the investment of
29 the school mental health and support services fund and shall credit



1 to the school mental health and support services fund interest and
2 earnings from the school mental health and support services fund.

3 (3) Money available in the school mental health and support
4 services fund ~~shall~~**must** not be expended without a specific
5 appropriation.

6 (4) Money in the school mental health and support services
7 fund at the close of the fiscal year ~~shall remain in the school~~
8 ~~mental health and support services fund and shall not lapse~~**lapses**
9 to the state school aid fund. ~~or to the general fund.~~ The
10 department of treasury shall be the administrator of the school
11 mental health and support services fund for auditing purposes.

12 (5) For the fiscal year ending September 30, 2018,
13 \$30,000,000.00 from the state school aid fund shall be deposited
14 into the school mental health and support services fund to be used
15 to support efforts to improve mental health and support services
16 for K-12 pupils in this state, including, but not limited to,
17 improved access to counseling services, educational awareness
18 programs, and enhanced mental health and clinical services.

19 Sec. 31n. (1) From the state school aid fund money
20 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
21 **2022** for the purposes of this section an amount not to exceed
22 ~~\$55,600,000.00~~**\$47,600,000.00** and from the general fund money
23 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
24 **2022** for the purposes of this section an amount not to exceed
25 \$1,300,000.00. The department and the department of health and
26 human services shall continue a program to distribute this funding
27 to add licensed behavioral health providers for general education
28 pupils, and shall continue to seek federal Medicaid match funding
29 for all eligible mental health and support services.



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

17 (3) The advisory council shall develop a fiduciary agent
18 checklist for intermediate districts to facilitate development of a
19 plan to submit to the department and to the department of health
20 and human services. The department and department of health and
21 human services shall determine the requirements and format for
22 intermediate districts to submit a plan for possible funding under
23 subsection ~~(5)~~ **(6)**. The department shall make applications for
24 funding for this program available to districts and intermediate
25 districts not later than December 1, ~~2020~~ **2021** for the ~~2020~~ **2021**
26 **2021-2022** fiscal year and shall award the funding not later than
27 February 1, ~~2021~~ **2022** for the ~~2020~~ **2021** **2021-2022** fiscal year.

28 (4) The department of health and human services shall seek to
29 amend the state Medicaid plan or obtain appropriate Medicaid



1 waivers as necessary for the purpose of generating additional
 2 Medicaid match funding for school mental health and support
 3 services for general education pupils. The intent is that a
 4 successful state plan amendment or other Medicaid match mechanisms
 5 will result in additional federal Medicaid match funding for both
 6 the new funding allocated under this section and for any expenses
 7 already incurred by districts and intermediate districts for mental
 8 health and support services for general education pupils.

9 (5) From the state school aid fund money allocated under
 10 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
 11 amount not to exceed \$9,300,000.00 to be distributed to the network
 12 of child and adolescent health centers to place a licensed master's
 13 level behavioral health provider in schools that do not currently
 14 have services available to general education students. Child and
 15 adolescent health centers that are part of the network described in
 16 this subsection shall provide a commitment to maintain services and
 17 implement all available federal Medicaid match methodologies. The
 18 department of health and human services shall use all existing or
 19 additional federal Medicaid match opportunities to maximize funding
 20 allocated under this subsection. The department shall provide funds
 21 under this subsection to child and adolescent health centers that
 22 are part of the network described in this subsection in the same
 23 proportion that funding under section 31a(7) is provided to child
 24 and adolescent health centers that are part of the network
 25 described in this subsection and that are located and operating in
 26 those districts. A payment from funding allocated under this
 27 subsection must not be paid to an entity that is not part of the
 28 network described in this subsection.

29 (6) From the state school aid fund money allocated under



1 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
 2 amount not to exceed ~~\$45,800,000.00~~**\$37,800,000.00** to be
 3 distributed to intermediate districts for the provision of mental
 4 health and support services to general education students. **If a**
 5 **district or intermediate district is not able to procure the**
 6 **services of a licensed master's level behavioral health provider,**
 7 **the district or intermediate district shall notify the department**
 8 **and the department of health and human services and, if the**
 9 **department and department of health and human services verify that**
 10 **the district or intermediate district attempted to procure services**
 11 **from a master's level behavioral health provider and was not able**
 12 **to do so, then the district or intermediate district may instead**
 13 **procure services from a provider with less than a master's degree**
 14 **in behavioral health. To be able to use the exemption in the**
 15 **immediately preceding sentence, the district or intermediate**
 16 **district must submit evidence satisfactory to the department and**
 17 **department of health and human services demonstrating that the**
 18 **district or intermediate district took measures to procure the**
 19 **services of a licensed master's level behavioral health provider**
 20 **but was unable to do so, and the department and department of**
 21 **health and human services must be able to verify this evidence.**
 22 From the funds allocated under this subsection, the department
 23 shall distribute ~~\$817,800.00~~**\$675,000.00** for ~~2020-2021~~**2021-2022** to
 24 each intermediate district that submits a plan approved by the
 25 department and the department of health and human services. The
 26 department and department of health and human services shall work
 27 cooperatively in providing oversight and assistance to intermediate
 28 districts during the plan submission process and shall monitor the
 29 program upon implementation. An intermediate district shall use



1 funds awarded under this subsection to provide funding to its
2 constituent districts, including public school academies that are
3 considered to be constituent districts under section 705(7) of the
4 revised school code, MCL 380.705, for the provision of mental
5 health and support services to general education students. In
6 addition to the criteria identified under subsection (7), an
7 intermediate district shall consider geography, cost, or other
8 challenges when awarding funding to its constituent districts. ~~For~~
9 ~~2020-2021 only, even if grants under this subsection have already~~
10 ~~been received by constituent districts of an intermediate district~~
11 ~~under this subsection, the intermediate district may award~~
12 ~~additional grants to its constituent districts from funding~~
13 ~~allocated through the amendatory act that added this sentence,~~
14 ~~based on applications as described in subsection (7) that have~~
15 ~~already been submitted for the fiscal year, and, if a constituent~~
16 ~~district did not apply for initial grants as described in~~
17 ~~subsection (7) before the effective date of the amendatory act that~~
18 ~~added this sentence and asks to apply for the additional grants~~
19 ~~described in this sentence, the intermediate district must allow~~
20 ~~the constituent district to submit an application for the~~
21 ~~additional grant funding.~~ **Districts receiving funding under this**
22 **subsection are encouraged to provide suicide prevention and**
23 **awareness education and counseling.** If funding awarded to an
24 intermediate district remains after funds are provided by the
25 intermediate district to its constituent districts, the
26 intermediate district may hire or contract for experts to provide
27 mental health and support services to general education students
28 residing within the boundaries of the intermediate district,
29 including, but not limited to, expanding, hiring, or contracting



1 for staff and experts to provide those services directly or to
 2 increase access to those services through coordination with outside
 3 mental health agencies; **and the intermediate district is encouraged**
 4 **to provide suicide prevention and awareness education and**
 5 **counseling.**

6 (7) A district requesting funds under this section from the
 7 intermediate district in which it is located shall submit an
 8 application for funding for the provision of mental health and
 9 support services to general education pupils. A district receiving
 10 funding from the application process described in this subsection
 11 shall provide services to nonpublic students upon request. An
 12 intermediate district shall not discriminate against an application
 13 submitted by a public school academy simply on the basis of the
 14 applicant being a public school academy. The department shall
 15 approve grant applications based on the following criteria:

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

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

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

28 (d) The extent of the district's existing partnerships with
 29 community health care providers or the ability of the district to



1 establish such partnerships.

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

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

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

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

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

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

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

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

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

24 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
25 \$1,000,000.00 for the purpose of upgrading technology and systems
26 infrastructure and other administrative requirements to support the
27 programs funded under this section.

28 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
29 \$300,000.00 for the purpose of administering the programs under



1 this section and working on generating additional Medicaid funds as
2 a result of programs funded under this section.

3 (10) From the state school aid fund money allocated under
4 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
5 amount not to exceed \$500,000.00 to intermediate districts on an
6 equal per intermediate district basis for the purpose of
7 administering programs funded under this section.

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

27 (12) ~~Beginning with 2018-2019, a~~ **A** district or intermediate
28 district that receives funding directly or indirectly under this
29 section may carry over any unexpended funds received under this



1 section for up to 2 fiscal years beyond the fiscal year in which
2 the funds were received.

3 **Sec. 31o. (1) From the state school aid fund money**
4 **appropriated in section 11, there is allocated for 2021-2022 an**
5 **amount not to exceed \$240,000,000.00 for payments to eligible**
6 **districts for the purpose of increasing the number of school**
7 **psychologists, school social workers, school counselors, and school**
8 **nurses serving students in this state.**

9 **(2) Except as otherwise provided in this subsection, to**
10 **receive funding under this section, a district must apply for the**
11 **funding in a form and manner prescribed by the department. In its**
12 **application for funding under this section, a district must pledge**
13 **and provide assurances to the department that it will fully**
14 **annually fund all staff that are supported with funding under this**
15 **section in an ongoing manner after the third year it receives**
16 **funding under this section.**

17 **(3) The department shall award funding to districts with the**
18 **greatest need for additional school psychologists, school social**
19 **workers, school counselors, or school nurses. To determine the**
20 **districts with the greatest needs under this subsection, the**
21 **department shall consider the physical and mental health services**
22 **available at the district and how close an applicant district is to**
23 **meeting the following recommended staff-to-student ratios:**

24 **(a) 1 school psychologist for every 500 full-time equated**
25 **pupils counted in the district.**

26 **(b) 1 school social worker for every 250 full-time equated**
27 **pupils counted in the district.**

28 **(c) 1 school counselor for every 250 full-time equated pupils**
29 **counted in the district.**



1 (d) 1 school nurse for every 750 full-time equated pupils
2 counted in the district.

3 (4) To be eligible for funding under this section, a district
4 must hire additional school psychologists, school social workers,
5 school counselors, or school nurses by March 1, 2022 and must
6 maintain support for the new staff in an ongoing manner. As
7 determined by the department, staff hired and supported by funding
8 under this section must meet all applicable state and federal laws,
9 rules, and license requirements to be considered a school
10 psychologist, school social worker, school counselor, or school
11 nurse.

12 (5) Subject to subsection (6), payments to eligible districts
13 must be made as follows:

14 (a) In the first year funds are distributed from this section,
15 the department shall provide payments to eligible districts equal
16 to 100% of the annual cost of newly hired school psychologists,
17 school social workers, school counselors, or school nurses. The
18 amount paid to the eligible district must be the lesser of the
19 actual cost of the employee, as determined by the department, or
20 the median wage for an equivalent employee working in a school
21 setting, as determined by the department, using wage data from the
22 Bureau of Labor Statistics that is specific to this state.

23 (b) In the second year funds are distributed under this
24 section, the department shall pay eligible districts 66% of the
25 amount paid to the eligible district under subdivision (a).

26 (c) In the third year funds are distributed under this
27 section, the department shall pay eligible districts 33% of the
28 amount paid to the eligible district under subdivision (a).

29 (6) If, after awarding funding under subsection (3) and



1 calculating payment amounts under subsection (5), the department
2 determines that the amount allocated in subsection (1) is
3 insufficient to fully fund payments under this section, the
4 department shall prorate payments to eligible districts on an equal
5 percentage basis.

6 (7) The funds allocated under this section for 2021-2022 are a
7 work project appropriation, and any unexpended funds for 2021-2022
8 are carried forward into 2022-2023. The purpose of the work project
9 is to increase the number of school psychologists, school social
10 workers, school counselors, and school nurses in school buildings.
11 The estimated completion date of the work project is September 30,
12 2024.

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

16 Sec. 31p. (1) From the state school aid fund money
17 appropriated under section 11, there is allocated for 2020-2021 an
18 amount not to exceed \$5,400,000.00 for grants to intermediate
19 districts to implement a TRAILS program as described in subsection
20 (2).

21 (2) Intermediate districts receiving funding under this
22 section must use the funding to implement a TRAILS program within
23 the boundaries of the intermediate district. The TRAILS program
24 described in this subsection must improve youth access to evidence-
25 based mental health services by training school mental health
26 professionals in effective practices, such as cognitive behavioral
27 therapy and mindfulness.

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



1 (4) The department shall award, in an equal amount, grants
2 under this section to each intermediate district that has an
3 approved grant application for funding under this section.

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

7 (6) The funds allocated under this section for 2020-2021 are a
8 work project appropriation, and any unexpended funds for 2020-2021
9 are carried forward into 2021-2022. The purpose of the work project
10 is to continue support for the TRAILS program. The estimated
11 completion date of the work project is September 30, 2024.

12 Sec. 32d. (1) From the ~~funds~~**state school aid fund money**
13 appropriated in section 11, there is allocated to eligible
14 intermediate districts and consortia of intermediate districts for
15 great start readiness programs an amount not to exceed
16 ~~\$249,600,000.00~~**\$297,120,000.00** for ~~2020-2021.~~**2021-2022.** In
17 addition, from the federal funds appropriated in section 11, there
18 is allocated to eligible intermediate districts and consortia of
19 intermediate districts for great start readiness programs an amount
20 not to exceed \$121,000,000.00 for 2021-2022 from the coronavirus
21 state fiscal recovery funds under the American rescue plan act of
22 2021, title IX, subtitle M of Public Law 117-2. An intermediate
23 district or consortium shall use funds allocated under this section
24 for great start readiness programs to provide part-day, school-day,
25 or GSRP/Head Start blended comprehensive free compensatory
26 classroom programs designed to improve the readiness and subsequent
27 achievement of educationally disadvantaged children who meet the
28 participant eligibility and prioritization guidelines as defined by
29 the department. For a child to be eligible to participate in a



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

12 (2) From the ~~funds~~**state school aid fund money** allocated under
13 subsection (1), an amount not to exceed ~~\$247,600,000.00~~
14 **\$295,120,000.00 and from the federal funds allocated under**
15 **subsection (1), an amount not to exceed \$121,000,000.00** is
16 allocated to intermediate districts or consortia of intermediate
17 districts based on the formula in section 39. An intermediate
18 district or consortium of intermediate districts receiving funding
19 under this section shall act as the fiduciary for the great start
20 readiness programs. **An intermediate district or consortium of**
21 **intermediate districts receiving funding under this section may**
22 **collaborate with local governments to identify children eligible**
23 **for programs funded under this section and may contract with local**
24 **governments to provide services.** In order to be eligible to receive
25 funds allocated under this subsection from an intermediate district
26 or consortium of intermediate districts, a district, a consortium
27 of districts, **a local government**, or a public or private for-profit
28 or nonprofit legal entity or agency must comply with this section
29 and section 39. **The funds allocated under this subsection for 2021-**



1 2022 are a work project appropriation, and any unexpended funds for
 2 2021-2022 are carried forward into 2022-2023. The purpose of the
 3 work project is to continue to improve access to preschool
 4 programming for economically disadvantaged children. The estimated
 5 completion date of the work project described in the immediately
 6 preceding sentence is September 30, 2023.

7 (3) In addition to the allocation under subsection (1), from
 8 the general fund money appropriated under section 11, there is
 9 allocated an amount not to exceed \$350,000.00 for ~~2020-2021-2021-~~
 10 ~~2022~~ for a competitive grant to continue a longitudinal evaluation
 11 of children who have participated in great start readiness
 12 programs. ~~This evaluation must include, to the extent, for 2020-~~
 13 ~~2021, that data from the kindergarten readiness assessment are~~
 14 ~~available, a comparative analysis of the relationship between great~~
 15 ~~start readiness programs and performance on the kindergarten~~
 16 ~~readiness assessment funded under section 104. The evaluation must~~
 17 ~~use children wait-listed under this section for comparison, must~~
 18 ~~include a determination of the specific great start readiness~~
 19 ~~program in which the kindergarten students were enrolled and~~
 20 ~~attended in the previous school year, and must, to the extent, for~~
 21 ~~2020-2021, that data from the Michigan kindergarten entry~~
 22 ~~observation tool are available, analyze Michigan kindergarten entry~~
 23 ~~observation tool scores for students taking the Michigan~~
 24 ~~kindergarten entry observation tool each year and produce a report~~
 25 ~~as required under section 104. The performance data on the~~
 26 ~~kindergarten readiness assessment must be submitted to the center~~
 27 ~~at the same time as the fall Michigan student data system~~
 28 ~~collection. The responsibility for the analysis required under this~~
 29 ~~subsection may be added to the requirements that the department~~



1 ~~currently has with its competitively designated current grantee.~~

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

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

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

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

17 (d) Physical and dental health and developmental screening
18 services for all program participants.

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

22 (f) Active and continuous involvement of the parents or
23 guardians of the program participants.

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

27 (h) Participation in a school readiness advisory committee
28 convened as a workgroup of the great start collaborative that
29 provides for the involvement of classroom teachers, parents or



1 guardians of program participants, and community, volunteer, and
2 social service agencies and organizations, as appropriate. The
3 advisory committee annually shall review and make recommendations
4 regarding the program components listed in this subsection. The
5 advisory committee also shall make recommendations to the great
6 start collaborative regarding other community services designed to
7 improve all children's school readiness.

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

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

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

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

17 (b) Except as otherwise provided in this subdivision, ~~or~~
18 ~~section,~~ ensure that at least 90% of the children participating in
19 an eligible great start readiness program for whom the intermediate
20 district is receiving funds under this section are children who
21 live with families with a household income that is equal to or less
22 than 250% of the federal poverty guidelines. If the intermediate
23 district determines that all eligible children are being served and
24 that there are no children on the waiting list who live with
25 families with a household income that is equal to or less than 250%
26 of the federal poverty guidelines, the intermediate district may
27 then enroll children who live with families with a household income
28 that is equal to or less than 300% of the federal poverty
29 guidelines. The enrollment process must consider income and risk



1 factors, such that children determined with higher need are
 2 enrolled before children with lesser need. For purposes of this
 3 subdivision, ~~and subsection (27),~~ all age-eligible children served
 4 in foster care or who are experiencing homelessness or who have
 5 individualized education programs recommending placement in an
 6 inclusive preschool setting are considered to live with families
 7 with household income equal to or less than 250% of the federal
 8 poverty guidelines regardless of actual family income and are
 9 prioritized for enrollment within the lowest quintile.

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

12 (i) Teachers possessing proper training. A lead teacher must
 13 have a valid teaching certificate **recognized by any state** with an
 14 early childhood ~~(ZA or ZS)~~ **or lower elementary** endorsement or a
 15 bachelor's or higher degree in child development or early childhood
 16 education with specialization in preschool teaching. **A lead teacher**
 17 **who meets the requirements of this subparagraph through a teaching**
 18 **certificate recognized by another state must demonstrate compliance**
 19 **with standards applying to all applicable criminal history,**
 20 **criminal records, and unprofessional conduct checks described in**
 21 **sections 1230, 1230a, and 1230b of the revised school code, MCL**
 22 **380.1230, 380.1230a, and 380.1230b.** However, if an applicant
 23 demonstrates to the department that it is unable to fully comply
 24 with this subparagraph after making reasonable efforts to comply,
 25 **teachers or paraprofessionals with at least 5 years of experience**
 26 **as a paraprofessional in a great start readiness program classroom**
 27 who have significant but incomplete training in early childhood
 28 education or child development may be used if the applicant
 29 provides to the department, and the department approves, a plan for



1 each teacher to come into compliance with the standards in this
2 subparagraph. A teacher's compliance plan must be completed within
3 2–3 years of the date of employment. Progress toward completion of
4 the compliance plan consists of at least 2 courses per calendar
5 year.

6 (ii) Paraprofessionals possessing proper training in early
7 childhood education, including an ~~associate's~~ **associate** degree in
8 early childhood education or child development or the equivalent,
9 or a child development associate (CDA) credential. However, if an
10 applicant demonstrates to the department that it is unable to fully
11 comply with this subparagraph after making reasonable efforts to
12 comply, the applicant may use paraprofessionals who have completed
13 at least 1 course that earns college credit in early childhood
14 education or child development if the applicant provides to the
15 department, and the department approves, a plan for each
16 paraprofessional to come into compliance with the standards in this
17 subparagraph. A paraprofessional's compliance plan must be
18 completed within 2–3 years of the date of employment. Progress
19 toward completion of the compliance plan consists of at least 2
20 courses or 60 clock hours of training per calendar year.

21 (d) Include a program budget that contains only those costs
22 that are not reimbursed or reimbursable by federal funding, that
23 are clearly and directly attributable to the great start readiness
24 program, and that would not be incurred if the program were not
25 being offered. Eligible costs include transportation costs. The
26 program budget must indicate the extent to which these funds will
27 supplement other federal, state, local, or private funds. An
28 applicant shall not use funds received under this section to
29 supplant any federal funds received by the applicant to serve



1 children eligible for a federally funded preschool program that has
2 the capacity to serve those children.

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

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

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

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

28 (10) An intermediate district or consortium of intermediate
29 districts may expend not more than 2% of the total grant amount for



1 outreach, recruiting, and public awareness of the program.

2 (11) ~~Except as otherwise provided in this section, each~~ **Each**
 3 grant recipient shall enroll children identified under subsection
 4 (5) (b) according to how far the child's household income is below
 5 250% of the federal poverty guidelines by ranking each applicant
 6 child's household income from lowest to highest and dividing the
 7 applicant children into quintiles based on how far the child's
 8 household income is below 250% of the federal poverty guidelines,
 9 and then enrolling children in the quintile with the lowest
 10 household income before enrolling children in the quintile with the
 11 next lowest household income until slots are completely filled. If
 12 the grant recipient determines that all eligible children are being
 13 served and that there are no children on the waiting list who live
 14 with families with a household income that is equal to or less than
 15 250% of the federal poverty guidelines, the grant recipient 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 subsection, ~~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 (12) An intermediate district or consortium of intermediate
 29 districts receiving a grant under this section shall allow parents



1 of eligible children who are residents of the intermediate district
2 or within the consortium to choose a program operated by or
3 contracted with another intermediate district or consortium of
4 intermediate districts and shall enter into a written agreement
5 regarding payment, in a manner prescribed by the department.

6 (13) An intermediate district or consortium of intermediate
7 districts receiving a grant under this section shall conduct a
8 local process to contract with interested and eligible public and
9 private for-profit and nonprofit community-based providers that
10 meet all requirements of subsection (4) for at least 30% of its
11 total allocation. For the purposes of this 30% allocation, an
12 intermediate district or consortium of intermediate districts may
13 count children served by a Head Start grantee or delegate in a
14 blended Head Start and great start readiness school-day program.
15 Children served in a program funded only through Head Start are not
16 counted toward this 30% allocation. The intermediate district or
17 consortium shall report to the department, in a manner prescribed
18 by the department, a detailed list of community-based providers by
19 provider type, including private for-profit, private nonprofit,
20 community college or university, Head Start grantee or delegate,
21 and district or intermediate district, and the number and
22 proportion of its total allocation allocated to each provider as
23 subrecipient. If the intermediate district or consortium is not
24 able to contract for at least 30% of its total allocation, the
25 grant recipient shall notify the department and, if the department
26 verifies that the intermediate district or consortium attempted to
27 contract for at least 30% of its total allocation and was not able
28 to do so, then the intermediate district or consortium may retain
29 and use all of its allocation as provided under this section. To be



1 able to use this exemption, the intermediate district or consortium
2 shall demonstrate to the department that the intermediate district
3 or consortium increased the percentage of its total allocation for
4 which it contracts with a community-based provider and the
5 intermediate district or consortium shall submit evidence
6 satisfactory to the department, and the department must be able to
7 verify this evidence, demonstrating that the intermediate district
8 or consortium took measures to contract for at least 30% of its
9 total allocation as required under this subsection, including, but
10 not limited to, at least all of the following measures:

11 (a) The intermediate district or consortium notified each
12 nonparticipating licensed child care center located in the service
13 area of the intermediate district or consortium regarding the
14 center's eligibility to participate, in a manner prescribed by the
15 department.

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

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

26 (14) If an intermediate district or consortium of intermediate
27 districts receiving a grant under this section fails to submit
28 satisfactory evidence to demonstrate its effort to contract for at
29 least 30% of its total allocation, as required under subsection



1 (13), the department shall reduce the allocation to the
2 intermediate district or consortium by a percentage equal to the
3 difference between the percentage of an intermediate district's or
4 consortium's total allocation awarded to community-based providers
5 and 30% of its total allocation.

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

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

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

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

27 (d) Not later than March 1 of each year, compile the results
28 of the information reported by each intermediate district or
29 consortium under subsection (13) and report to the legislature a



1 list by intermediate district or consortium with the number and
 2 percentage of each intermediate district's or consortium's total
 3 allocation allocated to community-based providers by provider type,
 4 including private for-profit, private nonprofit, community college
 5 or university, Head Start grantee or delegate, and district or
 6 intermediate district.

7 (16) A recipient of funds under this section shall report to
 8 the center in a form and manner prescribed by the center the
 9 information necessary to derive the number of children
 10 participating in the program who meet the program eligibility
 11 criteria under subsection (5) (b), ~~subject to subsection (27),~~ the
 12 number of eligible children not participating in the program and on
 13 a waitlist, and the total number of children participating in the
 14 program by various demographic groups and eligibility factors
 15 necessary to analyze equitable and priority access to services for
 16 the purposes of subsection (3).

17 (17) As used in this section:

18 (a) "GSRP/Head Start blended program" ~~, except as otherwise~~
 19 ~~provided in this section,~~ means a part-day program funded under
 20 this section and a Head Start program, which are combined for a
 21 school-day program.

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

26 (c) "Part-day program" ~~, except as otherwise provided in this~~
 27 ~~section,~~ means a program that operates at least 4 days per week, 30
 28 weeks per year, for at least 3 hours of teacher-child contact time
 29 per day but for fewer hours of teacher-child contact time per day



1 than a school-day program.

2 (d) "School-day program" ~~, except as otherwise provided in~~
 3 ~~this section,~~ means a program that operates for at least the same
 4 length of day as a district's first grade program for a minimum of
 5 4 days per week, 30 weeks per year. A classroom that offers a
 6 school-day program must enroll all children for the school day to
 7 be considered a school-day program.

8 (18) An intermediate district or consortium of intermediate
 9 districts receiving funds under this section shall establish and
 10 charge tuition according to a sliding scale of tuition rates based
 11 upon household income for children participating in an eligible
 12 great start readiness program who live with families with a
 13 household income that is more than 250% ~~, but, for 2020-2021 only,~~
 14 ~~who live with families with a household income that is more than~~
 15 ~~400%~~ of the federal poverty guidelines to be used by all of its
 16 providers, as approved by the department.

17 (19) From the amount allocated in subsection (2), there is
 18 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
 19 \$10,000,000.00 for reimbursement of transportation costs for
 20 children attending great start readiness programs funded under this
 21 section. To receive reimbursement under this subsection, not later
 22 than November 1 of each year, a program funded under this section
 23 that provides transportation shall submit to the intermediate
 24 district that is the fiscal agent for the program a projected
 25 transportation budget. The amount of the reimbursement for
 26 transportation under this subsection is no more than the projected
 27 transportation budget or \$300.00 multiplied by the number of
 28 children funded for the program under this section. If the amount
 29 allocated under this subsection is insufficient to fully reimburse



1 the transportation costs for all programs that provide
2 transportation and submit the required information, the department
3 shall prorate the reimbursement in an equal amount per child
4 funded. The department shall make payments to the intermediate
5 district that is the fiscal agent for each program, and the
6 intermediate district shall then reimburse the program provider for
7 transportation costs as prescribed under this subsection.

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

16 (a) The names of families provided with transportation support
17 along with a documented reason for the need for transportation
18 support and the type of transportation provided.

19 (b) Financial documentation of actual transportation costs
20 incurred by the program, including, but not limited to, receipts
21 and mileage reports, as determined by the department.

22 (c) Any other documentation or information determined
23 necessary by the department.

24 (21) The department shall implement a process to review and
25 approve age-appropriate comprehensive classroom level quality
26 assessments for GSRP grantees that support the early childhood
27 standards of quality for prekindergarten children adopted by the
28 state board. The department shall make available to intermediate
29 districts at least 2 classroom level quality assessments that were



1 approved in 2018.

2 (22) An intermediate district that is a GSRP grantee may
 3 approve the use of a supplemental curriculum that aligns with and
 4 enhances the age-appropriate educational curriculum in the
 5 classroom. If the department objects to the use of a supplemental
 6 curriculum approved by an intermediate district, the superintendent
 7 shall establish a review committee independent of the department.
 8 The review committee shall meet within 60 days of the department
 9 registering its objection in writing and provide a final
 10 determination on the validity of the objection within 60 days of
 11 the review committee's first meeting.

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

16 (24) From the funds allocated under subsection (1), there is
 17 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 18 \$2,000,000.00 for payments to intermediate districts or consortia
 19 of intermediate districts for professional development and training
 20 materials for educators in programs implementing new curricula **or**
 21 **child assessment tools approved for use in the great start**
 22 **readiness program.**

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

27 ~~(26) For the 2020-2021 program year only, the hours, days, and~~
 28 ~~weeks specified within the definitions under subsection (17) (a),~~
 29 ~~(c), and (d) do not apply to all grantees and subrecipients under~~



~~1 this section. However, for the 2020-2021 fiscal year only, grantees~~
~~2 and subrecipients shall, at a minimum, provide pandemic learning~~
~~3 and programming on-site, at a different location, in-person,~~
~~4 online, digitally, by other remote means, in a synchronous or~~
~~5 asynchronous format, or through any combination therein that~~
~~6 results in an amount of hours, days, and weeks necessary to deliver~~
~~7 the educational or course content that would have been delivered in~~
~~8 a year in which pandemic learning was not provided and that~~
~~9 complies with requirements developed by the department. The~~
~~10 department shall publish uniform guidance concerning requirements~~
~~11 under this subsection for age-appropriate instruction that is~~
~~12 provided online, digitally, or by other remote means as part of~~
~~13 pandemic learning and programming provided under this subsection.~~
~~14 As used in this subsection, "pandemic learning" means a mode of~~
~~15 instruction provided as a result of the COVID-19 pandemic.~~

~~16 (27) For the 2020-2021 program year only, household income~~
~~17 eligibility thresholds requiring household incomes that are equal~~
~~18 to or less than 250% of the federal poverty guidelines under~~
~~19 subsections (5) (b) and (11) do not apply for all grantees and~~
~~20 subrecipients under this section. However, for the 2020-2021~~
~~21 program year, all grantees and subrecipients must continue to~~
~~22 enroll children in the quintile with the lowest household income~~
~~23 first before enrolling the next quintile and must implement the~~
~~24 ranking process described in subsection (11) by first enrolling~~
~~25 children from households with incomes that are equal to or less~~
~~26 than 250% of the federal poverty guidelines, then enrolling~~
~~27 children from households with incomes that are equal to an amount~~
~~28 that is greater than 250% but less than or equal to 300% of the~~
~~29 federal poverty guidelines, then enrolling children from households~~



1 ~~with incomes equal to an amount that is greater than 300% but less~~
 2 ~~than or equal to 350% of the federal poverty guidelines, and then~~
 3 ~~continuing enrollment in an order increasing in percentage from a~~
 4 ~~percentage greater than 350% in relation to the federal poverty~~
 5 ~~guidelines until all available slots are filled.~~

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

23 ~~(a) An intermediate district and its subrecipients under this~~
 24 ~~section must conform to typical expenditures related to the~~
 25 ~~operation of great start readiness programs to ensure the stability~~
 26 ~~of the programs, including, but not limited to, ongoing program and~~
 27 ~~staff costs.~~

28 ~~(b) Funding remaining after serving all eligible children, in~~
 29 ~~accordance with subsections (5)(b) and (11), subject to subsection~~



1 ~~(27), or remaining from other program savings due to pandemic~~
 2 ~~learning must be used for the betterment of the program under this~~
 3 ~~section and must be approved by the department. Intermediate~~
 4 ~~districts and subrecipients under this section may only spend in~~
 5 ~~accordance with the provisions of this subdivision if the~~
 6 ~~intermediate district or subrecipient has demonstrated to the~~
 7 ~~satisfaction of the department that no eligible children are on~~
 8 ~~waitlists for the programs operated by the intermediate district or~~
 9 ~~subrecipients under this section.~~

10 Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund**
 11 **money appropriated** in section 11, there is allocated an amount not
 12 to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~
 13 **2021-2022** for the purpose of providing early childhood funding to
 14 intermediate districts to support the goals and outcomes under
 15 subsection (2) and subsection (4), and to provide early childhood
 16 programs for children from birth through age 8. The funding
 17 provided to each intermediate district under this section is
 18 determined by the distribution formula established by the
 19 department's office of great start to provide equitable funding
 20 statewide. In order to receive funding under this section, each
 21 intermediate district must provide an application to the office of
 22 great start not later than September 15 of the immediately
 23 preceding fiscal year indicating the strategies planned to be
 24 provided.

25 (2) Each intermediate district or consortium of intermediate
 26 districts that receives funding under this section shall convene a
 27 local great start collaborative and a parent coalition **that**
 28 **includes an active partnership with at least 1 community-based**
 29 **organization.** The goal of each great start collaborative and parent



1 coalition is to ensure the coordination and expansion of local
 2 early childhood infrastructure and programs that allow every child
 3 in the community to achieve the following outcomes:

4 (a) Children born healthy.

5 (b) Children healthy, thriving, and developmentally on track
 6 from birth to ~~third~~ grade 3.

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

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

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

16 (a) Physical health.

17 (b) Social-emotional health.

18 (c) Family supports and basic needs.

19 (d) Parent education.

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

22 (4) From the funds allocated in subsection (1), at least
 23 \$2,500,000.00 must be used for the purpose of providing home visits
 24 to at-risk children and their families. The home visits must be
 25 conducted as part of a locally coordinated, family-centered,
 26 evidence-based, data-driven home visit strategic plan that is
 27 approved by the department. The goals of the home visits funded
 28 under this subsection are to improve school readiness using
 29 evidence-based methods, including a focus on developmentally



1 appropriate outcomes for early literacy, to improve positive
2 parenting practices, and to improve family economic self-
3 sufficiency while reducing the impact of high-risk factors through
4 community resources and referrals. The department shall coordinate
5 the goals of the home visit strategic plans approved under this
6 subsection with other state agency home visit programs in a way
7 that strengthens Michigan's home visiting infrastructure and
8 maximizes federal funds available for the purposes of at-risk
9 family home visits. The coordination among departments and agencies
10 is intended to avoid duplication of state services and spending,
11 and should emphasize efficient service delivery of home visiting
12 programs.

13 (5) Not later than December 1 of each year, each intermediate
14 district shall provide a report to the department detailing the
15 strategies actually implemented during the immediately preceding
16 school year and the families and children actually served. At a
17 minimum, the report must include an evaluation of the services
18 provided with additional funding under subsection (4) for home
19 visits, using the goals identified in subsection (4) as the basis
20 for the evaluation, including the degree to which school readiness
21 was improved, the degree to which positive parenting practices were
22 improved, the degree to which there was improved family economic
23 self-sufficiency, and the degree to which community resources and
24 referrals were utilized. The department shall compile and summarize
25 these reports and submit its summary to the house and senate
26 appropriations subcommittees on school aid and to the house and
27 senate fiscal agencies not later than February 15 of each year.

28 (6) An intermediate district or consortium of intermediate
29 districts that receives funding under this section may carry over



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

19 Sec. 35a. (1) From the appropriations in section 11, there is
 20 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section
 21 an amount not to exceed ~~\$55,400,000.00~~ **\$57,400,000.00** from the
 22 state school aid fund and there is allocated for ~~2020-2021-2021-~~
 23 **2022** for the purposes of subsection (8) an amount not to exceed
 24 \$2,773,000.00 from the general fund. ~~The~~ **Excluding staff or**
 25 **contracted employees funded under subsection (8), the**
 26 superintendent shall designate staff or contracted employees funded
 27 under this section as critical shortage. Programs funded under this
 28 section are intended to ensure that this state will be a top 10
 29 state in grade 4 reading proficiency by 2025 according to the



1 National Assessment of Educational Progress (NAEP). **By December 31,**
2 **2021, the superintendent of public instruction shall do both of the**
3 **following:**

4 (a) Report in person to the house and senate appropriations
5 subcommittees on school aid regarding progress on the goal
6 described in this subsection and be available for questioning as
7 prescribed through a process developed by the chairs of the house
8 and senate appropriations subcommittees on school aid.

9 (b) Submit a written report to the house and senate
10 appropriations subcommittees on school aid regarding progress on
11 the goal described in this subsection.

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

21 (3) A district that receives funds under subsection (5) may
22 use up to 5% of those funds to administer department-approved
23 screening and diagnostic tools to monitor the development of early
24 literacy and early reading skills of pupils in grades pre-K to 3
25 and to support research-based professional development for
26 educators in administering screening and diagnostic tools and in
27 data interpretation of the results obtained through the use of
28 those tools for the purpose of implementing a multi-tiered system
29 of support to improve reading proficiency among pupils in grades



1 pre-K to 3. A department-approved screening and diagnostic tool
 2 administered by a district using funding under this section must
 3 include all of the following components: phonemic awareness,
 4 phonics, fluency, and comprehension. Further, all of the following
 5 sub-skills must be assessed within each of these components:

6 (a) Phonemic awareness - segmentation, blending, and sound
 7 manipulation (deletion and substitution).

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

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

10 (d) Comprehension - making meaning of text.

11 (4) From the allocation under subsection (1), there is
 12 allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~
 13 **2021-2022** for the purpose of providing early literacy coaches at
 14 intermediate districts to assist teachers in developing and
 15 implementing instructional strategies for pupils in grades pre-K to
 16 3 so that pupils are reading at grade level by the end of grade 3.
 17 All of the following apply to funding under this subsection:

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

22 (i) Current state literacy standards for pupils in grades pre-K
 23 to 3.

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

29 (iii) The use of data from diagnostic tools to determine the



1 necessary additional supports and interventions needed by
 2 individual pupils in grades pre-K to 3 in order to be reading at
 3 grade level.

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

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

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

20 (c) If an intermediate district that receives funding under
 21 this subsection uses an assessment tool that screens for ~~signs~~
 22 **characteristics** of dyslexia, the intermediate district shall use
 23 the assessment results from that assessment tool to identify pupils
 24 who demonstrate ~~signs~~**characteristics** of dyslexia.

25 (5) From the allocation under subsection (1), there is
 26 allocated an amount not to exceed \$19,900,000.00 for ~~2020-2021~~
 27 **2021-2022** to districts that provide additional instructional time
 28 to those pupils in grades pre-K to 3 ~~, or, for 2020-2021 only,~~
 29 ~~those pupils in grades pre-K to 12,~~ who have been identified by



1 using department-approved screening and diagnostic tools as needing
 2 additional supports and interventions in order to be reading at
 3 grade level by the end of grade 3. ~~, or, for 2020-2021 only,~~
 4 ~~reading at the applicable grade level.~~ Additional instructional
 5 time may be provided before, during, and after regular school hours
 6 or as part of a year-round balanced school calendar. All of the
 7 following apply to funding under this subsection:

8 (a) In order to be eligible to receive funding, a district
 9 ~~shall~~ **must** demonstrate to the satisfaction of the department that
 10 the district has done all of the following:

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

18 (A) Team-based leadership.

19 (B) A tiered delivery system.

20 (C) Selection and implementation of instruction,
 21 interventions, and supports.

22 (D) A comprehensive screening and assessment system.

23 (E) Continuous data-based decision making.

24 (ii) Used department-approved research-based diagnostic tools
 25 to identify individual pupils in need of additional instructional
 26 time.

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



1 knowledge.

2 (iv) Provided teachers of pupils in grades pre-K to 3 with
3 research-based professional development in diagnostic data
4 interpretation.

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

7 (b) The department shall distribute funding allocated under
8 this subsection to eligible districts on an equal per-first-grade-
9 pupil basis.

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

14 (6) Not later than September 1 of each year, a district that
15 receives funding under subsection (5) in conjunction with the
16 Michigan student data system, if possible, shall provide to the
17 department a report that includes at least both of the following,
18 in a form and manner prescribed by the department:

19 (a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
20 ~~applicable,~~ the **teachers**, pupils, schools, and grades served with
21 funds under this section and the categories of services provided.

22 (b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
23 ~~applicable,~~ pupil proficiency and growth data that allows analysis
24 both in the aggregate and by each of the following subgroups, as
25 applicable:

- 26 (i) School.
27 (ii) Grade level.
28 (iii) Gender.
29 (iv) Race.



1 (v) Ethnicity.

2 (vi) Economically disadvantaged status.

3 (vii) Disability.

4 (viii) Pupils identified as having reading deficiencies.

5 (7) From the allocation under subsection (1), there is
 6 allocated an amount not to exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for
 7 ~~2020-2021~~ **2021-2022** to an intermediate district in which the
 8 combined total number of pupils in membership of all of its
 9 constituent districts is the fewest among all intermediate
 10 districts. All of the following apply to the funding under this
 11 subsection:

12 (a) Funding under this subsection must be used by the
 13 intermediate district, in partnership with an association that
 14 represents intermediate district administrators in this state, to
 15 implement all of the following:

16 (i) Literacy essentials teacher and principal training modules.

17 (ii) Face-to-face and online professional learning of literacy
 18 essentials teacher and principal training modules for literacy
 19 coaches, principals, and teachers.

20 (iii) The placement of regional lead literacy coaches to
 21 facilitate professional learning for early literacy coaches. These
 22 regional lead literacy coaches shall provide support for new
 23 literacy coaches, building teachers, and administrators and shall
 24 facilitate regional data collection to evaluate the effectiveness
 25 of statewide literacy coaches funded under this section.

26 (iv) Provide \$500,000.00 from this subsection for literacy
 27 training, modeling, coaching, and feedback for district principals
 28 or chief administrators, as applicable. The training described in
 29 this subparagraph must use the pre-K and K to 3 essential



1 instructional practices in literacy created by the general
 2 education leadership network as the framework for all training
 3 provided under this subparagraph.

4 (v) **Job-embedded professional learning opportunities for**
 5 **mathematics teachers through mathematics instructional coaching.**
 6 **Funding must be used for professional learning for coaches,**
 7 **professional developers, administrators, and teachers; coaching for**
 8 **early mathematics educators; the development of statewide and**
 9 **regional professional learning networks in mathematics**
 10 **instructions; and the development and support of digital**
 11 **professional learning modules.**

12 (b) Not later than September 1 of each year, the intermediate
 13 district described in this subsection, in consultation with grant
 14 recipients, shall submit a report to the chairs of the senate and
 15 house appropriations subcommittees on ~~state~~-school aid, the chairs
 16 of the senate and house standing committees responsible for
 17 education legislation, the house and senate fiscal agencies, and
 18 the state budget director. The report described under this
 19 subdivision must include student achievement results in English
 20 language arts **and mathematics** and survey results with feedback from
 21 parents and teachers regarding the initiatives implemented under
 22 this subsection.

23 (c) Up to 2% of funds allocated under this subsection may be
 24 used by the association representing intermediate district
 25 administrators that is in partnership with the intermediate
 26 district specified in this subsection to administer this
 27 subsection.

28 (8) From the general fund money allocated in subsection (1),
 29 the department shall allocate the amount of \$2,773,000.00 for ~~2020-~~



1 ~~2021-2021-2022~~ to the Michigan Education Corps for the PreK Reading
2 Corps, the K3 Reading Corps, and the Math Corps. All of the
3 following apply to funding under this subsection:

4 (a) By September 1 of the current fiscal year, the Michigan
5 Education Corps shall provide a report concerning its use of the
6 funding to the senate and house appropriations subcommittees on
7 state school aid, the senate and house fiscal agencies, and the
8 senate and house caucus policy offices on outcomes and performance
9 measures of the Michigan Education Corps, including, but not
10 limited to, the degree to which the Michigan Education Corps'
11 replication of the PreK Reading Corps, the K3 Reading Corps, and
12 the Math Corps programs is demonstrating sufficient efficacy and
13 impact. The report must include data pertaining to at least all of
14 the following:

15 (i) The current impact of the programs on this state in terms
16 of numbers of children and schools receiving support. This portion
17 of the report must specify the number of children tutored,
18 including dosage and completion, and the demographics of those
19 children.

20 (ii) Whether the assessments and interventions are implemented
21 with fidelity. This portion of the report must include details on
22 the total number of assessments and interventions completed and the
23 range, mean, and standard deviation.

24 (iii) Whether the literacy or math improvement of children
25 participating in the programs is consistent with expectations. This
26 portion of the report must detail at least all of the following:

27 (A) Growth rate by grade or age level, in comparison to
28 targeted growth rate.

29 (B) Average linear growth rates.



1 (C) Exit rates.

2 (D) Percentage of children who exit who also meet or exceed
3 spring benchmarks.

4 (iv) The impact of the programs on organizations and
5 stakeholders, including, but not limited to, school administrators,
6 internal coaches, and AmeriCorps members.

7 (b) If the department determines that the Michigan Education
8 Corps has misused the funds allocated under this subsection, the
9 Michigan Education Corps shall reimburse this state for the amount
10 of state funding misused.

11 (c) The department may not reserve any portion of the
12 allocation provided under this subsection for an evaluation of the
13 Michigan Education Corps, the Michigan Education Corps' funding, or
14 the Michigan Education Corps' programming unless agreed to in
15 writing by the Michigan Education Corps. The department shall award
16 the entire \$2,773,000.00 allocated under this subsection to the
17 Michigan Education Corps and shall not condition the awarding of
18 this funding on the implementation of an independent evaluation.

19 (9) If a district or intermediate district expends any funding
20 received under subsection (4) or (5) for professional development
21 in research-based effective reading instruction, the district or
22 intermediate district shall select a professional development
23 program from the list described under subdivision (a). All of the
24 following apply to the requirement under this subsection:

25 (a) The department shall issue a request for proposals for
26 professional development programs in research-based effective
27 reading instruction to develop an initial approved list of
28 professional development programs in research-based effective
29 reading instruction. The department shall make the initial approved



1 list public and shall determine if it will, on a rolling basis,
2 approve any new proposals submitted for addition to its initial
3 approved list.

4 (b) To be included as an approved professional development
5 program in research-based effective reading instruction under
6 subdivision (a), an applicant must demonstrate to the department in
7 writing the program's competency in all of the following topics:

8 (i) Understanding of phonemic awareness, phonics, fluency,
9 vocabulary, and comprehension.

10 (ii) Appropriate use of assessments and differentiated
11 instruction.

12 (iii) Selection of appropriate instructional materials.

13 (iv) Application of research-based instructional practices.

14 (c) As used in this subsection, "effective reading
15 instruction" means reading instruction scientifically proven to
16 result in improvement in pupil reading skills.

17 (10) Notwithstanding section 17b, the department shall make
18 payments made under subsections (7) and (8) on a schedule
19 determined by the department.

20 Sec. 35b. (1) From the general fund money appropriated in
21 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
22 not to exceed \$250,000.00 for a grant to be distributed by the
23 department to the Children's Choice Initiative for a program to use
24 a multisensory structured language education method to improve
25 reading proficiency rates and to comply with section 1280f of the
26 revised school code, MCL 380.1280f.

27 (2) Grant funds awarded under this section must be expended
28 for the following purposes:

29 (a) Professional development including training staff and



1 tutors in a multisensory, sequential, systematic education
2 approach.

3 (b) Additional instructional time before, during, or after
4 school for pupils in grades K to 3 identified as having an early
5 literacy delay or reading deficiency using a multisensory,
6 sequential, systematic education approach.

7 (3) Not later than December 1, 2021, an entity that receives
8 grant funds under this section shall report to the house and senate
9 appropriations subcommittees on school aid, the house and senate
10 fiscal agencies, and the state budget director on all of the
11 following for the grant funds awarded under this section:

12 (a) The number of staff and tutors trained.

13 (b) The number of pupils in grades K to 3 identified as having
14 an early literacy delay or reading deficiency served.

15 (c) The number of hours of added instructional time provided
16 to pupils served.

17 (d) Pupil reading proficiency and growth data of pupils served
18 necessary to evaluate the effectiveness of the program.

19 Sec. 35d. (1) From the general fund money appropriated under
20 section 11, for ~~2020-2021~~, **2021-2022**, there is allocated an amount
21 not to exceed \$500,000.00 for the department to provide grants to
22 districts and intermediate districts for the purchase of 1 or more
23 components or trainings through an eligible 1-on-1 tutoring program
24 for children with dyslexia from a provider of an eligible 1-on-1
25 tutoring program for children with dyslexia as provided under this
26 section.

27 (2) A provider that provides programming that meets all of the
28 following is considered to be a provider of an eligible 1-on-1
29 tutoring program for purposes of this section:



1 (a) Allows teachers to incorporate the 5 components essential
2 to an effective reading program into their daily lessons. The 5
3 components described in this subdivision are phonemic awareness,
4 phonics, vocabulary, fluency, and comprehension.

5 (b) Trains educators to teach reading using a proven,
6 multisensory approach.

7 (c) Educates teachers on how to explicitly and effectively
8 teach reading to beginning readers.

9 (d) Breaks reading and spelling down into smaller skills
10 involving letters and sounds, and then builds on these skills over
11 time.

12 (e) Uses multisensory teaching strategies to teach reading by
13 using sight, hearing, touch, and movement to help students connect
14 and learn the concepts being taught.

15 (3) Districts and intermediate districts may apply to the
16 department for grants to purchase components or training through an
17 eligible 1-on-1 tutoring program from a provider of an eligible 1-
18 on-1 tutoring program, and, upon receiving an application but
19 except as otherwise provided in this subsection, the department
20 shall make payments to districts and intermediate districts for
21 those purchases. The department shall make payments under this
22 section on a first-come, first-served basis until funds are
23 depleted.

24 Sec. 35e. (1) From the general fund money appropriated under
25 section 11, there is allocated an amount not to exceed
26 \$1,000,000.00 for ~~2020-2021~~**2021-2022** for a grant to be distributed
27 by the department to an organization to provide early literacy and
28 academic support to at-need youth in this state.

29 (2) To qualify for a grant under this section, an organization



1 must be exempt from federal income tax under section 501(c)(3) of
2 the internal revenue code, 26 USC 501, and must be affiliated and
3 in good standing with a national congressionally chartered
4 organization's standards under 36 USC 20101 to 240112, and must
5 meet both of the following:

6 (a) Is facility-based and provides proven and tested
7 recreational, educational, and character building programs for
8 children ages 6 to 18.

9 (b) Provides after-school and summer programs in at least 25
10 communities statewide, with youth development services available at
11 least 20 hours per week during the school year and 30 hours per
12 week during summer programming.

13 (3) A grant recipient under this section shall administer an
14 early learning literacy program targeted at students in grades K-3.
15 At least 60% of the participants in the program must qualify for
16 free or reduced-priced lunch. Each entity receiving funds to
17 implement the program shall report to the department on the number
18 of children served, the types of services, and the outcome of those
19 services.

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

23 Sec. 35f. From the general fund money appropriated in section
24 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
25 exceed \$500,000.00 for the department to award to the Chaldean
26 community foundation. The Chaldean community foundation shall use
27 funds received under this section to support and expand early
28 childhood learning opportunities, improve early literacy
29 achievement, increase high school graduation rates for new



1 Americans, and assist with diploma acquisition, skills training,
2 and postsecondary education.

3 Sec. 35g. (1) From the state school aid fund money
4 appropriated in section 11, there is allocated an amount not to
5 exceed \$1,000,000.00 for 2021-2022 for competitive grants to
6 eligible districts that have established innovative community
7 libraries.

8 (2) A district that has established an innovative community
9 library that meets all of the following is an eligible district
10 under this section:

11 (a) The library provides for the engagement and connection of
12 readers.

13 (b) The library provides for resources that are used to
14 further reading skills.

15 (c) The library provides for the involvement of community
16 volunteers and donations.

17 (3) An eligible district may partner with an existing library
18 to provide an innovative community library described in subsection
19 (2).

20 (4) For the purpose of this section, an innovative community
21 library described in subsection (2) does not need to be in a
22 physical building.

23 (5) To receive funding under this section, an eligible
24 district must apply for the funding to the department's innovation
25 council, in a form and manner prescribed by the department's
26 innovation council, by not later than March 15, 2022. The
27 department's innovation council must develop an application process
28 for the submission of applications for funding under this section
29 by not later than December 15, 2021. The department's innovation



1 council must score applications and award up to 20 grants under
2 this section based on the following criteria by not later than July
3 15, 2022:

4 (a) How the innovative community library has addressed early
5 childhood literacy gaps.

6 (b) How community partners of the innovative community library
7 have engaged in addressing literacy gaps.

8 (c) How the innovative community library has connected
9 different readers together.

10 (d) How the innovative community library will promote its
11 approach to other districts or communities in addressing early
12 literacy gaps.

13 (6) The grant awards under subsection (5) must be ranked in a
14 manner in which there are 2 first-place grant awards, 2 second-
15 place grant awards, 2 third-place grant awards, 2 fourth-place
16 grant awards, 2 fifth-place grant awards, 2 sixth-place grant
17 awards, 2 seventh-place grant awards, 2 eighth-place grant awards,
18 2 ninth-place grant awards, and 2 tenth-place grant awards. The
19 first-place grant awards described in this subsection must receive
20 the highest award of funding under this section and the amount of
21 funding awarded under this section must decline sequentially with
22 each numerical-place award described in this subsection, with the
23 lowest award of funding under this section going to the tenth-place
24 grant award recipients.

25 (7) Notwithstanding section 17b, subject to subsection (5),
26 the department shall make payments to eligible districts under this
27 section on a schedule determined by the department.

28 Sec. 39. (1) An eligible applicant receiving funds under
29 section 32d shall submit an application, in a form and manner



1 prescribed by the department, by a date specified by the department
2 in the immediately preceding fiscal year. An eligible applicant is
3 not required to amend the applicant's current accounting cycle or
4 adopt this state's fiscal year accounting cycle in accounting for
5 financial transactions under this section. The application must
6 include all of the following:

7 (a) The estimated total number of children in the community
8 who meet the criteria of section 32d, as provided to the applicant
9 by the department utilizing the most recent population data
10 available from the American Community Survey conducted by the
11 United States Census Bureau. The department shall ensure that it
12 provides updated American Community Survey population data at least
13 once every 3 years.

14 (b) The estimated number of children in the community who meet
15 the criteria of section 32d and are being served exclusively by
16 Head Start programs operating in the community.

17 (c) The number of children whom the applicant has the capacity
18 to serve who meet the criteria of section 32d including a
19 verification of physical facility and staff resources capacity.

20 (2) After notification of funding allocations, an applicant
21 receiving funds under section 32d shall also submit an
22 implementation plan for approval, in a form and manner prescribed
23 by the department, by a date specified by the department, that
24 details how the applicant complies with the program components
25 established by the department pursuant to section 32d.

26 (3) The initial allocation to each eligible applicant under
27 section 32d is the lesser of the following:

28 (a) The sum of the number of children served in a school-day
29 program in the preceding school year multiplied by ~~\$7,250.00~~



1 **\$8,700.00** and the number of children served in a GSRP/Head Start
 2 blended program or a part-day program in the preceding school year
 3 multiplied by ~~\$3,625.00~~ **\$4,350.00**.

4 (b) The sum of the number of children the applicant has the
 5 capacity to serve in the current school year in a school-day
 6 program multiplied by ~~\$7,250.00~~ **\$8,700.00** and the number of
 7 children served in a GSRP/Head Start blended program or a part-day
 8 program the applicant has the capacity to serve in the current
 9 school year multiplied by ~~\$3,625.00~~ **\$4,350.00**.

10 (4) If funds remain after the allocations under subsection
 11 (3), the department shall distribute the remaining funds to each
 12 intermediate district or consortium of intermediate districts that
 13 serves less than the state percentage benchmark determined under
 14 subsection (5). The department shall distribute these remaining
 15 funds to each eligible applicant based upon each applicant's
 16 proportionate share of the remaining unserved children necessary to
 17 meet the statewide percentage benchmark in intermediate districts
 18 or consortia of intermediate districts serving less than the
 19 statewide percentage benchmark. When all applicants have been given
 20 the opportunity to reach the statewide percentage benchmark, the
 21 statewide percentage benchmark may be reset, as determined by the
 22 department, until greater equity of opportunity to serve eligible
 23 children across all intermediate school districts has been
 24 achieved.

25 (5) For the purposes of subsection (4), the department shall
 26 calculate a percentage of children served by each intermediate
 27 district or consortium of intermediate districts by adding the
 28 number of children served in the immediately preceding year by that
 29 intermediate district or consortium with the number of eligible



1 children under section 32d served exclusively by head start, as
2 reported in a form and manner prescribed by the department, within
3 the intermediate district or consortia service area and dividing
4 that total by the total number of children within the intermediate
5 district or consortium of intermediate districts who meet the
6 criteria of section 32d as determined by the department utilizing
7 the most recent population data available from the American
8 Community Survey conducted by the United States Census Bureau. The
9 department shall compare the resulting percentage of eligible
10 children served to a statewide percentage benchmark to determine if
11 the intermediate district or consortium is eligible for additional
12 funds under subsection (4). The statewide percentage benchmark is
13 ~~60%~~**100%**.

14 (6) If, taking into account the total amount to be allocated
15 to the applicant as calculated under this section, an applicant
16 determines that it is able to include additional eligible children
17 in the great start readiness program without additional funds under
18 section 32d, the applicant may include additional eligible children
19 but does not receive additional funding under section 32d for those
20 children.

21 (7) The department shall review the program components under
22 section 32d and under this section at least biennially. The
23 department also shall convene a committee of internal and external
24 stakeholders at least once every 5 years to ensure that the funding
25 structure under this section reflects current system needs under
26 section 32d.

27 **(8) For the 2020-2021 program year only, the number of**
28 **children reported on the application described in subsection**
29 **(1) (a), (b), and (c) must not be used by the department for the**



1 purpose of calculating hold harmless funding levels for 2021-2022.
 2 Hold harmless funding for 2021-2022 must be determined based on the
 3 2019-2020 final allocations calculated and paid under section 32d
 4 in 2019-2020.

5 (9) ~~(8)~~—As used in this section, "GSRP/Head Start blended
 6 program", "part-day program", and "school-day program" mean those
 7 terms as defined in section 32d. ~~as, for 2020-2021, impacted by~~
 8 ~~section 32d(26).~~

9 Sec. 39a. (1) From the federal funds appropriated in section
 10 11, there is allocated for 2020-2021 to districts, intermediate
 11 districts, and other eligible entities all available federal
 12 funding, estimated at ~~\$749,200,000.00~~ **\$752,300,000.00** and there is
 13 **allocated for 2021-2022 to districts, intermediate districts, and**
 14 **other eligible entities all available federal funding, estimated at**
 15 **\$752,300,000.00**, for the federal programs under the no child left
 16 behind act of 2001, Public Law 107-110, or the every student
 17 succeeds act, Public Law 114-95. These funds are allocated as
 18 follows:

19 (a) An amount estimated at \$1,200,000.00 for 2020-2021 **and**
 20 **estimated at \$1,200,000.00 for 2021-2022** to provide students with
 21 drug- and violence-prevention programs and to implement strategies
 22 to improve school safety, funded from DED-OESE, drug-free schools
 23 and communities funds.

24 (b) An amount estimated at \$100,000,000.00 for 2020-2021 **and**
 25 **estimated at \$100,000,000.00 for 2021-2022** for the purpose of
 26 preparing, training, and recruiting high-quality teachers and class
 27 size reduction, funded from DED-OESE, improving teacher quality
 28 funds.

29 (c) An amount estimated at \$11,000,000.00 for 2020-2021 **and**



1 **estimated at \$13,000,000.00 for 2021-2022** for programs to teach
2 English to limited English proficient (LEP) children, funded from
3 DED-OESE, language acquisition state grant funds.

4 (d) An amount estimated at \$2,800,000.00 for 2020-2021 **and**
5 **estimated at \$2,800,000.00 for 2021-2022** for rural and ~~low-income~~
6 **low-income** schools, funded from DED-OESE, rural and low income
7 school funds.

8 (e) An amount estimated at \$535,000,000.00 for 2020-2021 **and**
9 **estimated at \$535,000,000.00 for 2021-2022** to provide supplemental
10 programs to enable educationally disadvantaged children to meet
11 challenging academic standards, funded from DED-OESE, title I,
12 disadvantaged children funds.

13 (f) An amount estimated at \$9,200,000.00 for 2020-2021 **and**
14 **estimated at \$9,200,000.00 for 2021-2022** for the purpose of
15 identifying and serving migrant children, funded from DED-OESE,
16 title I, migrant education funds.

17 (g) An amount estimated at \$39,000,000.00 for 2020-2021 **and**
18 **estimated at \$39,000,000.00 for 2021-2022** for the purpose of
19 providing high-quality extended learning opportunities, after
20 school and during the summer, for children in low-performing
21 schools, funded from DED-OESE, twenty-first century community
22 learning center funds.

23 (h) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
24 **estimated at \$14,000,000.00 for 2021-2022** to help support local
25 school improvement efforts, funded from DED-OESE, title I, local
26 school improvement grants.

27 (i) An amount estimated at \$35,000,000.00 for 2020-2021 **and**
28 **estimated at \$35,000,000.00 for 2021-2022** to improve the academic
29 achievement of students, funded from DED-OESE, title IV, student



1 support and academic enrichment grants.

2 (j) **An amount estimated at \$3,100,000.00 for 2020-2021 and**
 3 **estimated at \$3,100,000.00 for 2021-2022 for literacy programs that**
 4 **advance literacy skills for students from birth through grade 12,**
 5 **including, but not limited to, English-proficient students and**
 6 **students with disabilities, funded from DED-OESE, striving readers**
 7 **comprehensive literacy program.**

8 (2) From the federal funds appropriated in section 11, there
 9 is allocated to districts, intermediate districts, and other
 10 eligible entities all available federal funding, estimated at
 11 ~~\$55,000,000.00~~ **\$77,867,000.00** for 2020-2021 **and estimated at**
 12 **\$56,500,000.00 for 2021-2022** for the following programs that are
 13 funded by federal grants:

14 (a) An amount estimated at ~~\$3,000,000.00~~ **\$24,367,000.00** for
 15 2020-2021 **and estimated at \$3,000,000.00 for 2021-2022** to provide
 16 services to homeless children and youth, funded from DED-OVAE,
 17 homeless children and youth funds.

18 (b) An amount estimated at \$24,000,000.00 for 2020-2021 **and**
 19 **estimated at \$24,000,000.00 for 2021-2022** for providing career and
 20 technical education services to pupils, funded from DED-OVAE, basic
 21 grants to states.

22 (c) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
 23 **estimated at \$14,000,000.00 for 2021-2022** for the Michigan charter
 24 school subgrant program, funded from DED-OII, public charter
 25 schools program funds.

26 (d) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
 27 **estimated at \$14,000,000.00 for 2021-2022** for the purpose of
 28 promoting and expanding high-quality preschool services, funded
 29 from HHS-OCC, preschool development funds.



1 (e) An amount estimated at \$1,500,000.00 for 2020-2021 and
2 estimated at \$1,500,000.00 for 2021-2022 for the purpose of
3 addressing priority substance abuse treatment, prevention, and
4 mental health needs, funded from HHS-SAMHSA.

5 (3) The department shall distribute all federal funds
6 allocated under this section in accordance with federal law and
7 with flexibility provisions outlined in Public Law 107-116, and in
8 the education flexibility partnership act of 1999, Public Law 106-
9 25. Notwithstanding section 17b, the department shall make payments
10 of federal funds to districts, intermediate districts, and other
11 eligible entities under this section on a schedule determined by
12 the department.

13 (4) For the purposes of applying for federal grants
14 appropriated under this article, the department shall allow an
15 intermediate district to submit a consortium application on behalf
16 of 2 or more districts with the agreement of those districts as
17 appropriate according to federal rules and guidelines.

18 (5) For the purposes of funding federal title I grants under
19 this article, in addition to any other federal grants for which the
20 strict discipline academy is eligible, the department shall
21 allocate to a strict discipline academy out of title I, part A an
22 amount equal to what the strict discipline academy would have
23 received if included and calculated under title I, part D, or what
24 it would receive under the formula allocation under title I, part
25 A, whichever is greater.

26 (6) As used in this section:

27 (a) "DED" means the United States Department of Education.

28 (b) "DED-OESE" means the DED Office of Elementary and
29 Secondary Education.



1 (c) "DED-OII" means the DED Office of Innovation and
2 Improvement.

3 (d) "DED-OVAE" means the DED Office of Vocational and Adult
4 Education.

5 (e) "HHS" means the United States Department of Health and
6 Human Services.

7 (f) "HHS-OCC" means the HHS Office of Child Care.

8 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental
9 Health Services Project.

10 Sec. 41. (1) For a district to be eligible to receive funding
11 under this section, the district must administer to English
12 language learners the English language proficiency assessment known
13 as the "WIDA ACCESS for English language learners" or the "WIDA
14 Alternate ACCESS". From the ~~appropriation~~ **state school aid fund**
15 **money appropriated** in section 11, there is allocated an amount not
16 to exceed ~~\$13,000,000.00~~ **\$25,200,000.00** for ~~2020-2021~~ **2021-2022** for
17 payments to eligible districts for services for English language
18 learners who have been administered the WIDA ACCESS for English
19 language learners.

20 (2) The department shall distribute funding allocated under
21 subsection (1) to eligible districts based on the number of full-
22 time equivalent English language learners as follows:

23 (a) ~~\$900.00~~ **\$935.00** per full-time equivalent English language
24 learner who has been assessed under the WIDA ACCESS for English
25 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
26 or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or
27 less, as applicable to each assessment.

28 (b) ~~\$620.00~~ **\$645.00** per full-time equivalent English language
29 learner who has been assessed under the WIDA ACCESS for English



1 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
2 or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or
3 less, as applicable to each assessment.

4 (c) ~~\$100.00~~ **\$105.00** per full-time equivalent English language
5 learner who has been assessed under the WIDA ACCESS for English
6 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
7 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or
8 less, as applicable to each assessment.

9 (3) If funds allocated under subsection (1) are insufficient
10 to fully fund the payments as prescribed under subsection (2), the
11 department shall prorate payments on an equal percentage basis,
12 with the same percentage proration applied to all funding
13 categories.

14 (4) Each district receiving funds under subsection (1) shall
15 submit to the department by July 15 of each fiscal year a report,
16 not to exceed 10 pages, on the usage by the district of funds under
17 subsection (1) in a form and manner determined by the department,
18 including a brief description of each program conducted or services
19 performed by the district using funds under subsection (1) and the
20 amount of funds under subsection (1) allocated to each of those
21 programs or services. If a district does not comply with this
22 subsection, the department shall withhold an amount equal to the
23 August payment due under this section until the district complies
24 with this subsection. If the district does not comply with this
25 subsection by the end of the fiscal year, the withheld funds are
26 forfeited to the school aid fund.

27 (5) In order to receive funds under subsection (1), a district
28 must allow access for the department or the department's designee
29 to audit all records related to the program for which it receives



1 those funds. The district shall reimburse this state for all
2 disallowances found in the audit.

3 (6) Beginning July 1, 2020, and every 3 years thereafter, the
4 department shall review the per-pupil distribution under subsection
5 (2), to ensure that funding levels are appropriate and make
6 recommendations for adjustments to the members of the senate and
7 house subcommittees on K-12 school aid appropriations.

8 Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund**
9 **money** in section 11, there is allocated an amount not to exceed
10 ~~\$1,023,996,100.00~~ **\$1,079,296,100.00** for ~~2019-2020-2020-2021~~ and
11 there is allocated an amount not to exceed ~~\$1,079,296,100.00~~
12 **\$1,123,696,100.00** for ~~2020-2021-2021-2022~~ from state sources and
13 all available federal funding under sections ~~611-1411~~ to ~~619-1419~~
14 of part B of the individuals with disabilities education act, 20
15 USC 1411 to 1419, estimated at ~~\$370,000,000.00~~ **\$456,752,000.00** for
16 ~~2019-2020-2020-2021~~ and ~~\$375,000,000.00~~ **\$380,000,000.00** for ~~2020-~~
17 ~~2021,~~ **2021-2022**, plus any carryover federal funds from previous
18 year appropriations. The allocations under this subsection are for
19 the purpose of reimbursing districts and intermediate districts for
20 special education programs, services, and special education
21 personnel as prescribed in article 3 of the revised school code,
22 MCL 380.1701 to 380.1761; net tuition payments made by intermediate
23 districts to the Michigan Schools for the Deaf and Blind; and
24 special education programs and services for pupils who are eligible
25 for special education programs and services according to statute or
26 rule. For meeting the costs of special education programs and
27 services not reimbursed under this article, a district or
28 intermediate district may use money in general funds or special
29 education funds, not otherwise restricted, or contributions from



1 districts to intermediate districts, tuition payments, gifts and
 2 contributions from individuals or other entities, or federal funds
 3 that may be available for this purpose, as determined by the
 4 intermediate district plan prepared under article 3 of the revised
 5 school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b,
 6 the department shall make payments of federal funds to districts,
 7 intermediate districts, and other eligible entities under this
 8 section on a schedule determined by the department.

9 (2) From the funds allocated under subsection (1), there is
 10 allocated the amount necessary, estimated at ~~\$286,900,000.00~~
 11 **\$319,000,000.00** for ~~2019-2020-2020-2021~~ and estimated at
 12 ~~\$307,500,000.00~~ **\$332,000,000.00** for ~~2020-2021,~~ **2021-2022**, for
 13 payments toward reimbursing districts and intermediate districts
 14 for 28.6138% of total approved costs of special education,
 15 excluding costs reimbursed under section 53a, and 70.4165% of total
 16 approved costs of special education transportation. Allocations
 17 under this subsection are made as follows:

18 (a) The department shall calculate the initial amount
 19 allocated to a district under this subsection toward fulfilling the
 20 specified percentages by multiplying the district's special
 21 education pupil membership, excluding pupils described in
 22 subsection (11), times the foundation allowance under section 20 of
 23 the pupil's district of residence, **plus the amount of the**
 24 **district's per-pupil allocation under section 20m**, not to exceed
 25 the target foundation allowance for the current fiscal year, or,
 26 for a special education pupil in membership in a district that is a
 27 public school academy, times an amount equal to the amount per
 28 membership pupil calculated under section 20(6). For an
 29 intermediate district, the amount allocated under this subdivision



1 toward fulfilling the specified percentages is an amount per
 2 special education membership pupil, excluding pupils described in
 3 subsection (11), and is calculated in the same manner as for a
 4 district, using the foundation allowance under section 20 of the
 5 pupil's district of residence, not to exceed the target foundation
 6 allowance for the current fiscal year, **and that district's per-**
 7 **pupil allocation under section 20m.**

8 (b) After the allocations under subdivision (a), the
 9 department shall pay a district or intermediate district for which
 10 the payments calculated under subdivision (a) do not fulfill the
 11 specified percentages the amount necessary to achieve the specified
 12 percentages for the district or intermediate district.

13 (3) From the funds allocated under subsection (1), there is
 14 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
 15 \$1,000,000.00 and there is allocated for ~~2020-2021~~**2021-2022** an
 16 amount not to exceed \$1,000,000.00 to make payments to districts
 17 and intermediate districts under this subsection. If the amount
 18 allocated to a district or intermediate district for a fiscal year
 19 under subsection (2)(b) is less than the sum of the amounts
 20 allocated to the district or intermediate district for 1996-97
 21 under sections 52 and 58, there is allocated to the district or
 22 intermediate district for the fiscal year an amount equal to that
 23 difference, adjusted by applying the same proration factor that was
 24 used in the distribution of funds under section 52 in 1996-97 as
 25 adjusted to the district's or intermediate district's necessary
 26 costs of special education used in calculations for the fiscal
 27 year. This adjustment is to reflect reductions in special education
 28 program operations or services between 1996-97 and subsequent
 29 fiscal years. The department shall make adjustments for reductions



1 in special education program operations or services in a manner
 2 determined by the department and shall include adjustments for
 3 program or service shifts.

4 (4) If the department determines that the sum of the amounts
 5 allocated for a fiscal year to a district or intermediate district
 6 under subsection (2)(a) and (b) is not sufficient to fulfill the
 7 specified percentages in subsection (2), then the department shall
 8 pay the shortfall to the district or intermediate district during
 9 the fiscal year beginning on the October 1 following the
 10 determination and shall adjust payments under subsection (3) as
 11 necessary. If the department determines that the sum of the amounts
 12 allocated for a fiscal year to a district or intermediate district
 13 under subsection (2)(a) and (b) exceeds the sum of the amount
 14 necessary to fulfill the specified percentages in subsection (2),
 15 then the department shall deduct the amount of the excess from the
 16 district's or intermediate district's payments under this article
 17 for the fiscal year beginning on the October 1 following the
 18 determination and shall adjust payments under subsection (3) as
 19 necessary. However, if the amount allocated under subsection (2)(a)
 20 in itself exceeds the amount necessary to fulfill the specified
 21 percentages in subsection (2), there is no deduction under this
 22 subsection.

23 (5) State funds are allocated on a total approved cost basis.
 24 Federal funds are allocated under applicable federal requirements.

25 (6) From the amount allocated in subsection (1), there is
 26 allocated an amount not to exceed \$2,200,000.00 for ~~2019-2020-2020-~~
 27 **2021** and there is allocated an amount not to exceed \$2,200,000.00
 28 for ~~2020-2021-2021-2022~~ to reimburse 100% of the net increase in
 29 necessary costs incurred by a district or intermediate district in



1 implementing the revisions in the administrative rules for special
2 education that became effective on July 1, 1987. As used in this
3 subsection, "net increase in necessary costs" means the necessary
4 additional costs incurred solely because of new or revised
5 requirements in the administrative rules minus cost savings
6 permitted in implementing the revised rules. The department shall
7 determine net increase in necessary costs in a manner specified by
8 the department.

9 (7) For purposes of ~~sections 51a~~ **this section and sections 51b**
10 to 58, all of the following apply:

11 (a) "Total approved costs of special education" are determined
12 in a manner specified by the department and may include indirect
13 costs, but must not exceed 115% of approved direct costs for
14 section 52 and section 53a programs. The total approved costs
15 include salary and other compensation for all approved special
16 education personnel for the program, including payments for Social
17 Security and Medicare and public school employee retirement system
18 contributions. The total approved costs do not include salaries or
19 other compensation paid to administrative personnel who are not
20 special education personnel as that term is defined in section 6 of
21 the revised school code, MCL 380.6. Costs reimbursed by federal
22 funds, other than those federal funds included in the allocation
23 made under this article, are not included. Special education
24 approved personnel not utilized full time in the evaluation of
25 students or in the delivery of special education programs,
26 ancillary, and other related services are reimbursed under this
27 section only for that portion of time actually spent providing
28 these programs and services, with the exception of special
29 education programs and services provided to youth placed in child



1 caring institutions or juvenile detention programs approved by the
2 department to provide an on-grounds education program.

3 (b) Beginning with the 2004-2005 fiscal year, a district or
4 intermediate district that employed special education support
5 services staff to provide special education support services in
6 2003-2004 or in a subsequent fiscal year and that in a fiscal year
7 after 2003-2004 receives the same type of support services from
8 another district or intermediate district shall report the cost of
9 those support services for special education reimbursement purposes
10 under this article. This subdivision does not prohibit the transfer
11 of special education classroom teachers and special education
12 classroom aides if the pupils counted in membership associated with
13 those special education classroom teachers and special education
14 classroom aides are transferred and counted in membership in the
15 other district or intermediate district in conjunction with the
16 transfer of those teachers and aides.

17 (c) If the department determines before bookclosing for a
18 fiscal year that the amounts allocated for that fiscal year under
19 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
20 will exceed expenditures for that fiscal year under subsections
21 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
22 district or intermediate district whose reimbursement for that
23 fiscal year would otherwise be affected by subdivision (b),
24 subdivision (b) does not apply to the calculation of the
25 reimbursement for that district or intermediate district and the
26 department shall calculate reimbursement for that district or
27 intermediate district in the same manner as it was for 2003-2004.
28 If the amount of the excess allocations under subsections (2), (3),
29 (6), and (11) and sections 53a, 54, and 56 is not sufficient to



1 fully fund the calculation of reimbursement to those districts and
2 intermediate districts under this subdivision, then the department
3 shall prorate calculations and resulting reimbursement under this
4 subdivision on an equal percentage basis. Beginning in 2015-2016,
5 the amount of reimbursement under this subdivision for a fiscal
6 year must not exceed \$2,000,000.00 for any district or intermediate
7 district.

8 (d) Reimbursement for ancillary and other related services, as
9 **that term is** defined by R 340.1701c of the Michigan Administrative
10 Code, is not provided when those services are covered by and
11 available through private group health insurance carriers or
12 federal reimbursed program sources unless the department and
13 district or intermediate district agree otherwise and that
14 agreement is approved by the state budget director. Expenses, other
15 than the incidental expense of filing, must not be borne by the
16 parent. In addition, the filing of claims must not delay the
17 education of a pupil. A district or intermediate district is
18 responsible for payment of a deductible amount and for an advance
19 payment required until the time a claim is paid.

20 (e) Beginning with calculations for 2004-2005, if an
21 intermediate district purchases a special education pupil
22 transportation service from a constituent district that was
23 previously purchased from a private entity; if the purchase from
24 the constituent district is at a lower cost, adjusted for changes
25 in fuel costs; and if the cost shift from the intermediate district
26 to the constituent does not result in any net change in the revenue
27 the constituent district receives from payments under sections 22b
28 and 51c, then upon application by the intermediate district, the
29 department shall direct the intermediate district to continue to



1 report the cost associated with the specific identified special
 2 education pupil transportation service and shall adjust the costs
 3 reported by the constituent district to remove the cost associated
 4 with that specific service.

5 (8) A pupil who is enrolled in a full-time special education
 6 program conducted or administered by an intermediate district or a
 7 pupil who is enrolled in the Michigan Schools for the Deaf and
 8 Blind is not included in the membership count of a district, but is
 9 counted in membership in the intermediate district of residence.

10 (9) Special education personnel transferred from 1 district to
 11 another to implement the revised school code are entitled to the
 12 rights, benefits, and tenure to which the person would otherwise be
 13 entitled had that person been employed by the receiving district
 14 originally.

15 (10) If a district or intermediate district uses money
 16 received under this section for a purpose other than the purpose or
 17 purposes for which the money is allocated, the department may
 18 require the district or intermediate district to refund the amount
 19 of money received. The department shall deposit money that is
 20 refunded in the state treasury to the credit of the state school
 21 aid fund.

22 (11) From the funds allocated in subsection (1), there is
 23 allocated the amount necessary, estimated at ~~\$3,100,000.00~~
 24 **\$2,400,000.00** for ~~2019-2020-2020-2021~~ and estimated at
 25 ~~\$3,000,000.00~~ **\$2,900,000.00** for ~~2020-2021, 2021-2022~~, to pay the
 26 foundation allowances for pupils described in this subsection. The
 27 department shall calculate the allocation to a district under this
 28 subsection by multiplying the number of pupils described in this
 29 subsection who are counted in membership in the district times the



1 sum of the foundation allowance under section 20 of the pupil's
 2 district of residence, **plus the amount of the district's per-pupil**
 3 **allocation under section 20m**, not to exceed the target foundation
 4 allowance for the current fiscal year, or, for a pupil described in
 5 this subsection who is counted in membership in a district that is
 6 a public school academy, times an amount equal to the amount per
 7 membership pupil under section 20(6). The department shall
 8 calculate the allocation to an intermediate district under this
 9 subsection in the same manner as for a district, using the
 10 foundation allowance under section 20 of the pupil's district of
 11 residence not to exceed the target foundation allowance for the
 12 current fiscal year **and that district's per-pupil allocation under**
 13 **section 20m**. This subsection applies to all of the following
 14 pupils:

15 (a) Pupils described in section 53a.

16 (b) Pupils counted in membership in an intermediate district
 17 who are not special education pupils and are served by the
 18 intermediate district in a juvenile detention or child caring
 19 facility.

20 (c) Pupils with an emotional impairment counted in membership
 21 by an intermediate district and provided educational services by
 22 the department of health and human services.

23 (12) If it is determined that funds allocated under subsection
 24 (2) or (11) or under section 51c will not be expended, funds up to
 25 the amount necessary and available may be used to supplement the
 26 allocations under subsection (2) or (11) or under section 51c in
 27 order to fully fund those allocations. After payments under
 28 subsections (2) and (11) and section 51c, the department shall
 29 expend the remaining funds from the allocation in subsection (1) in



1 the following order:

2 (a) 100% of the reimbursement required under section 53a.

3 (b) 100% of the reimbursement required under subsection (6).

4 (c) 100% of the payment required under section 54.

5 (d) 100% of the payment required under subsection (3).

6 (e) 100% of the payments under section 56.

7 (13) The allocations under subsections (2), (3), and (11) are
8 allocations to intermediate districts only and are not allocations
9 to districts, but instead are calculations used only to determine
10 the state payments under section 22b.

11 (14) If a public school academy that is not a cyber school, as
12 that term is defined in section 551 of the revised school code, MCL
13 380.551, enrolls under this section a pupil who resides outside of
14 the intermediate district in which the public school academy is
15 located and who is eligible for special education programs and
16 services according to statute or rule, or who is a child with
17 ~~disabilities,~~ **a disability**, as **that term is** defined under the
18 individuals with disabilities education act, Public Law 108-446,
19 the intermediate district in which the public school academy is
20 located and the public school academy shall enter into a written
21 agreement with the intermediate district in which the pupil resides
22 for the purpose of providing the pupil with a free appropriate
23 public education, and the written agreement must include at least
24 an agreement on the responsibility for the payment of the added
25 costs of special education programs and services for the pupil. If
26 the public school academy that enrolls the pupil does not enter
27 into an agreement under this subsection, the public school academy
28 shall not charge the pupil's resident intermediate district or the
29 intermediate district in which the public school academy is located



1 the added costs of special education programs and services for the
2 pupil, and the public school academy is not eligible for any
3 payouts based on the funding formula outlined in the resident or
4 nonresident intermediate district's plan. If a pupil is not
5 enrolled in a public school academy under this subsection, the
6 provision of special education programs and services and the
7 payment of the added costs of special education programs and
8 services for a pupil described in this subsection are the
9 responsibility of the district and intermediate district in which
10 the pupil resides.

11 (15) For the purpose of receiving its federal allocation under
12 part B of the individuals with disabilities education act, Public
13 Law 108-446, a public school academy that is a cyber school, as
14 that term is defined in section 551 of the revised school code, MCL
15 380.551, and is in compliance with section 553a of the revised
16 school code, MCL 380.553a, directly receives the federal allocation
17 under part B of the individuals with disabilities education act,
18 Public Law 108-446, from the intermediate district in which the
19 cyber school is located, as the subrecipient. If the intermediate
20 district does not distribute the funds described in this subsection
21 to the cyber school by the part B application due date of July 1,
22 the department may distribute the funds described in this
23 subsection directly to the cyber school according to the formula
24 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

25 (16) For a public school academy that is a cyber school, as
26 that term is defined in section 551 of the revised school code, MCL
27 380.551, and is in compliance with section 553a of the revised
28 school code, MCL 380.553a, that enrolls a pupil under this section,
29 the intermediate district in which the cyber school is located



1 shall ensure that the cyber school complies with sections 1701a,
2 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
3 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
4 and 380.1757; applicable rules; and the individuals with
5 disabilities education act, Public Law 108-446.

6 (17) For the purposes of this section, the department or the
7 center shall only require a district or intermediate district to
8 report information that is not already available from the financial
9 information database maintained by the center.

10 Sec. 51c. As required by the court in the consolidated cases
11 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
12 allocation under section 51a(1), there is allocated for ~~2019-2020~~
13 **2020-2021** and for ~~2020-2021, 2021-2022~~, the amount necessary,
14 estimated at ~~\$678,600,000.00~~ **\$702,500,000.00** for ~~2019-2020~~ **2020-**
15 **2021** and ~~\$713,400,000.00~~ **\$733,400,000.00** for ~~2020-2021, 2021-2022~~,
16 for payments to reimburse districts for 28.6138% of total approved
17 costs of special education excluding costs reimbursed under section
18 53a, and 70.4165% of total approved costs of special education
19 transportation. Funds allocated under this section that are not
20 expended in the fiscal year for which they were allocated, as
21 determined by the department, may be used to supplement the
22 allocations under sections 22a and 22b to fully fund those
23 allocations for the same fiscal year. For each fund transfer as
24 described in the immediately preceding sentence that occurs, the
25 state budget director shall send notification of the transfer to
26 the house and senate appropriations subcommittees on state school
27 aid and the house and senate fiscal agencies by not later than 14
28 calendar days after the transfer occurs.

29 Sec. 51d. (1) From the federal funds appropriated in section



1 11, there is allocated for 2020-2021 **all available federal funding,**
 2 **estimated at \$83,195,000.00, and there is allocated for 2021-2022**
 3 all available federal funding, estimated at \$71,000,000.00, for
 4 special education programs and services that are funded by federal
 5 grants. The department shall distribute all federal funds allocated
 6 under this section in accordance with federal law. Notwithstanding
 7 section 17b, the department shall make payments of federal funds to
 8 districts, intermediate districts, and other eligible entities
 9 under this section on a schedule determined by the department.

10 (2) From the federal funds allocated under subsection (1), the
 11 following amounts are allocated: ~~for 2020-2021:~~

12 (a) ~~An~~ **For 2020-2021, an amount estimated at \$19,822,000.00**
 13 **for handicapped infants and toddlers, funded from DED-OSERS,**
 14 **handicapped infants and toddlers funds. For 2021-2022, an amount**
 15 **estimated at \$14,000,000.00 for handicapped infants and toddlers,**
 16 **funded from DED-OSERS, handicapped infants and toddlers funds.**

17 (b) ~~An~~ **For 2020-2021, an amount estimated at \$20,373,000.00**
 18 **for preschool grants under Public Law 94-142, funded from DED-**
 19 **OSERS, handicapped preschool incentive funds. For 2021-2022, an**
 20 **amount estimated at \$14,000,000.00 for preschool grants (~~Public Law~~**
 21 **~~94-142~~), ~~under Public Law 94-142,~~ funded from DED-OSERS,**
 22 **handicapped preschool incentive funds.**

23 (c) ~~An~~ **For 2020-2021 and for 2021-2022, an amount estimated at**
 24 **\$43,000,000.00 for special education programs funded by DED-OSERS,**
 25 **handicapped program, individuals with disabilities act funds.**

26 (3) As used in this section, "DED-OSERS" means the United
 27 States Department of Education Office of Special Education and
 28 Rehabilitative Services.

29 Sec. 51f. (1) From the funds appropriated under section 11,



1 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
2 ~~\$60,207,000.00~~**\$90,207,000.00** for payments to districts and
3 intermediate districts to increase the level of reimbursement of
4 costs associated with providing special education services required
5 under state and federal law.

6 (2) A district's or intermediate district's allocation under
7 this section is equal to the level percentage multiplied by each
8 district's or intermediate district's costs reported to the center
9 on the special education actual cost report, known as "SE-4096" as
10 referred to under section 18(6), as approved by the department.

11 (3) The total reimbursement under this section and under
12 section 51c must not exceed the total reported costs for a district
13 or intermediate district.

14 (4) For ~~2020-2021~~**2021-2022**, the level percentage is
15 estimated at ~~2.0%~~**3.0%**.

16 (5) For the purposes of this section, "level percentage" means
17 the percentage calculated by dividing the allocation in subsection
18 (1) by the total of costs reported to the center on the special
19 education actual cost report, known as "SE-4096" as referred to
20 under section 18(6), as approved by the department.

21 **Sec. 51g. From the general fund money appropriated in section**
22 **11, \$3,000,000.00 is allocated to an association for administrators**
23 **of special education services to develop content for use by special**
24 **education students, teachers, and others. Any content that is**
25 **developed as described in this section must be accessible**
26 **throughout this state. Funds received by an association under this**
27 **section may be used to support the development of assessment tools**
28 **to measure the needs of students with special education needs in**
29 **remote learning environments and the effectiveness of various**



1 educational methods and tools, in collaboration with the
2 department. Funds under this section may also be utilized to
3 identify any available federal funds for research related to
4 special education in remote learning.

5 Sec. 53a. (1) For districts, reimbursement for pupils
6 described in subsection (2) is 100% of the total approved costs of
7 operating special education programs and services approved by the
8 department and included in the intermediate district plan adopted
9 under article 3 of the revised school code, MCL 380.1701 to
10 380.1761, minus the district's foundation allowance calculated
11 under section 20 **and minus the district's per-pupil allocation**
12 **under section 20m.** For intermediate districts, the department shall
13 calculate reimbursement for pupils described in subsection (2) in
14 the same manner as for a district, using the foundation allowance
15 under section 20 of the pupil's district of residence, not to
16 exceed the target foundation allowance under section 20 for the
17 current fiscal year **plus the amount of the district's per-pupil**
18 **allocation under section 20m.**

19 (2) Reimbursement under subsection (1) is for the following
20 special education pupils:

21 (a) Pupils assigned to a district or intermediate district
22 through the community placement program of the courts or a state
23 agency, if the pupil was a resident of another intermediate
24 district at the time the pupil came under the jurisdiction of the
25 court or a state agency.

26 (b) Pupils who are residents of institutions operated by the
27 department of health and human services.

28 (c) Pupils who are former residents of department of community
29 health institutions for the developmentally disabled who are placed



1 in community settings other than the pupil's home.

2 (d) Pupils enrolled in a department-approved on-grounds
3 educational program longer than 180 days, but not longer than 233
4 days, at a residential child care institution, if the child care
5 institution offered in 1991-92 an on-grounds educational program
6 longer than 180 days but not longer than 233 days.

7 (e) Pupils placed in a district by a parent for the purpose of
8 seeking a suitable home, if the parent does not reside in the same
9 intermediate district as the district in which the pupil is placed.

10 (3) Only those costs that are clearly and directly
11 attributable to educational programs for pupils described in
12 subsection (2), and that would not have been incurred if the pupils
13 were not being educated in a district or intermediate district, are
14 reimbursable under this section.

15 (4) The costs of transportation are funded under this section
16 and are not reimbursed under section 58.

17 (5) The department shall not allocate more than \$10,500,000.00
18 of the allocation for ~~2020-2021~~ **2021-2022** in section 51a(1) under
19 this section.

20 Sec. 54. Each intermediate district receives an amount ~~per-~~
21 ~~pupil~~ **per pupil** for each pupil in attendance at the Michigan
22 Schools for the Deaf and Blind. The amount is proportionate to the
23 total instructional cost at each school. The department shall not
24 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~
25 **2021-2022** in section 51a(1) under this section.

26 Sec. 54b. (1) From the general fund money appropriated in
27 section 11, there is allocated an amount not to exceed
28 \$1,600,000.00 for ~~2020-2021~~ **2021-2022** to continue the
29 implementation of the recommendations of the special education



1 reform task force published in January 2016.

2 (2) The department shall use funds allocated under this
3 section for the purpose of piloting statewide implementation of the
4 Michigan Integrated Behavior and Learning Support Initiative
5 (MiBLSI), a nationally recognized program that includes positive
6 behavioral intervention and supports and provides a statewide
7 structure to support local initiatives for an integrated behavior
8 and reading program. With the assistance of the intermediate
9 districts involved in MiBLSI, the department shall identify a
10 number of intermediate districts to participate in the pilot that
11 is sufficient to ensure that MiBLSI can be implemented statewide
12 with fidelity and sustainability. In addition, the department shall
13 identify an intermediate district to act as a fiscal agent for
14 these funds.

15 Sec. 54d. (1) From the ~~appropriations~~ **state school aid fund**
16 **money appropriated** in section 11, there is allocated an amount not
17 to exceed ~~\$7,150,000.00~~ **\$14,150,000.00** for ~~2020-2021~~ **2021-2022** to
18 intermediate districts for the purpose of providing state early on
19 services programs for children from birth to 3 years of age with a
20 developmental delay or a disability, or both, and their families,
21 as described in the early on Michigan state plan, as approved by
22 the department.

23 (2) To be eligible to receive grant funding under this
24 section, each intermediate district must apply in a form and manner
25 determined by the department.

26 (3) The grant funding allocated under this section must be
27 used to increase early on services and resources available to
28 children that demonstrate developmental delays to help prepare them
29 for success as they enter school. State early on services include



1 evaluating and providing early intervention services for eligible
 2 infants and toddlers and their families to address developmental
 3 delays, including those affecting physical, cognitive,
 4 communication, adaptive, social, or emotional development. Grant
 5 funds must not be used to supplant existing services that are
 6 currently being provided.

7 (4) The department shall distribute the funds allocated under
 8 subsection (1) to intermediate districts according to the
 9 department's early on funding formula utilized to distribute the
 10 federal award to Michigan under part C of the individuals with
 11 disabilities education act, **Public Law 108-446**. Funds received
 12 under this section must not supplant existing funds or resources
 13 allocated for early on early intervention services. An intermediate
 14 district receiving funds under this section shall maximize the
 15 capture of Medicaid funds to support early on early intervention
 16 services to the extent possible.

17 (5) Each intermediate district that receives funds under this
 18 section shall report data and other information to the department
 19 in a form, manner, and frequency prescribed by the department to
 20 allow for monitoring and evaluation of the program and to ensure
 21 that the children described in subsection (1) received appropriate
 22 levels and types of services delivered by qualified personnel,
 23 based on the individual needs of the children and their families.

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

27 **(7) Grant funds awarded and allocated to an intermediate**
 28 **district under this section must be expended by the grant recipient**
 29 **before June 30 of the fiscal year immediately following the fiscal**



1 **year in which the funds were received.**

2 Sec. 55. (1) From the general fund money appropriated in
3 section 11, there is allocated an amount not to exceed \$250,000.00
4 for ~~2020-2021~~ **2021-2022** to the Conductive Learning Center located
5 at Aquinas College. This funding must be used to support the
6 operational costs of the conductive education model taught at the
7 Conductive Learning Center to maximize the independence and
8 mobility of children and adults with neuromotor disabilities. The
9 conductive education model funded under this section must be based
10 on the concept of neuroplasticity and the ability of people to
11 learn and improve when they are motivated, regardless of the
12 severity of their disability.

13 (2) Notwithstanding section 17b, the department shall
14 distribute the funding allocated under this section to the
15 Conductive Learning Center not later than December 1, ~~2020~~ **2021**.

16 Sec. 56. (1) For the purposes of this section:

17 (a) "Membership" means for a particular fiscal year the total
18 membership ~~for the immediately preceding fiscal year~~ of the
19 intermediate district and the districts constituent to the
20 intermediate district, **except that if a district has elected not to**
21 **come under part 30 of the revised school code, MCL 380.1711 to**
22 **380.1741, membership of the district is not included in the**
23 **membership of the intermediate district.**

24 (b) "Millage levied" means the millage levied for special
25 education under part 30 of the revised school code, MCL 380.1711 to
26 380.1741, including a levy for debt service obligations.

27 (c) "Taxable value" means the total taxable value of the
28 districts constituent to an intermediate district, except that if a
29 district has elected not to come under part 30 of the revised



1 school code, MCL 380.1711 to 380.1741, ~~membership and taxable value~~
 2 of the district ~~are is~~ not included in the ~~membership and taxable~~
 3 value of the intermediate district.

4 (2) From the allocation under section 51a(1), there is
 5 allocated ~~\$40,008,100.00 for 2019-2020~~ and an amount not to exceed
 6 \$40,008,100.00 for 2020-2021 **and an amount not to exceed**
 7 **\$40,008,100.00 for 2021-2022** to reimburse intermediate districts
 8 levying millages for special education under part 30 of the revised
 9 school code, MCL 380.1711 to 380.1741. The purpose, use, and
 10 expenditure of the reimbursement are limited as if the funds were
 11 generated by these millages and governed by the intermediate
 12 district plan adopted under article 3 of the revised school code,
 13 MCL 380.1701 to 380.1761. As a condition of receiving funds under
 14 this section, an intermediate district distributing any portion of
 15 special education millage funds to its constituent districts must
 16 submit for departmental approval and implement a distribution plan.

17 ~~(3) Except as otherwise provided in this subsection,~~
 18 ~~reimbursement for those millages levied in 2018-2019 is made in~~
 19 ~~2019-2020 at an amount per 2018-2019 membership pupil computed by~~
 20 ~~subtracting from \$201,700.00 the 2018-2019 taxable value behind~~
 21 ~~each membership pupil and multiplying the resulting difference by~~
 22 ~~the 2018-2019 millage levied, and then subtracting from that amount~~
 23 ~~the 2018-2019 local community stabilization share revenue for~~
 24 ~~special education purposes behind each membership pupil for~~
 25 ~~reimbursement of personal property exemption loss under the local~~
 26 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~
 27 ~~123.1362. Reimbursement in 2019-2020 for an intermediate district~~
 28 ~~whose 2017-2018 allocation was affected by the operation of~~
 29 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~



1 ~~allocation to that intermediate district.~~

2 **(3)** ~~(4)~~ Except as otherwise provided in this subsection,
3 reimbursement for those millages levied in 2019-2020 is made in
4 2020-2021 at an amount per 2019-2020 membership pupil computed by
5 subtracting from ~~\$209,000.00~~ **\$208,800.00** the 2019-2020 taxable
6 value behind each membership pupil and multiplying the resulting
7 difference by the 2019-2020 millage levied, and then subtracting
8 from that amount the 2019-2020 local community stabilization share
9 revenue for special education purposes behind each membership pupil
10 for reimbursement of personal property exemption loss under the
11 local community stabilization authority act, 2014 PA 86, MCL
12 123.1341 to 123.1362. Reimbursement in 2020-2021 for an
13 intermediate district whose 2017-2018 allocation was affected by
14 the operation of subsection (5) is an amount equal to 102.5% of the
15 2017-2018 allocation to that intermediate district.

16 **(4)** Except as otherwise provided in this subsection,
17 reimbursement for those millages levied in 2020-2021 is made in
18 2021-2022 at an amount per 2020-2021 membership pupil computed by
19 subtracting from \$215,900.00 the 2020-2021 taxable value behind
20 each membership pupil and multiplying the resulting difference by
21 the 2020-2021 millage levied, and then subtracting from that amount
22 the 2020-2021 local community stabilization share revenue for
23 special education purposes behind each membership pupil for
24 reimbursement of personal property exemption loss under the local
25 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
26 123.1362. Reimbursement in 2021-2022 for an intermediate district
27 whose 2017-2018 allocation was affected by the operation of
28 subsection (5) is an amount equal to 102.5% of the 2017-2018
29 allocation to that intermediate district.



1 (5) The department shall ensure that the amount paid to a
2 single intermediate district under this section does not exceed
3 62.9% of the total amount allocated under subsection (2).

4 (6) The department shall ensure that the amount paid to a
5 single intermediate district under this section is not less than
6 75% of the amount allocated to the intermediate district under this
7 section for the immediately preceding fiscal year.

8 (7) From the state school aid fund money appropriated in
9 section 11, there is allocated an amount not to exceed
10 \$34,200,000.00 for 2021-2022 to provide payments to intermediate
11 districts levying millages for special education under part 30 of
12 the revised school code, MCL 380.1711 to 380.1741. The purpose,
13 use, and expenditure of the payments under this subsection are
14 limited as if the funds were generated by these millages and
15 governed by the intermediate district plan adopted under article 3
16 of the revised school code, MCL 380.1701 to 380.1761. The
17 department shall provide a payment under this subsection to each
18 intermediate district described in this subsection as follows:

19 (a) Except as otherwise provided in this subsection, for an
20 intermediate district with a 2020-2021 3-year average special
21 education millage revenue per pupil that is less than \$251.00 and
22 that is levying at least 46.2% but less than 60.0% of its maximum
23 millage rate allowed under section 1724a of the revised school
24 code, MCL 380.1724a, an amount computed by subtracting from \$251.00
25 the 2020-2021 3-year average special education millage revenue per
26 pupil, and then multiplying that amount by the 2020-2021 3-year
27 average membership, and then subtracting from that amount the
28 amount allocated under subsection (2) for 2021-2022. If the
29 calculation under this subdivision results in an amount below 0,



1 there is no payment under this subdivision.

2 (b) Except as otherwise provided in this subsection, for an
3 intermediate district with a 2020-2021 3-year average special
4 education millage revenue per pupil that is less than \$281.00 and
5 that is levying at least 60.0% of its maximum millage rate allowed
6 under section 1724a of the revised school code, MCL 380.1724a, an
7 amount computed by subtracting from \$281.00 the 2020-2021 3-year
8 average special education millage revenue per pupil, and then
9 multiplying that amount by the 2020-2021 3-year average membership,
10 and then subtracting from that amount the amount allocated under
11 subsection (2) for 2021-2022. If the calculation under this
12 subdivision results in an amount below 0, there is no payment under
13 this subdivision.

14 (8) As used in subsection (7):

15 (a) "2020-2021 3-year average membership" means the 3-year
16 average pupil membership for 2018-2019, 2019-2020, and 2020-2021.

17 (b) "2020-2021 3-year average special education millage
18 revenue per pupil" means the 3-year average taxable value per mill
19 levied behind each membership pupil for 2018-2019, 2019-2020, and
20 2020-2021 multiplied by the 2020-2021 millage levied.

21 Sec. 61a. (1) From the state school aid fund money
22 appropriated in section 11, there is allocated an amount not to
23 exceed \$37,611,300.00 for ~~2020-2021~~ **2021-2022** to reimburse on an
24 added cost basis districts, except for a district that served as
25 the fiscal agent for a vocational education consortium in the 1993-
26 94 school year and that has a foundation allowance as calculated
27 under section 20 greater than the minimum foundation allowance
28 under that section, and secondary area vocational-technical
29 education centers for secondary-level career and technical



1 education programs according to rules approved by the
2 superintendent. Applications for participation in the programs must
3 be submitted in the form prescribed by the department. The
4 department shall determine the added cost for each career and
5 technical education program area. The department shall prioritize
6 the allocation of added cost funds based on the capital and program
7 expenditures needed to operate the career and technical education
8 programs provided; the number of pupils enrolled; the advancement
9 of pupils through the instructional program; the existence of an
10 articulation agreement with at least 1 postsecondary institution
11 that provides pupils with opportunities to earn postsecondary
12 credit during the pupil's participation in the career and technical
13 education program and transfers those credits to the postsecondary
14 institution upon completion of the career and technical education
15 program; and the program rank in student placement, job openings,
16 and wages, and shall ensure that the allocation does not exceed 75%
17 of the added cost of any program. Notwithstanding any rule or
18 department determination to the contrary, when determining a
19 district's allocation or the formula for making allocations under
20 this section, the department shall include the participation of
21 pupils in grade 9 in all of those determinations and in all
22 portions of the formula. With the approval of the department, the
23 board of a district maintaining a secondary career and technical
24 education program may offer the program for the period from the
25 close of the school year until September 1. The program shall use
26 existing facilities and must be operated as prescribed by rules
27 promulgated by the superintendent.

28 (2) Except for a district that served as the fiscal agent for
29 a vocational education consortium in the 1993-94 school year, the



1 department shall reimburse districts and intermediate districts for
2 local career and technical education administration, shared time
3 career and technical education administration, and career education
4 planning district career and technical education administration.

5 The superintendent shall adopt guidelines for the definition of
6 what constitutes administration and shall make reimbursement
7 pursuant to those guidelines. The department shall not distribute
8 more than \$800,000.00 of the allocation in subsection (1) under
9 this subsection.

10 (3) A career and technical education program funded under this
11 section may provide an opportunity for participants who are
12 eligible to be funded under section 107 to enroll in the career and
13 technical education program funded under this section if the
14 participation does not occur during regular school hours.

15 Sec. 61b. (1) From the funds appropriated under section 11,
16 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
17 \$8,000,000.00 from the state school aid fund appropriation for CTE
18 ~~early/middle~~**early middle** college and CTE dual enrollment programs
19 authorized under this section and for planning grants for the
20 development or expansion of CTE ~~early/middle~~**early middle** college
21 programs. The purpose of these programs is to increase the number
22 of Michigan residents with high-quality degrees or credentials, and
23 to increase the number of students who are college and career ready
24 upon high school graduation.

25 (2) From the funds allocated under subsection (1), the
26 department shall allocate an amount as determined under this
27 subsection to each intermediate district serving as a fiscal agent
28 for state-approved CTE ~~early/middle~~**early middle** college and CTE
29 dual enrollment programs in each of the career education planning



1 districts identified by the department. An intermediate district
2 shall not use more than 5% of the funds allocated under this
3 subsection for administrative costs for serving as the fiscal
4 agent.

5 (3) To be an eligible fiscal agent, an intermediate district
6 must agree to do all of the following in a form and manner
7 determined by the department:

8 (a) Distribute funds to eligible CTE ~~early/middle~~**early middle**
9 college and CTE dual enrollment programs in a career education
10 planning district as described in this section.

11 (b) Collaborate with the career and educational advisory
12 council in the workforce development board service delivery area to
13 develop 1 regional strategic plan under subsection (4) that aligns
14 CTE programs and services into an efficient and effective delivery
15 system for high school students. The department will align career
16 education planning districts, workforce development board service
17 delivery areas, and intermediate districts for the purpose of
18 creating 1 regional strategic plan for each workforce development
19 board service delivery area.

20 (c) Implement a regional process to rank career clusters in
21 the workforce development board service delivery area as described
22 under subsection (4). Regional processes must be approved by the
23 department before the ranking of career clusters.

24 (d) Report CTE ~~early/middle~~**early middle** college and CTE dual
25 enrollment program and student data and information as prescribed
26 by the department and the center.

27 **(e) The local education agency responsible for student**
28 **reporting in the Michigan student data system (MSDS) will report**
29 **the total number of college credits the student earned, at the time**



1 of high school graduation, as determined by the department and the
2 center.

3 (f) The local education agency will report each award outcome
4 in the Michigan student data system (MSDS) that the CTE early
5 middle college student attained. For purposes of this subsection,
6 an on-track CTE early middle college graduate is a graduate who
7 obtained their high school diploma and at least 1 of the following:

8 (i) An associate's degree.

9 (ii) 60 transferrable college credits.

10 (iii) Professional certification.

11 (iv) A Michigan Early Middle College Association certificate.

12 (v) Participation in a registered apprenticeship.

13 (4) A regional strategic plan must be approved by the career
14 and educational advisory council before submission to the
15 department. A regional strategic plan must include, but is not
16 limited to, the following:

17 (a) An identification of regional employer need based on a
18 ranking of all career clusters in the workforce development board
19 service delivery area ranked by 10-year **projections of annual** job
20 openings ~~projections~~ and median wage for each standard occupational
21 code in each career cluster as obtained from the United States
22 Bureau of Labor Statistics. Standard occupational codes within
23 high-ranking clusters also may be further ranked by median wage **and**
24 **annual job openings**. The career and educational advisory council
25 located in the workforce development board service delivery area
26 shall review the rankings and modify them if necessary to
27 accurately reflect employer demand for talent in the workforce
28 development board service delivery area. A career and educational
29 advisory council shall document that it has conducted this review



1 and certify that it is accurate. These career cluster rankings must
2 be determined and updated once every 4 years.

3 (b) An identification of educational entities in the workforce
4 development board service delivery area that will provide eligible
5 CTE ~~early/middle~~**early middle** college and CTE dual enrollment
6 programs including districts, intermediate districts, postsecondary
7 institutions, and noncredit occupational training programs leading
8 to an industry-recognized credential.

9 (c) A strategy to inform parents and students of CTE
10 ~~early/middle~~**early middle** college and CTE dual enrollment programs
11 in the workforce development board service delivery area.

12 (d) Any other requirements as defined by the department.

13 (5) An eligible CTE program is a program that meets all of the
14 following:

15 (a) Has been identified in the highest 5 career cluster
16 rankings in any of the 16 workforce development board service
17 delivery area strategic plans jointly approved by the department of
18 labor and economic opportunity and the department.

19 (b) Has a coherent sequence of courses that will allow a
20 student to earn a high school diploma and achieve at least 1 of the
21 ~~following~~**outcomes defined in subsection (3) (f)** in a specific
22 career cluster. ÷

23 ~~(i) An associate degree.~~

24 ~~(ii) An industry-recognized technical certification approved by~~
25 ~~the department of labor and economic opportunity.~~

26 ~~(iii) Up to 60 transferable college credits.~~

27 ~~(iv) Participation in a registered apprenticeship, pre-~~
28 ~~apprenticeship, or apprentice readiness program.~~

29 (c) Is aligned with the Michigan merit curriculum.



1 (d) Has an articulation **or a college credit** agreement with at
2 least 1 postsecondary institution that provides students with
3 opportunities to receive postsecondary credits during the student's
4 participation in the CTE ~~early/middle~~**early middle** college or CTE
5 dual enrollment program and transfers those credits to the
6 postsecondary institution upon completion of the CTE ~~early/middle~~
7 **early middle** college or CTE dual enrollment program.

8 (e) Provides instruction that is supervised, directed, or
9 coordinated by an appropriately certificated CTE teacher or, for
10 concurrent enrollment courses, a postsecondary faculty member.

11 (f) Provides for highly integrated student support services
12 that include at least the following:

13 (i) Teachers as academic advisors.

14 (ii) Supervised course selection.

15 (iii) Monitoring of student progress and completion.

16 (iv) Career planning services provided by a local one-stop
17 service center as described in the Michigan works one-stop service
18 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
19 high school counselor or advisor.

20 (g) Has courses that are taught on a college campus, are
21 college courses offered at the high school and taught by college
22 faculty, or are courses taught in combination with online
23 instruction.

24 (6) The department shall distribute funds to eligible CTE
25 ~~early/middle~~**early middle** college and CTE dual enrollment programs
26 as follows:

27 (a) The department shall determine statewide average CTE costs
28 per pupil for each CIP code program by calculating statewide
29 average costs for each CIP code program for the 3 most recent



1 fiscal years.

2 (b) The distribution to each eligible CTE ~~early/middle~~**early**
3 **middle** college or CTE dual enrollment program is the product of 50%
4 of CTE costs per pupil times the pupil enrollment of each eligible
5 CTE ~~early/middle~~**early middle** college or CTE dual enrollment
6 program in the immediately preceding school year.

7 (7) In order to receive funds under this section, a CTE
8 ~~early/middle~~**early middle** college or CTE dual enrollment program
9 shall furnish to the intermediate district that is the fiscal agent
10 identified in subsection (2), in a form and manner determined by
11 the department, all information needed to administer this program
12 and meet federal reporting requirements; shall allow the department
13 or the department's designee to review all records related to the
14 program for which it receives funds; and shall reimburse the state
15 for all disallowances found in the review, as determined by the
16 department.

17 (8) There is allocated for ~~2020-2021~~**2021-2022** 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~~**early middle** college
22 programs. Applications for grants must be submitted in a form and
23 manner determined by the department. The amount of a grant under
24 this subsection must not exceed \$50,000.00. To be eligible for a
25 grant under this subsection, an intermediate district or consortia
26 of intermediate districts must provide matching funds equal to the
27 grant received under this subsection. Notwithstanding section 17b,
28 the department shall make payments under this subsection in the
29 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~~ **early middle** college or CTE dual enrollment program
 16 qualify to be reimbursed under this section, those pupils continue
 17 to qualify for reimbursement until graduation, even if the career
 18 cluster is no longer identified as being in the highest 5 career
 19 cluster 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 department of labor and
 23 economic opportunity and the department.

24 (b) "Career and educational advisory council" means an
 25 advisory council to the local workforce development boards located
 26 in a workforce development board service delivery area consisting
 27 of educational, employer, labor, and parent representatives.

28 (c) "CIP" means classification of instructional programs.

29 (d) "CTE" means career and technical education programs.



1 (e) "CTE dual enrollment program" means a 4-year high school
 2 program of postsecondary courses offered by eligible postsecondary
 3 educational institutions that leads to an industry-recognized
 4 certification or degree.

5 (f) "~~Early/middle~~ **Early middle** college program" means a 5-year
 6 high school program.

7 (g) "Eligible postsecondary educational institution" means
 8 that term as defined in section 3 of the career and technical
 9 preparation act, 2000 PA 258, MCL 388.1903.

10 Sec. 61c. (1) From the general fund ~~appropriation~~ **money**
 11 **appropriated** in section 11, there is allocated for ~~2018-2019-2021-~~
 12 **2022** an amount not to exceed ~~\$2,500,000.00~~ **\$7,500,000.00** to
 13 eligible career education planning districts for the CTE skilled
 14 trades initiative described in subsections (2) to (5). To be
 15 eligible to receive funding under this section, at least 50% of the
 16 area served by a CEPD must be located in an intermediate district
 17 that did not levy a vocational education millage in ~~2018-~~**2021**.

18 (2) To receive funding under subsection (1), each eligible
 19 CEPD ~~shall~~ **must** apply in a form and manner ~~determined~~ **prescribed** by
 20 the department. Funding to each eligible CEPD ~~shall~~ **must** be equal
 21 to the quotient of the allocation under subsection (1) and the sum
 22 of the number of career education planning districts applying for
 23 funding under subsection (1) that are located in an intermediate
 24 district that did not levy a vocational education millage in
 25 ~~2018-~~**2021**.

26 (3) At least 50% of the funding allocated to each eligible
 27 CEPD ~~shall~~ **must** be used to update equipment in current CTE programs
 28 that have been identified in the highest 5 career cluster rankings
 29 in any of the 10 regional strategic plans jointly approved by the



1 Michigan talent investment agency in the department of ~~talent and~~
 2 ~~economic development~~ **labor and economic opportunity** and the
 3 department, for training on new equipment, for professional
 4 development relating to computer science or coding, or for new and
 5 emerging certified CTE programs to allow CEPD administrators to
 6 provide programming in communities that will enhance economic
 7 development. The funding for equipment should be used to support
 8 and enhance community areas that have sustained job growth, and act
 9 as a commitment to build a more qualified and skilled workforce. In
 10 addition, each CEPD is encouraged to explore the option of leasing
 11 equipment from local private industry to encourage the use of the
 12 most advanced equipment.

13 (4) The allocation of funds at the local level ~~shall~~**must** be
 14 determined by CEPD administrators using data from the state,
 15 region, and local sources to make well-informed decisions on
 16 program equipment improvements. Grants awarded by CEPD
 17 administrators for capital infrastructure ~~shall~~**must** be used to
 18 ensure that CTE programs can deliver educational programs in high-
 19 wage, high-skill, and high-demand occupations. Each CEPD shall
 20 continue to ensure that program advisory boards make
 21 recommendations on needed improvements for equipment that support
 22 job growth and job skill development and retention for both the
 23 present and the future.

24 (5) Not later than September 15 of each fiscal year, each CEPD
 25 receiving funding shall annually report to the department, the
 26 senate and house appropriations subcommittees on ~~state~~ school aid,
 27 ~~and~~ the senate and house fiscal agencies, and legislature on
 28 equipment purchased under subsection (1). In addition, the report
 29 ~~shall~~**must** identify growth data on program involvement, retention,



1 and development of student skills.

2 (6) As used in this section:

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

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

6 Sec. 61d. (1) From the appropriation in section 11, there is
7 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
8 \$5,000,000.00 from the state school aid fund for additional
9 payments to districts for career and technical education programs
10 for the purpose of increasing the number of Michigan residents with
11 high-quality degrees or credentials, and to increase the number of
12 pupils who are college- and career-ready upon high school
13 graduation.

14 (2) The department shall calculate payments to districts under
15 this section in the following manner:

16 (a) A payment of \$35.00 multiplied by the number of pupils in
17 grades 9 to 12 who are counted in membership in the district and
18 are enrolled in at least 1 career and technical education program.

19 (b) An additional payment of \$35.00 multiplied by the number
20 of pupils in grades 9 to 12 who are counted in membership in the
21 district and are enrolled in at least 1 career and technical
22 education program that provides instruction in critical skills and
23 high-demand career fields.

24 (3) If the allocation under subsection (1) is insufficient to
25 fully fund payments under subsection (2), the department shall
26 prorate payments under this section on an equal per-pupil basis.

27 (4) As used in this section:

28 (a) "Career and technical education program" means a state-
29 approved career and technical education program, as determined by



1 the department.

2 (b) "Career and technical education program that provides
3 instruction in critical skills and high-demand career field" means
4 a career and technical education program classified under any of
5 the following 2-digit classification of instructional programs
6 (CIP) codes:

7 (i) 01, which refers to "agriculture, agriculture operations,
8 and related sciences".

9 (ii) 03, which refers to "natural resources and conservation".

10 (iii) 10 through 11, which refers to "communications
11 technologies/technicians and support services" and "computer and
12 information sciences and support services".

13 (iv) 14 through 15, which refers to "engineering" and
14 "engineering technologies and engineering-related fields".

15 (v) 26, which refers to "biological and biomedical sciences".

16 (vi) 46 through 48, which refers to "construction trades",
17 "mechanic and repair technologies/technicians", and "precision
18 production".

19 (vii) 51, which refers to "health professions and related
20 programs".

21 Sec. 62. (1) For the purposes of this section:

22 (a) "Membership" means for a particular fiscal year the total
23 membership ~~for the immediately preceding fiscal year~~ of the
24 intermediate district and the districts constituent to the
25 intermediate district or the total membership ~~for the immediately~~
26 ~~preceding fiscal year~~ of the area vocational-technical program,
27 **except that if a district has elected not to come under sections**
28 **681 to 690 of the revised school code, MCL 380.681 to 380.690, the**
29 **membership of that district are not included in the membership of**



1 the intermediate district. However, the membership of a district
 2 that has elected not to come under sections 681 to 690 of the
 3 revised school code, MCL 380.681 to 380.690, is included in the
 4 membership of the intermediate district if the district meets both
 5 of the following:

6 (i) The district operates the area vocational-technical
 7 education program pursuant to a contract with the intermediate
 8 district.

9 (ii) The district contributes an annual amount to the operation
 10 of the program that is commensurate with the revenue that would
 11 have been raised for operation of the program if millage were
 12 levied in the district for the program under sections 681 to 690 of
 13 the revised school code, MCL 380.681 to 380.690.

14 (b) "Millage levied" means the millage levied for area
 15 vocational-technical education under sections 681 to 690 of the
 16 revised school code, MCL 380.681 to 380.690, including a levy for
 17 debt service obligations incurred as the result of borrowing for
 18 capital outlay projects and in meeting capital projects fund
 19 requirements of area vocational-technical education.

20 (c) "Taxable value" means the total taxable value of the
 21 districts constituent to an intermediate district or area
 22 vocational-technical education program, except that if a district
 23 has elected not to come under sections 681 to 690 of the revised
 24 school code, MCL 380.681 to 380.690, the ~~membership and~~ taxable
 25 value of that district ~~are~~ **is** not included in the ~~membership and~~
 26 taxable value of the intermediate district. However, the ~~membership~~
 27 ~~and~~ taxable value of a district that has elected not to come under
 28 sections 681 to 690 of the revised school code, MCL 380.681 to
 29 380.690, ~~are~~ **is** included in the ~~membership and~~ taxable value of the



1 intermediate district if the district meets both of the following:

2 (i) The district operates the area vocational-technical
3 education program pursuant to a contract with the intermediate
4 district.

5 (ii) The district contributes an annual amount to the operation
6 of the program that is commensurate with the revenue that would
7 have been raised for operation of the program if millage were
8 levied in the district for the program under sections 681 to 690 of
9 the revised school code, MCL 380.681 to 380.690.

10 (2) From the appropriation in section 11, there is allocated
11 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2019-~~
12 ~~2020 and for 2020-2021~~ **and for 2021-2022** to reimburse intermediate
13 districts and area vocational-technical education programs
14 established under section 690(3) of the revised school code, MCL
15 380.690, levying millages for area vocational-technical education
16 under sections 681 to 690 of the revised school code, MCL 380.681
17 to 380.690. The purpose, use, and expenditure of the reimbursement
18 are limited as if the funds were generated by those millages.

19 (3) Reimbursement for those millages levied in ~~2018-2019-2019-~~
20 **2020** is made in ~~2019-2020-2020-2021~~ at an amount per ~~2018-2019~~
21 **2019-2020** membership pupil computed by subtracting from ~~\$210,800.00~~
22 **\$218,700.00** the ~~2018-2019-2019-2020~~ taxable value behind each
23 membership pupil and multiplying the resulting difference by the
24 ~~2018-2019-2019-2020~~ millage levied, and then subtracting from that
25 amount the ~~2018-2019-2019-2020~~ local community stabilization share
26 revenue for area vocational technical education behind each
27 membership pupil for reimbursement of personal property exemption
28 loss under the local community stabilization authority act, 2014 PA
29 86, MCL 123.1341 to 123.1362.



1 (4) Reimbursement for those millages levied in ~~2019-2020-2020-~~
2 ~~2021~~ is made in ~~2020-2021-2021-2022~~ at an amount per ~~2019-2020~~
3 ~~2020-2021~~ membership pupil computed by subtracting from ~~\$218,800.00~~
4 ~~\$224,800.00~~ the ~~2019-2020-2020-2021~~ taxable value behind each
5 membership pupil and multiplying the resulting difference by the
6 ~~2019-2020-2020-2021~~ millage levied, and then subtracting from that
7 amount the ~~2019-2020-2020-2021~~ local community stabilization share
8 revenue for area vocational technical education behind each
9 membership pupil for reimbursement of personal property exemption
10 loss under the local community stabilization authority act, 2014 PA
11 86, MCL 123.1341 to 123.1362.

12 (5) The department shall ensure that the amount paid to a
13 single intermediate district under this section does not exceed
14 38.4% of the total amount allocated under subsection (2).

15 (6) The department shall ensure that the amount paid to a
16 single intermediate district under this section is not less than
17 75% of the amount allocated to the intermediate district under this
18 section for the immediately preceding fiscal year.

19 Sec. 65. (1) From the appropriation under section 11, there is
20 allocated an amount not to exceed \$400,000.00 for ~~2020-2021-2021-~~
21 ~~2022~~ for a pre-college engineering K-12 educational program that is
22 focused on the development of a diverse future Michigan workforce,
23 that serves multiple communities within southeast Michigan, that
24 enrolls pupils from multiple districts, and that received funds
25 appropriated for this purpose in the appropriations act that
26 provided the Michigan strategic fund budget for 2014-2015.

27 (2) To be eligible for funding under this section, a program
28 must have the ability to expose pupils to, and motivate and prepare
29 pupils for, science, technology, engineering, and mathematics



1 careers and postsecondary education with special attention given to
2 groups of pupils who are at-risk and underrepresented in technical
3 professions and careers.

4 Sec. 67. (1) From the general fund money appropriated in
5 section 11, there is allocated an amount not to exceed
6 \$3,000,000.00 for ~~2020-2021~~**2021-2022** for college access programs.
7 The programs funded under this section are intended to inform
8 students of college and career options and to provide resources
9 intended to increase the number of pupils who are adequately
10 prepared with the information needed to make informed decisions on
11 college and career. The funds appropriated under this section are
12 intended to be used to increase the number of Michigan residents
13 with high-quality degrees or credentials. Funds appropriated under
14 this section must not be used to supplant funding for counselors
15 already funded by districts.

16 (2) The department of labor and economic opportunity shall
17 administer funds allocated under this section in collaboration with
18 the Michigan college access network. These funds may be used for
19 any of the following purposes:

20 (a) Michigan college access network operations, programming,
21 and services to local college access networks.

22 (b) Local college access networks, which are community-based
23 college access/success partnerships committed to increasing the
24 college participation and completion rates within geographically
25 defined communities through a coordinated strategy.

26 (c) The Michigan college advising program, a program intended
27 to place trained, recently graduated college advisors in high
28 schools that serve significant numbers of low-income and first-
29 generation college-going pupils. State funds used for this purpose



1 may not exceed 33% of the total funds available under this
2 subsection.

3 (d) Subgrants of up to \$5,000.00 to districts with
4 comprehensive high schools that establish a college access team and
5 implement specific strategies to create a college-going culture in
6 a high school in a form and manner approved by the Michigan college
7 access network and the department of labor and economic
8 opportunity.

9 (e) The Michigan college access portal, an online one-stop
10 portal to help pupils and families plan and apply for college.

11 (f) Public awareness and outreach campaigns to encourage low-
12 income and first-generation college-going pupils to take necessary
13 steps toward college and to assist pupils and families in
14 completing a timely and accurate free application for federal
15 student aid.

16 (g) Subgrants to postsecondary institutions to recruit, hire,
17 and train college student mentors and college advisors to assist
18 high school pupils in navigating the postsecondary planning and
19 enrollment process.

20 (3) For the purposes of this section, "college" means any
21 postsecondary educational opportunity that leads to a career,
22 including, but not limited to, a postsecondary degree, industry-
23 recognized technical certification, or registered apprenticeship.

24 Sec. 67a. (1) From the general fund money appropriated under
25 section 11, there is allocated an amount not to exceed \$50,000.00
26 for ~~2020-2021~~**2021-2022** for a grant to be distributed by the
27 department to an organization to provide industrial and
28 technological education and workforce preparation for students and
29 professional development opportunities and support for teachers.



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

4 **Sec. 67b. From the general fund money appropriated in section**
5 **11, there is allocated an amount not to exceed \$2,000,000.00 for**
6 **2021-2022 to the SME Education Foundation's Partnership Response**
7 **Initiative. The SME Education Foundation's Partnership Response**
8 **Initiative shall use the funding it receives under this section to**
9 **provide high schools in this state with cost-effective and tailored**
10 **engineering/manufacturing programs that provide equipment,**
11 **curricula, professional development, scholarships, and STEM-focused**
12 **curricular activities to students enrolled in and teachers teaching**
13 **in the high schools of this state.**

14 **Sec. 74. (1) From the ~~amount appropriated~~ state school aid**
15 **fund money appropriated in section 11, there is allocated an amount**
16 **not to exceed ~~\$3,814,500.00~~ \$3,805,800.00 for ~~2020-2021~~ 2021-2022**
17 **for the purposes of this section.**

18 (2) From the allocation in subsection (1), there is allocated
19 for ~~2020-2021~~ 2021-2022 the amount necessary for payments to state
20 supported colleges or universities and intermediate districts
21 providing school bus driver safety instruction under section 51 of
22 the pupil transportation act, 1990 PA 187, MCL 257.1851. The
23 department shall make payments in an amount determined by the
24 department not to exceed the actual cost of instruction and driver
25 compensation for each public or nonpublic school bus driver
26 attending a course of instruction. For the purpose of computing
27 compensation, the hourly rate allowed each school bus driver must
28 not exceed the hourly rate received for driving a school bus. The
29 department shall make reimbursement compensating the driver during



1 the course of instruction to the college or university or
2 intermediate district providing the course of instruction.

3 (3) From the allocation in subsection (1), there is allocated
4 for ~~2020-2021-2021-2022~~ the amount necessary to pay the reasonable
5 costs of nonspecial education auxiliary services transportation
6 provided under section 1323 of the revised school code, MCL
7 380.1323. Districts funded under this subsection do not receive
8 funding under any other section of this article for nonspecial
9 education auxiliary services transportation.

10 (4) From the funds allocated in subsection (1), there is
11 allocated an amount not to exceed ~~\$1,789,500.00~~ **\$1,780,800.00** for
12 ~~2020-2021-2021-2022~~ for reimbursement to districts and intermediate
13 districts for costs associated with the inspection of school buses
14 and pupil transportation vehicles by the department of state police
15 as required under section 715a of the Michigan vehicle code, 1949
16 PA 300, MCL 257.715a, and section 39 of the pupil transportation
17 act, 1990 PA 187, MCL 257.1839. The department of state police
18 shall prepare a statement of costs attributable to each district
19 for which bus inspections are provided and submit it to the
20 department and to an intermediate district serving as fiduciary in
21 a time and manner determined jointly by the department and the
22 department of state police. Upon review and approval of the
23 statement of cost, the department shall forward to the designated
24 intermediate district serving as fiduciary the amount of the
25 reimbursement on behalf of each district and intermediate district
26 for costs detailed on the statement within 45 days after receipt of
27 the statement. The designated intermediate district shall make
28 payment in the amount specified on the statement to the department
29 of state police within 45 days after receipt of the statement. The



1 total reimbursement of costs under this subsection must not exceed
 2 the amount allocated under this subsection. Notwithstanding section
 3 17b, the department shall make payments to eligible entities under
 4 this subsection on a schedule prescribed by the department.

5 Sec. 81. (1) From the ~~appropriation~~**state school aid fund**
 6 **money appropriated** in section 11, there is allocated for 2020-2021
 7 to the intermediate districts the sum necessary, but not to exceed
 8 \$69,138,000.00, **and there is allocated for 2021-2022 to the**
 9 **intermediate districts the sum necessary, but not to exceed**
 10 **\$71,903,600.00** to provide state aid to intermediate districts under
 11 this section.

12 (2) The amount allocated under this section **for 2020-2021** to
 13 each intermediate district is an amount equal to 100% of the amount
 14 allocated to the intermediate district under this section for 2019-
 15 2020. **The amount allocated under this section for 2021-2022 to each**
 16 **intermediate district is an amount equal to 104% of the amount**
 17 **allocated to the intermediate district under this section for 2020-**
 18 **2021.** An intermediate district shall use funding provided under
 19 this section to comply with requirements of this article and the
 20 revised school code that are applicable to intermediate districts,
 21 and for which funding is not provided elsewhere in this article,
 22 and to provide technical assistance to districts as authorized by
 23 the intermediate school board.

24 (3) Intermediate districts receiving funds under this section
 25 shall collaborate with the department to develop expanded
 26 professional development opportunities for teachers to update and
 27 expand their knowledge and skills needed to support the Michigan
 28 merit curriculum.

29 (4) From the allocation in subsection (1), there is allocated



1 to an intermediate district, formed by the consolidation or
2 annexation of 2 or more intermediate districts or the attachment of
3 a total intermediate district to another intermediate district or
4 the annexation of all of the constituent K-12 districts of a
5 previously existing intermediate district which has disorganized,
6 an additional allotment of \$3,500.00 each fiscal year for each
7 intermediate district included in the new intermediate district for
8 3 years following consolidation, annexation, or attachment.

9 (5) In order to receive funding under this section, an
10 intermediate district shall do all of the following:

11 (a) Demonstrate to the satisfaction of the department that the
12 intermediate district employs at least 1 person who is trained in
13 pupil accounting and auditing procedures, rules, and regulations.

14 (b) Demonstrate to the satisfaction of the department that the
15 intermediate district employs at least 1 person who is trained in
16 rules, regulations, and district reporting procedures for the
17 individual-level student data that serves as the basis for the
18 calculation of the district and high school graduation and dropout
19 rates.

20 (c) Comply with sections 1278a and 1278b of the revised school
21 code, MCL 380.1278a and 380.1278b.

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

25 (e) Comply with section 1230g of the revised school code, MCL
26 380.1230g.

27 **(f) Provide advice, guidance, and leadership to assist all**
28 **districts located within its geographic boundaries to assist in the**
29 **preparedness and response efforts toward addressing COVID-19. At a**



1 minimum, this must include the coordination and collaboration with
2 any local public health agency that has jurisdiction within the
3 intermediate district's geographic boundaries and may include the
4 coordination of bulk purchasing of personal protective equipment,
5 technology, or other products or services necessary for students to
6 return to school. An intermediate district shall ensure that all
7 districts located within its geographic boundaries have equitable
8 access to the intermediate district's coordination activities and
9 services, intermediate district-wide or regional meetings,
10 regularly scheduled superintendent meetings, programming, events,
11 or other coordination or collaboration activities. In ensuring that
12 all districts located within the geographic boundaries of the
13 intermediate district have equitable access to services, meetings,
14 programming, events, or activities as described in the immediately
15 preceding sentence, the intermediate district shall ensure that
16 districts that are public school academies that are located within
17 its geographic boundaries are not excluded from said services,
18 meetings, programming, events, or activities if districts that are
19 not public school academies that are located within the geographic
20 boundaries of the intermediate district are not excluded.

21 Sec. 94. (1) From the general fund money appropriated in
22 section 11, there is allocated to the department for ~~2020-2021~~
23 **2021-2022** an amount not to exceed \$1,200,000.00 for efforts to
24 increase the number of pupils who participate and succeed in
25 advanced placement and international baccalaureate programs, and to
26 support the college-level examination program (CLEP).

27 (2) From the funds allocated under this section, the
28 department shall award funds to cover all or part of the costs of
29 advanced placement test fees or international baccalaureate test



1 fees and international baccalaureate registration fees for low-
2 income pupils who take an advanced placement or an international
3 baccalaureate test and CLEP fees for low-income pupils who take a
4 CLEP test.

5 (3) The department shall only award funds under this section
6 if the department determines that all of the following criteria are
7 met:

8 (a) Each pupil for whom payment is made meets eligibility
9 requirements of the federal advanced placement test fee program
10 under section 1701 of the no child left behind act of 2001, Public
11 Law 107-110, or under a corresponding provision of the every
12 student succeeds act, Public Law 114-95.

13 (b) The tests are administered by the college board, the
14 international baccalaureate organization, or another test provider
15 approved by the department.

16 (c) The pupil for whom payment is made pays at least \$5.00
17 toward the cost of each test for which payment is made.

18 (4) The department shall establish procedures for awarding
19 funds under this section.

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

23 Sec. 94a. (1) There is created within the state budget office
24 in the department of technology, management, and budget the center
25 for educational performance and information. The center shall do
26 all of the following:

27 (a) Coordinate the collection of all data required by state
28 and federal law from districts, intermediate districts, and
29 postsecondary institutions.



1 (b) Create, maintain, and enhance this state's P-20
2 longitudinal data system and ensure that it meets the requirements
3 of subsection (4).

4 (c) Collect data in the most efficient manner possible in
5 order to reduce the administrative burden on reporting entities,
6 including, but not limited to, electronic transcript services.

7 (d) Create, maintain, and enhance this state's web-based
8 educational portal to provide information to school leaders,
9 teachers, researchers, and the public in compliance with all
10 federal and state privacy laws. Data must include, but are not
11 limited to, all of the following:

12 (i) Data sets that link teachers to student information,
13 allowing districts to assess individual teacher impact on student
14 performance and consider student growth factors in teacher and
15 principal evaluation systems.

16 (ii) Data access or, if practical, data sets, provided for
17 regional data hubs that, in combination with local data, can
18 improve teaching and learning in the classroom.

19 (iii) Research-ready data sets for researchers to perform
20 research that advances this state's educational performance.

21 (e) Provide data in a useful manner to allow state and local
22 policymakers to make informed policy decisions.

23 (f) Provide public reports to the residents of this state to
24 allow them to assess allocation of resources and the return on
25 their investment in the education system of this state.

26 (g) Other functions as assigned by the state budget director.

27 (2) Each state department, officer, or agency that collects
28 information from districts, intermediate districts, or
29 postsecondary institutions as required under state or federal law



1 shall make arrangements with the center to ensure that the state
2 department, officer, or agency is in compliance with subsection
3 (1). This subsection does not apply to information collected by the
4 department of treasury under the uniform budgeting and accounting
5 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
6 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
7 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
8 388.1939; or section 1351a of the revised school code, MCL
9 380.1351a.

10 (3) The center may enter into any interlocal agreements
11 necessary to fulfill its functions.

12 (4) The center shall ensure that the P-20 longitudinal data
13 system required under subsection (1)(b) meets all of the following:

14 (a) Includes data at the individual student level from
15 preschool through postsecondary education and into the workforce.

16 (b) Supports interoperability by using standard data
17 structures, data formats, and data definitions to ensure linkage
18 and connectivity in a manner that facilitates the exchange of data
19 among agencies and institutions within the state and between
20 states.

21 (c) Enables the matching of individual teacher and student
22 records so that an individual student may be matched with those
23 teachers providing instruction to that student.

24 (d) Enables the matching of individual teachers with
25 information about their certification and the institutions that
26 prepared and recommended those teachers for state certification.

27 (e) Enables data to be easily generated for continuous
28 improvement and decision-making, including timely reporting to
29 parents, teachers, and school leaders on student achievement.



1 (f) Ensures the reasonable quality, validity, and reliability
2 of data contained in the system.

3 (g) Provides this state with the ability to meet federal and
4 state reporting requirements.

5 (h) For data elements related to preschool through grade 12
6 and postsecondary, meets all of the following:

7 (i) Contains a unique statewide student identifier that does
8 not permit a student to be individually identified by users of the
9 system, except as allowed by federal and state law.

10 (ii) Contains student-level enrollment, demographic, and
11 program participation information.

12 (iii) Contains student-level information about the points at
13 which students exit, transfer in, transfer out, drop out, or
14 complete education programs.

15 (iv) Has the capacity to communicate with higher education data
16 systems.

17 (i) For data elements related to preschool through grade 12
18 only, meets all of the following:

19 (i) Contains yearly test records of individual students for
20 assessments approved by DED-OESE for accountability purposes under
21 section 1111(b) of the elementary and secondary education act of
22 1965, 20 USC 6311, including information on individual students not
23 tested, by grade and subject.

24 (ii) Contains student-level transcript information, including
25 information on courses completed and grades earned.

26 (iii) Contains student-level college readiness test scores.

27 (j) For data elements related to postsecondary education only:

28 (i) Contains data that provide information regarding the extent
29 to which individual students transition successfully from secondary



1 school to postsecondary education, including, but not limited to,
2 all of the following:

3 (A) Enrollment in remedial coursework.

4 (B) Completion of 1 year's worth of college credit applicable
5 to a degree within 2 years of enrollment.

6 (ii) Contains data that provide other information determined
7 necessary to address alignment and adequate preparation for success
8 in postsecondary education.

9 (5) From the general fund money appropriated in section 11,
10 there is allocated an amount not to exceed ~~\$16,848,900.00~~
11 **\$18,802,500.00** for ~~2020-2021-2021-2022~~ to the department of
12 technology, management, and budget to support the operations of the
13 center. In addition, from the federal funds appropriated in section
14 11, there is allocated for ~~2020-2021-2021-2022~~ the amount
15 necessary, estimated at \$193,500.00, to support the operations of
16 the center and to establish a P-20 longitudinal data system
17 necessary for state and federal reporting purposes. The center
18 shall cooperate with the department to ensure that this state is in
19 compliance with federal law and is maximizing opportunities for
20 increased federal funding to improve education in this state.

21 (6) From the funds allocated in subsection (5), the center may
22 use an amount determined by the center for competitive grants for
23 ~~2020-2021-2021-2022~~ to support collaborative efforts on the P-20
24 longitudinal data system. All of the following apply to grants
25 awarded under this subsection:

26 (a) The center shall award competitive grants to eligible
27 intermediate districts or a consortium of intermediate districts
28 based on criteria established by the center.

29 (b) Activities funded under the grant must support the P-20



1 longitudinal data system portal and may include portal hosting,
 2 hardware and software acquisition, maintenance, enhancements, user
 3 support and related materials, and professional learning tools and
 4 activities aimed at improving the utility of the P-20 longitudinal
 5 data system.

6 (c) An applicant that received a grant under this subsection
 7 for the immediately preceding fiscal year has priority for funding
 8 under this section. However, after 3 fiscal years of continuous
 9 funding, an applicant is required to compete openly with new
 10 applicants.

11 (7) Funds allocated under this section that are not expended
 12 in the fiscal year in which they were allocated may be carried
 13 forward to a subsequent fiscal year and are appropriated for the
 14 purposes for which the funds were originally allocated.

15 (8) The center may bill departments as necessary in order to
 16 fulfill reporting requirements of state and federal law. The center
 17 may also enter into agreements to supply custom data, analysis, and
 18 reporting to other principal executive departments, state agencies,
 19 local units of government, and other individuals and organizations.
 20 The center may receive and expend funds in addition to those
 21 authorized in subsection (5) to cover the costs associated with
 22 salaries, benefits, supplies, materials, and equipment necessary to
 23 provide such data, analysis, and reporting services.

24 (9) As used in this section, ÷

25 ~~(a) "DED-OESE" means the United States Department of Education~~
 26 ~~Office of Elementary and Secondary Education.~~

27 ~~(b) "State education agency" means the department.~~

28 **Sec. 94c. (1) From the general fund money appropriated in**
 29 **section 11, there is allocated an amount not to exceed**



1 \$2,500,000.00 for 2021-2022 to the center to, in consultation with
2 the superintendent of public instruction, the department, and the
3 department of technology, management, and budget, do all of the
4 following:

5 (a) Streamline the reporting that districts and intermediate
6 districts are required to submit under state law. Districts or
7 intermediate districts are not required to produce or report any
8 data under this subdivision that are not already otherwise required
9 to be produced or reported under state law.

10 (b) Develop an annual process to measure and compare
11 noninstructional staffing and spending by districts and
12 intermediate districts and propose options to help districts and
13 intermediate districts optimize noninstructional spending over
14 time. Districts and intermediate districts are not required to
15 modify their spending due to the operation of this subdivision. As
16 used in this subdivision, "noninstructional spending" does not
17 include facility costs, leases, rental payments, or other capital
18 costs.

19 (c) Subject to subsection (2), develop an information
20 technology strategy for the K to 12 system and identify a short
21 list of information technology systems that districts and
22 intermediate districts may choose from that meet both of the
23 following:

24 (i) Are aligned to the information technology strategy
25 described in this subdivision.

26 (ii) Can be used by districts and intermediate districts in
27 transition as existing information technology systems are retired.

28 (2) A district or intermediate district is not required to
29 select for use an information technology system described in



1 subsection (1)(c) due to the operation of subsection (1)(c).

2 (3) This section does not impose any new or additional
3 reporting requirements upon districts and intermediate districts,
4 and a district or intermediate district must not be subject to new
5 or additional reporting requirements due to the operation of this
6 section.

7 Sec. 94d. (1) From the state school aid fund money
8 appropriated in section 11, there is allocated an amount not to
9 exceed \$1,500,000.00 for 2021-2022 for the purposes of this
10 section.

11 (2) Funds under this section must be used to create and
12 support a task force that will develop a comprehensive multi-year
13 plan to attract, prepare, and retain qualified personnel for
14 children with disabilities. The task force described in this
15 subsection shall provide all of the following:

16 (a) An identification of the barriers to attracting and
17 training qualified personnel to work with children with
18 disabilities.

19 (b) An analysis of current educator preparation processes,
20 including the degree to which they meet the needs of special
21 education students and whether the preparation process could be
22 streamlined to increase the number of qualified personnel entering
23 the field of special education.

24 (c) An analysis of attrition rates for qualified personnel
25 leaving the field of special education and recommendations for ways
26 that this state or districts could better retain talent.

27 (d) An analysis of this state's licensing requirements and
28 whether they could be streamlined to increase the number of
29 qualified personnel entering the field of special education.



1 (e) Policy changes that should be enacted into law to address
2 the barriers identified in this subsection, with specific changes
3 to applicable state laws or applicable state rules.

4 (3) The task force described in subsection (2) must include
5 representation from all special education stakeholder communities,
6 including, but not limited to, teachers, school administrators,
7 parents of special education students, students, educator
8 preparation programs, the department, the legislative branch, the
9 executive branch, the business community, and special education
10 advocacy groups.

11 (4) The department shall identify an intermediate district
12 that will serve as the fiscal agent for the funding under this
13 section.

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

17 (6) It is the intent of the legislature that the funding under
18 this section support the task force described in subsection (2) for
19 3 years.

20 (7) The funds allocated under this section for 2021-2022 are a
21 work project appropriation, and any unexpended funds for 2021-2022
22 do not lapse to the state school aid fund and are carried forward
23 into 2022-2023. The purpose of the work project is to continue
24 support for the task force described in subsection (2). The
25 estimated completion date of the work project is September 30,
26 2024.

27 Sec. 95b. (1) From the general fund money appropriated under
28 section 11, there is allocated an amount not to exceed
29 \$2,000,000.00 for **2021-2022 for** the model value-added growth and



1 projection analytics system. The department shall continue the
2 model value-added growth and projection analytics system and
3 incorporate that model into its reporting requirements under the
4 every student succeeds act, Public Law 114-95. ~~It is the intent of~~
5 ~~the legislature to fund the model under this section for 2021-2022~~
6 ~~only if at least 50% of districts that are not public school~~
7 ~~academies opt in to student-teacher linkages provided by the model~~
8 ~~value added growth and projection analytics system and there is~~
9 ~~verification that the value added reporting platform continued~~
10 ~~hosting and delivery of historical reporting as determined based on~~
11 ~~the report under subsection (5).~~ The model described in this
12 subsection must do at least all of the following:

13 (a) Utilize existing assessments and any future assessments
14 that are suitable for measuring student growth.

15 (b) Report student growth measures at the district, school,
16 teacher, and subgroup levels.

17 (c) Recognize the growth of tested students, including those
18 who may have missing assessment data.

19 (d) Include all available prior standardized assessment data
20 that meet inclusion criteria across grades, subjects, and state and
21 local assessments.

22 (e) Allow student growth results to be disaggregated.

23 (f) Provide individual student projections showing the
24 probability of a student reaching specific performance levels on
25 future assessments. Given school closures and extended
26 cancellations related to COVID-19, the data under this subdivision
27 may be used to inform decisions about student placement or students
28 that could benefit from additional supports or interventions.

29 (g) Demonstrate any prior success with this state's



1 assessments through the Michigan council of educator effectiveness
2 teacher evaluation pilot.

3 (h) Demonstrate prior statewide implementation in at least 2
4 other states for at least 10 years.

5 (i) Have a native roster verification system built into the
6 value-added reporting platform that has been implemented statewide
7 in at least 2 other states.

8 (j) Have a "help/contact us" ticketing system built into the
9 value-added reporting platform.

10 (k) Given school closures that have occurred pursuant to an
11 executive order issued by the governor, the value-added reporting
12 platform must provide continued hosting and delivery of reporting
13 and offer the department additional supports in the areas of
14 research, analysis, web reporting, and training.

15 (l) The department and the platform vendor shall provide
16 statewide training for educators to understand the reporting that
17 details the impact to student learning and growth.

18 (2) The department shall provide internet-based electronic
19 student growth and projection reporting based on the model under
20 subsection (1) to educators at the school, district, and state
21 levels. The model must include role-based permissions that allow
22 educators to access information about the performance of the
23 students within their immediate responsibility in accordance with
24 applicable privacy laws.

25 (3) The model under subsection (1) must not be a mandatory
26 part of teacher evaluation or educator pay-for-performance systems.

27 (4) The model under subsection (1) must be a model that
28 received funding under this section in 2018-2019.

29 (5) By March 31, ~~2021~~, **2022**, the department shall work with



1 the center to provide a report to the senate and house
2 appropriations subcommittees on ~~state~~-school aid and the senate and
3 house fiscal agencies regarding the number of districts that are
4 not public school academies that opted in to student-teacher
5 linkages in their use of the model value-added growth and
6 projection analytics system under this section. The report under
7 this subsection must also include verification that the value-added
8 reporting platform continued hosting and delivery of historical
9 reporting and specify any additional research and analysis offered
10 to the department.

11 **Sec. 97. (1) For 2021-2022, from the state school aid fund**
12 **money appropriated under section 11, there is allocated an amount**
13 **not to exceed \$7,500,000.00 and from the general fund money**
14 **appropriated under section 11, there is allocated an amount not to**
15 **exceed \$2,500,000.00 for competitive grants to public schools,**
16 **nonpublic schools, districts, and intermediate districts to**
17 **purchase technology equipment, upgrade hardening measures, or**
18 **conduct school building safety assessments to improve the safety**
19 **and security of school buildings, pupils or students, and school**
20 **staff with the goal of creating a safer school environment through**
21 **equipment and technology enhancements. The department of state**
22 **police, grants and community services division, shall administer**
23 **the grant program described in this subsection. All grants under**
24 **this subsection must be funded on a reimbursement-only basis.**
25 **Grants under this subsection must not exceed \$50,000.00 for each**
26 **public school or nonpublic school and \$250,000.00 for each district**
27 **or intermediate district.**

28 (2) All of the following apply to the application process for
29 funding under subsection (1):



1 (a) To receive funding under subsection (1), a public school,
2 nonpublic school, district, or intermediate district shall submit
3 an application for funding under subsection (1) directly to the
4 department of state police, grants and community services division.

5 (b) An application from a district or intermediate district
6 under this subsection must be for 1 or more buildings that have
7 some or all of pre-K to grade 12 classrooms and pupils.

8 (c) An applicant may submit only 1 application.

9 (d) An individual public school may submit its own application
10 but must not also be included in its district's application if the
11 district submits an application under this subsection.

12 (e) The department of state police shall award grants to
13 applicants based on eligibility, the project description, and
14 whether the project reflects the highest security need of the
15 applicant within grant funding constraints, the budget narrative,
16 the budget, project goals, objectives, and performance measures.

17 (f) The department of state police shall give priority to all
18 of the following applicants:

19 (i) Applicants seeking funding for projects that involve
20 multiple agencies working in partnership.

21 (ii) Applicants seeking funding for proposals that seek to
22 secure exterior access points of school buildings.

23 (iii) Applicants that did not receive a school safety grant in
24 the past.

25 (iv) Applicants that did not receive a grant under section 1001
26 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

27 (g) To be awarded a grant, an applicant must demonstrate proof
28 that the public school, nonpublic school, district, or intermediate
29 district has an emergency operation plan that was updated after



1 August 1, 2017 to align with the state emergency operations plan
2 guidance and statewide school safety information policy developed
3 under section 1308 of the revised school code, MCL 380.1308.

4 (h) The department of state police shall issue grant guidance
5 and application materials, including required performance measures,
6 not later than February 1, 2022.

7 (3) The department of state police shall not award funding
8 under subsection (1) to a public school, nonpublic school,
9 district, or intermediate district in relation to the same school
10 building more than once. If a district submits an application under
11 subsection (2) relating to a school building and a public school
12 within that district also submits an application for funding in
13 relation to that same school building, the department of state
14 police shall not allocate funding under subsection (1) twice for
15 that school building. If a public school, nonpublic school,
16 district, or intermediate district submits more than 1 application,
17 the department of state police shall first consider the most recent
18 application submitted in considering funding under subsection (1).

19 (4) Eligible expenses for reimbursement under subsection (1)
20 must be consistent with the recommendations of the school safety
21 task force created by Executive Order No. 2018-5. The department of
22 state police shall list the eligible expenses in the grant guidance
23 and application materials described under subsection (2). The
24 following items are not eligible expenses for which grant funds
25 under subsection (1) may be applied:

- 26 (a) Weapons, including tasers.
27 (b) Personal body armor for routine use.
28 (c) Construction of new facilities.
29 (d) Costs in applying for the grant, such as consultants and



1 grant writers.

2 (e) Expenses incurred before the date of the award or after
3 the end of the performance period of the grant award.

4 (f) Personnel costs or operation costs related to a capital
5 improvement.

6 (g) Indirect costs or indirect administrative expenses.

7 (h) Travel.

8 (i) Contributions or donations.

9 (j) Management or administrative training and conferences,
10 except as otherwise preapproved by the department of state police.

11 (k) Management studies or research and development.

12 (l) Memberships and dues, except for a specific requirement of
13 the project that has been preapproved by the department of state
14 police.

15 (m) Vehicles, watercraft, or aircraft, including unmanned or
16 remotely piloted aircraft and vehicles.

17 (n) Service contracts and training beyond the performance
18 period of the grant award.

19 (o) Food, refreshments, and snacks.

20 (5) A grantee under section 1001 of article XX of 2018 PA 207
21 that is a public school, nonpublic school, district, or
22 intermediate district or a grantee under section 115 of 2018 PA 618
23 that is a public school, nonpublic school, district, or
24 intermediate district is not prohibited from applying for, and
25 receiving, a grant award under this section.

26 (6) The department of state police shall begin issuing awards
27 for grants under subsection (1) not later than May 1, 2022. A
28 project that is awarded a grant under this section must be
29 completed by July 1, 2023.



1 (7) The department of state police shall report on grant
2 activities under this section, including available performance
3 outcomes as identified in individual grant agreements, to the
4 senate and house appropriations subcommittees on state police, the
5 senate and house fiscal agencies, and the state budget office by
6 August 1, 2023.

7 (8) The funds allocated for school safety grants under this
8 section for 2021-2022 are a work project appropriation, and any
9 unexpended funds for 2021-2022 do not lapse to the state school aid
10 fund or general fund and are carried forward into 2022-2023. The
11 purpose of the work project is to continue promoting safer school
12 environments. The estimated completion date of the work project is
13 July 1, 2023.

14 (9) The department of state police shall ensure that a grant
15 to a nonpublic school under this section is funded from the general
16 fund money allocated under this section.

17 Sec. 97a. From the general fund money appropriated in section
18 11, there is allocated an amount not to exceed \$1,947,000.00 for
19 2021-2022 for Michigan Virtual University to support Navigate 360.

20 Sec. 98. (1) From the general fund money appropriated in
21 section 11, there is allocated an amount not to exceed
22 \$7,500,000.00 for ~~2020-2021~~**2021-2022** for the purposes described in
23 this section. The Michigan Virtual University shall provide a
24 report to the legislature not later than November 1 of each year
25 that includes its mission, its plans, and proposed benchmarks it
26 must meet, including a plan to achieve the organizational
27 priorities identified in this section, in order to receive full
28 funding for ~~2021-2022~~**2022-2023**. Not later than March 1 of each
29 year, the Michigan Virtual University shall provide an update to



1 the house and senate appropriations subcommittees on school aid to
2 show the progress being made to meet the benchmarks identified.

3 (2) The Michigan Virtual University shall operate the Michigan
4 Virtual Learning Research Institute. The Michigan Virtual Learning
5 Research Institute shall do all of the following:

6 (a) Support and accelerate innovation in education through the
7 following activities:

8 (i) Test, evaluate, and recommend as appropriate new
9 technology-based instructional tools and resources.

10 (ii) Research, design, and recommend virtual education delivery
11 models for use by pupils and teachers that include age-appropriate
12 multimedia instructional content.

13 (iii) Research, develop, and recommend annually to the
14 department criteria by which cyber schools and virtual course
15 providers should be monitored and evaluated to ensure a quality
16 education for their pupils.

17 (iv) Based on pupil completion and performance data reported to
18 the department or the center from cyber schools and other virtual
19 course providers operating in this state, analyze the effectiveness
20 of virtual learning delivery models in preparing pupils to be
21 college- and career-ready and publish a report that highlights
22 enrollment totals, completion rates, and the overall impact on
23 pupils. The Michigan Virtual Learning Research Institute shall
24 submit the report to the house and senate appropriations
25 subcommittees on ~~state~~-school aid, the state budget director, the
26 house and senate fiscal agencies, the department, districts, and
27 intermediate districts not later than March 31 of each year.

28 (v) Provide an extensive professional development program to
29 at least 30,000 educational personnel, including teachers, school



1 administrators, and school board members, that focuses on the
 2 effective integration of virtual learning into curricula and
 3 instruction. The Michigan Virtual Learning Research Institute is
 4 encouraged to work with the MiSTEM ~~advisory council created under~~
 5 **described in** section 99s to coordinate professional development of
 6 teachers in applicable fields. In addition, the Michigan Virtual
 7 Learning Research Institute and external stakeholders are
 8 encouraged to coordinate with the department for professional
 9 development in this state. Not later than December 1 of each year,
 10 the Michigan Virtual Learning Research Institute shall submit a
 11 report to the house and senate appropriations subcommittees on
 12 ~~state~~ school aid, the state budget director, the house and senate
 13 fiscal agencies, and the department on the number of teachers,
 14 school administrators, and school board members who have received
 15 professional development services from the Michigan Virtual
 16 University. The report must also identify barriers and other
 17 opportunities to encourage the adoption of virtual learning in the
 18 public education system.

19 (vi) Identify and share best practices for planning,
 20 implementing, and evaluating virtual and blended education delivery
 21 models with intermediate districts, districts, and public school
 22 academies to accelerate the adoption of innovative education
 23 delivery models statewide.

24 (b) Provide leadership for this state's system of virtual
 25 learning education by doing the following activities:

26 (i) Develop and report policy recommendations to the governor
 27 and the legislature that accelerate the expansion of effective
 28 virtual learning in this state's schools.

29 (ii) Provide a clearinghouse for research reports, academic



1 studies, evaluations, and other information related to virtual
2 learning.

3 (iii) Promote and distribute the most current instructional
4 design standards and guidelines for virtual teaching.

5 (iv) In collaboration with the department and interested
6 colleges and universities in this state, support implementation and
7 improvements related to effective virtual learning instruction.

8 (v) Pursue public/private partnerships that include districts
9 to study and implement competency-based technology-rich virtual
10 learning models.

11 (vi) Create a statewide network of school-based mentors serving
12 as liaisons between pupils, virtual instructors, parents, and
13 school staff, as provided by the department or the center, and
14 provide mentors with research-based training and technical
15 assistance designed to help more pupils be successful virtual
16 learners.

17 (vii) Convene focus groups and conduct annual surveys of
18 teachers, administrators, pupils, parents, and others to identify
19 barriers and opportunities related to virtual learning.

20 (viii) Produce an annual consumer awareness report for schools
21 and parents about effective virtual education providers and
22 education delivery models, performance data, cost structures, and
23 research trends.

24 (ix) Provide an internet-based platform that educators can use
25 to create student-centric learning tools and resources for sharing
26 in the state's open educational resource repository and facilitate
27 a user network that assists educators in using the content creation
28 platform and state repository for open educational resources. As
29 part of this initiative, the Michigan Virtual University shall work



1 collaboratively with districts and intermediate districts to
2 establish a plan to make available virtual resources that align to
3 Michigan's K-12 curriculum standards for use by students,
4 educators, and parents.

5 (x) Create and maintain a public statewide catalog of virtual
6 learning courses being offered by all public schools and community
7 colleges in this state. The Michigan Virtual Learning Research
8 Institute shall identify and develop a list of nationally
9 recognized best practices for virtual learning and use this list to
10 support reviews of virtual course vendors, courses, and
11 instructional practices. The Michigan Virtual Learning Research
12 Institute shall also provide a mechanism for intermediate districts
13 to use the identified best practices to review content offered by
14 constituent districts. The Michigan Virtual Learning Research
15 Institute shall review the virtual course offerings of the Michigan
16 Virtual University, and make the results from these reviews
17 available to the public as part of the statewide catalog. The
18 Michigan Virtual Learning Research Institute shall ensure that the
19 statewide catalog is made available to the public on the Michigan
20 Virtual University website and shall allow the ability to link it
21 to each district's website as provided for in section 21f. The
22 statewide catalog must also contain all of the following:

23 (A) The number of enrollments in each virtual course in the
24 immediately preceding school year.

25 (B) The number of enrollments that earned 60% or more of the
26 total course points for each virtual course in the immediately
27 preceding school year.

28 (C) The pass rate for each virtual course.

29 (xi) Support registration, payment services, and transcript



1 functionality for the statewide catalog and train key stakeholders
2 on how to use new features.

3 (xii) Collaborate with key stakeholders to examine district
4 level accountability and teacher effectiveness issues related to
5 virtual learning under section 21f and make findings and
6 recommendations publicly available.

7 (xiii) Provide a report on the activities of the Michigan
8 Virtual Learning Research Institute.

9 (3) To further enhance its expertise and leadership in virtual
10 learning, the Michigan Virtual University shall continue to operate
11 the Michigan Virtual School as a statewide laboratory and quality
12 model of instruction by implementing virtual and blended learning
13 solutions for Michigan schools in accordance with the following
14 parameters:

15 (a) The Michigan Virtual School must maintain its
16 accreditation status from recognized national and international
17 accrediting entities.

18 (b) The Michigan Virtual University shall use no more than
19 \$1,000,000.00 of the amount allocated under this section to
20 subsidize the cost paid by districts for virtual courses.

21 (c) In providing educators responsible for the teaching of
22 virtual courses as provided for in this section, the Michigan
23 Virtual School shall follow the requirements to request and assess,
24 and the department of state police shall provide, a criminal
25 history check and criminal records check under sections 1230 and
26 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
27 the same manner as if the Michigan Virtual School were a school
28 district under those sections.

29 (4) From the funds allocated under subsection (1), the



1 Michigan Virtual University shall allocate up to \$500,000.00 to
2 support the expansion of new online and blended educator
3 professional development programs.

4 (5) If the course offerings are included in the statewide
5 catalog of virtual courses under subsection (2)(b)(x), the Michigan
6 Virtual School operated by the Michigan Virtual University may
7 offer virtual course offerings, including, but not limited to, all
8 of the following:

9 (a) Information technology courses.

10 (b) College level equivalent courses, as **that term is** defined
11 in section 1471 of the revised school code, MCL 380.1471.

12 (c) Courses and dual enrollment opportunities.

13 (d) Programs and services for at-risk pupils.

14 (e) High school equivalency test preparation courses for
15 adjudicated youth.

16 (f) Special interest courses.

17 (g) Professional development programs for teachers, school
18 administrators, other school employees, and school board members.

19 (6) If a home-schooled or nonpublic school student is a
20 resident of a district that subscribes to services provided by the
21 Michigan Virtual School, the student may use the services provided
22 by the Michigan Virtual School to the district without charge to
23 the student beyond what is charged to a district pupil using the
24 same services.

25 (7) Not later than December 1 of each fiscal year, the
26 Michigan Virtual University shall provide a report to the house and
27 senate appropriations subcommittees on ~~state~~-school aid, the state
28 budget director, the house and senate fiscal agencies, and the
29 department that includes at least all of the following information



1 related to the Michigan Virtual School for the preceding state
2 fiscal year:

3 (a) A list of the districts served by the Michigan Virtual
4 School.

5 (b) A list of virtual course titles available to districts.

6 (c) The total number of virtual course enrollments and
7 information on registrations and completions by course.

8 (d) The overall course completion rate percentage.

9 (8) In addition to the information listed in subsection (7),
10 the report under subsection (7) must also include a plan to serve
11 at least 600 schools with courses from the Michigan Virtual School
12 or with content available through the internet-based platform
13 identified in subsection (2) (b) (ix).

14 (9) The governor may appoint an advisory group for the
15 Michigan Virtual Learning Research Institute established under
16 subsection (2). The members of the advisory group serve at the
17 pleasure of the governor and without compensation. The purpose of
18 the advisory group is to make recommendations to the governor, the
19 legislature, and the president and board of the Michigan Virtual
20 University that will accelerate innovation in this state's
21 education system in a manner that will prepare elementary and
22 secondary students to be career and college ready and that will
23 promote the goal of increasing the percentage of residents of this
24 state with high-quality degrees and credentials to at least 60% by
25 2025.

26 (10) Not later than November 1 of each year, the Michigan
27 Virtual University shall submit to the house and senate
28 appropriations subcommittees on ~~state~~-school aid, the state budget
29 director, and the house and senate fiscal agencies a detailed



1 budget for that fiscal year that includes a breakdown on its
2 projected costs to deliver virtual educational services to
3 districts and a summary of the anticipated fees to be paid by
4 districts for those services. Not later than March 1 each year, the
5 Michigan Virtual University shall submit to the house and senate
6 appropriations subcommittees on ~~state~~-school aid, the state budget
7 director, and the house and senate fiscal agencies a breakdown on
8 its actual costs to deliver virtual educational services to
9 districts and a summary of the actual fees paid by districts for
10 those services based on audited financial statements for the
11 immediately preceding fiscal year.

12 (11) As used in this section:

13 (a) "Blended learning" means a hybrid instructional delivery
14 model where pupils are provided content, instruction, and
15 assessment, in part at a supervised educational facility away from
16 home where the pupil and a teacher with a valid Michigan teaching
17 certificate are in the same physical location and in part through
18 internet-connected learning environments with some degree of pupil
19 control over time, location, and pace of instruction.

20 (b) "Cyber school" means a full-time instructional program of
21 virtual courses for pupils that may or may not require attendance
22 at a physical school location.

23 (c) "Virtual course" means a course of study that is capable
24 of generating a credit or a grade and that is provided in an
25 interactive learning environment in which the majority of the
26 curriculum is delivered using the internet and in which pupils are
27 separated from their instructor or teacher of record by time or
28 location, or both.

29 **Sec. 98b. (1) In order to receive state aid under this article**



1 for 2021-2022, a district must do all of the following:

2 (a) By not later than the first meeting of the board that
3 occurs in February of 2022 and by not later than the last day of
4 the 2021-2022 school year, the district superintendent or chief
5 administrator of the district, as applicable, shall present both of
6 the following at a public meeting of the board:

7 (i) Subject to state and federal privacy laws, the results from
8 benchmark assessments and local benchmark assessments, as
9 applicable, administered under section 104a.

10 (ii) For each school operated by the district, each school's
11 progress toward meeting the educational goals described in
12 subdivision (d).

13 (b) The district shall ensure that the information presented
14 under subdivision (a) is disaggregated by grade level, by student
15 demographics, and by the mode of instruction received by the pupils
16 to which the information applies.

17 (c) The information presented under subdivision (a) must also
18 be compiled into a report that the district shall make available
19 through the transparency reporting link located on the district's
20 website.

21 (d) The district shall ensure that, by not later than
22 September 15, 2021, each school building leader of each school
23 operated by the district, in conjunction with all teachers and
24 school administrators of the school, establishes educational goals
25 expected to be achieved for the 2021-2022 school year for the
26 school. The goals described in this subdivision must specify which
27 educational goals are expected to be achieved by not later than the
28 middle of the school year and which goals are expected to be
29 achieved by not later than the last day of the 2021-2022 school



1 year. All the following apply to the educational goals described in
2 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 or a local benchmark
6 assessment, growth on a benchmark assessment or benchmark
7 assessments or a local benchmark assessment described in
8 subparagraph (ii) in the aggregate and for all subgroups of pupils
9 broken down by grade level, student demographics, and mode of
10 instruction.

11 (ii) The goals must include an assurance that the district
12 shall select a benchmark assessment or benchmark assessments or a
13 local benchmark assessment that are aligned to state standards and
14 an assurance that the district shall administer the benchmark
15 assessment or benchmark assessments or local benchmark assessment
16 to all pupils as prescribed under section 104a to determine whether
17 pupils are making meaningful progress toward mastery of these
18 standards.

19 (iii) The goals must be measurable through a benchmark
20 assessment or benchmark assessments or a local benchmark assessment
21 described in subparagraph (ii).

22 (iv) For districts that provided instruction under an approved
23 extended COVID-19 learning plan under section 98a, the goals must
24 correlate to the educational goals that were included in the
25 district's COVID-19 learning plan under section 98a for the 2020-
26 2021 school year.

27 (e) In implementing a benchmark assessment system under
28 section 104a, the district ensures that it is in compliance with
29 section 104a(1)(f).



1 (2) The department shall create a statewide uniform template
2 for districts to utilize in the development of educational goals
3 under subsection (1)(d) and shall make this template available to
4 all districts by not later than June 30, 2022.

5 (3) By not later than June 15, 2022, subject to state and
6 federal privacy laws, the superintendent of public instruction
7 shall submit a report to the house and senate appropriations
8 subcommittees on school aid and the house and senate standing
9 committees on education that includes the results of benchmark
10 assessments administered under section 104a that the superintendent
11 of public instruction has received from districts. All of the
12 following apply to the data included in the report described in
13 this subsection:

14 (a) It must be disaggregated by grade level, student
15 demographics, and the modes of instruction received by pupils.

16 (b) It must be broken down so as to show a comparison of
17 growth among pupils within a grade level, within certain student
18 demographics, and based on the modes of instruction received by the
19 pupils.

20 (4) If requested to do so by the chairs of the house and
21 senate appropriations subcommittees on school aid and the chairs of
22 the house and senate standing committees on education, the
23 superintendent of public instruction shall present his or her
24 report submitted under subsection (3) in person to the house and
25 senate appropriations subcommittees on school aid and the house and
26 senate standing committees on education.

27 Sec. 99h. (1) From the state school aid fund money
28 appropriated in section 11, there is allocated an amount not to
29 exceed ~~\$4,400,000.00~~ **\$4,723,200.00** for ~~2020-2021~~ **2021-2022** for



1 competitive grants to districts and intermediate districts, and
2 from the general fund money appropriated in section 11, there is
3 allocated ~~\$300,000.00~~ **\$600,000.00** for ~~2020-2021~~ **2021-2022** for
4 competitive grants to nonpublic schools, that provide pupils in
5 grades pre-K to 12 with expanded opportunities to improve
6 mathematics, science, and technology skills by participating in
7 events hosted by a science and technology development program known
8 as FIRST (for inspiration and recognition of science and
9 technology) Robotics, including JR FIRST Lego League, FIRST Lego
10 League, FIRST Tech challenge, and FIRST Robotics competition, or
11 other competitive robotics programs, including VEX, **Square One**, and
12 those hosted by the Robotics Education and Competition (REC)
13 Foundation. Programs funded under this section are intended to
14 increase the number of pupils demonstrating proficiency in science
15 and mathematics on the state assessments and to increase the number
16 of pupils who are college- and career-ready upon high school
17 graduation. Notwithstanding section 17b, the department shall make
18 grant payments to districts, nonpublic schools, and intermediate
19 districts under this section on a schedule determined by the
20 department. The department shall set maximum grant awards for each
21 different level of programming and competition in a manner that
22 both maximizes the number of teams that will be able to receive
23 funds and expands the geographical distribution of teams.

24 (2) A district, nonpublic school, or intermediate district
25 applying for a grant under this section shall submit an application
26 in a form and manner prescribed by the department. To be eligible
27 for a grant, a district, nonpublic school, or intermediate district
28 must demonstrate in its application that the district, nonpublic
29 school, or intermediate district has established a partnership for



1 the purposes of the robotics program with at least 1 sponsor,
 2 business entity, higher education institution, or technical school,
 3 shall submit a spending plan, and shall provide a local in-kind or
 4 cash match from other private or local funds of at least 25% of the
 5 cost of the robotics program award.

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

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

11 (b) Grants to districts, nonpublic schools, or intermediate
 12 districts for event registrations, materials, travel costs, and
 13 other expenses associated with the preparation for and attendance
 14 at robotics events and competitions.

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

19 (4) The funds allocated under this section for ~~2020-2021-2021-~~
 20 ~~2022~~ are a work project appropriation, and any unexpended funds for
 21 ~~2020-2021-2021-2022~~ are carried forward into ~~2021-2022-~~**2022-2023**.
 22 The purpose of the work project is to continue support of FIRST
 23 Robotics and must not be used to support other robotics
 24 competitions. The estimated completion date of the work project is
 25 September 30, 2023.

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

29 (6) To be eligible to receive funds under this section, a



1 nonpublic school must be a nonpublic school registered with the
 2 department and must meet all applicable state reporting
 3 requirements for nonpublic schools.

4 Sec. 99s. (1) From the funds appropriated under section 11,
 5 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 6 \$7,634,300.00 from the state school aid fund appropriation and an
 7 amount not to exceed \$300,000.00 from the general fund
 8 appropriation for Michigan science, technology, engineering, and
 9 mathematics (MiSTEM) programs. In addition, from the federal funds
 10 appropriated in section 11, there is allocated to the department
 11 for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from
 12 DED-OESE, title II, mathematics and science partnership grants. The
 13 MiSTEM network may receive funds from private sources. If the
 14 MiSTEM network receives funds from private sources, the MiSTEM
 15 network shall expend those funds in alignment with the statewide
 16 STEM strategy. Programs funded under this section are intended to
 17 increase the number of pupils demonstrating proficiency in science
 18 and mathematics on the state assessments, to increase the number of
 19 pupils who are college- and career-ready upon high school
 20 graduation, and to promote certificate and degree attainment in
 21 STEM fields. Notwithstanding section 17b, the department shall make
 22 payments under this section on a schedule determined by the
 23 department.

24 ~~(2) All of the following apply to the MiSTEM advisory council:~~

25 ~~(a) The MiSTEM advisory council is created. The MiSTEM~~
 26 ~~advisory council shall provide to the governor, legislature,~~
 27 ~~department of labor and economic opportunity, and department~~
 28 ~~recommendations designed to improve and promote innovation in STEM~~
 29 ~~education and to prepare students for careers in science,~~



1 ~~technology, engineering, and mathematics.~~

2 ~~(b) The MiSTEM advisory council created under subdivision (a)~~
3 ~~consists of the following members:~~

4 ~~(i) The governor shall appoint 11 voting members who are~~
5 ~~representative of business sectors that are important to Michigan's~~
6 ~~economy and rely on a STEM-educated workforce, nonprofit~~
7 ~~organizations and associations that promote STEM education, K-12~~
8 ~~and postsecondary education entities involved in STEM-related~~
9 ~~career education, or other sectors as considered appropriate by the~~
10 ~~governor. Each of these members serves at the pleasure of the~~
11 ~~governor and for a term determined by the governor.~~

12 ~~(ii) The senate majority leader shall appoint 2 members of the~~
13 ~~senate to serve as nonvoting, ex-officio members of the MiSTEM~~
14 ~~advisory council, including 1 majority party member and 1 minority~~
15 ~~party member.~~

16 ~~(iii) The speaker of the house of representatives shall appoint~~
17 ~~2 members of the house of representatives to serve as nonvoting,~~
18 ~~ex-officio members of the MiSTEM advisory council, including 1~~
19 ~~majority party member and 1 minority party member.~~

20 ~~(iv) The governor shall appoint 1 state officer or employee to~~
21 ~~serve as a nonvoting, ex-officio member of the MiSTEM advisory~~
22 ~~council.~~

23 ~~(c) Each member of the MiSTEM advisory council serves without~~
24 ~~compensation.~~

25 ~~(2) (d) The MiSTEM advisory council annually shall review and~~
26 ~~make recommendations to the governor, the legislature, and the~~
27 ~~department concerning changes to the statewide strategy adopted by~~
28 ~~the council for delivering STEM education-related opportunities to~~
29 ~~pupils. The MiSTEM advisory council shall use funds received under~~



1 this subsection to ensure that its members or their designees are
2 trained in the Change the Equation STEMworks rating system program
3 for the purpose of rating STEM programs.

4 (3) The MiSTEM ~~advisory~~-council shall make specific funding
5 recommendations for the funds allocated under subsection (4) by
6 December 15 of each fiscal year. Each specific funding
7 recommendation must be for a program approved by the MiSTEM
8 ~~advisory~~-council. All of the following apply:

9 (a) To be eligible for MiSTEM ~~advisory~~-council approval as
10 described in this subsection, a program must satisfy all of the
11 following:

12 (i) Align with this state's academic standards.

13 (ii) Have STEMworks certification.

14 (iii) Provide project-based experiential learning, student
15 programming, or educator professional learning experiences.

16 (iv) Focus predominantly on classroom-based STEM experiences or
17 professional learning experiences.

18 (b) The MiSTEM ~~advisory~~-council shall approve programs that
19 represent all network regions and include a diverse array of
20 options for students and educators and at least 1 program in each
21 of the following areas:

22 (i) Robotics.

23 (ii) Computer science or coding.

24 (iii) Engineering or bioscience.

25 (c) The MiSTEM ~~advisory~~-council is encouraged to work with the
26 MiSTEM network to develop locally and regionally developed programs
27 and professional learning experiences for the programs on the list
28 of approved programs.

29 (d) If the MiSTEM ~~advisory~~-council is unable to make specific



1 funding recommendations by December 15 of a fiscal year, the
 2 department shall award and distribute the funds allocated under
 3 subsection (4) on a competitive grant basis that at least follows
 4 the statewide STEM strategy plan and rating system recommended by
 5 the MiSTEM ~~advisory~~ council. Each grant must provide STEM
 6 education-related opportunities for pupils.

7 (e) The MiSTEM ~~advisory~~ council shall work with the ~~executive~~
 8 ~~director of the MiSTEM network~~ **department of labor and economic**
 9 **opportunity** to implement the statewide STEM strategy adopted by the
 10 MiSTEM ~~advisory~~ council.

11 (4) ~~From~~ **Except as otherwise provided in this subsection, from**
 12 the state school aid fund money allocated under subsection (1),
 13 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 14 \$3,050,000.00 for the purpose of funding programs under this
 15 section for ~~2020-2021~~ **2021-2022** as recommended by the MiSTEM
 16 ~~advisory~~ council. **However, from the allocation under this**
 17 **subsection, the MiSTEM council shall recommend and the department**
 18 **shall award \$350,000.00 in grants to intermediate districts to**
 19 **implement fabrication laboratories (Fab Labs). The MiSTEM council**
 20 **shall recommend and the department shall only award 10 grants**
 21 **described in the immediately preceding sentence in an amount not to**
 22 **exceed \$35,000.00 each.**

23 (5) From the state school aid fund money allocated under
 24 subsection (1), there is allocated an amount not to exceed
 25 \$3,834,300.00 for ~~2020-2021~~ **2021-2022** to support the activities and
 26 programs of the MiSTEM network regions. In addition, from the
 27 federal funds allocated under subsection (1), there is allocated
 28 for ~~2020-2021~~ **2021-2022** an amount estimated at \$235,000.00 from
 29 DED-OESE, title II, mathematics and science partnership grants, for



1 the purposes of this subsection. From the money allocated under
 2 this subsection, the department shall award the fiscal agent for
 3 each MiSTEM network region \$200,000.00 for the base operations of
 4 each region. The department shall distribute the remaining funds to
 5 each fiscal agent in an equal amount per pupil, based on the number
 6 of K to 12 pupils enrolled in districts within each region in the
 7 immediately preceding fiscal year.

8 (6) A MiSTEM network region shall do all of the following:

9 (a) Collaborate with the career and educational advisory
 10 council that is located in the MiSTEM region to develop a regional
 11 strategic plan for STEM education that creates a robust regional
 12 STEM culture, that empowers STEM teachers, that integrates business
 13 and education into the STEM network, and that ensures high-quality
 14 STEM experiences for pupils. At a minimum, a regional STEM
 15 strategic plan should do all of the following:

16 (i) Identify regional employer need for STEM.

17 (ii) Identify processes for regional employers and educators to
 18 create guided pathways for STEM careers that include internships or
 19 externships, apprenticeships, and other experiential engagements
 20 for pupils.

21 (iii) Identify educator professional ~~development~~**learning**
 22 opportunities, including internships or externships and
 23 apprenticeships, that integrate this state's science standards into
 24 high-quality STEM experiences that engage pupils.

25 (b) Facilitate regional STEM events such as educator and
 26 employer networking and STEM career fairs to raise STEM awareness.

27 (c) Contribute to the MiSTEM website and engage in other
 28 MiSTEM network functions to further the mission of STEM in this
 29 state in coordination with the MiSTEM ~~advisory~~ council and ~~its~~



1 ~~executive director.~~**the department of labor and economic**
 2 **opportunity.**

3 (d) Facilitate application and implementation of state and
 4 federal funds under this subsection and any other grants or funds
 5 for the MiSTEM network region.

6 (e) Work with districts to provide STEM programming and
 7 professional learning.

8 (f) Coordinate recurring discussions and work with the career
 9 and educational advisory council to ensure that feedback and best
 10 practices are being shared, including funding, program,
 11 professional learning opportunities, and regional strategic plans.

12 (7) From the state school aid fund money allocated under
 13 subsection (1), the department shall distribute for ~~2020-2021-2021-~~
 14 **2022** an amount not to exceed \$750,000.00, in a form and manner
 15 determined by the department, to those network regions able to
 16 ~~provide curriculum and professional development support to assist~~
 17 ~~districts in implementing the Michigan merit curriculum components~~
 18 ~~for mathematics and science.~~**further the statewide STEM strategy**
 19 **recommended by the MiSTEM council.**

20 (8) In order to receive state or federal funds under
 21 subsection (5) or (7), or to receive funds from private sources as
 22 authorized under subsection (1), a grant recipient must allow
 23 access for the department or the department's designee to audit all
 24 records related to the program for which it receives those funds.
 25 The grant recipient shall reimburse the state for all disallowances
 26 found in the audit.

27 (9) In order to receive state funds under subsection (5) or
 28 (7), a grant recipient must provide at least a 10% local match from
 29 local public or private resources for the funds received under this



1 subsection.

2 (10) Not later than July 1 of each year, a MiSTEM network
 3 region that receives funds under subsection (5) shall report to the
 4 executive director of the MiSTEM network in a form and manner
 5 prescribed by the executive director on performance measures
 6 developed by the MiSTEM network regions and approved by the
 7 executive director. The performance measures must be designed to
 8 ensure that the activities of the MiSTEM network are improving
 9 student academic outcomes.

10 (11) Not more than 5% of a MiSTEM network region grant under
 11 subsection (5) or (7) may be retained by a fiscal agent for serving
 12 as the fiscal agent of a MiSTEM network region.

13 (12) From the general fund money allocated under subsection
 14 (1), there is allocated an amount not to exceed \$300,000.00 to the
 15 department of labor and economic opportunity to support the
 16 ~~functions of the executive director and executive assistant~~ **staff**
 17 for the MiSTEM network, and for administrative, training, and
 18 travel costs related to the MiSTEM ~~advisory~~ council. The ~~executive~~
 19 ~~director and executive assistant~~ **staff** for the MiSTEM network shall
 20 do all of the following:

21 (a) Serve as a liaison among and between the department, the
 22 department of labor and economic opportunity, the MiSTEM ~~advisory~~
 23 council, the governor's ~~future talent council,~~ **workforce**
 24 **development board**, the MiSTEM regions, and any other relevant
 25 organization or entity in a manner that creates a robust statewide
 26 STEM culture, that empowers STEM teachers, that integrates business
 27 and education into the STEM network, and that ensures high-quality
 28 STEM experiences for pupils.

29 (b) Coordinate the implementation of a marketing campaign,



1 including, but not limited to, a website that includes dashboards
2 of outcomes, to build STEM awareness and communicate STEM needs and
3 opportunities to pupils, parents, educators, and the business
4 community.

5 (c) Work with the department and the MiSTEM ~~advisory~~ council
6 to coordinate, award, and monitor MiSTEM state and federal grants
7 to the MiSTEM network regions and conduct reviews of grant
8 recipients, including, but not limited to, pupil experience and
9 feedback.

10 (d) Report to the governor, the legislature, the department,
11 and the MiSTEM ~~advisory~~ council annually on the activities and
12 performance of the MiSTEM network regions.

13 (e) Coordinate recurring discussions and work with regional
14 staff to ensure that a network or loop of feedback and best
15 practices are shared, including funding, programming, professional
16 learning opportunities, discussion of MiSTEM strategic vision, and
17 regional objectives.

18 (f) Coordinate major grant application efforts with the MiSTEM
19 ~~advisory~~ council to assist regional staff with grant applications
20 on a local level. The MiSTEM ~~advisory~~ council shall leverage
21 private and nonprofit relationships to coordinate and align private
22 funds in addition to funds appropriated under this section.

23 (g) Train state and regional staff in the STEMworks rating
24 system, in collaboration with the MiSTEM ~~advisory~~ council and the
25 department.

26 (h) Hire MiSTEM network region staff in collaboration with the
27 network region fiscal agent.

28 (13) As used in this section:

29 (a) "Career and educational advisory council" means an



1 advisory council to the local workforce development boards located
2 in a prosperity region consisting of educational, employer, labor,
3 and parent representatives.

4 (b) "DED" means the United States Department of Education.

5 (c) "DED-OESE" means the DED Office of Elementary and
6 Secondary Education.

7 (d) **"MiSTEM Council" means the Michigan Science, Technology,
8 Engineering, and Mathematics Education Advisory Council created as
9 an advisory body within the department of labor and economic
10 opportunity by Executive Reorganization Order No. 2019-3, MCL
11 125.1998.**

12 (e) ~~(d)~~—"STEM" means science, technology, engineering, and
13 mathematics delivered in an integrated fashion using cross-
14 disciplinary learning experiences that can include language arts,
15 performing and fine arts, and career and technical education.

16 Sec. 99t. (1) From the general fund appropriation under
17 section 11, there is allocated an amount not to exceed
18 \$1,000,000.00 for ~~2020-2021~~**2021-2022** to purchase statewide access
19 to an online algebra tool that meets all of the following:

20 (a) Provides students statewide with complete access to videos
21 aligned with state standards including study guides and workbooks
22 that are aligned with the videos.

23 (b) Provides students statewide with access to a personalized
24 online algebra learning tool including adaptive diagnostics.

25 (c) Provides students statewide with dynamic algebra practice
26 assessments that emulate the state assessment with immediate
27 feedback and help solving problems.

28 (d) Provides students statewide with online access to algebra
29 help 24 hours a day and 7 days a week from study experts, teachers,



1 and peers on a moderated social networking platform.

2 (e) Provides an online algebra professional development
3 network for teachers.

4 (f) Is already provided under a statewide contract in at least
5 1 other state that has a population of at least 18,000,000 but not
6 more than 19,000,000 according to the most recent decennial census
7 and is offered in that state in partnership with a public
8 university.

9 (2) The department shall purchase the online algebra tool that
10 was chosen under this section in 2016-2017.

11 (3) A grantee receiving funding under this section shall
12 comply with the requirements of section 19b.

13 Sec. 99u. (1) From the general fund money appropriated under
14 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
15 not to exceed \$1,500,000.00 to a provider that is a provider of
16 both of the following:

17 (a) An online mathematics tool that meets all of the
18 following:

19 (i) Provides students statewide with complete access to
20 mathematics support aligned with state standards through a program
21 that has all of the following elements:

22 (A) Student motivation.

23 (B) Valid and reliable assessments.

24 (C) Personalized learning pathways.

25 (D) Highly qualified, live teachers available all day and all
26 year.

27 (E) Twenty-four-hour reporting.

28 (F) Content built for rigorous mathematics.

29 (ii) Has a record of improving student mathematics scores in at



1 least 5 other states.

2 (iii) Received funding under this section in 2017-2018.

3 (b) A program that provides explicit, targeted literacy
 4 instruction within an individualized learning path that continually
 5 adjusts to a pupil's needs. A program described in this subdivision
 6 that is funded under this subsection must be funded through a grant
 7 to a provider described in this subsection that also promotes
 8 literacy through the teaching of critical language and literacy
 9 concepts, such as reading and listening comprehension, basic
 10 vocabulary, academic language, grammar, phonological awareness,
 11 phonics, and fluency.

12 (2) A grantee that receives funding under this section shall
 13 comply with the requirements of section 19b.

14 (3) Notwithstanding section 17b, the department shall make
 15 payments under this section by not later than December 1,
 16 ~~2020-2021~~.

17 Sec. 99w. (1) From the general fund money appropriated under
 18 section 11, there is allocated an amount not to exceed \$400,000.00
 19 for ~~2020-2021-2021-2022~~ to facilitate a culture of health and
 20 physical activity as part of daily life. Funding under this section
 21 must be a grant to the Michigan Fitness Foundation to work with the
 22 department to invest in a physical education curriculum. Funding
 23 under this section may support staff, evaluation, assessment,
 24 technology, meetings, training, travel, materials, and other
 25 administrative expenses in support of an updated physical education
 26 curriculum. Funding under this section may be used as matching
 27 dollars to qualify for federal and private resources to support
 28 physical education.

29 ~~(2) An entity that received funding under this section for~~



1 ~~2018-2019 may expend those funds through September 30, 2021.~~

2 (2) ~~(3)~~ Notwithstanding section 17b, the department shall make
3 payments under this section by not later than December 1,
4 ~~2020-2021.~~

5 Sec. 99x. (1) From the general fund money appropriated under
6 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount
7 not to exceed \$1,000,000.00 for Teach for America to host a summer
8 training institute in the city of Detroit, recruit teachers into a
9 master teacher fellowship, and retain a committed alumni community.
10 A program funded under this section must provide coaching and
11 professional development, with the goal to produce highly effective
12 teachers that move pupils beyond their growth benchmarks.

13 (2) Notwithstanding section 17b, the department shall make
14 payments under this section by not later than December 1,
15 ~~2020-2021.~~

16 **Sec. 99aa. (1) From the state school aid fund money**
17 **appropriated in section 11, there is allocated an amount not to**
18 **exceed \$1,500,000.00 for 2021-2022 to 1 eligible intermediate**
19 **district to provide opportunities for high school students with**
20 **disabilities to train for, gain, and maintain competitive**
21 **employment.**

22 (2) **An intermediate district that has partnered with Project**
23 **SEARCH to provide the opportunities described in subsection (1) is**
24 **an eligible intermediate district under this section.**

25 (3) **The funds allocated under this section for 2021-2022 are a**
26 **work project appropriation, and any unexpended funds for 2021-2022**
27 **are carried forward into 2022-2023. The purpose of the work project**
28 **is to provide for the continuation of opportunities for high school**
29 **students with disabilities as described in subsection (1). The**



1 estimated completion date of the work project is September 30,
2 2023.

3 Sec. 99bb. (1) From the general fund money appropriated in
4 section 11, there is allocated an amount not to exceed
5 \$3,750,000.00 for 2021-2022 to the State Alliance of Michigan YMCAs
6 for competitive grants to eligible districts, intermediate
7 districts, and nonpublic schools to provide students in grades 6 to
8 12 with hands-on civics and model-government programs that offer
9 statewide engagement with peers across this state for the purpose
10 of expanding those students' opportunities to improve their social
11 studies knowledge, thinking skills, and intellectual processes and
12 dispositions required for active engagement in fulfilling
13 responsibilities of civic participation.

14 (2) In making grant payments to eligible districts,
15 intermediate districts, and nonpublic schools under this section,
16 the State Alliance of Michigan YMCAs shall set a maximum grant
17 award for each grant recipient in a manner that accomplishes both
18 of the following:

19 (a) Maximizes the geographical distribution of grant
20 recipients that will be able to participate in offering programs
21 described in this section.

22 (b) Prioritizes funding levels for grant recipients based on
23 geographic location, with consideration given to the travel that
24 will be required of grant recipients for statewide events and
25 conferences.

26 (3) Maximum grant award amounts under subsection (2) do not
27 have to be the same for all grant recipients.

28 (4) To receive a grant award under this section, a district,
29 intermediate district, or nonpublic school must submit an



1 application for the grant award in a form and manner prescribed by
2 the State Alliance of Michigan YMCAs.

3 (5) A district, intermediate district, or nonpublic school to
4 which all of the following apply is an eligible district,
5 intermediate district, or nonpublic school under this section:

6 (a) Has established a relationship with at least 1 elected
7 official who serves the community in which the district,
8 intermediate district, or nonpublic school is located.

9 (b) Submits a spending plan with its application for a grant
10 award under this section.

11 (c) Pledges to provide a local in-kind or cash match from
12 other private or local funds of at least 10% of the grant award it
13 receives under this section.

14 (d) For a nonpublic school, is registered as a nonpublic
15 school with the department and must meet all applicable state
16 reporting requirements for nonpublic schools.

17 (6) An eligible district, intermediate district, or nonpublic
18 school that receives a grant award under this section shall only
19 use the funding for the following purposes:

20 (a) To pay Civic Health Champion stipends for up to 1 teacher
21 advisor per school operated by the district, intermediate district,
22 or nonpublic school. Each stipend to a teacher advisor under this
23 subdivision must not be in an amount exceeding \$1,500.00.

24 (b) Event registrations, materials, travel costs, and other
25 expenses associated with the preparation for and attendance to
26 associated mock-government conferences and events.

27 (c) Awards to students who advance to national mock government
28 events and competitions, as determined by the State Alliance of
29 Michigan YMCAs. For the purpose of determining the amount of an



1 award under this subdivision to a student described in this
 2 subdivision, the State Alliance of Michigan YMCAs shall determine
 3 an equal amount per student for each eligible district,
 4 intermediate district, or nonpublic school.

5 (7) The funds allocated under this section for 2021-2022 are a
 6 work project appropriation, and any unexpended funds for 2021-2022
 7 are carried forward to 2022-2023. The purpose of the work project
 8 is to continue the support of civics-education experiences. The
 9 estimated completion date of the work project is September 30,
 10 2023.

11 (8) It is the intent of the legislature that programs
 12 implemented from the funding allocated under this section increase
 13 the number of students who engage with the pillars of responsible
 14 citizenship and engage, beyond the classroom, in civic
 15 perspectives, inquiry, public discourse, and decision making.

16 Sec. 101. (1) To be eligible to receive state aid under this
 17 article, not later than the fifth Wednesday after the pupil
 18 membership count day and not later than the fifth Wednesday after
 19 the supplemental count day, each district superintendent shall
 20 submit and certify to the center and the intermediate
 21 superintendent, in the form and manner prescribed by the center,
 22 the number of pupils enrolled and in regular daily attendance, ~~or~~
 23 ~~for 2020-2021 only, the number of pupils engaged in pandemic~~
 24 ~~learning for fall 2020 or the number of pupils engaged in pandemic~~
 25 ~~learning for spring 2021, as applicable, or, for a district that~~
 26 ~~operates as a cyber school, as that term is defined in section 551~~
 27 ~~of the revised school code, MCL 380.551, the number of pupils~~
 28 ~~enrolled and in regular daily attendance, including identification~~
 29 of tuition-paying pupils, in the district as of the pupil



1 membership count day and as of the supplemental count day, as
2 applicable, for the current school year. In addition, a district
3 maintaining school during the entire year shall submit and certify
4 to the center and the intermediate superintendent, in the form and
5 manner prescribed by the center, the number of pupils enrolled and
6 in regular daily attendance in the district ~~or, for 2020-2021 only,~~
7 ~~the number of pupils engaged in pandemic learning for fall 2020 or~~
8 ~~the number of pupils engaged in pandemic learning for spring 2021,~~
9 ~~as applicable, or, for a district that operates as a cyber school,~~
10 ~~as that term is defined in section 551 of the revised school code,~~
11 ~~MCL 380.551, the number of pupils enrolled and in regular daily~~
12 ~~attendance,~~ for the current school year pursuant to rules
13 promulgated by the superintendent. Not later than the sixth
14 Wednesday after the pupil membership count day and not later than
15 the sixth Wednesday after the supplemental count day, the district
16 shall resolve any pupil membership conflicts with another district,
17 correct any data issues, and recertify the data in a form and
18 manner prescribed by the center and file the certified data with
19 the intermediate superintendent. If a district fails to submit and
20 certify the attendance data, as required under this subsection, the
21 center shall notify the department and the department shall
22 withhold state aid due to be distributed under this article from
23 the defaulting district immediately, beginning with the next
24 payment after the failure and continuing with each payment until
25 the district complies with this subsection. If a district does not
26 comply with this subsection by the end of the fiscal year, the
27 district forfeits the amount withheld. A person who willfully
28 falsifies a figure or statement in the certified and sworn copy of
29 enrollment is subject to penalty as prescribed by section 161. ~~As~~



1 ~~used in this subsection, "pupils engaged in pandemic learning for~~
2 ~~spring 2021" means that term as defined in section 6a.~~

3 (2) To be eligible to receive state aid under this article,
4 not later than the twenty-fourth Wednesday after the pupil
5 membership count day and not later than the twenty-fourth Wednesday
6 after the supplemental count day, an intermediate district shall
7 submit to the center, in a form and manner prescribed by the
8 center, the audited enrollment and attendance data as described in
9 subsection (1) for the pupils of its constituent districts and of
10 the intermediate district. If an intermediate district fails to
11 submit the audited data as required under this subsection, the
12 department shall withhold state aid due to be distributed under
13 this article from the defaulting intermediate district immediately,
14 beginning with the next payment after the failure and continuing
15 with each payment until the intermediate district complies with
16 this subsection. If an intermediate district does not comply with
17 this subsection by the end of the fiscal year, the intermediate
18 district forfeits the amount withheld.

19 (3) Except as otherwise provided in subsections (11) ~~, and~~
20 ~~(12) and (13),~~ all of the following apply to the provision of
21 pupil instruction:

22 (a) Except as otherwise provided in this section, each
23 district shall provide at least 1,098 hours and 180 days of pupil
24 instruction. If a collective bargaining agreement that provides a
25 complete school calendar was in effect for employees of a district
26 as of June 24, 2014, and if that school calendar is not in
27 compliance with this subdivision, then this subdivision does not
28 apply to that district until after the expiration of that
29 collective bargaining agreement. A district may apply for a waiver



1 under subsection (9) from the requirements of this subdivision.

2 (b) Except as otherwise provided in this article, a district
3 failing to comply with the required minimum hours and days of pupil
4 instruction under this subsection forfeits from its total state aid
5 allocation an amount determined by applying a ratio of the number
6 of hours or days the district was in noncompliance in relation to
7 the required minimum number of hours and days under this
8 subsection. Not later than **the first business day in** August, ~~1,~~the
9 board of each district shall either certify to the department that
10 the district was in full compliance with this section regarding the
11 number of hours and days of pupil instruction in the previous
12 school year, or report to the department, in a form and manner
13 prescribed by the center, each instance of noncompliance. If the
14 district did not provide at least the required minimum number of
15 hours and days of pupil instruction under this subsection, the
16 department shall make the deduction of state aid in the following
17 fiscal year from the first payment of state school aid. A district
18 is not subject to forfeiture of funds under this subsection for a
19 fiscal year in which a forfeiture was already imposed under
20 subsection (6).

21 (c) Hours or days lost because of strikes or teachers'
22 conferences are not counted as hours or days of pupil instruction.

23 (d) Except as otherwise provided in subdivisions (e) ~~, and~~
24 (f), ~~and (h),~~ if a district does not have at least 75% of the
25 district's membership in attendance on any day of pupil
26 instruction, the department shall pay the district state aid in
27 that proportion of 1/180 that the actual percent of attendance
28 bears to 75%.

29 (e) If a district adds 1 or more days of pupil instruction to



1 the end of its instructional calendar for a school year to comply
2 with subdivision (a) because the district otherwise would fail to
3 provide the required minimum number of days of pupil instruction
4 even after the operation of subsection (4) due to conditions not
5 within the control of school authorities, then subdivision (d) does
6 not apply for any day of pupil instruction that is added to the end
7 of the instructional calendar. Instead, for any of those days, if
8 the district does not have at least 60% of the district's
9 membership in attendance on that day, the department shall pay the
10 district state aid in that proportion of 1/180 that the actual
11 percentage of attendance bears to 60%. For any day of pupil
12 instruction added to the instructional calendar as described in
13 this subdivision, the district shall report to the department the
14 percentage of the district's membership that is in attendance, in
15 the form and manner prescribed by the department.

16 (f) At the request of a district that operates a department-
17 approved alternative education program and that does not provide
18 instruction for pupils in all of grades K to 12, the superintendent
19 shall grant a waiver from the requirements of subdivision (d). The
20 waiver must provide that an eligible district is subject to the
21 proration provisions of subdivision (d) only if the district does
22 not have at least 50% of the district's membership in attendance on
23 any day of pupil instruction. In order to be eligible for this
24 waiver, a district must maintain records to substantiate its
25 compliance with the following requirements:

26 (i) The district offers the minimum hours of pupil instruction
27 as required under this section.

28 (ii) For each enrolled pupil, the district uses appropriate
29 academic assessments to develop an individual education plan that



1 leads to a high school diploma.

2 (iii) The district tests each pupil to determine academic
3 progress at regular intervals and records the results of those
4 tests in that pupil's individual education plan.

5 (g) All of the following apply to a waiver granted under
6 subdivision (f):

7 (i) If the waiver is for a blended model of delivery, a waiver
8 that is granted for the 2011-2012 fiscal year or a subsequent
9 fiscal year remains in effect unless it is revoked by the
10 superintendent.

11 (ii) If the waiver is for a 100% online model of delivery and
12 the educational program for which the waiver is granted makes
13 educational services available to pupils for a minimum of at least
14 1,098 hours during a school year and ensures that each pupil
15 participates in the educational program for at least 1,098 hours
16 during a school year, a waiver that is granted for the 2011-2012
17 fiscal year or a subsequent fiscal year remains in effect unless it
18 is revoked by the superintendent.

19 (iii) A waiver that is not a waiver described in subparagraph
20 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
21 superintendent, and must be renewed at the end of the 3-year period
22 to remain in effect.

23 ~~(h) For the 2020-2021 school year only, subdivision (d) does~~
24 ~~not apply for any day of pupil instruction. However, for the 2020-~~
25 ~~2021 school year only, a district shall ensure that 1 2-way~~
26 ~~interaction occurs between a pupil enrolled in the district and the~~
27 ~~pupil's teacher or at least 1 of the pupil's teachers or another~~
28 ~~district employee who has responsibility for the pupil's learning,~~
29 ~~grade progression, or academic progress during each month of the~~



~~1 school year for at least 75% of pupils enrolled in the district. As
 2 used in the immediately preceding sentence, "school year" means a
 3 period comprising at least 9 calendar months that are chosen by a
 4 district and that are designated as part of the district's 2020-
 5 2021 school year. If a district does not ensure that the
 6 interactions required under this subdivision occur for at least 75%
 7 of pupils enrolled in the district as required under this
 8 subdivision, the department shall pay the district state aid in
 9 that proportion of 1/9 that the actual percentage of interaction
 10 during each month bears to 75%. As used in this subdivision, "2-way
 11 interaction" means a communication that occurs between a pupil and
 12 the pupil's teacher or at least 1 of the pupil's teachers or
 13 another district employee who has responsibility for the pupil's
 14 learning, grade progression, or academic progress, where 1 party
 15 initiates communication and a response from the other party follows
 16 that communication, and that is relevant to course progress or
 17 course content for at least 1 of the courses in which the pupil is
 18 enrolled or relevant to the pupil's overall academic progress or
 19 grade progression. Responses, as described in this subdivision,
 20 must be to communication initiated by the teacher, by another
 21 district employee who has responsibility for the pupil's learning,
 22 grade progression, or academic progress, or by the pupil, and not
 23 some other action taken. The communication described in this
 24 subdivision may occur through, but is not limited to, any of the
 25 following means:~~

- ~~26 (i) Electronic mail.~~
- ~~27 (ii) Telephone.~~
- ~~28 (iii) Instant messaging.~~
- ~~29 (iv) Face-to-face conversation.~~



1 (h) ~~(i)~~—The superintendent shall promulgate rules for the
2 implementation of this subsection.

3 (4) Except as otherwise provided in this subsection, the first
4 6 days or the equivalent number of hours for which pupil
5 instruction is not provided because of conditions not within the
6 control of school authorities, such as severe storms, fires,
7 epidemics, utility power unavailability, water or sewer failure, or
8 health conditions as defined by the city, county, or state health
9 authorities, are counted as hours and days of pupil instruction.
10 With the approval of the superintendent of public instruction, the
11 department shall count as hours and days of pupil instruction for a
12 fiscal year not more than 3 additional days or the equivalent
13 number of additional hours for which pupil instruction is not
14 provided in a district due to unusual and extenuating occurrences
15 resulting from conditions not within the control of school
16 authorities such as those conditions described in this subsection.
17 Subsequent such hours or days are not counted as hours or days of
18 pupil instruction.

19 (5) A district does not forfeit part of its state aid
20 appropriation because it adopts or has in existence an alternative
21 scheduling program for pupils in kindergarten if the program
22 provides at least the number of hours required under subsection (3)
23 for a full-time equated membership for a pupil in kindergarten as
24 provided under section 6(4).

25 (6) In addition to any other penalty or forfeiture under this
26 section, if at any time the department determines that 1 or more of
27 the following have occurred in a district, the district forfeits in
28 the current fiscal year beginning in the next payment to be
29 calculated by the department a proportion of the funds due to the



1 district under this article that is equal to the proportion below
2 the required minimum number of hours and days of pupil instruction
3 under subsection (3), as specified in the following:

4 (a) The district fails to operate its schools for at least the
5 required minimum number of hours and days of pupil instruction
6 under subsection (3) in a school year, including hours and days
7 counted under subsection (4).

8 (b) The board of the district takes formal action not to
9 operate its schools for at least the required minimum number of
10 hours and days of pupil instruction under subsection (3) in a
11 school year, including hours and days counted under subsection (4).

12 (7) In providing the minimum number of hours and days of pupil
13 instruction required under subsection (3), a district shall use the
14 following guidelines, and a district shall maintain records to
15 substantiate its compliance with the following guidelines:

16 (a) Except as otherwise provided in this subsection, a pupil
17 must be scheduled for at least the required minimum number of hours
18 of instruction, excluding study halls, or at least the sum of 90
19 hours plus the required minimum number of hours of instruction,
20 including up to 2 study halls.

21 (b) The time a pupil is assigned to any tutorial activity in a
22 block schedule may be considered instructional time, unless that
23 time is determined in an audit to be a study hall period.

24 (c) Except as otherwise provided in this subdivision, a pupil
25 in grades 9 to 12 for whom a reduced schedule is determined to be
26 in the individual pupil's best educational interest must be
27 scheduled for a number of hours equal to at least 80% of the
28 required minimum number of hours of pupil instruction to be
29 considered a full-time equivalent pupil. A pupil in grades 9 to 12



1 who is scheduled in a 4-block schedule may receive a reduced
2 schedule under this subsection if the pupil is scheduled for a
3 number of hours equal to at least 75% of the required minimum
4 number of hours of pupil instruction to be considered a full-time
5 equivalent pupil.

6 (d) If a pupil in grades 9 to 12 who is enrolled in a
7 cooperative education program or a special education pupil cannot
8 receive the required minimum number of hours of pupil instruction
9 solely because of travel time between instructional sites during
10 the school day, that travel time, up to a maximum of 3 hours per
11 school week, is considered to be pupil instruction time for the
12 purpose of determining whether the pupil is receiving the required
13 minimum number of hours of pupil instruction. However, if a
14 district demonstrates to the satisfaction of the department that
15 the travel time limitation under this subdivision would create
16 undue costs or hardship to the district, the department may
17 consider more travel time to be pupil instruction time for this
18 purpose.

19 (e) In grades 7 through 12, instructional time that is part of
20 a Junior Reserve Officer Training Corps (JROTC) program is
21 considered to be pupil instruction time regardless of whether the
22 instructor is a certificated teacher if all of the following are
23 met:

24 (i) The instructor has met all of the requirements established
25 by the United States Department of Defense and the applicable
26 branch of the armed services for serving as an instructor in the
27 Junior Reserve Officer Training Corps program.

28 (ii) The board of the district or intermediate district
29 employing or assigning the instructor complies with the



1 requirements of sections 1230 and 1230a of the revised school code,
2 MCL 380.1230 and 380.1230a, with respect to the instructor to the
3 same extent as if employing the instructor as a regular classroom
4 teacher.

5 (8) Except as otherwise provided in subsections (11) ~~, and~~
6 (12), ~~and (13),~~ the department shall apply the guidelines under
7 subsection (7) in calculating the full-time equivalency of pupils.

8 (9) Upon application by the district for a particular fiscal
9 year, the superintendent shall waive for a district the minimum
10 number of hours and days of pupil instruction requirement of
11 subsection (3) for a department-approved alternative education
12 program or another innovative program approved by the department,
13 including a 4-day school week. If a district applies for and
14 receives a waiver under this subsection and complies with the terms
15 of the waiver, the district is not subject to forfeiture under this
16 section for the specific program covered by the waiver. If the
17 district does not comply with the terms of the waiver, the amount
18 of the forfeiture is calculated based upon a comparison of the
19 number of hours and days of pupil instruction actually provided to
20 the minimum number of hours and days of pupil instruction required
21 under subsection (3). A district shall report pupils enrolled in a
22 department-approved alternative education program under this
23 subsection to the center in a form and manner determined by the
24 center. All of the following apply to a waiver granted under this
25 subsection:

26 (a) If the waiver is for a blended model of delivery, a waiver
27 that is granted for the 2011-2012 fiscal year or a subsequent
28 fiscal year remains in effect unless it is revoked by the
29 superintendent.



1 (b) If the waiver is for a 100% online model of delivery and
2 the educational program for which the waiver is granted makes
3 educational services available to pupils for a minimum of at least
4 1,098 hours during a school year and ensures that each pupil is on
5 track for course completion at proficiency level, a waiver that is
6 granted for the 2011-2012 fiscal year or a subsequent fiscal year
7 remains in effect unless it is revoked by the superintendent.

8 (c) A waiver that is not a waiver described in subdivision (a)
9 or (b) is valid for 3 fiscal years, unless it is revoked by the
10 superintendent, and must be renewed at the end of the 3-year period
11 to remain in effect.

12 (10) A district may count up to 38 hours of professional
13 development for teachers as hours of pupil instruction. All of the
14 following apply to the counting of professional development as
15 pupil instruction under this subsection:

16 (a) If the professional development exceeds 5 hours in a
17 single day, that day may be counted as a day of pupil instruction.

18 (b) At least 8 hours of the professional development counted
19 as hours of pupil instruction under this subsection must be
20 recommended by a districtwide professional development advisory
21 committee appointed by the district board. The advisory committee
22 must be composed of teachers employed by the district who represent
23 a variety of grades and subject matter specializations, including
24 special education; nonteaching staff; parents; and administrators.
25 The majority membership of the committee must be composed of
26 teaching staff.

27 (c) Professional development provided online is allowable and
28 encouraged, as long as the instruction has been approved by the
29 district. The department shall issue a list of approved online



1 professional development providers that must include the Michigan
2 Virtual School.

3 (d) Professional development may only be counted as hours of
4 pupil instruction under this subsection for the pupils of those
5 teachers scheduled to participate in the professional development.

6 (e) The professional development must meet all of the
7 following to be counted as pupil instruction under this subsection:

8 (i) Be aligned to the school or district improvement plan for
9 the school or district in which the professional development is
10 being provided.

11 (ii) Be linked to 1 or more criteria in the evaluation tool
12 developed or adopted by the district or intermediate district under
13 section 1249 of the revised school code, MCL 380.1249.

14 (iii) Has been approved by the department as counting for state
15 continuing education clock hours. The number of hours of
16 professional development counted as hours of pupil instruction
17 under this subsection may not exceed the number of state continuing
18 education clock hours for which the professional development was
19 approved.

20 (iv) Not more than a combined total of 10 hours of the
21 professional development takes place before the first scheduled day
22 of school for the school year ending in the fiscal year and after
23 the last scheduled day of school for that school year.

24 (v) Not more than 10 hours of the professional development
25 takes place in a single month.

26 (vi) At least 75% of teachers scheduled to participate in the
27 professional development are in attendance.

28 (11) Subsections (3) and (8) do not apply to a school of
29 excellence that is a cyber school, as that term is defined in



1 section 551 of the revised school code, MCL 380.551, and is in
 2 compliance with section 553a of the revised school code, MCL
 3 380.553a.

4 (12) Subsections (3) and (8) do not apply to eligible pupils
 5 enrolled in a dropout recovery program that meets the requirements
 6 of section 23a. As used in this subsection, "eligible pupil" means
 7 that term as defined in section 23a.

8 ~~(13) For the 2020-2021 school year only, the minimum number of~~
 9 ~~hours and days of pupil instruction requirement under subsection~~
 10 ~~(3) is waived for each district that, at a minimum, provides pupil~~
 11 ~~instruction for the 2020-2021 school year at school, at a different~~
 12 ~~location, in person, online, digitally, by other remote means, in a~~
 13 ~~synchronous or asynchronous format, or through any combination~~
 14 ~~therein that results in an amount of hours and days necessary to~~
 15 ~~deliver the educational or course content that would have been~~
 16 ~~delivered in 180 days and 1,098 hours in a school year in which~~
 17 ~~pandemic learning was not provided and that would have led to~~
 18 ~~course completion. As used in this subsection, "pandemic learning"~~
 19 ~~means a mode of pupil instruction provided as a result of the~~
 20 ~~COVID-19 pandemic.~~

21 (13) ~~(14)~~ At least every 2 years the superintendent shall
 22 review the waiver standards set forth in the pupil accounting and
 23 auditing manuals to ensure that the waiver standards and waiver
 24 process continue to be appropriate and responsive to changing
 25 trends in online learning. The superintendent shall solicit and
 26 consider input from stakeholders as part of this review.

27 Sec. 104. (1) In order to receive state aid under this
 28 article, a district shall comply with sections 1249, 1278a, 1278b,
 29 1279g, and 1280b of the revised school code, MCL 380.1249,



1 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
 2 388.1081 to 388.1086. Subject to subsection (2), from the state
 3 school aid fund money appropriated in section 11, there is
 4 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 5 ~~\$31,009,400.00~~ **\$29,509,400.00** for payments on behalf of districts
 6 for costs associated with complying with those provisions of law.
 7 In addition, from the federal funds appropriated in section 11,
 8 there is allocated for ~~2020-2021~~ **2021-2022** an amount estimated at
 9 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
 10 funds, and from DED-OSERS, ~~section 504 of~~ part B of the individuals
 11 with disabilities education act, ~~Public Law 94-142,~~ **20 USC 1411 to**
 12 **1419**, plus any carryover federal funds from previous year
 13 appropriations, for the purposes of complying with the every
 14 student succeeds act, Public Law 114-95.

15 (2) The results of each test administered as part of the
 16 Michigan student test of educational progress (M-STEP), including
 17 tests administered to high school students, must include an item
 18 analysis that lists all items that are counted for individual pupil
 19 scores and the percentage of pupils choosing each possible
 20 response. The department shall work with the center to identify the
 21 number of students enrolled at the time assessments are given by
 22 each district. In calculating the percentage of pupils assessed for
 23 a district's scorecard, the department shall use only the number of
 24 pupils enrolled in the district at the time the district
 25 administers the assessments and shall exclude pupils who enroll in
 26 the district after the district administers the assessments.

27 (3) The department shall distribute federal funds allocated
 28 under this section in accordance with federal law and with
 29 flexibility provisions outlined in Public Law 107-116, and in the



1 education flexibility partnership act of 1999, Public Law 106-25.

2 ~~(4) From the funds allocated in subsection (1), there is~~
 3 ~~allocated an amount not to exceed \$1,500,000.00 to an intermediate~~
 4 ~~district described in this subsection for, except as otherwise~~
 5 ~~provided in this subsection, statewide implementation of the~~
 6 ~~Michigan kindergarten entry observation tool (MKEO), utilizing the~~
 7 ~~Maryland-Ohio observational tool, also referred to as the~~
 8 ~~Kindergarten Readiness Assessment, as piloted under this subsection~~
 9 ~~in 2017-2018 and implemented in 2018-2019 and 2019-2020. The~~
 10 ~~funding in this subsection is allocated to an intermediate district~~
 11 ~~in prosperity region 9 with at least 3,000 kindergarten pupils~~
 12 ~~enrolled in its constituent districts. An intermediate district~~
 13 ~~described in this subsection is not required to carry out the~~
 14 ~~statewide implementation of the Michigan kindergarten entry~~
 15 ~~observation tool (MKEO), as described in this subsection, for the~~
 16 ~~fall of 2020. It is the intent of the legislature to account for~~
 17 ~~health, safety, and welfare concerns related to the COVID-19~~
 18 ~~pandemic by temporarily suspending the requirement for statewide~~
 19 ~~implementation of the Michigan kindergarten entry observation tool~~
 20 ~~(MKEO) under this subsection for the fall of 2020. All of the~~
 21 ~~following apply to the implementation of the kindergarten entry~~
 22 ~~observation tool under this subsection:~~

23 ~~(a) The department, in collaboration with all intermediate~~
 24 ~~districts, shall ensure that the Michigan kindergarten entry~~
 25 ~~observation tool is administered in each kindergarten classroom to~~
 26 ~~either the full census of kindergarten pupils enrolled in the~~
 27 ~~classroom or to a representative sample of not less than 35% of the~~
 28 ~~total kindergarten pupils enrolled in each classroom. If a district~~
 29 ~~elects to administer the Michigan kindergarten entry observation~~



~~1 tool to a random sample of pupils within each classroom, the
2 district's intermediate district shall select the pupils who will
3 receive the assessment based on the same random method. Beginning
4 in 2021, the observation tool must be administered within 45 days
5 after the start of the school year.~~

~~6 (b) The intermediate district that receives funding under this
7 subsection, in collaboration with all other intermediate districts,
8 shall implement a "train the trainer" professional development
9 model on the usage of the Michigan kindergarten entry observation
10 tool. This training model must provide training to intermediate
11 district staff so that they may provide similar training for staff
12 of their constituent districts. This training model must also
13 ensure that the tool produces reliable data and that there are a
14 sufficient number of trainers to train all kindergarten teachers
15 statewide.~~

~~16 (c) By March 1, 2022, and each year thereafter, the department
17 and the intermediate district that receives funding under this
18 subsection shall report to the house and senate appropriations
19 subcommittees on state school aid, the house and senate fiscal
20 agencies, and the state budget director on the results of the
21 statewide implementation, including, but not limited to, an
22 evaluation of the demonstrated readiness of kindergarten pupils
23 statewide and the effectiveness of state and federal early
24 childhood programs that are designed for school readiness under
25 this state's authority, including the great start readiness program
26 and the great start readiness/Head Start blended program, as
27 referenced under section 32d. By September 1, 2022, and each year
28 thereafter, the department and the center shall provide a method
29 for districts and public school academies with kindergarten~~



1 ~~enrollment to look up and verify their student enrollment data for~~
 2 ~~pupils who were enrolled in a publicly funded early childhood~~
 3 ~~program in the year before kindergarten, including the individual~~
 4 ~~great start readiness program, individual great start~~
 5 ~~readiness/Head Start blended program, individual title I preschool~~
 6 ~~program, individual section 31a preschool program, individual early~~
 7 ~~childhood special education program, or individual developmental~~
 8 ~~kindergarten or program for young 5 year olds in which each tested~~
 9 ~~child was enrolled. A participating district shall analyze the data~~
 10 ~~to determine whether high-performing children were enrolled in any~~
 11 ~~specific early childhood program and, if so, report that finding to~~
 12 ~~the department and to the intermediate district that receives~~
 13 ~~funding under this subsection.~~

14 ~~(d) The department shall approve the language and literacy~~
 15 ~~domain within the Kindergarten Readiness Assessment for use by~~
 16 ~~districts as an initial assessment that may be delivered to all~~
 17 ~~kindergarten pupils to assist with identifying any possible area of~~
 18 ~~concern for a pupil in English language arts.~~

19 ~~(e) As used in this subsection:~~

20 ~~(i) "Kindergarten" includes a classroom for young 5-year-olds,~~
 21 ~~commonly referred to as "young 5s" or "developmental kindergarten".~~

22 ~~(ii) "Representative sample" means a sample capable of~~
 23 ~~producing valid and reliable assessment information on all or major~~
 24 ~~subgroups of kindergarten pupils in a district.~~

25 ~~(4) (5) The department may recommend, but may not require,~~
 26 ~~districts to allow pupils to use an external keyboard with tablet~~
 27 ~~devices for online M-STEP testing, including, but not limited to,~~
 28 ~~open-ended test items such as constructed response or equation~~
 29 ~~builder items.~~



1 (5) ~~(6)~~ Notwithstanding section 17b, the department shall make
 2 payments on behalf of districts, intermediate districts, and other
 3 eligible entities under this section on a schedule determined by
 4 the department.

5 (6) ~~(7)~~ From the allocation in subsection (1), there is
 6 allocated an amount not to exceed \$500,000.00 for ~~2020-2021-2021-~~
 7 ~~2022~~ for the operation of an online reporting tool to provide
 8 student-level assessment data in a secure environment to educators,
 9 parents, and pupils immediately after assessments are scored. The
 10 department and the center shall ensure that any data collected by
 11 the online reporting tool do not provide individually identifiable
 12 student data to the federal government.

13 ~~(8) In order to receive state aid under this article for 2020-~~
 14 ~~2021, a district shall meet both of the following requirements:~~

15 ~~(a) Within the first 9 weeks of the 2020-2021 school year, the~~
 16 ~~district shall administer 1 or more benchmark assessments provided~~
 17 ~~by a provider approved under subsection (9), benchmark assessments~~
 18 ~~described in subsection (10), or local benchmark assessments, or~~
 19 ~~any combination thereof, to all pupils in grades K to 8 to measure~~
 20 ~~proficiency in reading and mathematics.~~

21 ~~(b) In addition to the benchmark assessment or benchmark~~
 22 ~~assessments administered under subdivision (a), by not later than~~
 23 ~~the last day of the 2020-2021 school year, the district shall~~
 24 ~~administer 1 or more benchmark assessments provided by a provider~~
 25 ~~approved under subsection (9), benchmark assessments described in~~
 26 ~~subsection (10), or local benchmark assessments, or any combination~~
 27 ~~thereof, to all pupils in grades K to 8 to measure proficiency in~~
 28 ~~reading and mathematics.~~

29 ~~(9) The department shall approve at least 4 but not more than~~



1 ~~5 providers of benchmark assessments for the purposes of subsection~~
 2 ~~(8). The department shall inform districts of all of the providers~~
 3 ~~approved under this subsection in an equitable manner. The~~
 4 ~~benchmark assessments provided for the purposes of subsection (8)~~
 5 ~~by approved providers under this subsection, with the exclusion of~~
 6 ~~the benchmark assessment described in subsection (14), must meet~~
 7 ~~all of the following:~~

8 ~~(a) Be 1 of the most commonly administered benchmark~~
 9 ~~assessments in this state.~~

10 ~~(b) Be aligned to the content standards of this state.~~

11 ~~(c) Complement the state's summative assessment system.~~

12 ~~(d) Be internet-delivered and include a standards-based~~
 13 ~~remote, in-person, or both remote and in-person assessment using a~~
 14 ~~computer-adaptive model to target the instructional level of each~~
 15 ~~pupil.~~

16 ~~(e) Provide information on pupil achievement with regard to~~
 17 ~~learning content required in a given year or grade span.~~

18 ~~(f) Provide immediate feedback to pupils and teachers.~~

19 ~~(g) Be nationally normed.~~

20 ~~(h) Provide multiple measures of growth and provide for~~
 21 ~~multiple testing opportunities.~~

22 ~~(10) A district may administer 1 or more of the following~~
 23 ~~benchmark assessments toward meeting the requirement under~~
 24 ~~subsection (8):~~

25 ~~(a) A benchmark assessment in reading for students in grades K~~
 26 ~~to 9 that contains progress monitoring tools and enhanced~~
 27 ~~diagnostic assessments.~~

28 ~~(b) A benchmark assessment in math for students in grades K to~~
 29 ~~8 that contains progress monitoring tools.~~



1 ~~(11) To the extent practicable, if a district administers a~~
2 ~~benchmark assessment or benchmark assessments under this section,~~
3 ~~the district shall administer the same benchmark assessment or~~
4 ~~benchmark assessments provided by a provider approved under~~
5 ~~subsection (9), benchmark assessment or benchmark assessments~~
6 ~~described in subsection (10), or local benchmark assessment or~~
7 ~~local benchmark assessments that it administered to pupils in~~
8 ~~previous school years, as applicable.~~

9 ~~(12) By not later than June 30, 2021, a district shall send~~
10 ~~the aggregate district-level data from a benchmark assessment or~~
11 ~~benchmark assessments, excluding data from a local benchmark~~
12 ~~assessment or local benchmark assessments, administered under this~~
13 ~~section to a regional data hub that is part of the Michigan data~~
14 ~~hub network that shall compile the data and send it to the center.~~
15 ~~Not later than September 1, 2021, the department and the center~~
16 ~~shall provide a report to the governor and the senate and house~~
17 ~~standing committees responsible for education legislation~~
18 ~~identifying the number and percentage of pupils in this state who~~
19 ~~are significantly behind grade level as determined by the~~
20 ~~department and the center based on the data provided to the center~~
21 ~~under this subsection. The benchmark assessment data under this~~
22 ~~subsection may also be used to measure pupils' growth based on~~
23 ~~their performance on state summative assessments to identify~~
24 ~~districts and schools where pupil achievement has increased or~~
25 ~~decreased. However, the benchmark assessment data under this~~
26 ~~subsection must not be utilized for the state accountability~~
27 ~~system. It is the intent of the legislature that the benchmark~~
28 ~~assessment data under this subsection be primarily utilized to~~
29 ~~determine the loss of learning, if any, resulting from the COVID-19~~



1 ~~pandemic. After the administration of statewide assessments~~
 2 ~~resumes, the department shall also provide a report to the governor~~
 3 ~~and the senate and house standing committees responsible for~~
 4 ~~education legislation identifying the specific pupil groups whose~~
 5 ~~expected trajectory toward grade-level proficiency were most~~
 6 ~~impacted by school closures that occurred pursuant to the COVID-19~~
 7 ~~pandemic.~~

8 ~~(13) If a district administers a benchmark assessment or~~
 9 ~~benchmark assessments under this section, the district shall~~
 10 ~~provide each pupil's data from the benchmark assessment or~~
 11 ~~benchmark assessments, as available, to the pupil's parent or legal~~
 12 ~~guardian within 30 days of administering the benchmark assessment~~
 13 ~~or benchmark assessments.~~

14 ~~(14) The department shall make 1 of the benchmark assessments~~
 15 ~~provided by a provider approved under subsection (9) available to~~
 16 ~~districts at no cost to the districts. The benchmark assessment~~
 17 ~~described in this subsection must meet all of the following:~~

18 ~~(a) Be aligned to the content standards of this state.~~

19 ~~(b) Complement the state's summative assessment system.~~

20 ~~(c) Be internet-delivered and include a standards-based~~
 21 ~~assessment.~~

22 ~~(d) Provide information on pupil achievement with regard to~~
 23 ~~learning content required in a given year or grade span.~~

24 ~~(e) Provide timely feedback to pupils and teachers.~~

25 ~~(f) Be nationally normed.~~

26 ~~(g) Provide information to educators about student growth and~~
 27 ~~allow for multiple testing opportunities.~~

28 ~~(15) If a local benchmark assessment or local benchmark~~
 29 ~~assessments are administered under subsection (8), the district~~



1 ~~shall report to the department and the center, in a form and manner~~
 2 ~~prescribed by the center, the local benchmark assessment or local~~
 3 ~~benchmark assessments that were administered and how that~~
 4 ~~assessment or those assessments measure changes, including any~~
 5 ~~losses, as applicable, in learning, and the district's plan for~~
 6 ~~addressing any losses in learning.~~

7 ~~(16) From the general fund money appropriated in section 11,~~
 8 ~~there is allocated for 2020-2021 an amount not to exceed~~
 9 ~~\$150,000.00 to a higher education institution or other entity that~~
 10 ~~is not a state governmental entity that has expertise in conducting~~
 11 ~~a study described in this subsection to conduct a study that, at a~~
 12 ~~minimum, accomplishes all of the following:~~

13 ~~(a) Provides for an assessment of the distance-learning~~
 14 ~~programs utilized in this state that were effective at meeting~~
 15 ~~educational goals and attainment.~~

16 ~~(b) Provides for an assessment of how the programs described~~
 17 ~~in subdivision (a) operated.~~

18 ~~(c) Provides for an assessment of the best practices~~
 19 ~~implemented by the programs described in subdivision (a) that~~
 20 ~~should be replicated by schools engaged in distance learning.~~

21 ~~(d) Notes distance-learning models that were ineffective in~~
 22 ~~achieving educational goals.~~

23 ~~(7) (17) As used in this section:~~

24 ~~(a) "DED" means the United States Department of Education.~~

25 ~~(b) "DED-OESE" means the DED Office of Elementary and~~
 26 ~~Secondary Education.~~

27 ~~(c) "DED-OSERS" means the DED Office of Special Education and~~
 28 ~~Rehabilitative Services.~~

29 ~~Sec. 104a. (1) From the federal fund money allocated under~~



1 section 11n awarded to this state from the governor's emergency
 2 education relief (GEER) fund under the coronavirus response and
 3 relief supplemental appropriations act, 2021, division M of Public
 4 Law 116-260, there is allocated for 2020-2021 an amount not to
 5 exceed \$2,572,000.00, and from the federal fund money allocated
 6 under section 11n awarded to this state from the elementary and
 7 secondary school emergency relief (ESSER) fund under the
 8 coronavirus response and relief supplemental appropriations act,
 9 2021, division M of Public Law 116-260, there is allocated for
 10 2020-2021 an amount not to exceed \$4,949,300.00, and from the state
 11 school aid fund money appropriated under section 11, there is
 12 allocated for 2020-2021 an amount not to exceed \$4,197,900.00 to
 13 districts to begin implementation of a benchmark assessment system
 14 for the 2021-2022 school year. All of the following apply to the
 15 benchmark assessment system described in this subsection:

16 (a) The system must provide for all of the following:

17 (i) That, within the first 9 weeks of the 2021-2022 school
 18 year, the district shall administer 1 or more benchmark assessments
 19 provided by a provider approved under ~~section 104(9)~~, **subsection**
 20 **(4)**, benchmark assessments described in subdivision (b), or local
 21 benchmark assessments, or any combination thereof, to all pupils in
 22 grades K to 8 to measure proficiency in reading and mathematics.

23 (ii) That, in addition to the benchmark assessment or benchmark
 24 assessments administered under subparagraph (i), by not later than
 25 the last day of the 2021-2022 school year, the district shall
 26 administer 1 or more benchmark assessments provided by a provider
 27 approved under ~~section 104(9)~~, **subsection (4)**, benchmark
 28 assessments described in subdivision (b), or local benchmark
 29 assessments, or any combination thereof, to all pupils in grades K



1 to 8 to measure proficiency in reading and mathematics.

2 (b) A district may administer 1 or more of the following
3 benchmark assessments toward meeting the requirements under
4 subdivision (a):

5 (i) A benchmark assessment in reading for students in grades K
6 to 9 that contains progress monitoring tools and enhanced
7 diagnostic assessments.

8 (ii) A benchmark assessment in math for students in grades K to
9 8 that contains progress monitoring tools.

10 (c) The system must provide that, to the extent practicable,
11 if a district administers a benchmark assessment or benchmark
12 assessments under this section, the district shall administer the
13 same benchmark assessment or benchmark assessments provided by a
14 provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark
15 assessment or benchmark assessments described in subdivision (b),
16 or local benchmark assessment or local benchmark assessments that
17 it administered to pupils in previous school years, as applicable.

18 (d) The system must provide that, if a district administers a
19 benchmark assessment or benchmark assessments under this section,
20 the district shall provide each pupil's data from the benchmark
21 assessment or benchmark assessments, as available, to the pupil's
22 parent or legal guardian within 30 days of administering the
23 benchmark assessment or benchmark assessments.

24 (e) The system must provide that, if a local benchmark
25 assessment or local benchmark assessments are administered under
26 subdivision (a), the district shall report to the department and
27 the center, in a form and manner prescribed by the center, the
28 local benchmark assessment or local benchmark assessments that were
29 administered and how that assessment or those assessments measure



1 changes, including any losses, as applicable, in learning, and the
2 district's plan for addressing any losses in learning.

3 (f) The system must provide that, by not later than 30 days
4 after a benchmark assessment or benchmark assessments are
5 administered as described in this subsection, the district shall
6 send benchmark assessment data, excluding data from a local
7 benchmark assessment, as applicable, aggregated by grade level,
8 **student demographic subgroups, and mode of instruction** to the
9 department. If available, the data described in this subdivision
10 must include information concerning pupil growth from fall 2020 to
11 fall 2021.

12 (2) To receive funding under this section, a district must
13 apply for the funding in a form and manner prescribed by the
14 department.

15 (3) The department shall pay an amount equal to \$12.50 per
16 membership pupil in grades K to 8 in the district to each district
17 that applies for funding under this section.

18 (4) **The department shall approve at least 4 but not more than**
19 **6 providers of benchmark assessments for the purposes of this**
20 **section. The department shall inform districts of all of the**
21 **providers approved under this subsection in an equitable manner.**
22 **The benchmark assessments provided for the purposes of this section**
23 **by approved providers under this subsection, with the exclusion of**
24 **the benchmark assessment described in subsection (5) must meet all**
25 **of the following:**

26 (a) Be aligned to the content standards of this state.

27 (b) Complement the state's summative assessment system.

28 (c) Be internet-delivered and include a standards-based
29 remote, in-person, or both remote and in-person assessment using a



1 computer-adaptive model to target the instructional level of each
2 pupil.

3 (d) Provide information on pupil achievement with regard to
4 learning content required in a given year or grade span.

5 (e) Provide immediate feedback to pupils and teachers.

6 (f) Be nationally normed.

7 (g) Provide multiple measures of growth and provide for
8 multiple testing opportunities.

9 (h) Be 1 of the most commonly administered benchmark
10 assessments in this state.

11 (5) ~~(4)~~—The department shall make 1 of the benchmark
12 assessments provided by a provider approved under ~~section 104(9)~~
13 **subsection (4)** available to districts at no cost to the districts
14 for purposes of meeting the requirements under this section. The
15 benchmark assessment described in this subsection must meet all of
16 the following:

17 (a) Be aligned to the content standards of this state.

18 (b) Complement the state's summative assessment system.

19 (c) Be internet-delivered and include a standards-based
20 assessment.

21 (d) Provide information on pupil achievement with regard to
22 learning content required in a given year or grade span.

23 (e) Provide timely feedback to pupils and teachers.

24 (f) Be nationally normed.

25 (g) Provide information to educators about student growth and
26 allow for multiple testing opportunities.

27 (6) ~~(5)~~—By not later than December 31, 2021, the department
28 shall submit a report to the house and senate appropriations
29 committees, the house and senate appropriations subcommittees on



1 school aid, and the house and senate fiscal agencies regarding the
 2 benchmark assessment data received under this section,
 3 disaggregated by grade level for each district. If information
 4 concerning pupil growth is included in the data described in this
 5 subsection, it must be incorporated in the report described in this
 6 subsection.

7 Sec. 104c. (1) In order to receive state aid under this
 8 article, a district shall administer the state assessments
 9 described in this section.

10 (2) For the purposes of this section, the department shall
 11 develop and administer the Michigan student test of educational
 12 progress (M-STEP) assessments in English language arts and
 13 mathematics. These assessments shall be aligned to state standards.

14 (3) For the purposes of this section, the department shall
 15 implement a summative assessment system that is proven to be valid
 16 and reliable for administration to pupils as provided under this
 17 subsection. The summative assessment system must meet all of the
 18 following requirements:

19 (a) The summative assessment system must measure student
 20 proficiency on the current state standards, must measure student
 21 growth for consecutive grade levels in which students are assessed
 22 in the same subject area in both grade levels, and must be capable
 23 of measuring individual student performance.

24 (b) The summative assessments for English language arts and
 25 mathematics must be administered to all public school pupils in
 26 grades 3 to 11, including those pupils as required by the federal
 27 individuals with disabilities education act, Public Law 108-446,
 28 and by title I of the federal every student succeeds act (ESSA),
 29 Public Law 114-95.



1 (c) The summative assessments for science must be administered
2 to all public school pupils in at least grades 5 and 8, including
3 those pupils as required by the federal individuals with
4 disabilities education act, Public Law 108-446, and by title I of
5 the federal every student succeeds act (ESSA), Public Law 114-95.

6 (d) The summative assessments for social studies must be
7 administered to all public school pupils in at least grades 5 and
8 8, including those pupils as required by the federal individuals
9 with disabilities education act, Public Law 108-446, and by title I
10 of the federal every student succeeds act (ESSA), Public Law 114-
11 95.

12 (e) The content of the summative assessments must be aligned
13 to state standards.

14 (f) The pool of questions for the summative assessments must
15 be subject to a transparent review process for quality, bias, and
16 sensitive issues involving educator review and comment. The
17 department shall post samples from tests or retired tests featuring
18 questions from this pool for review by the public.

19 (g) The summative assessment system must ensure that students,
20 parents, and teachers are provided with reports that convey
21 individual student proficiency and growth on the assessment and
22 that convey individual student domain-level performance in each
23 subject area, including representative questions, and individual
24 student performance in meeting state standards.

25 (h) The summative assessment system must be capable of
26 providing, and the department shall ensure that students, parents,
27 teachers, administrators, and community members are provided with,
28 reports that convey aggregate student proficiency and growth data
29 by teacher, grade, school, and district.



1 (i) The summative assessment system must ensure the capability
2 of reporting the available data to support educator evaluations.

3 (j) The summative assessment system must ensure that the
4 reports provided to districts containing individual student data
5 are available within 60 days after completion of the assessments.

6 (k) The summative assessment system must ensure that access to
7 individually identifiable student data meets all of the following:

8 (i) Is in compliance with 20 USC 1232g, commonly referred to as
9 the family educational rights and privacy act of 1974.

10 (ii) Except as may be provided for in an agreement with a
11 vendor to provide assessment services, as necessary to support
12 educator evaluations pursuant to subdivision (i), or for research
13 or program evaluation purposes, is available only to the student;
14 to the student's parent or legal guardian; and to a school
15 administrator or teacher, to the extent that he or she has a
16 legitimate educational interest.

17 (l) The summative assessment system must ensure that the
18 assessments are pilot tested before statewide implementation.

19 (m) The summative assessment system must ensure that
20 assessments are designed so that the maximum total combined length
21 of time that schools are required to set aside for a pupil to
22 answer all test questions on all assessments that are part of the
23 system for the pupil's grade level does not exceed that maximum
24 total combined length of time for the previous statewide assessment
25 system or 9 hours, whichever is less. This subdivision does not
26 limit the amount of time a district may allow a pupil to complete a
27 test.

28 (n) The total cost of executing the summative assessment
29 system statewide each year, including, but not limited to, the cost



1 of contracts for administration, scoring, and reporting, must not
 2 exceed an amount equal to 2 times the cost of executing the
 3 previous statewide assessment after adjustment for inflation.

4 ~~(o) Beginning with the 2017-2018 school year, the~~**The**
 5 summative assessment system must not require more than 3 hours in
 6 duration, on average, for an individual pupil to complete the
 7 combined administration of the math and English language arts
 8 portions of the assessment for any 1 grade level.

9 (p) The summative assessments for English language arts and
 10 mathematics for pupils in grades 8 to 10 must be aligned to the
 11 college entrance test portion of the Michigan merit examination
 12 required under section 104b.

13 (4) The department shall offer benchmark assessments in the
 14 fall and spring of each school year to measure English language
 15 arts and mathematics in each of grades K to 2. Full implementation
 16 must occur not later than the 2019-2020 school year. These
 17 assessments are necessary to determine a pupil's proficiency level
 18 before grade 3. ~~and must meet the requirements under section~~
 19 ~~104d(4).~~

20 (5) This section does not prohibit districts from adopting
 21 interim assessments.

22 (6) As used in this section, "English language arts" means
 23 that term as defined in section 104b.

24 **Sec. 104h. (1) From the state school aid fund money**
 25 **appropriated under section 11, there is allocated for 2021-2022 an**
 26 **amount not to exceed \$11,500,000.00 to districts to begin**
 27 **implementation of a benchmark assessment system for the 2022-2023**
 28 **school year. All of the following apply to the benchmark assessment**
 29 **system described in this subsection:**



1 (a) The system must provide for all of the following:

2 (i) That, within the first 9 weeks of the 2022-2023 school
3 year, the district shall administer 1 or more benchmark assessments
4 provided by a provider approved under subsection (6), benchmark
5 assessments described in subdivision (b), or local benchmark
6 assessments, or any combination thereof, to all pupils in grades K
7 to 8 to measure proficiency in reading and mathematics.

8 (ii) That, in addition to the benchmark assessment or benchmark
9 assessments administered under subparagraph (i), by not later than
10 the last day of the 2022-2023 school year, the district shall
11 administer 1 or more benchmark assessments provided by a provider
12 approved under subsection (6), benchmark assessments described in
13 subdivision (b), or local benchmark assessments, or any combination
14 thereof, to all pupils in grades K to 8 to measure proficiency in
15 reading and mathematics.

16 (b) A district may administer 1 or more of the following
17 benchmark assessments toward meeting the requirements under
18 subdivision (a):

19 (i) A benchmark assessment in reading for students in grades K
20 to 9 that contains progress monitoring tools and enhanced
21 diagnostic assessments.

22 (ii) A benchmark assessment in math for students in grades K to
23 8 that contains progress monitoring tools.

24 (c) The system must provide that, to the extent practicable,
25 if a district administers a benchmark assessment or benchmark
26 assessments under this section, the district shall administer the
27 same benchmark assessment or benchmark assessments provided by a
28 provider approved under subsection (6), benchmark assessment or
29 benchmark assessments described in subdivision (b), or local



1 benchmark assessment or local benchmark assessments that it
 2 administered to pupils in previous school years, as applicable.

3 (d) The system must provide that, if a district administers a
 4 benchmark assessment or benchmark assessments under this section,
 5 the district shall provide each pupil's data from the benchmark
 6 assessment or benchmark assessments, as available, to the pupil's
 7 parent or legal guardian within 30 days of administering the
 8 benchmark assessment or benchmark assessments.

9 (e) The system must provide that, if a local benchmark
 10 assessment or local benchmark assessments are administered under
 11 subdivision (a), the district shall report to the department and
 12 the center, in a form and manner prescribed by the center, the
 13 local benchmark assessment or local benchmark assessments that were
 14 administered and how that assessment or those assessments measure
 15 changes, including any losses, as applicable, in learning, and the
 16 district's plan for addressing any losses in learning.

17 (f) The system must provide that, by not later than 30 days
 18 after a benchmark assessment or benchmark assessments are
 19 administered under subparagraph (1) (a) (ii), the district shall send
 20 benchmark assessment data from all benchmark assessments
 21 administered in the 2022-2023 school year, excluding data from a
 22 local benchmark assessment, as applicable, aggregated by grade
 23 level, student demographic subgroups, and mode of instruction to
 24 the department. If available, the data described in this
 25 subdivision must include information concerning pupil growth from
 26 fall 2022 to spring 2023.

27 (2) To receive funding under this section, a district must
 28 apply for the funding in a form and manner prescribed by the
 29 department.



1 (3) The department shall pay an amount equal to \$12.50 per
2 membership pupil in grades K to 8 in the district to each district
3 that applies for funding under this section.

4 (4) The department shall make 1 of the benchmark assessments
5 provided by a provider approved under subsection (6) available to
6 districts at no cost to the districts for purposes of meeting the
7 requirements under this section. The benchmark assessment described
8 in this subsection must meet all of the following:

9 (a) Be aligned to the content standards of this state.

10 (b) Complement the state's summative assessment system.

11 (c) Be internet-delivered and include a standards-based
12 assessment.

13 (d) Provide information on pupil achievement with regard to
14 learning content required in a given year or grade span.

15 (e) Provide timely feedback to pupils and teachers.

16 (f) Be nationally normed.

17 (g) Provide information to educators about student growth and
18 allow for multiple testing opportunities.

19 (5) By not later than June 15, 2023, the department shall
20 submit a report to the house and senate appropriations committees,
21 the house and senate appropriations subcommittees on school aid,
22 and the house and senate fiscal agencies regarding the benchmark
23 assessment data received under this section, disaggregated by grade
24 level and demographic subgroup for each district. If information
25 concerning pupil growth is included in the data described in this
26 subsection, it must be incorporated in the report described in this
27 subsection.

28 (6) The department shall approve at least 4 but not more than
29 6 providers of benchmark assessments for the purposes of this



1 section. The department shall inform districts of all of the
2 providers approved under this subsection in an equitable manner.
3 The benchmark assessments, with the exclusion of the benchmark
4 assessment described in subsection (4), provided by approved
5 providers under this subsection must meet all of the following:

6 (a) Be 1 of the most commonly administered benchmark
7 assessments in this state.

8 (b) Be aligned to the content standards of this state.

9 (c) Complement the state's summative assessment system.

10 (d) Be internet-delivered and include a standards-based
11 remote, in-person, or both remote and in-person assessment using a
12 computer-adaptive model to target the instructional level of each
13 pupil.

14 (e) Provide information on pupil achievement with regard to
15 learning content required in a given year or grade span.

16 (f) Provide immediate feedback to pupils and teachers.

17 (g) Be nationally normed.

18 (h) Provide multiple measures of growth and provide for
19 multiple testing opportunities.

20 Sec. 105. (1) In order to avoid a penalty under this section,
21 and in order to count a nonresident pupil residing within the same
22 intermediate district in membership without the approval of the
23 pupil's district of residence, a district must comply with this
24 section.

25 (2) Except as otherwise provided in this section, a district
26 shall determine whether or not it will accept applications for
27 enrollment by nonresident applicants residing within the same
28 intermediate district for the next school year. If the district
29 determines to accept applications for enrollment of a number of



1 nonresidents, beyond those entitled to preference under this
 2 section, the district shall use the following procedures for
 3 accepting applications from and enrolling nonresidents:

4 (a) The district shall publish the grades, schools, and
 5 special programs, if any, for which enrollment may be available to,
 6 and for which applications will be accepted from, nonresident
 7 applicants residing within the same intermediate district.

8 (b) If the district has a limited number of positions
 9 available for nonresidents residing within the same intermediate
 10 district in a grade, school, or program, all of the following apply
 11 to accepting applications for and enrollment of nonresidents in
 12 that grade, school, or program:

13 (i) The district shall do all of the following not later than
 14 the second Friday in August:

15 (A) Provide notice to the general public that applications
 16 will be taken for a period of at least 15 calendar days but not
 17 more than 30 calendar days from nonresidents residing within the
 18 same intermediate district for enrollment in that grade, school, or
 19 program. The notice must identify the dates of the application
 20 period and the place and manner for submitting applications.

21 (B) During the application period under sub-subparagraph (A),
 22 accept applications from nonresidents residing within the same
 23 intermediate district for enrollment in that grade, school, or
 24 program.

25 (C) Within 15 calendar days after the end of the application
 26 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
 27 ~~later than October 13, 2020,~~ using the procedures and preferences
 28 required under this section, determine which nonresident applicants
 29 will be allowed to enroll in that grade, school, or program, using



1 the random draw system required under subsection ~~(14)~~ **(13)** as
 2 necessary, and notify the parent or legal guardian of each
 3 nonresident applicant of whether or not the applicant may enroll in
 4 the district. The notification to parents or legal guardians of
 5 nonresident applicants accepted for enrollment must contain
 6 notification of the date by which the applicant must enroll in the
 7 district and procedures for enrollment. The date for enrollment
 8 must be no later than the end of the first week of school. ~~, or,~~
 9 ~~for 2020-2021 only, not later than October 13, 2020.~~

10 (ii) Beginning on the third Monday in August and not later than
 11 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 12 ~~later than October 13, 2020,~~ if any positions become available in a
 13 grade, school, or program due to accepted applicants failing to
 14 enroll or to more positions being added, the district may enroll
 15 nonresident applicants from the waiting list maintained under
 16 subsection ~~(14)~~, **(13)**, offering enrollment in the order that
 17 applicants appear on the waiting list. If there are still positions
 18 available after enrolling all applicants from the waiting list who
 19 desire to enroll, the district may not fill those positions until
 20 the second semester or trimester enrollment under subsection (3),
 21 as provided under that subsection, or until the next school year.

22 (c) For a grade, school, or program that has an unlimited
 23 number of positions available for nonresidents residing within the
 24 same intermediate district, all of the following apply to
 25 enrollment of nonresidents in that grade, school, or program:

26 (i) The district may accept applications for enrollment in that
 27 grade, school, or program, and may enroll nonresidents residing
 28 within the same intermediate district in that grade, school, or
 29 program until the end of the first week of school. ~~or, for 2020-~~



1 ~~2021 only, the district may enroll nonresidents residing within the~~
 2 ~~same intermediate district in that grade, school, or program until~~
 3 ~~October 13, 2020 if the application was received by the end of the~~
 4 ~~first week of school.~~ The district shall provide notice to the
 5 general public of the place and manner for submitting applications
 6 and, if the district has a limited application period, the notice
 7 must include the dates of the application period. The application
 8 period shall be at least a 15-calendar-day period.

9 (ii) Not later than the end of the first week of school, ~~or,~~
 10 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 11 shall notify the parent or legal guardian of each nonresident
 12 applicant who is accepted for enrollment that the applicant has
 13 been accepted for enrollment in the grade, school, or program and
 14 of the procedures for enrollment. The date for enrollment must be
 15 no later than the end of the first week of school. ~~or, for 2020-~~
 16 ~~2021 only, not later than October 13, 2020.~~

17 (3) If a district determines during the first semester or
 18 trimester of a school year that it has positions available for
 19 enrollment of a number of nonresidents residing within the same
 20 intermediate district, beyond those entitled to preference under
 21 this section, for the second semester or trimester of the school
 22 year, the district may accept applications from and enroll
 23 nonresidents residing within the same intermediate district for the
 24 second semester or trimester using the following procedures:

25 (a) Not later than 2 weeks before the end of the first
 26 semester or trimester, the district shall publish the grades,
 27 schools, and special programs, if any, for which enrollment for the
 28 second semester or trimester may be available to, and for which
 29 applications will be accepted from, nonresident applicants residing



1 within the same intermediate district.

2 (b) During the last 2 weeks of the first semester or
3 trimester, the district shall accept applications from nonresidents
4 residing within the same intermediate district for enrollment for
5 the second semester or trimester in the available grades, schools,
6 and programs.

7 (c) By the beginning of the second semester or trimester,
8 using the procedures and preferences required under this section,
9 the district shall determine which nonresident applicants will be
10 allowed to enroll in the district for the second semester or
11 trimester and notify the parent or legal guardian of each
12 nonresident applicant residing within the same intermediate
13 district of whether or not the applicant may enroll in the
14 district. The notification to parents or legal guardians of
15 nonresident applicants accepted for enrollment must contain
16 notification of the date by which the applicant must enroll in the
17 district and procedures for enrollment. The date for enrollment
18 must be no later than the end of the first week of school.

19 (4) If deadlines similar to those described in subsection (2)
20 or (3) have been established in an intermediate district, and if
21 those deadlines are not later than the deadlines under subsection
22 (2) or (3), the districts within the intermediate district may use
23 those deadlines.

24 (5) A district offering to enroll nonresident applicants
25 residing within the same intermediate district may limit the number
26 of nonresident pupils it accepts in a grade, school, or program, at
27 its discretion, and may use that limit as the reason for refusal to
28 enroll an applicant.

29 (6) A nonresident applicant residing within the same



1 intermediate district must not be granted or refused enrollment
2 based on intellectual, academic, artistic, or other ability,
3 talent, or accomplishment, or lack thereof, or based on a mental or
4 physical disability, except that a district may refuse to admit a
5 nonresident applicant if the applicant does not meet the same
6 criteria, other than residence, that an applicant who is a resident
7 of the district must meet to be accepted for enrollment in a grade
8 or a specialized, magnet, or intra-district choice school or
9 program to which the applicant applies.

10 (7) A nonresident applicant residing within the same
11 intermediate district must not be granted or refused enrollment
12 based on age, except that a district may refuse to admit a
13 nonresident applicant applying for a program that is not
14 appropriate for the age of the applicant.

15 (8) A nonresident applicant residing within the same
16 intermediate district must not be granted or refused enrollment
17 based upon religion, race, color, national origin, sex, height,
18 weight, marital status, or athletic ability, or, generally, in
19 violation of any state or federal law prohibiting discrimination.

20 (9) Subject to subsection (10), a district may refuse to
21 enroll a nonresident applicant if any of the following are met:

22 (a) The applicant is, or has been within the preceding 2
23 years, suspended from another school.

24 (b) The applicant, at any time before enrolling under this
25 section, has been expelled from another school.

26 (c) The applicant, at any time before enrolling under this
27 section, has been convicted of a felony.

28 (10) If a district has counted a pupil in membership on either
29 the pupil membership count day or the supplemental count day, the



1 district shall not refuse to enroll or refuse to continue to enroll
 2 that pupil for a reason specified in subsection (9). This
 3 subsection does not prohibit a district from expelling a pupil
 4 described in this subsection for disciplinary reasons.

5 (11) A district shall continue to allow a pupil who was
 6 enrolled in and attended the district under this section in the
 7 school year or semester or trimester immediately preceding the
 8 school year or semester or trimester in question to enroll in the
 9 district until the pupil graduates from high school. This
 10 subsection does not prohibit a district from expelling a pupil
 11 described in this subsection for disciplinary reasons.

12 (12) A district shall give preference for enrollment under
 13 this section over all other nonresident applicants residing within
 14 the same intermediate district to other school-age children who
 15 reside in the same household as a pupil described in subsection
 16 (11).

17 ~~(13) If a nonresident pupil was enrolled in and attending~~
 18 ~~school in a district as a nonresident pupil in the 1995-96 school~~
 19 ~~year and continues to be enrolled continuously each school year in~~
 20 ~~that district, the district shall allow that nonresident pupil to~~
 21 ~~continue to enroll in and attend school in the district until high~~
 22 ~~school graduation, without requiring the nonresident pupil to apply~~
 23 ~~for enrollment under this section. This subsection does not~~
 24 ~~prohibit a district from expelling a pupil described in this~~
 25 ~~subsection for disciplinary reasons.~~

26 (13) ~~(14)~~ If the number of qualified nonresident applicants
 27 eligible for acceptance in a school, grade, or program does not
 28 exceed the positions available for nonresident pupils in the
 29 school, grade, or program, the school district shall accept for



1 enrollment all of the qualified nonresident applicants eligible for
 2 acceptance. If the number of qualified nonresident applicants
 3 residing within the same intermediate district eligible for
 4 acceptance exceeds the positions available in a grade, school, or
 5 program in a district for nonresident pupils, the district shall
 6 use a random draw system, subject to the need to abide by state and
 7 federal antidiscrimination laws and court orders and subject to
 8 preferences allowed by this section. The district shall develop and
 9 maintain a waiting list based on the order in which nonresident
 10 applicants were drawn under this random draw system.

11 **(14)** ~~(15)~~—If a district, or the nonresident applicant,
 12 requests the district in which a nonresident applicant resides to
 13 supply information needed by the district for evaluating the
 14 applicant's application for enrollment or for enrolling the
 15 applicant, the district of residence shall provide that information
 16 on a timely basis.

17 **(15)** ~~(16)~~—If a district is subject to a court-ordered
 18 desegregation plan, and if the court issues an order prohibiting
 19 pupils residing in that district from enrolling in another district
 20 or prohibiting pupils residing in another district from enrolling
 21 in that district, this section is subject to the court order.

22 **(16)** ~~(17)~~—This section does not require a district to provide
 23 transportation for a nonresident pupil enrolled in the district
 24 under this section or for a resident pupil enrolled in another
 25 district under this section. However, at the time a nonresident
 26 pupil enrolls in the district, a district shall provide to the
 27 pupil's parent or legal guardian information on available
 28 transportation to and from the school in which the pupil enrolls.

29 **(17)** ~~(18)~~—A district may participate in a cooperative



1 education program with 1 or more other districts or intermediate
 2 districts whether or not the district enrolls any nonresidents
 3 under this section.

4 **(18)** ~~(19)~~—A district that, under this section, enrolls a
 5 nonresident pupil who is eligible for special education programs
 6 and services according to statute or rule, or who is a child with
 7 ~~disabilities,~~ **a disability**, as **that term is** defined under the
 8 individuals with disabilities education act, Public Law 108-446, is
 9 considered to be the resident district of the pupil for the purpose
 10 of providing the pupil with a free appropriate public education.
 11 Consistent with state and federal law, that district is responsible
 12 for developing and implementing an individualized education program
 13 annually for a nonresident pupil described in this subsection.

14 **(19)** ~~(20)~~—If a district does not comply with this section, the
 15 district forfeits 5% of the total state school aid allocation to
 16 the district under this act.

17 **(20)** ~~(21)~~—Upon application by a district, the superintendent
 18 may grant a waiver for the district from a specific requirement
 19 under this section for not more than 1 year.

20 Sec. 105c. (1) In order to avoid a penalty under this section,
 21 and in order to count a nonresident pupil residing in a district
 22 located in a contiguous intermediate district in membership without
 23 the approval of the pupil's district of residence, a district must
 24 comply with this section.

25 (2) Except as otherwise provided in this section, a district
 26 shall determine whether or not it will accept applications for
 27 enrollment by nonresident applicants residing in a district located
 28 in a contiguous intermediate district for the next school year. If
 29 the district determines to accept applications for enrollment of a



1 number of nonresidents under this section, beyond those entitled to
2 preference under this section, the district shall use the following
3 procedures for accepting applications from and enrolling
4 nonresidents under this section:

5 (a) The district shall publish the grades, schools, and
6 special programs, if any, for which enrollment may be available to,
7 and for which applications will be accepted from, nonresident
8 applicants residing in a district located in a contiguous
9 intermediate district.

10 (b) If the district has a limited number of positions
11 available for nonresidents residing in a district located in a
12 contiguous intermediate district in a grade, school, or program,
13 all of the following apply to accepting applications for and
14 enrollment of nonresidents under this section in that grade,
15 school, or program:

16 (i) The district shall do all of the following not later than
17 the second Friday in August:

18 (A) Provide notice to the general public that applications
19 will be taken for a period of at least 15 calendar days but not
20 more than 30 calendar days from nonresidents residing in a district
21 located in a contiguous intermediate district for enrollment in
22 that grade, school, or program. The notice must identify the dates
23 of the application period and the place and manner for submitting
24 applications.

25 (B) During the application period under sub-subparagraph (A),
26 accept applications from nonresidents residing in a district
27 located in a contiguous intermediate district for enrollment in
28 that grade, school, or program.

29 (C) Within 15 calendar days after the end of the application



1 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
 2 ~~later than October 13, 2020,~~ using the procedures and preferences
 3 required under this section, determine which nonresident applicants
 4 will be allowed to enroll under this section in that grade, school,
 5 or program, using the random draw system required under subsection
 6 ~~(14)~~ **(13)** as necessary, and notify the parent or legal guardian of
 7 each nonresident applicant of whether or not the applicant may
 8 enroll in the district. The notification to parents or legal
 9 guardians of nonresident applicants accepted for enrollment under
 10 this section must contain notification of the date by which the
 11 applicant must enroll in the district and procedures for
 12 enrollment. The date for enrollment must be no later than the end
 13 of the first week of school. ~~or, for 2020-2021 only, not later than~~
 14 ~~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)~~, **(13)**, offering enrollment in the order that
 22 applicants appear on the waiting list. If there are still positions
 23 available after enrolling all applicants from the waiting list who
 24 desire to enroll, the district may not fill those positions until
 25 the second semester or trimester enrollment under subsection (3),
 26 as provided 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 in a
 29 district located in a contiguous intermediate district, all of the



1 following apply to enrollment of nonresidents in that grade,
 2 school, or program under this section:

3 (i) The district may accept applications for enrollment in that
 4 grade, school, or program, and may enroll nonresidents residing in
 5 a district located in a contiguous intermediate district in that
 6 grade, school, or program until the end of the first week of
 7 school. ~~or, for 2020-2021 only, the district may enroll~~
 8 ~~nonresidents residing in a district located in a contiguous~~
 9 ~~intermediate district in that grade, school, or program until~~
 10 ~~October 13, 2020 if the application was received by the end of the~~
 11 ~~first week of school.~~ The district shall provide notice to the
 12 general public of the place and manner for submitting applications
 13 and, if the district has a limited application period, the notice
 14 must include the dates of the application period. The application
 15 period must be at least a 15-calendar-day period.

16 (ii) Not later than the end of the first week of school, ~~or,~~
 17 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 18 shall notify the parent or legal guardian of each nonresident
 19 applicant who is accepted for enrollment under this section that
 20 the applicant has been accepted for enrollment in the grade,
 21 school, or program and of the date by which the applicant must
 22 enroll in the district and the procedures for enrollment. The date
 23 for enrollment must be no later than the end of the first week of
 24 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

25 (3) If a district determines during the first semester or
 26 trimester of a school year that it has positions available for
 27 enrollment of a number of nonresidents residing in a district
 28 located in a contiguous intermediate district, beyond those
 29 entitled to preference under this section, for the second semester



1 or trimester of the school year, the district may accept
 2 applications from and enroll nonresidents residing in a district
 3 located in a contiguous intermediate district for the second
 4 semester or trimester using the following procedures:

5 (a) Not later than 2 weeks before the end of the first
 6 semester or trimester, the district shall publish the grades,
 7 schools, and special programs, if any, for which enrollment for the
 8 second semester or trimester may be available to, and for which
 9 applications will be accepted from, nonresident applicants residing
 10 in a district located in a contiguous intermediate district.

11 (b) During the last 2 weeks of the first semester or
 12 trimester, the district shall accept applications from nonresidents
 13 residing in a district located in a contiguous intermediate
 14 district for enrollment for the second semester or trimester in the
 15 available grades, schools, and programs.

16 (c) By the beginning of the second semester or trimester,
 17 using the procedures and preferences required under this section,
 18 the district shall determine which nonresident applicants will be
 19 allowed to enroll under this section in the district for the second
 20 semester or trimester and notify the parent or legal guardian of
 21 each nonresident applicant residing in a district located in a
 22 contiguous intermediate district of whether or not the applicant
 23 may enroll in the district. The notification to parents or legal
 24 guardians of nonresident applicants accepted for enrollment must
 25 contain notification of the date by which the applicant must enroll
 26 in the district and procedures for enrollment. The date for
 27 enrollment must be no later than the end of the first week of
 28 school.

29 (4) If deadlines similar to those described in subsection (2)



1 or (3) have been established in an intermediate district, and if
 2 those deadlines are not later than the deadlines under subsection
 3 (2) or (3), the districts within the intermediate district may use
 4 those deadlines.

5 (5) A district offering to enroll nonresident applicants
 6 residing in a district located in a contiguous intermediate
 7 district may limit the number of those nonresident pupils it
 8 accepts in a grade, school, or program, at its discretion, and may
 9 use that limit as the reason for refusal to enroll an applicant
 10 under this section.

11 (6) A nonresident applicant residing in a district located in
 12 a contiguous intermediate district must not be granted or refused
 13 enrollment based on intellectual, academic, artistic, or other
 14 ability, talent, or accomplishment, or lack thereof, or based on a
 15 mental or physical disability, except that a district may refuse to
 16 admit a nonresident applicant under this section if the applicant
 17 does not meet the same criteria, other than residence, that an
 18 applicant who is a resident of the district must meet to be
 19 accepted for enrollment in a grade or a specialized, magnet, or
 20 intra-district choice school or program to which the applicant
 21 applies.

22 (7) A nonresident applicant residing in a district located in
 23 a contiguous intermediate district must not be granted or refused
 24 enrollment under this section based on age, except that a district
 25 may refuse to admit a nonresident applicant applying for a program
 26 that is not appropriate for the age of the applicant.

27 (8) A nonresident applicant residing in a district located in
 28 a contiguous intermediate district must not be granted or refused
 29 enrollment under this section based upon religion, race, color,



1 national origin, sex, height, weight, marital status, or athletic
2 ability, or, generally, in violation of any state or federal law
3 prohibiting discrimination.

4 (9) Subject to subsection (10), a district may refuse to
5 enroll a nonresident applicant under this section if any of the
6 following are met:

7 (a) The applicant is, or has been within the preceding 2
8 years, suspended from another school.

9 (b) The applicant, at any time before enrolling under this
10 section, has been expelled from another school.

11 (c) The applicant, at any time before enrolling under this
12 section, has been convicted of a felony.

13 (10) If a district has counted a pupil in membership on either
14 the pupil membership count day or the supplemental count day, the
15 district shall not refuse to enroll or refuse to continue to enroll
16 that pupil for a reason specified in subsection (9). This
17 subsection does not prohibit a district from expelling a pupil
18 described in this subsection for disciplinary reasons.

19 (11) A district shall continue to allow a pupil who was
20 enrolled in and attended the district under this section in the
21 school year or semester or trimester immediately preceding the
22 school year or semester or trimester in question to enroll in the
23 district until the pupil graduates from high school. This
24 subsection does not prohibit a district from expelling a pupil
25 described in this subsection for disciplinary reasons.

26 (12) A district shall give preference for enrollment under
27 this section over all other nonresident applicants residing in a
28 district located in a contiguous intermediate district to other
29 school-age children who reside in the same household as a pupil



1 described in subsection (11).

2 ~~(13) If a nonresident pupil was enrolled in and attending~~
 3 ~~school in a district as a nonresident pupil in the 1995-96 school~~
 4 ~~year and continues to be enrolled continuously each school year in~~
 5 ~~that district, the district shall allow that nonresident pupil to~~
 6 ~~continue to enroll in and attend school in the district until high~~
 7 ~~school graduation, without requiring the nonresident pupil to apply~~
 8 ~~for enrollment under this section. This subsection does not~~
 9 ~~prohibit a district from expelling a pupil described in this~~
 10 ~~subsection for disciplinary reasons.~~

11 **(13)** ~~(14)~~—If the number of qualified nonresident applicants
 12 eligible for acceptance under this section in a school, grade, or
 13 program does not exceed the positions available for nonresident
 14 pupils under this section in the school, grade, or program, the
 15 school district shall accept for enrollment all of the qualified
 16 nonresident applicants eligible for acceptance. If the number of
 17 qualified nonresident applicants residing in a district located in
 18 a contiguous intermediate district eligible for acceptance under
 19 this section exceeds the positions available in a grade, school, or
 20 program in a district for nonresident pupils, the district shall
 21 use a random draw system, subject to the need to abide by state and
 22 federal antidiscrimination laws and court orders and subject to
 23 preferences allowed by this section. The district shall develop and
 24 maintain a waiting list based on the order in which nonresident
 25 applicants were drawn under this random draw system.

26 **(14)** ~~(15)~~—If a district, or the nonresident applicant,
 27 requests the district in which a nonresident applicant resides to
 28 supply information needed by the district for evaluating the
 29 applicant's application for enrollment or for enrolling the



1 applicant under this section, the district of residence shall
2 provide that information on a timely basis.

3 **(15)** ~~(16)~~—If a district is subject to a court-ordered
4 desegregation plan, and if the court issues an order prohibiting
5 pupils residing in that district from enrolling in another district
6 or prohibiting pupils residing in another district from enrolling
7 in that district, this section is subject to the court order.

8 **(16)** ~~(17)~~—This section does not require a district to provide
9 transportation for a nonresident pupil enrolled in the district
10 under this section or for a resident pupil enrolled in another
11 district under this section. However, at the time a nonresident
12 pupil enrolls in the district, a district shall provide to the
13 pupil's parent or legal guardian information on available
14 transportation to and from the school in which the pupil enrolls.

15 **(17)** ~~(18)~~—A district may participate in a cooperative
16 education program with 1 or more other districts or intermediate
17 districts whether or not the district enrolls any nonresidents
18 pursuant to this section.

19 **(18)** ~~(19)~~—In order for a district or intermediate district to
20 enroll under this section a nonresident pupil who resides in a
21 district located in a contiguous intermediate district and who is
22 eligible for special education programs and services according to
23 statute or rule, or who is a child with disabilities, as defined
24 under the individuals with disabilities education act, Public Law
25 108-446, the enrolling district shall have a written agreement with
26 the resident district of the pupil for the purpose of providing the
27 pupil with a free appropriate public education. The written
28 agreement must include, but is not limited to, an agreement on the
29 responsibility for the payment of the added costs of special



1 education programs and services for the pupil. The written
 2 agreement must address how the agreement must be amended in the
 3 event of significant changes in the costs or level of special
 4 education programs or services required by the pupil.

5 (19) ~~(20)~~—If a district does not comply with this section, the
 6 district forfeits 5% of the total state school aid allocation to
 7 the district under this act.

8 (20) ~~(21)~~—Upon application by a district, the superintendent
 9 may grant a waiver for the district from a specific requirement
 10 under this section for not more than 1 year.

11 (21) ~~(22)~~—This section is repealed if the final decision of a
 12 court of competent jurisdiction holds that any portion of this
 13 section is unconstitutional, ineffective, invalid, or in violation
 14 of federal law.

15 (22) ~~(23)~~—As used in this section, "district located in a
 16 contiguous intermediate district" means a district located in an
 17 intermediate district that is contiguous to the intermediate
 18 district in which a pupil's district of residence is located.

19 Sec. 107. (1) From the appropriation in section 11, there is
 20 allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~
 21 **2021-2022** for adult education programs authorized under this
 22 section. Except as otherwise provided under subsections (14) and
 23 (15), funds allocated under this section are restricted for adult
 24 education programs as authorized under this section only. A
 25 recipient of funds under this section shall not use those funds for
 26 any other purpose.

27 (2) To be eligible for funding under this section, an eligible
 28 adult education provider shall employ certificated teachers and
 29 qualified administrative staff and shall offer continuing education



1 opportunities for teachers to allow them to maintain certification.

2 (3) To be eligible to be a participant funded under this
 3 section, an individual must be enrolled in an adult basic education
 4 program, an adult secondary education program, an adult English as
 5 a second language program, a high school equivalency test
 6 preparation program, or a high school completion program, that
 7 meets the requirements of this section, and for which instruction
 8 is provided, and the individual must be at least 18 years of age **by**
 9 **July 1 of the program year** and the individual's graduating class
 10 must have graduated.

11 (4) By April 1 of each fiscal year, the intermediate districts
 12 within a prosperity region or subregion shall determine which
 13 intermediate district will serve as the prosperity region's or
 14 subregion's fiscal agent for the next fiscal year and shall notify
 15 the department in a form and manner determined by the department.
 16 The department shall approve or disapprove of the prosperity
 17 region's or subregion's selected fiscal agent. From the funds
 18 allocated under subsection (1), an amount as determined under this
 19 subsection is allocated to each intermediate district serving as a
 20 fiscal agent for adult education programs in each of the prosperity
 21 regions or subregions identified by the department. An intermediate
 22 district shall not use more than 5% of the funds allocated under
 23 this subsection for administration costs for serving as the fiscal
 24 agent. The allocation provided to each intermediate district
 25 serving as a fiscal agent ~~is an amount equal to what the~~
 26 ~~intermediate district received in 2018-2019.~~ **must be calculated as**
 27 **follows:**

28 (a) **Sixty percent of this portion of the funding must be**
 29 **distributed based upon the proportion of the state population of**



1 individuals between the ages of 18 and 24 that are not high school
 2 graduates that resides in each of the prosperity regions or
 3 subregions located within the intermediate district, as reported by
 4 the most recent 5-year estimates from the American Community Survey
 5 (ACS) from the United States Census Bureau.

6 (b) Thirty-five percent of this portion of the funding must be
 7 distributed based upon the proportion of the state population of
 8 individuals age 25 or older who are not high school graduates that
 9 resides in each of the prosperity regions or subregions located
 10 within the intermediate district, as reported by the most recent 5-
 11 year estimates from the American Community Survey (ACS) from the
 12 United States Census Bureau.

13 (c) Five percent of this portion of the funding must be
 14 distributed based upon the proportion of the state population of
 15 individuals age 18 or older who lack basic English language
 16 proficiency that resides in each of the prosperity regions or
 17 subregions located within the intermediate district, as reported by
 18 the most recent 5-year estimates from the American Community Survey
 19 (ACS) from the United States Census Bureau.

20 (5) To be an eligible fiscal agent, an intermediate district
 21 must agree to do the following in a form and manner determined by
 22 the department:

23 (a) Distribute funds to adult education programs in a
 24 prosperity region or subregion as described in this section.

25 (b) Collaborate with the career and educational advisory
 26 council, which is an advisory council of the workforce development
 27 boards located in the prosperity region or subregion, or its
 28 successor, to develop a regional strategy that aligns adult
 29 education programs and services into an efficient and effective



1 delivery system for adult education learners, with special
2 consideration for providing contextualized learning and career
3 pathways and addressing barriers to education and employment.

4 (c) Collaborate with the career and educational advisory
5 council, which is an advisory council of the workforce development
6 boards located in the prosperity region or subregion, or its
7 successor, to create a local process and criteria that will
8 identify eligible adult education providers to receive funds
9 allocated under this section based on location, demand for
10 services, past performance, quality indicators as identified by the
11 department, and cost to provide instructional services. The fiscal
12 agent shall determine all local processes, criteria, and provider
13 determinations. However, the local processes, criteria, and
14 provider services must be approved by the department before funds
15 may be distributed to the fiscal agent.

16 (d) Provide oversight to its adult education providers
17 throughout the program year to ensure compliance with the
18 requirements of this section.

19 (e) Report adult education program and participant data and
20 information as prescribed by the department.

21 (6) An adult basic education program, an adult secondary
22 education program, or an adult English as a second language program
23 operated on a year-round or school year basis may be funded under
24 this section, subject to all of the following:

25 (a) The program enrolls adults who are determined by a
26 department-approved assessment, in a form and manner prescribed by
27 the department, to be below twelfth grade level in reading or
28 mathematics, or both, or to lack basic English proficiency.

29 (b) The program tests individuals for eligibility under



1 subdivision (a) before enrollment and upon completion of the
2 program in compliance with the state-approved assessment policy.

3 (c) A participant in an adult basic education program is
4 eligible for reimbursement until 1 of the following occurs:

5 (i) The participant's reading and mathematics proficiency are
6 assessed at or above the ninth grade level.

7 (ii) The participant fails to show progress on 2 successive
8 assessments after having completed at least 450 hours of
9 instruction.

10 (d) A participant in an adult secondary education program is
11 eligible for reimbursement until 1 of the following occurs:

12 (i) The participant's reading and mathematics proficiency are
13 assessed above the twelfth grade level.

14 (ii) The participant fails to show progress on 2 successive
15 assessments after having at least 450 hours of instruction.

16 (e) A funding recipient enrolling a participant in an English
17 as a second language program is eligible for funding according to
18 subsection (9) until the participant meets 1 of the following:

19 (i) The participant is assessed as having attained basic
20 English proficiency as determined by a department-approved
21 assessment.

22 (ii) The participant fails to show progress on 2 successive
23 department-approved assessments after having completed at least 450
24 hours of instruction. The department shall provide information to a
25 funding recipient regarding appropriate assessment instruments for
26 this program.

27 (7) A high school equivalency test preparation program
28 operated on a year-round or school year basis may be funded under
29 this section, subject to all of the following:



1 (a) The program enrolls adults who do not have a high school
2 diploma or a high school equivalency certificate.

3 (b) The program administers a pre-test approved by the
4 department before enrolling an individual to determine the
5 individual's literacy levels, administers a high school equivalency
6 practice test to determine the individual's potential for success
7 on the high school equivalency test, and administers a post-test
8 upon completion of the program in compliance with the state-
9 approved assessment policy.

10 (c) A funding recipient receives funding according to
11 subsection (9) for a participant, and a participant may be enrolled
12 in the program until 1 of the following occurs:

13 (i) The participant achieves a high school equivalency
14 certificate.

15 (ii) The participant fails to show progress on 2 successive
16 department-approved assessments used to determine readiness to take
17 a high school equivalency test after having completed at least 450
18 hours of instruction.

19 (8) A high school completion program operated on a year-round
20 or school year basis may be funded under this section, subject to
21 all of the following:

22 (a) The program enrolls adults who do not have a high school
23 diploma.

24 (b) The program tests participants described in subdivision
25 (a) before enrollment and upon completion of the program in
26 compliance with the state-approved assessment policy.

27 (c) A funding recipient receives funding according to
28 subsection (9) for a participant in a course offered under this
29 subsection until 1 of the following occurs:



1 (i) The participant passes the course and earns a high school
2 diploma.

3 (ii) The participant fails to earn credit in 2 successive
4 semesters or terms in which the participant is enrolled after
5 having completed at least 900 hours of instruction.

6 (9) The department shall make payments to a funding recipient
7 under this section in accordance with all of the following:

8 (a) Statewide allocation criteria, including 3-year average
9 enrollments, census data, and local needs.

10 (b) Participant completion of the adult basic education
11 objectives by achieving an educational gain as determined by the
12 national reporting system levels; for achieving basic English
13 proficiency, as determined by the department; for achieving a high
14 school equivalency certificate or passage of 1 or more individual
15 high school equivalency tests; for attainment of a high school
16 diploma or passage of a course required for a participant to attain
17 a high school diploma; for enrollment in a postsecondary
18 institution, or for entry into or retention of employment, as
19 applicable.

20 (c) Participant completion of core indicators as identified in
21 the innovation and opportunity act.

22 (d) Allowable expenditures.

23 (10) A person who is not eligible to be a participant funded
24 under this section may receive adult education services upon the
25 payment of tuition. In addition, a person who is not eligible to be
26 served in a program under this section due to the program
27 limitations specified in subsection (6), (7), or (8) may continue
28 to receive adult education services in that program upon the
29 payment of tuition. The local or intermediate district conducting



1 the program shall determine the tuition amount.

2 (11) An individual who is an inmate in a state correctional
3 facility is not counted as a participant under this section.

4 (12) A funding recipient shall not commingle money received
5 under this section or from another source for adult education
6 purposes with any other funds and shall establish a separate ledger
7 account for funds received under this section. This subsection does
8 not prohibit a district from using general funds of the district to
9 support an adult education or community education program.

10 (13) A funding recipient receiving funds under this section
11 may establish a sliding scale of tuition rates based upon a
12 participant's family income. A funding recipient may charge a
13 participant tuition to receive adult education services under this
14 section from that sliding scale of tuition rates on a uniform
15 basis. The amount of tuition charged per participant must not
16 exceed the actual operating cost per participant minus any funds
17 received under this section per participant. A funding recipient
18 may not charge a participant tuition under this section if the
19 participant's income is at or below 200% of the federal poverty
20 guidelines published by the United States Department of Health and
21 Human Services.

22 (14) In order to receive funds under this section, a funding
23 recipient shall furnish to the department, in a form and manner
24 determined by the department, all information needed to administer
25 this program and meet federal reporting requirements; shall allow
26 the department or the department's designee to review all records
27 related to the program for which it receives funds; and shall
28 reimburse the state for all disallowances found in the review, as
29 determined by the department. In addition, a funding recipient



1 shall agree to pay to a career and technical education program
 2 under section 61a the amount of funding received under this section
 3 in the proportion of career and technical education coursework used
 4 to satisfy adult basic education programming, as billed to the
 5 funding recipient by programs operating under section 61a. In
 6 addition to the funding allocated under subsection (1), there is
 7 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 8 \$500,000.00 to reimburse funding recipients for administrative and
 9 instructional expenses associated with commingling programming
 10 under this section and section 61a. The department shall make
 11 payments under this subsection to each funding recipient in the
 12 same proportion as funding calculated and allocated under
 13 subsection (4).

14 (15) From the amount appropriated in subsection (1), an amount
 15 not to exceed \$4,000,000.00 is allocated for ~~2020-2021~~**2021-2022**
 16 for grants to adult education or state-approved career technical
 17 center programs that connect adult education participants with
 18 employers as provided under this subsection. The department shall
 19 determine the amount of the grant to each program under this
 20 subsection, not to exceed \$350,000.00. To be eligible for funding
 21 under this subsection, a program must provide a collaboration
 22 linking adult education programs within the county, the area career
 23 technical center, and local employers. To receive funding under
 24 this subsection, an eligible program must satisfy all of the
 25 following:

26 (a) Connect adult education participants directly with
 27 employers by linking adult education, career and technical skills,
 28 and workforce development.

29 (b) Require adult education staff to work with Michigan Works!



1 agency to identify a cohort of participants who are most prepared
 2 to successfully enter the workforce. Except as otherwise provided
 3 under this subdivision, participants identified under this
 4 subsection must be dually enrolled in adult education programming
 5 and in at least 1 state-approved technical course at the area
 6 career and technical center. A program that links participants
 7 identified under this subsection with adult education programming
 8 and commercial driver license courses does not need to enroll the
 9 participants in at least 1 state-approved technical course at the
 10 area career and technical center to be considered an eligible
 11 program under this subsection.

12 (c) Employ an individual staffed as an adult education
 13 navigator who will serve as a caseworker for each participant
 14 identified under subdivision (b). The navigator shall work with
 15 adult education staff and potential employers to design an
 16 educational program best suited to the personal and employment
 17 needs of the participant and shall work with human service agencies
 18 or other entities to address any barrier in the way of participant
 19 access.

20 (16) Each program funded under subsection (15) will receive
 21 funding for 3 years. After 3 years of operations and funding, a
 22 program must reapply for funding.

23 (17) Not later than December 1 of each year, a program funded
 24 under subsection (15) shall provide a report to the senate and
 25 house appropriations subcommittees on school aid, to the senate and
 26 house fiscal agencies, and to the state budget director identifying
 27 the number of participants, graduation rates, and a measure of
 28 transition to employment.

29 ~~(18) It is the intent of the legislature to implement a~~



1 ~~phased in cap on the percentage of adult education participants~~
 2 ~~under subsection (15) that may already have a high school diploma~~
 3 ~~or a high school equivalency certificate at the time of~~
 4 ~~enrollment.~~ **A program receiving funding under subsection (15) must**
 5 **give program enrollment priority for 75% of participants to those**
 6 **who are concurrently enrolled and actively working toward obtaining**
 7 **a high school diploma or a high school equivalency certificate.**

8 (19) The department shall approve at least 3 high school
 9 equivalency tests and determine whether a high school equivalency
 10 certificate meets the requisite standards for high school
 11 equivalency in this state.

12 (20) As used in this section:

13 (a) "Career and educational advisory council" means an
 14 advisory council to the local workforce development boards located
 15 in a prosperity region consisting of educational, employer, labor,
 16 and parent representatives.

17 (b) "Career pathway" means a combination of rigorous and high-
 18 quality education, training, and other services that comply with
 19 all of the following:

20 (i) Aligns with the skill needs of industries in the economy of
 21 this state or in the regional economy involved.

22 (ii) Prepares an individual to be successful in any of a full
 23 range of secondary or postsecondary education options, including
 24 apprenticeships registered under the act of August 16, 1937,
 25 ~~(commonly known as the "national apprenticeship act")~~, **commonly**
 26 **referred to as the national apprenticeship act**, 29 USC 50 et seq.

27 (iii) Includes counseling to support an individual in achieving
 28 the individual's education and career goals.

29 (iv) Includes, as appropriate, education offered concurrently



1 with and in the same context as workforce preparation activities
2 and training for a specific occupation or occupational cluster.

3 (v) Organizes education, training, and other services to meet
4 the particular needs of an individual in a manner that accelerates
5 the educational and career advancement of the individual to the
6 extent practicable.

7 (vi) Enables an individual to attain a secondary school diploma
8 or its recognized equivalent, and at least 1 recognized
9 postsecondary credential.

10 (vii) Helps an individual enter or advance within a specific
11 occupation or occupational cluster.

12 (c) "Department" means the department of labor and economic
13 opportunity.

14 (d) "Eligible adult education provider" means a district,
15 intermediate district, a consortium of districts, a consortium of
16 intermediate districts, or a consortium of districts and
17 intermediate districts that is identified as part of the local
18 process described in subsection (5) (c) and approved by the
19 department.

20 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the
21 public school employees' retirement system pursuant to the public
22 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
23 to 38.1437, is made using the individual projected benefit entry
24 age normal cost method of valuation and risk assumptions adopted by
25 the public school employees retirement board and the department of
26 technology, management, and budget.

27 (2) The annual level percentage of payroll contribution rates
28 for the ~~2020-2021~~**2021-2022** fiscal year, as determined by the
29 retirement system, are estimated as follows:



1 (a) ~~For~~ **Except as otherwise provided in this subdivision, for**
2 public school employees who first worked for a public school
3 reporting unit before July 1, 2010 and who are enrolled in the
4 health premium subsidy, the annual level percentage of payroll
5 contribution rate is estimated at ~~42.72%~~ **43.28%** with ~~28.21%~~ **28.23%**
6 paid directly by the employer. **For 2021-2022, if the retirement**
7 **system determines that the annual level percentage of payroll**
8 **contribution rate estimated in the immediately preceding sentence**
9 **needs to be adjusted, the annual level percentage of payroll**
10 **contribution rate estimations under this subdivision are the**
11 **estimations determined by the retirement system. If the retirement**
12 **system makes a determination as described in the immediately**
13 **preceding sentence, it shall issue its estimations publicly and**
14 **describe the need for the adjustment described in the immediately**
15 **preceding sentence.**

16 (b) ~~For~~ **Except as otherwise provided in this subdivision, for**
17 public school employees who first worked for a public school
18 reporting unit on or after July 1, 2010 and who are enrolled in the
19 health premium subsidy, the annual level percentage of payroll
20 contribution rate is estimated at ~~39.76%~~ **40.36%** with ~~25.25%~~ **25.31%**
21 paid directly by the employer. **For 2021-2022, if the retirement**
22 **system determines that the annual level percentage of payroll**
23 **contribution rate estimated in the immediately preceding sentence**
24 **needs to be adjusted, the annual level percentage of payroll**
25 **contribution rate estimations under this subdivision are the**
26 **estimations determined by the retirement system. If the retirement**
27 **system makes a determination as described in the immediately**
28 **preceding sentence, it shall issue its estimations publicly and**
29 **describe the need for the adjustment described in the immediately**



1 preceding sentence.

2 (c) ~~For~~ **Except as otherwise provided in this subdivision, for**
 3 public school employees who first worked for a public school
 4 reporting unit on or after July 1, 2010 and who participate in the
 5 personal healthcare fund, the annual level percentage of payroll
 6 contribution rate is estimated at ~~38.90%~~ **39.50%** with ~~24.39%~~ **24.45%**
 7 paid directly by the employer. **For 2021-2022, if the retirement**
 8 **system determines that the annual level percentage of payroll**
 9 **contribution rate estimated in the immediately preceding sentence**
 10 **needs to be adjusted, the annual level percentage of payroll**
 11 **contribution rate estimations under this subdivision are the**
 12 **estimations determined by the retirement system. If the retirement**
 13 **system makes a determination as described in the immediately**
 14 **preceding sentence, it shall issue its estimations publicly and**
 15 **describe the need for the adjustment described in the immediately**
 16 **preceding sentence.**

17 (d) ~~For~~ **Except as otherwise provided in this subdivision, for**
 18 public school employees who first worked for a public school
 19 reporting unit on or after September 4, 2012, who elect defined
 20 contribution, and who participate in the personal healthcare fund,
 21 the annual level percentage of payroll contribution rate is
 22 estimated at ~~35.47%~~ **36.01%** with 20.96% paid directly by the
 23 employer. **For 2021-2022, if the retirement system determines that**
 24 **the annual level percentage of payroll contribution rate estimated**
 25 **in the immediately preceding sentence needs to be adjusted, the**
 26 **annual level percentage of payroll contribution rate estimations**
 27 **under this subdivision are the estimations determined by the**
 28 **retirement system. If the retirement system makes a determination**
 29 **as described in the immediately preceding sentence, it shall issue**



1 its estimations publicly and describe the need for the adjustment
2 described in the immediately preceding sentence.

3 (e) ~~For~~ Except as otherwise provided in this subdivision, for
4 public school employees who first worked for a public school
5 reporting unit before July 1, 2010, who elect defined contribution,
6 and who are enrolled in the health premium subsidy, the annual
7 level percentage of payroll contribution rate is estimated at
8 ~~36.33%~~ 36.87% with 21.82% paid directly by the employer. For 2021-
9 2022, if the retirement system determines that the annual level
10 percentage of payroll contribution rate estimated in the
11 immediately preceding sentence needs to be adjusted, the annual
12 level percentage of payroll contribution rate estimations under
13 this subdivision are the estimations determined by the retirement
14 system. If the retirement system makes a determination as described
15 in the immediately preceding sentence, it shall issue its
16 estimations publicly and describe the need for the adjustment
17 described in the immediately preceding sentence.

18 (f) ~~For~~ Except as otherwise provided in this subdivision, for
19 public school employees who first worked for a public school
20 reporting unit before July 1, 2010, who elect defined contribution,
21 and who participate in the personal healthcare fund, the annual
22 level percentage of payroll contribution rate is estimated at
23 ~~35.47%~~ 36.01% with 20.96% paid directly by the employer. For 2021-
24 2022, if the retirement system determines that the annual level
25 percentage of payroll contribution rate estimated in the
26 immediately preceding sentence needs to be adjusted, the annual
27 level percentage of payroll contribution rate estimations under
28 this subdivision are the estimations determined by the retirement
29 system. If the retirement system makes a determination as described



1 in the immediately preceding sentence, it shall issue its
 2 estimations publicly and describe the need for the adjustment
 3 described in the immediately preceding sentence.

4 (g) ~~For~~ Except as otherwise provided in this subdivision, for
 5 public school employees who first worked for a public school
 6 reporting unit before July 1, 2010 and who participate in the
 7 personal healthcare fund, the annual level percentage of payroll
 8 contribution rate is estimated at ~~41.86%~~ 42.42% with ~~27.35%~~ 27.37%
 9 paid directly by the employer. For 2021-2022, if the retirement
 10 system determines that the annual level percentage of payroll
 11 contribution rate estimated in the immediately preceding sentence
 12 needs to be adjusted, the annual level percentage of payroll
 13 contribution rate estimations under this subdivision are the
 14 estimations determined by the retirement system. If the retirement
 15 system makes a determination as described in the immediately
 16 preceding sentence, it shall issue its estimations publicly and
 17 describe the need for the adjustment described in the immediately
 18 preceding sentence.

19 (h) ~~For~~ Except as otherwise provided in this subdivision, for
 20 public school employees who first worked for a public school
 21 reporting unit after January 31, 2018 and who elect to become
 22 members of the MPSERS plan, the annual level percentage of payroll
 23 contribution rate is estimated at ~~41.67%~~ 42.21% with 27.16% paid
 24 directly by the employer. For 2021-2022, if the retirement system
 25 determines that the annual level percentage of payroll contribution
 26 rate estimated in the immediately preceding sentence needs to be
 27 adjusted, the annual level percentage of payroll contribution rate
 28 estimations under this subdivision are the estimations determined
 29 by the retirement system. If the retirement system makes a



1 **determination as described in the immediately preceding sentence,**
 2 **it shall issue its estimations publicly and describe the need for**
 3 **the adjustment described in the immediately preceding sentence.**

4 (3) In addition to the employer payments described in
 5 subsection (2), the employer shall pay the applicable contributions
 6 to the Tier 2 plan, as determined by the public school employees
 7 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

8 (4) The contribution rates in subsection (2) reflect an
 9 amortization period of ~~18-17~~ years for ~~2020-2021-2021-2022~~. The
 10 public school employees' retirement system board shall notify each
 11 district and intermediate district by February 28 of each fiscal
 12 year of the estimated contribution rate for the next fiscal year.

13 Sec. 147a. (1) From the appropriation in section 11, there is
 14 allocated for 2020-2021 **an amount not to exceed \$100,000,000.00 and**
 15 **for 2021-2022** an amount not to exceed \$100,000,000.00 for payments
 16 to participating districts. A participating district that receives
 17 money under this subsection shall use that money solely for the
 18 purpose of offsetting a portion of the retirement contributions
 19 owed by the district for the fiscal year in which it is received.
 20 The amount allocated to each participating district under this
 21 subsection is based on each participating district's percentage of
 22 the total statewide payroll for all participating districts for the
 23 immediately preceding fiscal year. As used in this subsection,
 24 "participating district" means a district that is a reporting unit
 25 of the Michigan public school employees' retirement system under
 26 the public school employees retirement act of 1979, 1980 PA 300,
 27 MCL 38.1301 to 38.1437, and that reports employees to the Michigan
 28 public school employees' retirement system for the applicable
 29 fiscal year.



1 (2) In addition to the allocation under subsection (1), from
 2 the state school aid fund money appropriated under section 11,
 3 there is allocated **an amount not to exceed \$190,430,000.00 for**
 4 **2020-2021 and** an amount not to exceed ~~\$155,136,000.00~~
 5 **\$177,400,000.00** for ~~2020-2021-2021-2022~~ for payments to
 6 participating districts and intermediate districts and from the
 7 general fund money appropriated under section 11, there is
 8 allocated **an amount not to exceed \$70,000.00 for 2020-2021 and** an
 9 amount not to exceed ~~\$70,000.00~~ **\$60,000.00** for ~~2020-2021-2021-2022~~
 10 for payments to participating district libraries. The amount
 11 allocated to each participating entity under this subsection is
 12 based on each participating entity's reported quarterly payroll for
 13 members that became tier 1 prior to February 1, 2018 for the
 14 current fiscal year. A participating entity that receives money
 15 under this subsection shall use that money solely for the purpose
 16 of offsetting a portion of the normal cost contribution rate. As
 17 used in this subsection:

18 (a) "District library" means a district library established
 19 under the district library establishment act, 1989 PA 24, MCL
 20 397.171 to 397.196.

21 (b) "Participating entity" means a district, intermediate
 22 district, or district library that is a reporting unit of the
 23 Michigan public school employees' retirement system under the
 24 public school employees retirement act of 1979, 1980 PA 300, MCL
 25 38.1301 to 38.1437, and that reports employees to the Michigan
 26 public school employees' retirement system for the applicable
 27 fiscal year.

28 Sec. 147b. (1) The MPSEERS retirement obligation reform reserve
 29 fund is created as a separate account within the state school aid



1 fund.

2 (2) The state treasurer may receive money or other assets from
3 any source for deposit into the MPERS retirement obligation reform
4 reserve fund. The state treasurer shall direct the investment of
5 the MPERS retirement obligation reform reserve fund. The state
6 treasurer shall credit to the MPERS retirement obligation reform
7 reserve fund interest and earnings from the MPERS retirement
8 obligation reform reserve fund.

9 (3) Money available in the MPERS retirement obligation reform
10 reserve fund ~~shall~~**must** not be expended without a specific
11 appropriation.

12 (4) Money in the MPERS retirement obligation reform reserve
13 fund at the close of the fiscal year ~~shall remain~~**remains** in the
14 MPERS retirement obligation reform reserve fund and ~~shall not~~**does**
15 **not** lapse to the state school aid fund or to the general fund. The
16 department of treasury ~~shall be~~**is** the administrator of the MPERS
17 retirement obligation reform reserve fund for auditing purposes.

18 (5) **For 2021-2022, \$560,000,000.00 from the state school aid**
19 **fund must be deposited into the MPERS retirement obligation reform**
20 **reserve fund.**

21 Sec. 147c. From the state school aid fund money appropriated
22 in section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
23 not to exceed ~~\$1,219,300,000.00~~**\$1,328,500,000.00 and from the**
24 **MPERS retirement obligation reform reserve fund appropriated in**
25 **section 11, there is allocated for 2021-2022 \$140,000,000.00** for
26 payments to districts and intermediate districts that are
27 participating entities of the Michigan public school employees'
28 retirement system. In addition, from the general fund money
29 appropriated in section 11, there is allocated for ~~2020-2021~~**2021-**



1 2022 an amount not to exceed \$500,000.00 for payments to district
 2 libraries that are participating entities of the Michigan public
 3 school employees' retirement system. All of the following apply to
 4 funding under this subsection:

5 (a) ~~For 2020-2021,~~ **Except as otherwise provided in this**
 6 **subdivision, for 2021-2022,** the amounts allocated under this
 7 subsection are estimated to provide an average MPSERS rate cap per
 8 pupil amount of ~~\$827.00~~ **\$911.00** and are estimated to provide a rate
 9 cap per pupil for districts ranging between \$5.00 and
 10 ~~\$4,000.00~~ **\$4,200.00. For 2021-2022, if the retirement system**
 11 **determines the average MPSERS rate cap per pupil amount and rate**
 12 **cap per pupil for districts estimated in the immediately preceding**
 13 **sentence need to be adjusted, the estimated average MPSERS rate cap**
 14 **per pupil amount and estimated rate cap per pupil for districts**
 15 **under this subdivision are the estimations determined by the**
 16 **retirement system. If the retirement system makes a determination**
 17 **as described in the immediately preceding sentence, it shall issue**
 18 **its estimations publicly and describe the need for the adjustment**
 19 **described in the immediately preceding sentence.**

20 (b) Payments made under this subsection are equal to the
 21 difference between the unfunded actuarial accrued liability
 22 contribution rate as calculated pursuant to section 41 of the
 23 public school employees retirement act of 1979, 1980 PA 300, MCL
 24 38.1341, as calculated without taking into account the maximum
 25 employer rate of 20.96% included in section 41 of the public school
 26 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
 27 maximum employer rate of 20.96% included in section 41 of the
 28 public school employees retirement act of 1979, 1980 PA 300, MCL
 29 38.1341.



1 (c) The amount allocated to each participating entity under
2 this subsection is based on each participating entity's proportion
3 of the total covered payroll for the immediately preceding fiscal
4 year for the same type of participating entities. A participating
5 entity that receives funds under this subsection shall use the
6 funds solely for the purpose of retirement contributions as
7 specified in subdivision (d).

8 (d) Each participating entity receiving funds under this
9 subsection shall forward an amount equal to the amount allocated
10 under subdivision (c) to the retirement system in a form, manner,
11 and time frame determined by the retirement system.

12 (e) Funds allocated under this subsection should be considered
13 when comparing a district's growth in total state aid funding from
14 1 fiscal year to the next.

15 (f) Not later than December 20, ~~2020~~, **2021**, the department
16 shall publish and post on its website an estimated MPSERS rate cap
17 per pupil for each district.

18 (g) The office of retirement services shall first apply funds
19 allocated under this subsection to pension contributions and, if
20 any funds remain after that payment, shall apply those remaining
21 funds to other postemployment benefit contributions.

22 (h) As used in this section:

23 (i) "District library" means a district library established
24 under the district library establishment act, 1989 PA 24, MCL
25 397.171 to 397.196.

26 (ii) "MPSERS rate cap per pupil" means an amount equal to the
27 quotient of the district's payment under this subsection divided by
28 the district's pupils in membership.

29 (iii) "Participating entity" means a district, intermediate



1 district, or district library that is a reporting unit of the
 2 Michigan public school employees' retirement system under the
 3 public school employees retirement act of 1979, 1980 PA 300, MCL
 4 38.1301 to 38.1437, and that reports employees to the Michigan
 5 public school employees' retirement system for the applicable
 6 fiscal year.

7 (iv) "Retirement board" means the board that administers the
 8 retirement system under the public school employees retirement act
 9 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

10 (v) "Retirement system" means the Michigan public school
 11 employees' retirement system under the public school employees
 12 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

13 Sec. 147e. (1) From the ~~appropriation~~ **state school aid fund**
 14 **money appropriated** in section 11, **there is allocated for 2020-2021**
 15 **an amount not to exceed \$33,800,000.00 and** there is allocated for
 16 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$51,400,000.00 from the~~
 17 ~~state school aid fund~~ **\$65,300,000.00** for payments to participating
 18 entities.

19 (2) The payment to each participating entity under this
 20 section is the sum of the amounts under this subsection as follows:

21 (a) An amount equal to the contributions made by a
 22 participating entity for the additional contribution made to a
 23 qualified participant's Tier 2 account in an amount equal to the
 24 contribution made by the qualified participant not to exceed 3% of
 25 the qualified participant's compensation as provided for under
 26 section 131(6) of the public school employees retirement act of
 27 1979, 1980 PA 300, MCL 38.1431.

28 (b) Beginning October 1, 2017, an amount equal to the
 29 contributions made by a participating entity for a qualified



1 participant who is only a Tier 2 qualified participant under
 2 section 81d of the public school employees retirement act of 1979,
 3 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
 4 February 1, 2018, not to exceed 1%, of the qualified participant's
 5 compensation.

6 (c) An amount equal to the increase in employer normal cost
 7 contributions under section 41b(2) of the public school employees
 8 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
 9 that was hired after February 1, 2018 and chose to participate in
 10 Tier 1, compared to the employer normal cost contribution for a
 11 member under section 41b(1) of the public school employees
 12 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

13 (3) As used in this section:

14 (a) "Member" means that term as defined under the public
 15 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
 16 to 38.1437.

17 (b) "Participating entity" means a district, intermediate
 18 district, or community college that is a reporting unit of the
 19 Michigan public school employees' retirement system under the
 20 public school employees retirement act of 1979, 1980 PA 300, MCL
 21 38.1301 to 38.1437, and that reports employees to the Michigan
 22 public school employees' retirement system for the applicable
 23 fiscal year.

24 (c) "Qualified participant" means that term as defined under
 25 section 124 of the public school employees retirement act of 1979,
 26 1980 PA 300, MCL 38.1424.

27 Sec. 152a. (1) As required by the court in the consolidated
 28 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
 29 the state school aid fund money appropriated in section 11, there



1 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 2 \$38,000,500.00 to be used solely for the purpose of paying
 3 necessary costs related to the state-mandated collection,
 4 maintenance, and reporting of data to this state.

5 (2) From the allocation in subsection (1), the department
 6 shall make payments to districts and intermediate districts in an
 7 equal amount ~~per-pupil~~ **per pupil** based on the total number of
 8 pupils in membership in each district and intermediate district.
 9 The department shall not make any adjustment to these payments
 10 after the final installment payment under section 17b is made.

11 Sec. 152b. (1) From the general fund money appropriated under
 12 section 11, there is allocated ~~an amount not to exceed~~
 13 ~~\$2,500,000.00 for 2017-2018~~ and an amount not to exceed ~~\$250,000.00~~
 14 **\$1,000,000.00** for ~~2018-2019~~ **2021-2022** to reimburse actual costs
 15 incurred by nonpublic schools in complying with a health, safety,
 16 or welfare requirement mandated by a law or administrative rule of
 17 this state.

18 (2) By January 1 of each applicable fiscal year, the
 19 department shall publish a form for reporting actual costs incurred
 20 by a nonpublic school in complying with a health, safety, or
 21 welfare requirement mandated under state law containing each
 22 health, safety, or welfare requirement mandated by a law or
 23 administrative rule of this state applicable to a nonpublic school
 24 and with a reference to each relevant provision of law or
 25 administrative rule for the requirement. The form shall be posted
 26 on the department's website in electronic form.

27 (3) By June 30 of each applicable fiscal year, a nonpublic
 28 school seeking reimbursement for actual costs incurred in complying
 29 with a health, safety, or welfare requirement under a law or



1 administrative rule of this state during each applicable school
2 year shall submit a completed form described in subsection (2) to
3 the department. This section does not require a nonpublic school to
4 submit a form described in subsection (2). A nonpublic school is
5 not eligible for reimbursement under this section if the nonpublic
6 school does not submit the form described in subsection (2) in a
7 timely manner.

8 (4) By August 15 of each applicable fiscal year, the
9 department shall distribute funds to each nonpublic school that
10 submits a completed form described under subsection (2) in a timely
11 manner. The superintendent shall determine the amount of funds to
12 be paid to each nonpublic school in an amount that does not exceed
13 the nonpublic school's actual costs in complying with a health,
14 safety, or welfare requirement under a law or administrative rule
15 of this state. The superintendent shall calculate a nonpublic
16 school's actual cost in accordance with this section.

17 (5) If the funds allocated under this section are insufficient
18 to fully fund payments as otherwise calculated under this section,
19 the department shall distribute funds under this section on a
20 prorated or other equitable basis as determined by the
21 superintendent.

22 (6) The department may review the records of a nonpublic
23 school submitting a form described in subsection (2) only for the
24 limited purpose of verifying the nonpublic school's compliance with
25 this section. If a nonpublic school does not allow the department
26 to review records under this subsection, the nonpublic school is
27 not eligible for reimbursement under this section.

28 (7) The funds appropriated under this section are for purposes
29 related to education, are considered to be incidental to the



1 operation of a nonpublic school, are noninstructional in character,
2 and are intended for the public purpose of ensuring the health,
3 safety, and welfare of the children in nonpublic schools and to
4 reimburse nonpublic schools for costs described in this section.

5 (8) Funds allocated under this section are not intended to aid
6 or maintain any nonpublic school, support the attendance of any
7 student at a nonpublic school, employ any person at a nonpublic
8 school, support the attendance of any student at any location where
9 instruction is offered to a nonpublic school student, or support
10 the employment of any person at any location where instruction is
11 offered to a nonpublic school student.

12 (9) For purposes of this section, "actual cost" means the
13 hourly wage for the employee or employees performing a task or
14 tasks required to comply with a health, safety, or welfare
15 requirement under a law or administrative rule of this state
16 identified by the department under subsection (2) and is to be
17 calculated in accordance with the form published by the department
18 under subsection (2), which shall include a detailed itemization of
19 costs. The nonpublic school shall not charge more than the hourly
20 wage of its lowest-paid employee capable of performing a specific
21 task regardless of whether that individual is available and
22 regardless of who actually performs a specific task. Labor costs
23 under this subsection shall be estimated and charged in increments
24 of 15 minutes or more, with all partial time increments rounded
25 down. When calculating costs under subsection (4), fee components
26 shall be itemized in a manner that expresses both the hourly wage
27 and the number of hours charged. The nonpublic school may not
28 charge any applicable labor charge amount to cover or partially
29 cover the cost of health or fringe benefits. A nonpublic school



1 shall not charge any overtime wages in the calculation of labor
2 costs.

3 (10) For the purposes of this section, the actual cost
4 incurred by a nonpublic school for taking daily student attendance
5 shall be considered an actual cost in complying with a health,
6 safety, or welfare requirement under a law or administrative rule
7 of this state. Training fees, inspection fees, and criminal
8 background check fees are considered actual costs in complying with
9 a health, safety, or welfare requirement under a law or
10 administrative rule of this state.

11 (11) The funds allocated under this section for 2017-2018 are
12 a work project appropriation, and any unexpended funds for 2017-
13 2018 are carried forward into 2018-2019. The purpose of the work
14 project is to continue to reimburse nonpublic schools for actual
15 costs incurred in complying with a health, safety, or welfare
16 requirement mandated by a law or administrative rule of this state.
17 The estimated completion date of the work project is September 30,
18 ~~2020-2022~~.

19 (12) The funds allocated under this section for 2018-2019 are
20 a work project appropriation, and any unexpended funds for 2018-
21 2019 are carried forward into 2019-2020. The purpose of the work
22 project is to continue to reimburse nonpublic schools for actual
23 costs incurred in complying with a health, safety, or welfare
24 requirement mandated by a law or administrative rule of this state.
25 The estimated completion date of the work project is September 30,
26 ~~2020-2022~~.

27 **(13) The funds allocated under this section for 2021-2022 are**
28 **a work project appropriation, and any unexpended funds for 2021-**
29 **2022 are carried forward into 2022-2023. The purpose of the work**



1 project is to continue to reimburse nonpublic schools for actual
 2 costs incurred in complying with a health, safety, or welfare
 3 requirement mandated by a law or administrative rule of this state.
 4 The estimated completion date of the work project is September 30,
 5 2023.

6 (14) The department shall reimburse nonpublic schools for
 7 actual costs incurred in complying with health, safety, or welfare
 8 requirements under a law or administrative rule of this state from
 9 2018-2019 through 2020-2021 using work project funds or, if those
 10 funds are insufficient to fund reimbursements under this
 11 subsection, from the allocation under subsection (1).

12 Enacting section 1. In accordance with section 30 of article
 13 IX of the state constitution of 1963, total state spending on
 14 school aid under article I of the state school aid act of 1979,
 15 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 165,
 16 2021 PA 3, and this amendatory act, from state sources for fiscal
 17 year 2020-2021 is estimated at \$13,850,072,600.00 and state
 18 appropriations for school aid to be paid to local units of
 19 government for fiscal year 2020-2021 are estimated at
 20 \$13,680,775,500.00. In accordance with section 30 of article IX of
 21 the state constitution of 1963, total state spending on school aid
 22 under article I of the state school aid act of 1979, 1979 PA 94,
 23 MCL 388.1601 to 388.1772, as amended by this amendatory act, from
 24 state sources for fiscal year 2021-2022 is estimated at
 25 \$14,798,893,000.00 and state appropriations for school aid to be
 26 paid to local units of government for fiscal year 2021-2022 are
 27 estimated at \$14,602,645,400.00.

28 Enacting section 2. Sections 11d, 11p, 11q, 23b, 23c, 23e,
 29 25j, 29a, 31k, 91a, 91c, 94b, 98d, 99i, 104d, 104f, 104g, and 105b



1 of the state school aid act of 1979, 1979 PA 94, MCL 388.1611d,
2 388.1611p, 388.1611q, 388.1623b, 388.1623c, 388.1623e, 388.1625j,
3 388.1629a, 388.1631k, 388.1691a, 388.1691c, 388.1694b, 388.1698d,
4 388.1699i, 388.1704d, 388.1704f, 388.1704g, and 388.1705b, are
5 repealed effective October 1, 2021.

6 Enacting section 3. (1) Except as otherwise provided in
7 subsection (2), this amendatory act takes effect October 1, 2021.

8 (2) Sections 6(8), 6a, 11, 11m, 22a, 22b, 24, 26c, 29a, 31d,
9 31f, 31p, 39(8), 39a, 51a, 51c, 51d, 56, 62, 81, 104a, 147a, and
10 147e, as amended by this amendatory act, take effect upon enactment
11 of this amendatory act.

