

**SUBSTITUTE FOR
SENATE BILL NO. 83**

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, 61d, 62, 65, 67, 67a, 74, 81,
94, 94a, 95b, 98, 99h, 99i, 99s, 99t, 99u, 99w, 99x, 99z, 101, 104,
104a, 104f, 104g, 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, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1698, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699w, 388.1699x, 388.1699z, 388.1701, 388.1704, 388.1704a, 388.1704f, 388.1704g, 388.1705, 388.1705c, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, and 388.1752b), section 4 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, 67a, 99i, 99z, 104f, and 104g 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, sections 19, 147b, and 152b as amended and section 31m as added by 2018 PA 265, and by adding sections 20m, 25k, 26d, 31p, 51g, 51h, 61g, 78, 94c, 97, 98b, 98e, and 167c; 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
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 engaged in pandemic**
20 **learning for fall 2021 or, for a public school academy that**
21 **operates as a cyber school, as that term is defined in section 551**
22 **of the revised school code, MCL 380.551, the number of full-time**
23 **equated pupils in grades K to 12 actually enrolled and in regular**
24 **daily attendance in the public school academy on pupil membership**
25 **count day for the current school year** and the product of ~~.25~~ **.10**
26 times ~~{the sum of (the product of .90 times the number of full-time~~
27 ~~equated pupils engaged in pandemic learning for fall 2020 or, for a~~
28 ~~public school academy that operates as a cyber school, as that term~~
29 ~~is defined in section 551 of the revised school code, MCL 380.551,~~



~~1 the number of full-time equated pupils in grades K to 12 actually~~
~~2 enrolled and in regular daily attendance in the public school~~
~~3 academy on pupil membership count day for the current school year)~~
~~4 and (the product of .10 times the final audited count from the~~
~~5 supplemental count day of full-time equated pupils in grades K to~~
~~6 12 actually enrolled and in regular daily attendance in the~~
~~7 district, public school academy, or intermediate district for the~~
~~8 immediately preceding school year)]]. **the final audited count of the**~~
~~9 **number of full-time equated pupils engaged in pandemic learning for**~~
~~10 **spring 2021, or, for a public school academy that operates as a**~~
~~11 **cyber school, as that term is defined in section 551 of the revised**~~
~~12 **school code, MCL 380.551, the final audited count from the**~~
~~13 **supplemental count day of full-time equated pupils in grades K to**~~
~~14 **12 actually enrolled and in regular daily attendance in the public**~~
~~15 **school academy for the immediately preceding school year.**~~ All pupil
16 counts used in this subsection are as determined by the department
17 and calculated by adding the number of pupils registered for
18 attendance plus pupils received by transfer and minus pupils lost
19 as defined by rules promulgated by the superintendent, and as
20 corrected by a subsequent department audit. The amount of the
21 foundation allowance for a pupil in membership is determined under
22 section 20. In making the calculation of membership, all of the
23 following, as applicable, apply to determining the membership of a
24 district, a public school academy, or an intermediate district:
25 (a) Except as otherwise provided in this subsection, and
26 pursuant to subsection (6), a pupil is counted in membership in the
27 pupil's educating district or districts. An individual pupil must
28 not be counted for more than a total of 1.0 full-time equated
29 membership.



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

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

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

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

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

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

29 (h) For the purposes of this section and section 6a, for a



1 cyber school, as that term is defined in section 551 of the revised
2 school code, MCL 380.551, that is in compliance with section 553a
3 of the revised school code, MCL 380.553a, a pupil's participation
4 in the cyber school's educational program is considered regular
5 daily attendance, and for a district or public school academy, a
6 pupil's participation in a virtual course as that term is defined
7 in section 21f is considered regular daily attendance. For the
8 purposes of this subdivision, for a pupil enrolled in a cyber
9 school and utilizing sequential learning, participation means that
10 term as defined in the pupil accounting manual, section ~~5-e-d:5-O-~~
11 **D**: requirements for counting pupils in membership-subsection 10.

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

15 (i) Except as otherwise provided in this subparagraph, if
16 operations begin before the pupil membership count day for the
17 fiscal year, membership is the average number of full-time equated
18 pupils in grades K to 12 actually enrolled and in regular daily
19 attendance on the pupil membership count day for the current school
20 year and on the supplemental count day for the current school year,
21 as determined by the department and calculated by adding the number
22 of pupils registered for attendance on the pupil membership count
23 day plus pupils received by transfer and minus pupils lost as
24 defined by rules promulgated by the superintendent, and as
25 corrected by a subsequent department audit, plus the final audited
26 count from the supplemental count day for the current school year,
27 and dividing that sum by 2. However, for ~~2020-2021~~**2021-2022** only,
28 if operations begin before the pupil membership count day for the
29 fiscal year, except for a public school academy that operates as a



1 cyber school, as that term is defined in section 551 of the revised
 2 school code, MCL 380.551, membership is the average number of full-
 3 time equated pupils engaged in pandemic learning for fall 2020–2021
 4 and full-time equated pupils engaged in pandemic learning for
 5 ~~spring 2021, as that term is defined in section 6a,~~ **in grades K to**
 6 **12 actually enrolled and in regular daily attendance on the**
 7 **supplemental count day for the current school year** as determined by
 8 the department and calculated by adding the number of pupils
 9 registered for attendance on the pupil membership count day plus
 10 pupils received by transfer and minus pupils lost as defined by
 11 rules promulgated by the superintendent, and as corrected by a
 12 subsequent department audit, plus the final audited count from the
 13 supplemental count day for the current school year, and dividing
 14 that sum by 2.

15 (ii) If operations begin after the pupil membership count day
 16 for the fiscal year and not later than the supplemental count day
 17 for the fiscal year, membership is the final audited count of the
 18 number of full-time equated pupils in grades K to 12 actually
 19 enrolled and in regular daily attendance on the supplemental count
 20 day for the current school year. ~~, but, for 2020–2021 only, except~~
 21 ~~for a public school academy that operates as a cyber school, as~~
 22 ~~that term is defined in section 551 of the revised school code, MCL~~
 23 ~~380.551, membership is the final audited count of the number of~~
 24 ~~full-time equated pupils engaged in pandemic learning for spring~~
 25 ~~2021, as that term is defined in section 6a.~~

26 (j) If a district is the authorizing body for a public school
 27 academy, then, in the first school year in which pupils are counted
 28 in membership on the pupil membership count day in the public
 29 school academy, the determination of the district's membership



1 excludes from the district's pupil count for the immediately
 2 preceding supplemental count day any pupils who are counted in the
 3 public school academy on that first pupil membership count day who
 4 were also counted in the district on the immediately preceding
 5 supplemental count day.

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

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

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

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

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

26 (B) Had dropped out of school.

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

29 (iii) If a child does not meet the minimum age requirement to be



1 eligible to attend school for that school year under section 1147
2 of the revised school code, MCL 380.1147, but will be 5 years of
3 age not later than December 1 of that school year, the district may
4 count the child in membership for that school year if the parent or
5 legal guardian has notified the district in writing that he or she
6 intends to enroll the child in kindergarten for that school year.

7 (m) An individual who has achieved a high school diploma is
8 not counted in membership. An individual who has achieved a high
9 school equivalency certificate is not counted in membership unless
10 the individual is a student with a disability as that term is
11 defined in R 340.1702 of the Michigan Administrative Code. An
12 individual participating in a job training program funded under
13 former section 107a or a jobs program funded under former section
14 107b, administered by the department of labor and economic
15 opportunity, or participating in any successor of either of those 2
16 programs, is not counted in membership.

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

29 (i) If the public school academy provides instruction for at



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

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

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

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

27 (q) The number of class hours used to calculate full-time
28 equated memberships must be consistent with section 101. In
29 determining full-time equated memberships for pupils who are



1 enrolled in a postsecondary institution or for pupils engaged in an
2 internship or work experience under section 1279h of the revised
3 school code, MCL 380.1279h, a pupil is not considered to be less
4 than a full-time equated pupil solely because of the effect of his
5 or her postsecondary enrollment or engagement in the internship or
6 work experience, including necessary travel time, on the number of
7 class hours provided by the district to the pupil.

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

23 (s) For a district or a public school academy that has pupils
24 enrolled in a grade level that was not offered by the district or
25 public school academy in the immediately preceding school year, the
26 number of pupils enrolled in that grade level to be counted in
27 membership is the average of the number of those pupils enrolled
28 and in regular daily attendance on the pupil membership count day
29 and the supplemental count day of the current school year, but, for



1 ~~2020-2021-2021-2022~~ only, except for a public school academy that
 2 operates as a cyber school, as that term is defined in section 551
 3 of the revised school code, MCL 380.551, the number of pupils
 4 enrolled in that grade level to be counted in membership is the
 5 average of the number of those pupils engaged in pandemic learning
 6 for fall ~~2020-2021~~ and the number of those pupils ~~engaged in~~
 7 ~~pandemic learning for spring 2021, as that term is defined in~~
 8 ~~section 6a,~~ **enrolled and in regular daily attendance on the**
 9 **supplemental count day for the current school year**, as determined
 10 by the department. Membership is calculated by adding the number of
 11 pupils registered for attendance in that grade level on the pupil
 12 membership count day plus pupils received by transfer and minus
 13 pupils lost as defined by rules promulgated by the superintendent,
 14 and as corrected by subsequent department audit, plus the final
 15 audited count from the supplemental count day for the current
 16 school year, and dividing that sum by 2.

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

20 (u) If, as a result of a disciplinary action, a district
 21 determines through the district's alternative or disciplinary
 22 education program that the best instructional placement for a pupil
 23 is in the pupil's home or otherwise apart from the general school
 24 population, if that placement is authorized in writing by the
 25 district superintendent and district alternative or disciplinary
 26 education supervisor, and if the district provides appropriate
 27 instruction as described in this subdivision to the pupil at the
 28 pupil's home or otherwise apart from the general school population,
 29 the district may count the pupil in membership on a pro rata basis,



1 with the proration based on the number of hours of instruction the
2 district actually provides to the pupil divided by the number of
3 hours required under section 101 for full-time equivalency. For the
4 purposes of this subdivision, a district is considered to be
5 providing appropriate instruction if all of the following are met:

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

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

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

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

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

24 (w) For a public school academy that has been in operation for
25 at least 2 years and that suspended operations for at least 1
26 semester and is resuming operations, membership is the sum of the
27 product of .90 times the number of full-time equated pupils in
28 grades K to 12 actually enrolled and in regular daily attendance on
29 the first pupil membership count day or supplemental count day,



1 whichever is first, occurring after operations resume, plus the
 2 product of .10 times the final audited count from the most recent
 3 pupil membership count day or supplemental count day that occurred
 4 before suspending operations, as determined by the superintendent,
 5 but, for ~~2020-2021~~ **2021-2022** only, except for a public school
 6 academy that operates as a cyber school, as that term is defined in
 7 section 551 of the revised school code, MCL 380.551, membership is
 8 the sum of the product of .90 times the number of full-time equated
 9 pupils engaged in pandemic learning for fall ~~2020~~ **2021** or the
 10 number of full-time equated pupils engaged in ~~pandemic learning for~~
 11 ~~spring 2021, as that term is defined in section 6a,~~ **grades K to 12**
 12 **actually enrolled and in regular daily attendance on the**
 13 **supplemental count day**, whichever applies first after operations
 14 resume, plus the product of .10 times the final audited count from
 15 the most recent pupil membership count day or supplemental count
 16 day that occurred before suspending operations, as determined by
 17 the superintendent.

18 (x) If a district's membership for a particular fiscal year,
 19 as otherwise calculated under this subsection, would be less than
 20 1,550 pupils, the district has 4.5 or fewer pupils per square mile,
 21 as determined by the department, and the district does not receive
 22 funding under section 22d(2), the district's membership is
 23 considered to be the membership figure calculated under this
 24 subdivision. If a district educates and counts in its membership
 25 pupils in grades 9 to 12 who reside in a contiguous district that
 26 does not operate grades 9 to 12 and if 1 or both of the affected
 27 districts request the department to use the determination allowed
 28 under this sentence, the department shall include the square
 29 mileage of both districts in determining the number of pupils per



1 square mile for each of the districts for the purposes of this
2 subdivision. If a district has established a community engagement
3 advisory committee in partnership with the department of treasury,
4 is required to submit a deficit elimination plan or an enhanced
5 deficit elimination plan under section 1220 of the revised school
6 code, MCL 380.1220, and is located in a city with a population
7 between 9,000 and 11,000, **as determined by the department**, that is
8 in a county with a population between ~~155,000~~**150,000** and 160,000,
9 **as determined by the department**, the district's membership is
10 considered to be the membership figure calculated under this
11 subdivision. The membership figure calculated under this
12 subdivision is the greater of the following:

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

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

20 (y) Full-time equated memberships for special education pupils
21 who are not enrolled in kindergarten but are enrolled in a
22 classroom program under R 340.1754 of the Michigan Administrative
23 Code are determined by dividing the number of class hours scheduled
24 and provided per year by 450. Full-time equated memberships for
25 special education pupils who are not enrolled in kindergarten but
26 are receiving early childhood special education services under R
27 340.1755 or R 340.1862 of the Michigan Administrative Code are
28 determined by dividing the number of hours of service scheduled and
29 provided per year per-pupil by 180.



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

6 (aa) For the first year in which a pupil is counted in
7 membership on the pupil membership count day in a middle college
8 program, the membership is the average of the full-time equated
9 membership on the pupil membership count day and on the
10 supplemental count day for the current school year, as determined
11 by the department. If a pupil described in this subdivision was
12 counted in membership by the operating district on the immediately
13 preceding supplemental count day, the pupil is excluded from the
14 district's immediately preceding supplemental count for the
15 purposes of determining the district's membership.

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

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

23 (dd) For a pupil enrolled in a dropout recovery program that
24 meets the requirements of section 23a, the pupil is counted as 1/12
25 of a full-time equated membership for each month that the district
26 operating the program reports that the pupil was enrolled in the
27 program and was in full attendance. However, if the special
28 membership counting provisions under this subdivision and the
29 operation of the other membership counting provisions under this



1 subsection result in a pupil being counted as more than 1.0 FTE in
 2 a fiscal year, the payment made for the pupil under sections 22a
 3 and 22b must not be based on more than 1.0 FTE for that pupil, and
 4 any portion of an FTE for that pupil that exceeds 1.0 is instead
 5 paid under section 25g. The district operating the program shall
 6 report to the center the number of pupils who were enrolled in the
 7 program and were in full attendance for a month not later than 30
 8 days after the end of the month. A district shall not report a
 9 pupil as being in full attendance for a month unless both of the
 10 following are met:

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

14 (ii) The pupil meets the district's definition under section
 15 23a of satisfactory monthly progress for that month or, if the
 16 pupil does not meet that definition of satisfactory monthly
 17 progress for that month, the pupil did meet that definition of
 18 satisfactory monthly progress in the immediately preceding month
 19 and appropriate interventions are implemented within 10 school days
 20 after it is determined that the pupil does not meet that definition
 21 of satisfactory monthly progress.

22 (ee) A pupil participating in a virtual course under section
 23 21f is counted in membership in the district enrolling the pupil.

24 (ff) If a public school academy that is not in its first or
 25 second year of operation closes at the end of a school year and
 26 does not reopen for the next school year, the department shall
 27 adjust the membership count of the district or other public school
 28 academy in which a former pupil of the closed public school academy
 29 enrolls and is in regular daily attendance for the next school year



1 to ensure that the district or other public school academy receives
2 the same amount of membership aid for the pupil as if the pupil
3 were counted in the district or other public school academy on the
4 supplemental count day of the preceding school year.

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

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

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

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

24 (i) The pupil would meet the definition of an eligible student
25 under the postsecondary enrollment options act, 1996 PA 160, MCL
26 388.511 to 388.524, if the course were an eligible course under
27 that act.

28 (ii) The course in which the pupil is enrolled would meet the
29 definition of an eligible course under the postsecondary enrollment



1 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
2 were provided by an eligible postsecondary institution under that
3 act.

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

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

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

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

27 (ll) If a district's or public school academy's membership for
28 a particular fiscal year, as otherwise calculated under this
29 subsection, includes pupils counted in membership who are enrolled



1 under section 166b, all of the following apply for the purposes of
2 this subdivision:

3 (i) If the district's or public school academy's membership for
4 pupils counted under section 166b equals or exceeds 5% of the
5 district's or public school academy's membership for pupils not
6 counted in membership under section 166b in the immediately
7 preceding fiscal year, then the growth in the district's or public
8 school academy's membership for pupils counted under section 166b
9 must not exceed 10%.

10 (ii) If the district's or public school academy's membership
11 for pupils counted under section 166b is less than 5% of the
12 district's or public school academy's membership for pupils not
13 counted in membership under section 166b in the immediately
14 preceding fiscal year, then the district's or public school
15 academy's membership for pupils counted under section 166b must not
16 exceed the greater of the following:

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

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

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

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

29 (6) "Pupil" means an individual in membership in a public



1 school. A district must have the approval of the pupil's district
2 of residence to count the pupil in membership, except approval by
3 the pupil's district of residence is not required for any of the
4 following:

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

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

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

10 (d) A pupil enrolled in a district other than the pupil's
11 district of residence under an intermediate district schools of
12 choice pilot program as described in **former** section 91a or former
13 section 91 if the intermediate district and its constituent
14 districts have been exempted from section 105.

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

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



1 1931 PA 328, MCL 750.411a, which provides criminal penalties for
2 that conduct. As used in this subdivision:

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

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

12 (g) A pupil whose district of residence changed after the
13 pupil membership count day and before the supplemental count day
14 and who continues to be enrolled on the supplemental count day as a
15 nonresident in the district in which he or she was enrolled as a
16 resident on the pupil membership count day of the same school year.

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

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

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

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

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

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

29 (j) A pupil who is the child of a person who works at the



1 district or who is the child of a person who worked at the district
 2 as of the time the pupil first enrolled in the district but who no
 3 longer works at the district due to a workforce reduction. As used
 4 in this subdivision, "child" includes an adopted child, stepchild,
 5 or legal ward.

6 (k) An expelled pupil who has been denied reinstatement by the
 7 expelling district and is reinstated by another school board under
 8 section 1311 or 1311a of the revised school code, MCL 380.1311 and
 9 380.1311a.

10 (l) A pupil enrolled in a district other than the pupil's
 11 district of residence in a middle college program if the pupil's
 12 district of residence and the enrolling district are both
 13 constituent districts of the same intermediate district.

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

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

20 (o) A pupil who enrolls in a district other than the pupil's
 21 district of residence as a result of the pupil's school not making
 22 adequate yearly progress under the no child left behind act of
 23 2001, Public Law 107-110, or the every student succeeds act, Public
 24 Law 114-95.

25 However, if a district educates pupils who reside in another
 26 district and if the primary instructional site for those pupils is
 27 established by the educating district after 2009-2010 and is
 28 located within the boundaries of that other district, the educating
 29 district must have the approval of that other district to count



1 those pupils in membership.

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

4 (a) Except as provided in subdivision (b), the first Wednesday
5 in October each school year or, for a district or building in which
6 school is not in session on that Wednesday due to conditions not
7 within the control of school authorities, with the approval of the
8 superintendent, the immediately following day on which school is in
9 session in the district or building. A district is considered to be
10 in session for purposes of this subdivision when the district is
11 providing pupil instruction pursuant to an extended COVID-19
12 learning plan approved under section ~~98a-98b~~.

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

- 15 (i) Fourth Wednesday in July.
16 (ii) First Wednesday in October.
17 (iii) Second Wednesday in February.
18 (iv) Fourth Wednesday in April.

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



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

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

24 (b) **For the 2020-2021 school year only, a period of time in 1**
 25 **day when pupils and a certificated teacher, a teacher engaged to**
 26 **teach under section 1233b of the revised school code, MCL**
 27 **380.1233b, or an individual working under a valid substitute**
 28 **permit, authorization, or approval issued by the department are**
 29 **together and instruction is taking place.**



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

6 (a) For **a district to which section 98b(1) (a) (i) or (ii) applies**
 7 **on pupil membership count day or for an intermediate district, for**
 8 a pupil who is not learning sequentially, any of the following
 9 occurs for each of the pupil's scheduled courses:

10 (i) The pupil attends a live lesson from the pupil's teacher or
 11 at least 1 of the pupil's teachers on ~~2020-2021~~**2021-2022** pupil
 12 membership count day.

13 (ii) The pupil logs into an online or virtual lesson or lesson
 14 activity on ~~2020-2021~~**2021-2022** pupil membership count day and the
 15 login can be documented by the district or intermediate district.

16 (iii) The pupil and the pupil's teacher or at least 1 of the
 17 pupil's teachers engage in a subject-oriented telephone
 18 conversation on ~~2020-2021~~**2021-2022** pupil membership count day.

19 (iv) The district or intermediate district documents that an
 20 ~~electronic mail~~**email** dialogue occurred between the pupil and the
 21 pupil's teacher or at least 1 of the pupil's teachers on ~~2020-2021~~
 22 **2021-2022** pupil membership count day.

23 (b) For **a district to which section 98b(1) (a) (i) or (ii) applies**
 24 **on pupil membership count day or for an intermediate district, for**
 25 a pupil who is using sequential learning, any of the following
 26 occurs for each of the pupil's scheduled courses:

27 (i) The pupil attends a virtual course where synchronous, live
 28 instruction occurs with the pupil's teacher or at least 1 of the
 29 pupil's teachers on ~~2020-2021~~**2021-2022** pupil membership count day



1 and the attendance is documented by the district or intermediate
2 district.

3 (ii) The pupil completes a course assignment on ~~2020-2021-2021-~~
4 **2022** pupil membership count day and the completion is documented by
5 the district or intermediate district.

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

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

12 (c) ~~At~~ **For a district to which section 98b(1) (a) (i) or (ii)**
13 **applies on pupil membership count day or for an intermediate**
14 **district, at** a minimum, 1 2-way interaction has occurred between
15 the pupil and the pupil's teacher or at least 1 of the pupil's
16 teachers or another district employee who has responsibility for
17 the pupil's learning, grade progression, or academic progress
18 during the week on which ~~2020-2021-2021-2022~~ pupil membership count
19 day falls and during each week for the 3 consecutive weeks after
20 the week on which ~~2020-2021-2021-2022~~ pupil membership count day
21 falls. A district may utilize 2-way interactions that occur under
22 this subdivision toward meeting the requirement under section
23 101(3) (h). As used in this subdivision:

24 (i) "2-way interaction" means a communication that occurs
25 between a pupil and the pupil's teacher or at least 1 of the
26 pupil's teachers or another district employee who has
27 responsibility for the pupil's learning, grade progression, or
28 academic progress, where 1 party initiates communication and a
29 response from the other party follows that communication, and that



1 is relevant to course progress or course content for at least 1 of
 2 the courses in which the pupil is enrolled or relevant to the
 3 pupil's overall academic progress or grade progression. Responses,
 4 as described in this subparagraph, must be to communication
 5 initiated by the teacher, by another district employee who has
 6 responsibility for the pupil's learning, grade progression, or
 7 academic progress, or by the pupil, and not some other action
 8 taken. The communication described in this subparagraph may occur
 9 through, but is not limited to, any of the following means:

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

11 (B) Telephone.

12 (C) Instant messaging.

13 (D) Face-to-face conversation.

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

16 (d) ~~The~~**For a district to which section 98b(1) (a) (i) or (ii)**
 17 **applies on pupil membership count day or for an intermediate**
 18 **district, the** pupil has not participated in or completed an
 19 activity as described in subdivision (a), (b), or (c) and the pupil
 20 was not excused from participation or completion, but the pupil
 21 participates in or completes an activity described in subdivision
 22 (a) or (b) during the 10 consecutive school days immediately
 23 following the ~~2020-2021-2021-2022~~ pupil membership count day.

24 (e) ~~The~~**For a district to which section 98b(1) (a) (i) or (ii)**
 25 **applies on pupil membership count day or for an intermediate**
 26 **district, the** pupil has not participated in or completed an
 27 activity as described in subdivision (a), (b), or (c) and the pupil
 28 was excused from participation or completion, but the pupil
 29 participates in or completes an activity described in subdivision



1 (a) or (b) during the 30 calendar days immediately following the
2 ~~2020-2021-2021-2022~~ pupil membership count day.

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

5 **(10) "Pupils engaged in pandemic learning for spring 2021"**
6 **means that term as defined in section 6a.**

7 **(11) ~~(10)~~**"Rule" means a rule promulgated pursuant to the
8 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
9 24.328.

10 **(12) ~~(11)~~**"The revised school code" means the revised school
11 code, 1976 PA 451, MCL 380.1 to 380.1852.

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

16 **(14) ~~(13)~~**"School fiscal year" means a fiscal year that
17 commences July 1 and continues through June 30.

18 **(15) ~~(14)~~**"State board" means the state board of education.

19 **(16) ~~(15)~~**"Superintendent", unless the context clearly refers
20 to a district or intermediate district superintendent, means the
21 superintendent of public instruction described in section 3 of
22 article VIII of the state constitution of 1963.

23 **(17) ~~(16)~~**"Supplemental count day" means the day on which the
24 supplemental pupil count is conducted under section 6a or the day
25 specified as supplemental count day under section 6a.

26 **(18) ~~(17)~~**"Tuition pupil" means a pupil of school age
27 attending school in a district other than the pupil's district of
28 residence for whom tuition may be charged to the district of
29 residence. Tuition pupil does not include a pupil who is a special



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

7 (19) ~~(18)~~—"State school aid fund" means the state school aid
 8 fund established in section 11 of article IX of the state
 9 constitution of 1963.

10 (20) ~~(19)~~—"Taxable value" means, **except as otherwise provided**
 11 **in this article**, the taxable value of property as determined under
 12 section 27a of the general property tax act, 1893 PA 206, MCL
 13 211.27a.

14 (21) ~~(20)~~—"Textbook" means a book, electronic book, or other
 15 instructional print or electronic resource that is selected and
 16 approved by the governing board of a district and that contains a
 17 presentation of principles of a subject, or that is a literary work
 18 relevant to the study of a subject required for the use of
 19 classroom pupils, or another type of course material that forms the
 20 basis of classroom instruction.

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

25 Sec. 6a. (1) Except as otherwise provided in this subsection
 26 and this act, in addition to the pupil membership count day, there
 27 is a supplemental pupil count of the number of full-time equated
 28 pupils in grades K-12 actually enrolled and in regular daily
 29 attendance in a district or intermediate district on the second



1 Wednesday in February or, for a district that is not in session on
2 that day due to conditions not within the control of school
3 authorities, with the approval of the superintendent, the
4 immediately following day on which the district is in session, but,
5 for 2020-2021 only, in addition to the pupil membership count day,
6 there is a supplemental pupil count of the number of full-time
7 equated pupils engaged in pandemic learning for spring 2021 or, for
8 a district that operates as a cyber school, as that term is defined
9 in section 551 of the revised school code, MCL 380.551, the number
10 of full-time equated pupils in grades K to 12 actually enrolled and
11 in regular attendance in the district on 2020-2021 supplemental
12 count day. For the purposes of this act, and except as otherwise
13 provided in this subsection, the day on which the supplemental
14 pupil count is conducted is the supplemental count day. For 2020-
15 2021, for purposes of this act, and except as otherwise
16 specifically provided in this article, supplemental count day is
17 the second Wednesday in February or, for a district that is not in
18 session on that day due to conditions not within the control of
19 school authorities, with the approval of the superintendent, the
20 immediately following day on which the district is in session. A
21 district is considered to be in session for purposes of this
22 subsection when the district is providing pupil instruction
23 pursuant to an extended COVID-19 learning plan approved under
24 section 98a.

25 (2) As used in this section, "pupils engaged in pandemic
26 learning for spring 2021" means pupils in grades K to 12 who are
27 enrolled in a district, excluding a district that operates as a
28 cyber school, as that term is defined in section 551 of the revised
29 school code, MCL 380.551, or intermediate district and to which any



1 of the following apply:

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

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

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

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

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

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

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

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

26 (iii) The pupil completes a course lesson or lesson activity on
27 2020-2021 supplemental count day and the completion is documented
28 by the district or intermediate district.

29 (iv) The pupil accesses an ongoing lesson that is not a login



1 on 2020-2021 supplemental count day and the access is documented by
2 the district or intermediate district.

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

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

- 27 (A) ~~Electronic mail.~~ **Email.**
28 (B) Telephone.
29 (C) Instant messaging.



1 (D) Face-to-face conversation.

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

4 (d) The pupil has not participated or completed an activity
5 described in subdivision (a), (b), or (c) and the pupil was not
6 excused from participation or completion, but the pupil
7 participates in or completes an activity described in subdivision
8 (a) or (b) during the 10 consecutive school days immediately
9 following the 2020-2021 supplemental count day.

10 (e) The pupil has not participated or completed an activity
11 described in subdivision (a), (b), or (c) and the pupil was excused
12 from participation or completion, but the pupil participates in or
13 completes an activity described in subdivision (a) or (b) during
14 the 30 calendar days immediately following the 2020-2021
15 supplemental count day.

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

18 Sec. 11. (1) For the fiscal year ending September 30, 2021,
19 there is appropriated for the public schools of this state and
20 certain other state purposes relating to education the sum of
21 ~~\$13,759,819,500.00~~ **\$13,690,913,900.00** from the state school aid
22 fund, the sum of \$50,964,600.00 from the general fund, an amount
23 not to exceed \$77,700,000.00 from the community district education
24 trust fund created under section 12 of the Michigan trust fund act,
25 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from
26 the water emergency reserve fund. **For the fiscal year ending**
27 **September 30, 2022, there is appropriated for the public schools of**
28 **this state and certain other state purposes relating to education**
29 **the sum of \$13,815,936,300.00 from the state school aid fund, the**



1 sum of \$63,418,200.00 from the general fund, an amount not to
2 exceed \$72,000,000.00 from the community district education trust
3 fund created under section 12 of the Michigan trust fund act, 2000
4 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the
5 water emergency reserve fund. In addition, all available federal
6 funds are **only** appropriated **as allocated in this article** for the
7 fiscal year—**years** ending **September 30, 2021 and** September 30,
8 ~~2021-2022~~.

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

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

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

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

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

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

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

29 (3) Money available in the school aid stabilization fund may



1 not be expended without a specific appropriation from the school
2 aid stabilization fund. Money in the school aid stabilization fund
3 must be expended only for purposes for which state school aid fund
4 money may be expended.

5 (4) The state treasurer shall direct the investment of the
6 school aid stabilization fund. The state treasurer shall credit to
7 the school aid stabilization fund interest and earnings from fund
8 investments.

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

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

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



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

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

16 Sec. 11m. From the ~~appropriation~~ **state school aid fund money**
 17 **appropriated** in section 11, there is allocated for 2020-2021 an
 18 amount not to exceed ~~\$11,400,000.00~~ **\$8,700,000.00 and there is**
 19 **allocated for 2021-2022 an amount not to exceed \$9,500,000.00** for
 20 fiscal year cash-flow borrowing costs solely related to the state
 21 school aid fund established under section 11 of article IX of the
 22 state constitution of 1963.

23 Sec. 11s. (1) From the state school aid fund money
 24 appropriated in section 11, there is allocated \$5,000,000.00 for
 25 ~~2020-2021~~ **2021-2022** and from the general fund money appropriated in
 26 section 11, there is allocated \$3,075,000.00 for ~~2020-2021~~ **2021-**
 27 **2022** for the purpose of providing services and programs to children
 28 who reside within the boundaries of a district with the majority of
 29 its territory located within the boundaries of a city for which an



1 executive proclamation of emergency concerning drinking water is
 2 issued in the current or immediately preceding ~~5-6~~ fiscal years
 3 under the emergency management act, 1976 PA 390, MCL 30.401 to
 4 30.421. From the funding appropriated in section 11, there is
 5 allocated for ~~2020-2021~~**2021-2022** \$100.00 from the water emergency
 6 reserve fund for the purposes of this section.

7 (2) From the general fund money allocated in subsection (1),
 8 there is allocated to a district with the majority of its territory
 9 located within the boundaries of a city in which an executive
 10 proclamation of emergency **concerning drinking water** is issued in
 11 the current or immediately preceding ~~5-6~~ fiscal years and that has
 12 at least 4,500 pupils in membership for the 2016-2017 fiscal year
 13 or has at least 3,000 pupils in membership for a fiscal year after
 14 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2020-2021~~
 15 **2021-2022** for the purpose of employing school nurses, classroom
 16 aides, and school social workers. The district shall provide a
 17 report to the department in a form, manner, and frequency
 18 prescribed by the department. The department shall provide a copy
 19 of that report to the governor, the house and senate school aid
 20 subcommittees, the house and senate fiscal agencies, and the state
 21 budget director within 5 days after receipt. The report must
 22 provide at least the following information:

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

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

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

29 (d) Any other information the department considers necessary



1 to ensure that the children described in subsection (1) received
2 appropriate levels and types of services.

3 (3) For ~~2020-2021 only,~~ **2021-2022**, from the state school aid
4 fund money allocated in subsection (1), there is allocated an
5 amount not to exceed ~~\$2,400,000.00~~ **\$2,000,000.00** to an intermediate
6 district that has a constituent district described in subsection
7 (2) to provide state early intervention services for children
8 described in subsection (1) who are between age 3 and age 5. The
9 intermediate district shall use these funds to provide state early
10 intervention services that are similar to the services described in
11 the early on Michigan state plan. ~~, including ensuring that all~~
12 ~~children described in subsection (1) who are less than 4 years of~~
13 ~~age as of September 1, 2016 are assessed and evaluated at least~~
14 ~~twice annually.~~

15 (4) From the state school aid fund money allocated in
16 subsection (1), there is allocated an amount not to exceed
17 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to the intermediate district
18 described in subsection (3) to enroll children described in
19 subsection (1) in school-day great start readiness programs,
20 regardless of household income eligibility requirements contained
21 in section 32d. The department shall administer this funding
22 consistent with all other provisions that apply to great start
23 readiness programs under sections 32d and 39.

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

28 (6) For ~~2020-2021,~~ **2021-2022**, from the state school aid fund
29 money allocated in subsection (1), there is allocated an amount not



1 to exceed ~~\$1,600,000.00~~ **\$2,000,000.00** to the intermediate district
 2 described in subsection (3) for interventions and supports for
 3 students in K to 12 who were impacted by an executive proclamation
 4 of emergency described in subsection (1) concerning drinking water.
 5 Funds under this subsection must be used for behavioral supports,
 6 social workers, counselors, psychologists, nursing services,
 7 including, but not limited to, vision and hearing services,
 8 transportation services, parental engagement, community
 9 coordination, and other support services.

10 **(7) In addition to the allocation under subsection (1), from**
 11 **the general fund money appropriated under section 11, there is**
 12 **allocated an amount not to exceed \$1,000,000.00 for 2021-2022 only**
 13 **for an early childhood collaborative that serves students located**
 14 **in a county with a population of not less than 400,000 or more than**
 15 **500,000. The funds allocated under this subsection must be used to**
 16 **continue the expansion of early childhood services in response to**
 17 **an executive proclamation of emergency concerning drinking water as**
 18 **described in subsection (1).**

19 **(8) ~~(7)~~**In addition to other funding allocated and
 20 appropriated in this section, there is appropriated an amount not
 21 to exceed \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for state
 22 restricted contingency funds. These contingency funds are not
 23 available for expenditure until they have been transferred to a
 24 section within this article under section 393(2) of the management
 25 and budget act, 1984 PA 431, MCL 18.1393.

26 **(9) ~~(8)~~**Notwithstanding section 17b, the department shall make
 27 payments under this section on a schedule determined by the
 28 department.

29 Sec. 15. (1) If a district or intermediate district fails to



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

23 (2) If the result of an audit conducted by or for the
24 department affects the current fiscal year membership, the
25 department shall adjust affected payments in the current fiscal
26 year. A deduction due to an adjustment made as a result of an audit
27 conducted by or for the department, or as a result of information
28 obtained by the department from the district, an intermediate
29 district, the department of treasury, or the office of auditor



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

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



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

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

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

16 (7) In addition to funds appropriated in section 11 for all
 17 programs and services, there is appropriated for ~~2020-2021~~**2021-**
 18 **2022** for obligations in excess of applicable appropriations an
 19 amount equal to the collection of overpayments, but not to exceed
 20 amounts available from overpayments.

21 Sec. 18. (1) Except as provided in another section of this
 22 article, each district or other entity shall apply the money
 23 received by the district or entity under this article to salaries
 24 and other compensation of teachers and other employees, tuition,
 25 transportation, lighting, heating, ventilation, water service, the
 26 purchase of textbooks, other supplies, and any other school
 27 operating expenditures defined in section 7. However, not more than
 28 20% of the total amount received by a district under sections 22a
 29 and 22b or received by an intermediate district under section 81



1 may be transferred by the board to either the capital projects fund
2 or to the debt retirement fund for debt service. A district or
3 other entity shall not apply or take the money for a purpose other
4 than as provided in this section. The department shall determine
5 the reasonableness of expenditures and may withhold from a
6 recipient of funds under this article the apportionment otherwise
7 due upon a violation by the recipient. A district must not be
8 prohibited or limited from using funds appropriated or allocated
9 under this article that are permitted for use for noninstructional
10 services to contract or subcontract with an intermediate district,
11 third party, or vendor for the noninstructional services.

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

22 (a) The annual operating budget and subsequent budget
23 revisions.

24 (b) Using data that have already been collected and submitted
25 to the department, a summary of district expenditures for the most
26 recent fiscal year for which they are available, expressed in the
27 following 2 visual displays:

28 (i) A chart of personnel expenditures, broken into the
29 following subcategories:



1 (A) Salaries and wages.

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

5 (C) Retirement benefit costs.

6 (D) All other personnel costs.

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

9 (A) Instruction.

10 (B) Support services.

11 (C) Business and administration.

12 (D) Operations and maintenance.

13 (c) Links to all of the following:

14 (i) The current collective bargaining agreement for each
15 bargaining unit.

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

20 (iii) The audit report of the **financial** audit conducted under
21 subsection (4) for the most recent fiscal year for which it is
22 available.

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

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

27 (vi) The district's written policy establishing specific
28 categories of reimbursable expenses, as described in section
29 1254(2) of the revised school code, MCL 380.1254.



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

6 (d) The total salary and a description and cost of each fringe
7 benefit included in the compensation package for the superintendent
8 of the district and for each employee of the district whose salary
9 exceeds \$100,000.00.

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

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

14 (g) Any deficit elimination plan or enhanced deficit
15 elimination plan the district was required to submit under the
16 revised school code.

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

22 (i) Costs incurred for each instance of out-of-state travel by
23 the school administrator of the district that is fully or partially
24 paid for by the district and the details of each of those instances
25 of out-of-state travel, including at least identification of each
26 individual on the trip, destination, and purpose.

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



1 under subsection (2).

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

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

20 (b) If a district operates in a single building with fewer
21 than 700 full-time equated pupils, if the district has stable
22 membership, and if the error rate of the immediately preceding 2
23 pupil accounting field audits of the district is less than 2%, the
24 district may have a pupil accounting field audit conducted
25 biennially but must continue to have desk audits for each pupil
26 count. The auditor must document compliance with the audit cycle in
27 the pupil auditing manual. As used in this subdivision, "stable
28 membership" means that the district's membership for the current
29 fiscal year varies from the district's membership for the



1 immediately preceding fiscal year by less than 5%.

2 (c) A district's or intermediate district's annual financial
3 audit must include an analysis of the financial and pupil
4 accounting data used as the basis for distribution of state school
5 aid.

6 (d) The pupil and financial accounting records and reports,
7 audits, and management letters are subject to requirements
8 established in the auditing and accounting manuals approved and
9 published by the department.

10 (e) All of the following must be done not later than November
11 1 each year for reporting the prior fiscal year data: ~~, but, for~~
12 ~~2020-2021 only, not later than December 1 for reporting the 2019-~~
13 ~~2020 data:~~

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

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

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

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

26 (g) Not later than January 31 of each year, the department
27 shall notify the state budget director and the legislative
28 appropriations subcommittees responsible for review of the school
29 aid budget of districts and intermediate districts that have not



1 filed an annual financial audit and pupil accounting procedures
2 report required under this section for the school year ending in
3 the immediately preceding fiscal year.

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

28 (6) By the last business day in September of each year, each
29 district and intermediate district shall file with the center the



1 special education actual cost report, known as "SE-4096", on a form
2 and in the manner prescribed by the center. An intermediate
3 district shall certify the audit of a district's report.

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

10 (8) The department shall review its pupil accounting and pupil
11 auditing manuals at least annually and shall periodically update
12 those manuals to reflect changes in this article. **Any changes to**
13 **the pupil accounting manual that are applicable for the school year**
14 **that begins after March 31 of a fiscal year must be published by**
15 **not later than March 31 of that fiscal year.**

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

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



1 (12) by the end of the fiscal year, the district or intermediate
2 district forfeits the amount withheld.

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

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

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



1 provided by a school of excellence that is a cyber school, as
2 defined in section 551 of the revised school code, MCL 380.551.

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

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

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

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

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

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

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

25 Sec. 19. (1) A district or intermediate district shall comply
26 with all applicable reporting requirements specified in state and
27 federal law. Data provided to the center, in a form and manner
28 prescribed by the center, shall be aggregated and disaggregated as
29 required by state and federal law. In addition, a district or



1 intermediate district shall cooperate with all measures taken by
2 the center to establish and maintain a statewide P-20 longitudinal
3 data system.

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

28 (3) By the first business day in December and by the last
29 business day in June of each year, a district shall furnish to the



1 center, in a manner prescribed by the center, information related
2 to educational personnel as necessary for reporting required by
3 state and federal law. For the purposes of this subsection, the
4 center shall only require districts and intermediate districts to
5 report information that is not already available from the office of
6 retirement services in the department of technology, management,
7 and budget.

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

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



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

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

12 (a) The target foundation allowance is ~~\$8,529.00.~~ **\$8,654.00.**

13 (b) The minimum foundation allowance is ~~\$8,111.00.~~ **\$8,361.00.**

14 (2) The department shall calculate the amount of each
 15 district's foundation allowance as provided in this section, using
 16 a target foundation allowance in the amount specified in subsection
 17 (1).

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

23 (a) Except as otherwise provided in this subdivision, for a
 24 district that had a foundation allowance for the immediately
 25 preceding fiscal year that was at least equal to the minimum
 26 foundation allowance for the immediately preceding fiscal year, but
 27 less than the target foundation allowance for the immediately
 28 preceding fiscal year, the district receives a foundation allowance
 29 in an amount equal to the sum of the district's foundation



1 allowance for the immediately preceding fiscal year plus the
 2 difference between twice the dollar amount of the adjustment from
 3 the immediately preceding fiscal year to the current fiscal year
 4 made in the target foundation allowance and [(the difference
 5 between the target foundation allowance for the current fiscal year
 6 and target foundation allowance for the immediately preceding
 7 fiscal year minus ~~\$40.00~~ **\$41.67**) times (the difference between the
 8 district's foundation allowance for the immediately preceding
 9 fiscal year and the minimum foundation allowance for the
 10 immediately preceding fiscal year) divided by the difference
 11 between the target foundation allowance for the current fiscal year
 12 and the minimum foundation allowance for the immediately preceding
 13 fiscal year.] However, the foundation allowance for a district that
 14 had less than the target foundation allowance for the immediately
 15 preceding fiscal year must not exceed the target foundation
 16 allowance for the current fiscal year.

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

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



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

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

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



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

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

28 (6) Except as otherwise provided in this subsection, for
 29 pupils in membership, other than special education pupils, in a



1 public school academy, the allocation calculated under this section
2 is an amount per membership pupil other than special education
3 pupils in the public school academy equal to the minimum foundation
4 allowance specified in subsection (1). **However, beginning in 2021-**
5 **2022, for a public school academy that by agreement provides public**
6 **educational services for the residents of a district that does not**
7 **directly provide public educational services to the residents on**
8 **its own, the allocation calculated under this section is an amount**
9 **per membership pupil other than special education pupils in the**
10 **public school academy equal to what the allocation per membership**
11 **pupil would have been for the public school academy had it remained**
12 **a district and directly provided public educational services to the**
13 **residents on its own.** Notwithstanding section 101, for a public
14 school academy that begins operations after the pupil membership
15 count day, the amount per membership pupil calculated under this
16 subsection must be adjusted by multiplying that amount per
17 membership pupil by the number of hours of pupil instruction
18 provided by the public school academy after it begins operations,
19 as determined by the department, divided by the minimum number of
20 hours of pupil instruction required under section 101(3). The
21 result of this calculation must not exceed the amount per
22 membership pupil otherwise calculated under this subsection.

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



1 geographic area as the community district.

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

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

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

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



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

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

29 (c) The index is calculated by multiplying the pupil



1 membership factor by the revenue adjustment factor. If a consensus
2 index is not determined at the revenue estimating conference, the
3 principals of the revenue estimating conference shall report their
4 estimates to the house and senate subcommittees responsible for
5 state school aid appropriations not later than 7 days after the
6 conclusion of the revenue conference.

7 (12) Payments to districts and public school academies are not
8 made under this section. Rather, the calculations under this
9 section are used to determine the amount of state payments under
10 section 22b.

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

16 (14) As used in this section:

17 (a) "Certified mills" means the lesser of 18 mills or the
18 number of mills of school operating taxes levied by the district in
19 1993-94.

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

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

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

29 (e) "Dissolved district" means a district that loses its



1 organization, has its territory attached to 1 or more other
2 districts, and is dissolved as provided under section 12 of the
3 revised school code, MCL 380.12.

4 (f) "Immediately preceding fiscal year" means the fiscal year
5 immediately preceding the current fiscal year.

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

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

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

29 (j) "Membership" means the definition of that term under



1 section 6 as in effect for the particular fiscal year for which a
2 particular calculation is made.

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

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

13 (m) "Receiving district" means a district to which all or part
14 of the territory of a dissolved district is attached under section
15 12 of the revised school code, MCL 380.12.

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

20 (o) "School operating taxes" means local ad valorem property
21 taxes levied under section 1211 of the revised school code, MCL
22 380.1211, and retained for school operating purposes.

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

27 (q) "Taxable value per membership pupil" means taxable value,
28 as certified by the county treasurer and reported to the
29 department, for the calendar year ending in the current state



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

4 Sec. 20d. In making the final determination required under
5 former section 20a of a district's combined state and local revenue
6 per membership pupil in 1993-94 and in making calculations under
7 section 20 for ~~2020-2021~~, **2021-2022**, the department and the
8 department of treasury shall comply with all of the following:

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

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



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

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

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

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

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

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



1 pupils for 2013-2014.

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

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

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

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

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

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

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

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

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

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



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

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

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

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

15 (2) The per-pupil allocation to each district under this
16 section is the difference between the dollar amount of the
17 adjustment from the immediately preceding fiscal year to the
18 current fiscal year in the target foundation allowance minus the
19 dollar amount of the adjustment from the immediately preceding
20 fiscal year to the current fiscal year in a qualifying district's
21 foundation allowance.

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



1 under section 20 plus the per-pupil allocation under subsection
2 (2), the total payment to the district calculated under this
3 section is the product of the difference between the sum of the
4 foundation allowance under section 20 plus the per-pupil allocation
5 under subsection (2) minus the local revenue per pupil multiplied
6 by the district's membership, excluding special education pupils.
7 If a district's local revenue per pupil exceeds the sum of the
8 foundation allowance under section 20 plus the per-pupil allocation
9 under subsection (2), there is no payment calculated under this
10 section for the district.

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

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

22 Sec. 21f. (1) Except as otherwise provided under subsection
23 (15), a primary district shall enroll an eligible pupil in virtual
24 courses in accordance with the provisions of this section. Except
25 as otherwise provided under subsection (15), a primary district
26 shall not offer a virtual course to an eligible pupil unless the
27 virtual course is published in the primary district's catalog of
28 board-approved courses or in the statewide catalog of virtual
29 courses maintained by the Michigan Virtual University pursuant to



1 section 98. The primary district shall also provide on its publicly
2 accessible website a link to the statewide catalog of virtual
3 courses maintained by the Michigan Virtual University. Except as
4 otherwise provided under subsection (15), unless the pupil is at
5 least age 18 or is an emancipated minor, a pupil must not be
6 enrolled in a virtual course without the consent of the pupil's
7 parent or legal guardian.

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

12 (3) Except as otherwise provided under subsection (15), a
13 pupil may be enrolled in more than 2 virtual courses in a specific
14 academic term, semester, or trimester if all of the following
15 conditions are met:

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

18 (b) The pupil agrees with the recommendation of the primary
19 district.

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

25 (4) Except as otherwise provided under subsection (15), if the
26 number of applicants eligible for acceptance in a virtual course
27 does not exceed the capacity of the provider to provide the virtual
28 course, the provider shall accept for enrollment all of the
29 applicants eligible for acceptance. If the number of applicants



1 exceeds the provider's capacity to provide the virtual course, the
2 provider shall use a random draw system, subject to the need to
3 abide by state and federal antidiscrimination laws and court
4 orders. A primary district that is also a provider shall determine
5 whether or not it has the capacity to accept applications for
6 enrollment from nonresident applicants in virtual courses and may
7 use that limit as the reason for refusal to enroll a nonresident
8 applicant.

9 (5) Except as otherwise provided under subsection (15), a
10 primary district may not establish additional requirements beyond
11 those specified in this subsection that would prohibit a pupil from
12 taking a virtual course. Except as otherwise provided under
13 subsection (15), a pupil's primary district may deny the pupil
14 enrollment in a virtual course if any of the following apply, as
15 determined by the district:

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

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

19 (c) The virtual course is not capable of generating academic
20 credit.

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

23 (e) The pupil has not completed the prerequisite coursework
24 for the requested virtual course or has not demonstrated
25 proficiency in the prerequisite course content.

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

28 (g) The virtual course is of insufficient quality or rigor. A
29 primary district that denies a pupil enrollment request for this



1 reason shall enroll the pupil in a virtual course in the same or a
2 similar subject that the primary district determines is of
3 acceptable rigor and quality.

4 (h) The cost of the virtual course exceeds the amount
5 identified in subsection (10), unless the pupil or the pupil's
6 parent or legal guardian agrees to pay the cost that exceeds this
7 amount.

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

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

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



1 the primary district shall enroll the pupil in the virtual course.

2 (7) Except as otherwise provided under subsection (15), to
3 provide a virtual course to an eligible pupil under this section, a
4 provider must do all of the following:

5 (a) Ensure that the virtual course has been published in the
6 pupil's primary district's catalog of board-approved courses or
7 published in the statewide catalog of virtual courses maintained by
8 the Michigan Virtual University.

9 (b) Assign to each pupil a teacher of record and provide the
10 primary district with the personnel identification code assigned by
11 the center for the teacher of record. If the provider is a
12 community college, the virtual course must be taught by an
13 instructor employed by or contracted through the providing
14 community college.

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

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

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

25 (ii) Not later than October 1 of each fiscal year, provide the
26 Michigan Virtual University with an aggregated count of enrollments
27 for each virtual course the provider delivered to pupils under this
28 section during the immediately preceding school year, and the
29 number of enrollments in which the pupil earned 60% or more of the



1 total course points for each virtual course.

2 (8) Except as otherwise provided under subsection (15), to
3 provide a virtual course under this section, a community college
4 shall ensure that each virtual course it provides under this
5 section generates postsecondary credit.

6 (9) Except as otherwise provided under subsection (15), for
7 any virtual course a pupil enrolls in under this section, the
8 pupil's primary district must assign to the pupil a mentor and
9 shall supply the provider with the mentor's contact information.

10 (10) Except as otherwise provided under subsection (15), for a
11 pupil enrolled in 1 or more virtual courses, the primary district
12 shall use foundation allowance or per-pupil funds calculated under
13 section 20 to pay for the expenses associated with the virtual
14 course or courses. Except as otherwise provided under subsection
15 (15), a primary district is not required to pay toward the cost of
16 a virtual course an amount that exceeds 6.67% of the minimum
17 foundation allowance for the current fiscal year as calculated
18 under section 20.

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

26 (12) If a pupil successfully completes a virtual course, as
27 determined by the pupil's primary district, the pupil's primary
28 district shall grant appropriate academic credit for completion of
29 the course and shall count that credit toward completion of



1 graduation and subject area requirements. A pupil's school record
2 and transcript must identify the virtual course title as it appears
3 in the virtual course syllabus.

4 (13) The enrollment of a pupil in 1 or more virtual courses
5 must not result in a pupil being counted as more than 1.0 full-time
6 equivalent pupils under this article. Except as otherwise provided
7 under subsection (15), the minimum requirements to count the pupil
8 in membership are those established by the pupil accounting manual
9 as it was in effect for the 2015-2016 school year or as
10 subsequently amended by the department if the department notifies
11 the legislature about the proposed amendment at least 60 days
12 before the amendment becomes effective.

13 (14) As used in this section:

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

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

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

25 (d) "Provider" means the district, intermediate district, or
26 community college that the primary district pays to provide the
27 virtual course or the Michigan Virtual University if it is
28 providing the virtual course. Beginning on the first day of the
29 2020-2021 school year through August 31, 2021, "provider" also



1 includes any other institution or individual that the primary
2 district pays to provide the virtual course.

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

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

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

9 (iii) Is responsible for providing instruction, determining
10 instructional methods for each pupil, diagnosing learning needs,
11 assessing pupil learning, prescribing intervention strategies and
12 modifying lessons, reporting outcomes, and evaluating the effects
13 of instruction and support strategies.

14 (iv) Has a personnel identification code provided by the
15 center.

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

18 (f) "Virtual course" means a course of study that is capable
19 of generating a credit or a grade and that is provided in an
20 interactive learning environment where the majority of the
21 curriculum is delivered using the internet and in which pupils may
22 be separated from their instructor or teacher of record by time or
23 location, or both.

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

26 (i) An alignment document detailing how the course meets
27 applicable state standards or, if the state does not have state
28 standards, nationally recognized standards.

29 (ii) The virtual course content outline.



1 (iii) The virtual course required assessments.

2 (iv) The virtual course prerequisites.

3 (v) Expectations for actual instructor or teacher of record
4 contact time with the virtual learning pupil and other
5 communications between a pupil and the instructor or teacher of
6 record.

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

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

9 (viii) The name of the institution or organization providing the
10 virtual content.

11 (ix) The name of the institution or organization providing the
12 instructor or teacher of record.

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

16 (xi) The number of eligible pupils that will be accepted by the
17 provider in the virtual course. A primary district that is also the
18 provider may limit the enrollment to those pupils enrolled in the
19 primary district.

20 (xii) The results of the virtual course quality review using
21 the guidelines and model review process published by the Michigan
22 Virtual University.

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

25 (15) The requirements under this section concerning virtual
26 courses do not apply to virtual courses offered ~~as part of pandemic~~
27 ~~learning. As used in this subsection, "pandemic learning" means a~~
28 ~~mode of pupil instruction provided as a result of the COVID-19~~
29 ~~pandemic.~~ **through December 31, 2021 or the last day of a district's**



1 **first semester, whichever is later.**

2 Sec. 21h. (1) From the ~~appropriation~~**state school aid fund**
 3 **money appropriated** in section 11, there is allocated \$6,137,400.00
 4 for ~~2020-2021~~**2021-2022** for assisting districts assigned by the
 5 superintendent to participate in a partnership and districts that
 6 have established a community engagement advisory committee in
 7 partnership with the department of treasury, are required to submit
 8 a deficit elimination plan or an enhanced deficit elimination plan
 9 under section 1220 of the revised school code, MCL 380.1220, and
 10 are located in a city with a population between 9,000 and 11,000,
 11 **as determined by the department**, that is in a county with a
 12 population between ~~155,000~~**150,000** and 160,000, **as determined by**
 13 **the department**, to improve student achievement and district
 14 financial stability. The superintendent shall collaborate with the
 15 state treasurer to identify any conditions that may be contributing
 16 to low academic performance within a district being considered for
 17 assignment to a partnership. The purpose of the partnership is to
 18 identify district needs, develop intervention plans, and partner
 19 with public, private, and nonprofit organizations to coordinate
 20 resources and improve student achievement. Assignment of a district
 21 to a partnership is made by the superintendent in consultation with
 22 the state treasurer.

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

29 (a) For a partnership district under this section, within 90



1 days of assignment to the partnership described in this section,
2 and for a district described in subsection (1) that is not a
3 partnership district under this section, by October 15 of each
4 year, complete a comprehensive needs assessment or evaluation in
5 collaboration with an intermediate district, community members,
6 education organizations, and postsecondary institutions, as
7 applicable, that is approved by the superintendent. The
8 comprehensive needs assessment or evaluation must include at least
9 all of the following:

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

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

15 (iii) A review of classroom, instructional, and operational
16 practices and curriculum to ensure alignment with research-based
17 instructional practices and state curriculum standards.

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

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

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

29 (c) Craft academic goals that put pupils on track to meet or



1 exceed grade level proficiency.

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

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



1 (5) From the funds allocated under subsection (1), there is
 2 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
 3 \$137,400.00 for the purchase of a data analytics tool to be used by
 4 districts described in subsection (1). The superintendent of public
 5 instruction shall require districts described in subsection (1) to
 6 purchase a data analytics tool funded under this subsection as part
 7 of the agreements described in this section.

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

15 Sec. 22a. (1) From the ~~appropriation~~ **state school aid fund**
 16 **money appropriated** in section 11, there is allocated an amount not
 17 to exceed ~~\$4,916,000,000.00~~ **\$4,823,000,000.00** for ~~2019-2020-2020-~~
 18 **2021** and there is allocated an amount not to exceed
 19 ~~\$4,880,500,000.00~~ **\$4,729,000,000.00** for ~~2020-2021-2021-2022~~ for
 20 payments to districts and qualifying public school academies to
 21 guarantee each district and qualifying public school academy an
 22 amount equal to its 1994-95 total state and local per pupil revenue
 23 for school operating purposes under section 11 of article IX of the
 24 state constitution of 1963. Pursuant to section 11 of article IX of
 25 the state constitution of 1963, this guarantee does not apply to a
 26 district in a year in which the district levies a millage rate for
 27 school district operating purposes less than it levied in 1994.
 28 However, subsection (2) applies to calculating the payments under
 29 this section. Funds allocated under this section that are not



1 expended in the fiscal year for which they were allocated, as
2 determined by the department, may be used to supplement the
3 allocations under sections 22b and 51c to fully fund those
4 allocations for the same fiscal year. For each fund transfer as
5 described in the immediately preceding sentence that occurs, the
6 state budget director shall send notification of the transfer to
7 the house and senate appropriations subcommittees on state school
8 aid and the house and senate fiscal agencies by not later than 14
9 calendar days after the transfer occurs.

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

15 (a) Except as otherwise provided in this subsection, the state
16 portion of a district's 1994-95 foundation allowance is an amount
17 equal to the district's 1994-95 foundation allowance or \$6,500.00,
18 whichever is less, minus the difference between the sum of the
19 product of the taxable value per membership pupil of all property
20 in the district that is nonexempt property times the district's
21 certified mills and, for a district with certified mills exceeding
22 12, the product of the taxable value per membership pupil of
23 property in the district that is commercial personal property times
24 the certified mills minus 12 mills and the quotient of the ad
25 valorem property tax revenue of the district captured under tax
26 increment financing acts divided by the district's membership. For
27 a district that has a millage reduction required under section 31
28 of article IX of the state constitution of 1963, the department
29 shall calculate the state portion of the district's foundation



1 allowance as if that reduction did not occur. For a receiving
2 district, if school operating taxes are to be levied on behalf of a
3 dissolved district that has been attached in whole or in part to
4 the receiving district to satisfy debt obligations of the dissolved
5 district under section 12 of the revised school code, MCL 380.12,
6 taxable value per membership pupil of all property in the receiving
7 district that is nonexempt property and taxable value per
8 membership pupil of property in the receiving district that is
9 commercial personal property do not include property within the
10 geographic area of the dissolved district; ad valorem property tax
11 revenue of the receiving district captured under tax increment
12 financing acts does not include ad valorem property tax revenue
13 captured within the geographic boundaries of the dissolved district
14 under tax increment financing acts; and certified mills do not
15 include the certified mills of the dissolved district. For a
16 community district, the department shall reduce the allocation as
17 otherwise calculated under this section by an amount equal to the
18 amount of local school operating tax revenue that would otherwise
19 be due to the community district if not for the operation of
20 section 386 of the revised school code, MCL 380.386, and the amount
21 of this reduction is offset by the increase in funding under
22 section 22b(2).

23 (b) For a district that had a 1994-95 foundation allowance
24 greater than \$6,500.00, the state payment under this subsection is
25 the sum of the amount calculated under subdivision (a) plus the
26 amount calculated under this subdivision. The amount calculated
27 under this subdivision must be equal to the difference between the
28 district's 1994-95 foundation allowance minus \$6,500.00 and the
29 current year hold harmless school operating taxes per pupil. If the



1 result of the calculation under subdivision (a) is negative, the
 2 negative amount is an offset against any state payment calculated
 3 under this subdivision. If the result of a calculation under this
 4 subdivision is negative, there is not a state payment or a
 5 deduction under this subdivision. The taxable values per membership
 6 pupil used in the calculations under this subdivision are as
 7 adjusted by ad valorem property tax revenue captured under tax
 8 increment financing acts divided by the district's membership. For
 9 a receiving district, if school operating taxes are to be levied on
 10 behalf of a dissolved district that has been attached in whole or
 11 in part to the receiving district to satisfy debt obligations of
 12 the dissolved district under section 12 of the revised school code,
 13 MCL 380.12, ad valorem property tax revenue captured under tax
 14 increment financing acts do not include ad valorem property tax
 15 revenue captured within the geographic boundaries of the dissolved
 16 district under tax increment financing acts.

17 ~~(3) Beginning in 2003-2004, for~~ **For** pupils in membership in a
 18 qualifying public school academy, there is allocated under this
 19 section to the authorizing body that is the fiscal agent for the
 20 qualifying public school academy for forwarding to the qualifying
 21 public school academy an amount equal to the 1994-95 per pupil
 22 payment to the qualifying public school academy under section 20.

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

27 (5) Except as otherwise provided in this subsection, for a
 28 district that is formed or reconfigured after June 1, 2000 by
 29 consolidation of 2 or more districts or by annexation, the



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

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

17 (7) As used in this section:

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

22 (b) "Certified mills" means the lesser of 18 mills or the
23 number of mills of school operating taxes levied by the district in
24 1993-94.

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

27 (d) "Current year hold harmless school operating taxes per
28 pupil" means the per pupil revenue generated by multiplying a
29 district's 1994-95 hold harmless millage by the district's current



1 year taxable value per membership pupil. For a receiving district,
2 if school operating taxes are to be levied on behalf of a dissolved
3 district that has been attached in whole or in part to the
4 receiving district to satisfy debt obligations of the dissolved
5 district under section 12 of the revised school code, MCL 380.12,
6 taxable value per membership pupil does not include the taxable
7 value of property within the geographic area of the dissolved
8 district.

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

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



1 the dissolved district.

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

5 (h) "Nonexempt property" means property that is not a
6 principal residence, qualified agricultural property, qualified
7 forest property, supportive housing property, industrial personal
8 property, commercial personal property, or property occupied by a
9 public school academy.

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

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

18 (k) "Receiving district" means a district to which all or part
19 of the territory of a dissolved district is attached under section
20 12 of the revised school code, MCL 380.12.

21 (l) "School operating taxes" means local ad valorem property
22 taxes levied under section 1211 of the revised school code, MCL
23 380.1211, and retained for school operating purposes as defined in
24 section 20.

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

29 (n) "Taxable value per membership pupil" means each of the



1 following divided by the district's membership:

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

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



1 Sec. 22b. (1) For discretionary nonmandated payments to
 2 districts under this section, there is allocated for ~~2019-2020~~
 3 **2020-2021** an amount not to exceed ~~\$4,499,100,000.00~~
 4 **\$4,475,200,000.00** from the state school aid fund and general fund
 5 appropriations in section 11 and an amount not to exceed
 6 ~~\$75,900,000.00~~ **\$79,800,000.00** from the community district education
 7 trust fund appropriation in section 11, and there is allocated for
 8 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$4,488,800,000.00~~
 9 **\$4,762,165,000.00** from the state school aid fund and general fund
 10 appropriations in section 11 and an amount not to exceed
 11 ~~\$77,700,000.00~~ **\$72,000,000.00** from the community district education
 12 trust fund appropriation in section 11. **Of the funds allocated**
 13 **under this section for 2021-2022, \$11,500,000.00 represents the**
 14 **amount of the general fund revenue deposited into the state school**
 15 **aid fund to reimburse the state school aid fund for community**
 16 **district education trust fund costs in excess of \$72,000,000.00.**
 17 Except for money allocated under this section from the community
 18 district education trust fund appropriation in section 11, funds
 19 allocated under this section that are not expended in the fiscal
 20 year for which they were allocated, as determined by the
 21 department, may be used to supplement the allocations under
 22 sections 22a and 51c to fully fund those allocations for the same
 23 fiscal year. For each fund transfer as described in the immediately
 24 preceding sentence that occurs, the state budget director shall
 25 send notification of the transfer to the house and senate
 26 appropriations subcommittees on state school aid and the house and
 27 senate fiscal agencies by not later than 14 calendar days after the
 28 transfer occurs.

29 (2) Subject to subsection (3) and section 296, the allocation



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

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

16 (a) Comply with section 1280b of the revised school code, MCL
17 380.1280b.

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

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

23 (d) Comply with section 1230g of the revised school code, MCL
24 380.1230g.

25 (e) Comply with section 21f.

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

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



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

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

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

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



1 are carried forward into the following fiscal year. The purpose of
2 the work project is to provide for any payments that may be awarded
3 to districts as a result of litigation. The work project is
4 completed upon resolution of the litigation.

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

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

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

29 (11) If a lawsuit challenging payments made to districts



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

18 Sec. 22d. (1) From the state school aid fund money
 19 appropriated under section 11, an amount not to exceed
 20 ~~\$7,000,000.00~~ **\$8,120,000.00** is allocated for ~~2020-2021~~ **2021-2022**
 21 for supplemental payments to rural districts under this section.

22 (2) From the allocation under subsection (1), there is
 23 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 24 ~~\$957,300.00~~ **\$1,257,300.00** for payments under this subsection to
 25 districts that meet all of the following:

- 26 (a) Operates grades K to 12.
 27 (b) Has fewer than 250 pupils in membership.
 28 (c) Each school building operated by the district meets at
 29 least 1 of the following:



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

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

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

21 (4) Subject to subsection ~~(6)~~, ~~(7)~~, from the allocation in
22 subsection (1), there is allocated for ~~2020-2021-2021-2022~~ an
23 amount not to exceed \$6,042,700.00 for payments under this
24 subsection to districts that have fewer than 10.0 pupils per square
25 mile as determined by the department.

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

28 (a) An amount equal to \$5,200,000.00 is allocated to districts
29 with fewer than 8.0 pupils per square mile, as determined by the



1 department, on an equal per-pupil basis.

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

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

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

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

16 **(6) From the allocation in subsection (1), there is allocated**
17 **an amount not to exceed \$820,000.00 for payments under this**
18 **subsection to districts that have greater than 250 square miles and**
19 **that do not receive funding under subsection (2) or (4). The funds**
20 **allocated under this subsection must be allocated on an equal per-**
21 **pupil basis.**

22 **(7) ~~(6)~~**—A district receiving funds allocated under subsection
23 (2) is not eligible for funding allocated under subsection (4).

24 Sec. 22m. (1) From the ~~appropriations~~ **state school aid fund**
25 **money appropriated** in section 11, there is allocated for ~~2020-2021~~
26 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the
27 integration of local data systems into the Michigan data hub
28 network based on common standards and applications that are in
29 compliance with section 19(6).



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

26 (9) Not later than January 1 of each fiscal year, the center
27 shall prepare a summary report of information provided by each
28 entity that received funds under this section that includes
29 measurable outcomes based on the objectives described under this



1 section and a summary of compiled data from each entity to provide
 2 a means to evaluate the effectiveness of the project. The center
 3 shall submit the report to the house and senate appropriations
 4 subcommittees on ~~state~~-school aid and to the house and senate
 5 fiscal agencies.

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

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

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

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

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

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

26 (b) Accountability measures to be imposed if the district or
 27 public school academy does not achieve the measurable academic
 28 outcomes described in subdivision (a) for each school operated by
 29 the district or public school academy that is subject to the



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

8 (c) For a public school academy assigned as a partnership
9 district as described in this subsection, a requirement that, if
10 reconstitution is imposed on a school that is operated by the
11 public school academy and that is subject to the partnership
12 agreement, the school must be reconstituted as described in section
13 507, 528, or 561, as applicable, of the revised school code, MCL
14 380.507, 380.528, and 380.561.

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

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

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

28 (iii) The reconstitution plan for the school must require the
29 adoption of goals similar to the goals included in the partnership



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

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

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

27 (2) The department shall allocate the total amount allocated
 28 under this section by paying to the educating district or
 29 intermediate district an amount equal to the lesser of the



1 district's or intermediate district's added cost or the
2 department's approved per-pupil allocation for the district or
3 intermediate district. For the purposes of this subsection:

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

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

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



1 and offered in 1991-92 an on-grounds educational program that was
 2 longer than 181 days but not longer than 233 days and that was
 3 operated by a district or intermediate district.

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

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

27 Sec. 25f. (1) From the state school aid fund money
 28 appropriated in section 11, there is allocated an amount not to
 29 exceed \$1,600,000.00 for ~~2020-2021~~ **2021-2022** for payments to strict



1 discipline academies established under sections 1311b to 1311m of
2 the revised school code, MCL 380.1311b to 380.1311m, as provided
3 under this section.

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

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

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



1 management fees, technology costs, legal fees, auditing fees,
 2 interest, pupil accounting costs, and any other administrative
 3 costs necessary to operate the program or to comply with statutory
 4 requirements. Costs reimbursed by federal funds are not included.

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

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

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

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

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



1 the educating district's foundation allowance or per-pupil payment
2 calculated under section 20.

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

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

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

11 Sec. 25i. (1) From the general fund money appropriated in
12 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
13 not to exceed ~~\$2,000,000.00~~**\$4,000,000.00** for an eligible
14 attendance recovery program as described in subsection (3). The
15 funds allocated under this section must be used to administer an
16 eligible attendance recovery program for all districts that opt
17 into the program to serve eligible pupils described in subsection
18 (2).

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

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

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

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

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



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

2 (f) The pupil has disengaged in his or her education, is
3 attending school irregularly, or is not progressing in his or her
4 coursework.

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

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

10 ~~(a) Reflects experience and successful outcomes running~~
11 ~~statewide student recovery programs.~~

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

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

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

20 ~~(e) Has the ability to scale to provide outreach to at least~~
21 ~~20,000 students before the end of 2020.~~

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

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



1 (b) Work with each district to obtain contact information for
2 each eligible pupil.

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

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

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

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

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

22 (5) Notwithstanding section 17b, the department shall make
23 payments under this section by not later than December 1,
24 ~~2020-2021~~.

25 **Sec. 25k. (1) From the general fund money appropriated under**
26 **section 11, there is allocated for 2021-2022 an amount not to**
27 **exceed \$100.00 to an eligible program that provides dropout**
28 **prevention solutions for at-risk students and disengaged learners**
29 **by offering during-school social and emotional learning,**



1 enrichment, career exploration, and counseling.

2 (2) A program that does all of the following is an eligible
3 program under this section:

4 (a) Provides core academics that get students back on track
5 toward graduation by allowing students to earn credit for 2 grade
6 levels in 1 year.

7 (b) Reengages at-risk students who are close to dropping out
8 of school.

9 (c) Provides a social emotional learning environment that
10 creates a safe and productive learning space.

11 (d) Focuses on a math, science, English language arts, and
12 social studies curriculum for students in grades 7, 8, and 9.

13 (e) Provides a hands-on, real-world, project-based curriculum.

14 (f) Provides soft skills development through individual
15 collaborative pairs and small-group learning.

16 (g) Provides academic content for more than 50 careers.

17 (3) Notwithstanding section 17b, the department shall award
18 grant funding under this section to a provider of an eligible
19 program by not later than November 15, 2021.

20 Sec. 26a. From the ~~fund~~**state school aid fund money**
21 appropriated in section 11, there is allocated an amount not to
22 exceed \$15,300,000.00 for ~~2020-2021~~**2021-2022** to reimburse
23 districts and intermediate districts under section 12 of the
24 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes
25 levied in ~~2020~~**2021**. The department shall pay the allocations not
26 later than 60 days after the department of treasury certifies to
27 the department and to the state budget director that the department
28 of treasury has received all necessary information to properly
29 determine the amounts due to each eligible recipient.



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

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

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

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



1 **is** defined in section 3 of the Michigan promise zone authority act,
2 2008 PA 549, MCL 390.1663.

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

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

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

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

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

22 **Sec. 26d. (1) From the state school aid fund money**
23 **appropriated under section 11, there is allocated an amount not to**
24 **exceed \$7,500,000.00 for 2021-2022 for reimbursements to**
25 **intermediate districts as required under section 15b of the**
26 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.**

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



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

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

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

13 (a) Section 22d, isolated and rural districts,
 14 ~~\$7,000,000.00.~~ **\$8,120,000.00.**

15 (b) Section 31a, at risk, standard programming,
 16 \$510,000,000.00.

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

18 (d) Section 41, bilingual education for English language
 19 learners, ~~\$13,000,000.00.~~ **\$13,390,000.00.**

20 (e) Section 51c, special education, mandated percentages,
 21 ~~\$713,400,000.00.~~ **\$733,000,000.00.**

22 (f) Section 51f, special education, additional percentages,
 23 ~~\$60,207,000.00.~~ **\$61,407,000.00.**

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

26 (h) Section 61d, career and technical education incentives,
 27 \$5,000,000.00.

28 (2) The funding described in subsection (1) is not a separate
 29 allocation of any funding but is instead a listing of funding



1 allocated in the sections listed in subsection (1).

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

7 (2) A district for which its 2020-2021 pupils in membership
8 exceeds the calculation of membership for that district under
9 section 6(4) for 2020-2021 is an eligible district under this
10 section.

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

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

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



1 to 12 actually enrolled and in regular daily attendance in the
2 district for the immediately preceding school year).

3 Sec. 31a. (1) From the state school aid fund money
4 appropriated in section 11, there is allocated for ~~2020-2021~~**2021-**
5 **2022** an amount not to exceed ~~\$535,150,000.00~~**\$537,150,000.00** for
6 payments to eligible districts and eligible public school academies
7 for the purposes of ensuring that pupils are proficient in English
8 language arts by the end of grade 3, that pupils are proficient in
9 mathematics by the end of grade 8, that pupils are attending school
10 regularly, that high school graduates are career and college ready,
11 and for the purposes under subsections (7) and (8).

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



1 allowance under section 20 for the current fiscal year, but for the
2 2018-2019 fiscal year had combined state and local revenue per
3 membership pupil under section 20 that was less than the basic
4 foundation allowance under section 20 that was in effect for the
5 2018-2019 fiscal year, the district shall receive an amount per
6 pupil equal to 11.5% of the statewide weighted average foundation
7 allowance, as applied under subsection (4), and before any
8 proration under subsection ~~(14)~~ **(15)** .

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

- 24 (a) Team-based leadership.
25 (b) A tiered delivery system.
26 (c) Selection and implementation of instruction,
27 interventions, and supports.
28 (d) A comprehensive screening and assessment system.
29 (e) Continuous data-based decision making.



1 (4) From the funds allocated under subsection (1), there is
 2 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
 3 \$510,000,000.00 to continue a weighted foundation per pupil payment
 4 for districts and public school academies enrolling economically
 5 disadvantaged pupils. The department shall pay under this section
 6 to each eligible district or eligible public school academy an
 7 amount per pupil equal to 11.5% of the statewide weighted average
 8 foundation allowance for the following, as applicable:

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

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

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



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

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

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

28 (d) If, for a particular fiscal year, the number of membership
29 pupils in a district or public school academy who are determined



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

14 (5) Except as otherwise provided in this section, a district
 15 or public school academy receiving funding under this section shall
 16 use that money only to provide instructional programs and direct
 17 noninstructional services, including, but not limited to, medical,
 18 mental health, or counseling services, for at-risk pupils; for
 19 school health clinics; and for the purposes of subsection (6), (7),
 20 or (8). In addition, a district that is a school district of the
 21 first class or a district or public school academy in which at
 22 least 50% of the pupils in membership were determined to be
 23 economically disadvantaged in the immediately preceding state
 24 fiscal year, as determined and reported as described in subsection
 25 (4), may use not more than 20% of the funds it receives under this
 26 section for school security ~~that aligns or~~ **school parent liaison**
 27 **personnel. The uses of the funds described in the immediately**
 28 **preceding sentence must align** to the needs assessment and **align to**
 29 the multi-tiered system of supports model, **and, for funds spent on**



1 **school parent liaison personnel, must connect parents to the school**
 2 **community.** A district or public school academy shall not use any of
 3 that money for administrative costs. The instruction or direct
 4 noninstructional services provided under this section may be
 5 conducted before or after regular school hours or by adding extra
 6 school days to the school year.

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

15 (7) From the funds allocated under subsection (1), there is
 16 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
 17 ~~\$8,000,000.00~~ **\$10,000,000.00** to support primary health care
 18 services provided to children and adolescents up to age 21. These
 19 funds must be expended in a form and manner determined jointly by
 20 the department and the department of health and human services. If
 21 any funds allocated under this subsection are not used for the
 22 purposes of this subsection for the fiscal year in which they are
 23 allocated, those unused funds must be used that fiscal year to
 24 avoid or minimize any proration that would otherwise be required
 25 under subsection ~~(14)~~ **(15)** for that fiscal year.

26 (8) From the funds allocated under subsection (1), there is
 27 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed
 28 \$5,150,000.00 for the state portion of the hearing and vision
 29 screenings as described in section 9301 of the public health code,



1 1978 PA 368, MCL 333.9301. A local public health department shall
2 pay at least 50% of the total cost of the screenings. The frequency
3 of the screenings must be as required under R 325.13091 to R
4 325.13096 and R 325.3271 to R 325.3276 of the Michigan
5 Administrative Code. Funds must be awarded in a form and manner
6 approved jointly by the department and the department of health and
7 human services. Notwithstanding section 17b, the department shall
8 make payments to eligible entities under this subsection on a
9 schedule determined by the department.

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



1 forfeited to the school aid fund.

2 (10) In order to receive funds under this section, a district
3 or public school academy must allow access for the department or
4 the department's designee to audit all records related to the
5 program for which it receives those funds. The district or public
6 school academy shall reimburse the state for all disallowances
7 found in the audit.

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

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

29 (a) Implementing the multi-tiered system of supports required



1 in subsection (3) with fidelity and utilizing the data from that
2 system to inform curriculum and instruction.

3 (b) Implementing section 1280f of the revised school code, MCL
4 380.1280f, as required under subsection (3), with fidelity.

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

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

15 **(15)** ~~(14)~~—If necessary, and before any proration required
16 under section 296, the department shall prorate payments under this
17 section, except payments under subsection (7), (8), or ~~(16)~~, **(17)**,
18 by reducing the amount of the allocation as otherwise calculated
19 under this section by an equal percentage per district.

20 **(16)** ~~(15)~~—If a district is dissolved pursuant to section 12 of
21 the revised school code, MCL 380.12, the intermediate district to
22 which the dissolved district was constituent shall determine the
23 estimated number of pupils that are economically disadvantaged and
24 that are enrolled in each of the other districts within the
25 intermediate district and provide that estimate to the department
26 for the purposes of distributing funds under this section within 60
27 days after the district is declared dissolved.

28 **(17)** ~~(16)~~—From the funds allocated under subsection (1), there
29 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed



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

25 **(18)** ~~(17)~~—A district or public school academy that receives
 26 funds under this section may use funds received under this section
 27 to provide an anti-bullying or crisis intervention program.

28 **(19)** ~~(18)~~—The department shall collaborate with the department
 29 of health and human services to prioritize assigning Pathways to



1 Potential Success coaches to elementary schools that have a high
2 percentage of pupils in grades K to 3 who are not proficient in
3 English language arts, based upon state assessments for pupils in
4 those grades.

5 (20) ~~(19)~~ As used in this section:

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

9 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

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



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

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

12 (d) "Statewide weighted average foundation allowance" means
 13 the number that is calculated by adding together the result of each
 14 district's or public school academy's foundation allowance, not to
 15 exceed the target foundation allowance for the current fiscal year,
 16 or per-pupil payment calculated under ~~section~~**sections 20 and 20m**
 17 multiplied by the number of pupils in membership in that district
 18 or public school academy, and then dividing that total by the
 19 statewide number of pupils in membership.

20 Sec. 31d. (1) From the appropriations in section 11, there is
 21 allocated an amount not to exceed ~~\$23,144,000.00~~**\$23,838,400.00** for
 22 2020-2021 **and there is allocated an amount not to exceed**
 23 **\$23,838,400.00 for 2021-2022** for the purpose of making payments to
 24 districts and other eligible entities under this section.

25 (2) The amounts allocated from state sources under this
 26 section are used to pay the amount necessary to reimburse districts
 27 for 6.0127% of the necessary costs of the state mandated portion of
 28 lunch programs provided by those districts. The department shall
 29 calculate the amount due to each district under this section using



1 the methods of calculation adopted by the Michigan supreme court in
2 the consolidated cases known as *Durant v State of Michigan*, 456
3 Mich 175 (1997).

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

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

17 (5) From the federal funds appropriated in section 11, there
18 is allocated for 2020-2021 all available federal funding, estimated
19 at \$545,000,000.00, **and there is allocated for 2021-2022 all**
20 **available federal funding, estimated at \$545,000,000.00** for child
21 nutrition programs and, **for 2020-2021**, all available federal
22 funding, estimated at \$5,000,000.00 **and, for 2021-2022, all**
23 **available federal funding, estimated at \$11,000,000.00**, for food
24 distribution programs.

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

28 (7) In purchasing food for a lunch program funded under this
29 section, a district or other eligible entity shall give preference



1 to food that is grown or produced by Michigan businesses if it is
2 competitively priced and of comparable quality.

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

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

12 (a) The district participates in the federal school breakfast
13 program and meets all standards as prescribed by 7 CFR parts 210,
14 220, 225, 226, and 245.

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

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

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

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



1 priced and of comparable quality.

2 Sec. 31j. (1) From the general fund money appropriated in
3 section 11, there is allocated an amount not to exceed ~~\$200,000.00~~
4 **\$450,000.00** and from the state school aid fund money appropriated
5 in section 11, there is allocated an amount not to exceed
6 ~~\$1,800,000.00~~ **\$4,000,000.00** for ~~2020-2021~~ **2021-2022** for a program
7 to support districts and sponsors of child care centers in the
8 purchase of locally grown fruits and vegetables as described in
9 this section.

10 (2) ~~Funding retained by districts and the sponsors of child~~
11 ~~care centers that administer the program must not exceed 10%, and~~
12 ~~funding retained by the department for administration must not~~
13 ~~exceed 6%. A district or the sponsor of a child care center may~~
14 ~~enter into a memorandum of understanding with the department or~~
15 ~~another district or sponsor of a child care center, or both, to~~
16 ~~administer the program. If the department administers the program~~
17 ~~for a district or the sponsor of a child care center, the~~
18 ~~department may retain up to 10% of that district's or sponsor's~~
19 ~~funding for administration or may distribute some or all of that~~
20 ~~10% to project partners as appropriate.~~ **Funding under this section**
21 **retained by the department for administration must not exceed 5%.**
22 **Funding under this section retained by project partners for data**
23 **collection outreach and training must not exceed 1% for each**
24 **partner.**

25 (3) The department shall develop and implement a competitive
26 grant program for districts and sponsors of child care centers to
27 assist in paying for the costs incurred by the district or the
28 sponsor of the child care center to purchase or increase purchases
29 of whole or minimally processed fruits, vegetables, and legumes



1 grown in this state. The maximum amount that may be drawn down on a
 2 grant to a district or the sponsor of a child care center is based
 3 on the number of meals served by the district during the previous
 4 school year under the Richard B. Russell national school lunch act,
 5 42 USC 1751 to 1769j, or meals served by the sponsor of the child
 6 care center in the previous school year. The department shall
 7 collaborate with the Michigan department of agriculture and rural
 8 development to provide training to newly participating schools and
 9 sponsors of child care centers and electronic information on
 10 Michigan agriculture.

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

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

20 (a) Were purchased for ~~the 2020-2021 fiscal year, including~~
 21 ~~purchases to launch meals in August 2020 and September 2020.~~ **use in**
 22 **school meals served between September 1, 2021 through August 30,**
 23 **2022.**

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

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

28 (6) For Michigan-grown fruits, vegetables, and legumes that
 29 satisfy the requirements of subsection (5), the department shall



1 make matching reimbursements in an amount not to exceed 10 cents
2 for every school meal that is served as part of the United States
3 Department of Agriculture's child nutrition programs and that uses
4 Michigan-grown fruits, vegetables, and legumes.

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

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

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

29 (10) In awarding grants, the department shall also consider



1 all of the following:

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

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

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

9 (11) As a condition of receiving a grant under this section, a
10 district or the sponsor of a child care center shall provide or
11 direct its vendors to provide to the department copies of monthly
12 receipts that show the quantity of different Michigan-grown fruits,
13 vegetables, and legumes purchased, the amount of money spent on
14 each of these products, the name and Michigan location of the farm
15 that grew the products, and the methods or plans to market and
16 promote the program. The district or the sponsor of a child care
17 center also shall provide to the department monthly ~~lunch~~ **United**
18 **States Department of Agriculture child nutrition reimbursable meal**
19 numbers and ~~lunch~~ participation rates and ~~calendars or~~ **must retain**
20 monthly menus noting when and how Michigan-grown products were used
21 in meals. The district or the sponsor of the child care center and
22 school or child care center food service director or directors also
23 shall agree to respond to brief online surveys and to provide a
24 report that shows the percentage relationship of Michigan spending
25 compared to total food spending. Not later than 60 days after the
26 end of the school year in which funds under this section were
27 received, each district or each sponsor of a child care center
28 shall submit a report to the department on outcomes and related
29 measurements for economic development and children's nutrition and



1 readiness to learn. The report must include at least both of the
2 following:

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

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

17 (ii) The district or the sponsor of a child care center shall
18 use purchasing data collected for the program and surveys of school
19 and child care food service directors on the impact and success of
20 the program as the source for the data described in subparagraph
21 (i).

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

26 (i) The data used to determine whether this subdivision is met
27 are the number of pupils exposed to Michigan-grown fruits,
28 vegetables, and legumes at schools and child care centers; the
29 variety of products served; new items taste-tested or placed on



1 menus; and the increase in pupil willingness to try new local
2 healthy foods.

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

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

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

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

20 (2) The state treasurer may receive money or other assets from
21 any source for deposit into the school mental health and support
22 services fund. The state treasurer shall direct the investment of
23 the school mental health and support services fund and shall credit
24 to the school mental health and support services fund interest and
25 earnings from the school mental health and support services fund.

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

29 (4) Money in the school mental health and support services



1 fund at the close of the fiscal year ~~shall remain in the school~~
 2 ~~mental health and support services fund and shall not lapse lapses~~
 3 to the state school aid fund. ~~or to the general fund.~~ The
 4 department of treasury shall be the administrator of the school
 5 mental health and support services fund for auditing purposes.

6 (5) For the fiscal year ending September 30, 2018,
 7 \$30,000,000.00 from the state school aid fund shall be deposited
 8 into the school mental health and support services fund to be used
 9 to support efforts to improve mental health and support services
 10 for K-12 pupils in this state, including, but not limited to,
 11 improved access to counseling services, educational awareness
 12 programs, and enhanced mental health and clinical services.

13 Sec. 31n. (1) From the state school aid fund money
 14 appropriated in section 11, there is allocated for ~~2020-2021-2021-~~
 15 **2022** for the purposes of this section an amount not to exceed
 16 \$55,600,000.00 and from the general fund money appropriated in
 17 section 11, there is allocated for ~~2020-2021-2021-2022~~ for the
 18 purposes of this section an amount not to exceed \$1,300,000.00. The
 19 department and the department of health and human services shall
 20 continue a program to distribute this funding to add licensed
 21 behavioral health providers for general education pupils, and shall
 22 continue to seek federal Medicaid match funding for all eligible
 23 mental health and support services.

24 (2) The department and the department of health and human
 25 services shall maintain an advisory council for programs funded
 26 under this section. The advisory council shall define goals for
 27 implementation of programs funded under this section, and shall
 28 provide feedback on that implementation. At a minimum, the advisory
 29 council shall consist of representatives of state associations



1 representing school health, school mental health, school
 2 counseling, education, health care, and other organizations,
 3 representatives from the department and the department of health
 4 and human services, and a representative from the school safety
 5 task force created under Executive Order No. 2018-5. The department
 6 and department of health and human services, working with the
 7 advisory council, shall determine an approach to increase capacity
 8 for mental health and support services in schools for general
 9 education pupils, and shall determine where that increase in
 10 capacity qualifies for federal Medicaid match funding.

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

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



1 already incurred by districts and intermediate districts for mental
2 health and support services for general education pupils.

3 (5) 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 \$9,300,000.00 to be distributed to the network
6 of child and adolescent health centers to place a licensed master's
7 level behavioral health provider in schools that do not currently
8 have services available to general education students. Child and
9 adolescent health centers that are part of the network described in
10 this subsection shall provide a commitment to maintain services and
11 implement all available federal Medicaid match methodologies. The
12 department of health and human services shall use all existing or
13 additional federal Medicaid match opportunities to maximize funding
14 allocated under this subsection. The department shall provide funds
15 under this subsection to child and adolescent health centers that
16 are part of the network described in this subsection in the same
17 proportion that funding under section 31a(7) is provided to child
18 and adolescent health centers that are part of the network
19 described in this subsection and that are located and operating in
20 those districts. A payment from funding allocated under this
21 subsection must not be paid to an entity that is not part of the
22 network described in this subsection.

23 (6) From the state school aid fund money allocated under
24 subsection (1), there is allocated for ~~2020-2021~~**2021-2022** an
25 amount not to exceed \$45,800,000.00 to be distributed to
26 intermediate districts for the provision of mental health and
27 support services to general education students. **If a district or**
28 **intermediate district is not able to procure the services of a**
29 **licensed master's level behavioral health provider, the district or**



1 intermediate district shall notify the department and the
 2 department of health and human services and, if the department and
 3 department of health and human services verify that the district or
 4 intermediate district attempted to procure services from a master's
 5 level behavioral health provider and was not able to do so, then
 6 the district or intermediate district may instead procure services
 7 from a provider with less than a master's degree in behavioral
 8 health. To be able to use the exemption in the immediately
 9 preceding sentence, the district or intermediate district must
 10 submit evidence satisfactory to the department and department of
 11 health and human services demonstrating that the district or
 12 intermediate district took measures to procure the services of a
 13 licensed master's level behavioral health provider but was unable
 14 to do so, and the department and department of health and human
 15 services must be able to verify this evidence. From the first
 16 \$29,400,000.00 of the funds allocated under this subsection, the
 17 department shall distribute ~~\$817,800.00~~ \$525,000.00 for ~~2020-2021~~
 18 2021-2022 to each intermediate district that submits a plan
 19 approved by the department and the department of health and human
 20 services. The department shall distribute the remaining
 21 \$16,400,000.00 of the funds allocated under this subsection for
 22 2021-2022 to intermediate districts on an equal per pupil basis
 23 based on the combined total number of pupils in membership in the
 24 intermediate district and its constituent districts, including
 25 public school academies that are considered to be constituent
 26 districts under section 705(7) of the revised school code, MCL
 27 380.705. The department and department of health and human services
 28 shall work cooperatively in providing oversight and assistance to
 29 intermediate districts during the plan submission process and shall



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



1 services through coordination with outside mental health agencies.

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

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

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

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

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

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



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

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

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

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

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

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

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

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

20 (a) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
21 \$1,000,000.00 for the purpose of upgrading technology and systems
22 infrastructure and other administrative requirements to support the
23 programs funded under this section.

24 (b) For ~~2020-2021~~, **2021-2022**, an amount not to exceed
25 \$300,000.00 for the purpose of administering the programs under
26 this section and working on generating additional Medicaid funds as
27 a result of programs funded under this section.

28 (10) From the state school aid fund money allocated under
29 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an



1 amount not to exceed \$500,000.00 to intermediate districts on an
 2 equal per intermediate district basis for the purpose of
 3 administering programs funded under this section.

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

23 (12) ~~Beginning with 2018-2019, a~~ **A** district or intermediate
 24 district that receives funding directly or indirectly under this
 25 section may carry over any unexpended funds received under this
 26 section for up to 2 fiscal years beyond the fiscal year in which
 27 the funds were received.

28 **Sec. 31p. (1) From the state school aid fund money**
 29 **appropriated under section 11, there is allocated for 2021-2022 an**



1 amount not to exceed \$1,368,000.00 for grants to intermediate
 2 districts to implement a TRAILS program as described in subsection
 3 (2).

4 (2) Intermediate districts receiving funding under this
 5 section must use the funding to implement a TRAILS program within
 6 the boundaries of the intermediate district. The TRAILS program
 7 described in this subsection must improve youth access to evidence-
 8 based mental health services by training school mental health
 9 professionals in effective practices, such as cognitive behavioral
 10 therapy and mindfulness.

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

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

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

19 Sec. 32d. (1) From the funds appropriated in section 11, there
 20 is allocated to eligible intermediate districts and consortia of
 21 intermediate districts for great start readiness programs an amount
 22 not to exceed ~~\$249,600,000.00~~ **\$281,800,000.00** for ~~2020-2021~~ **2021-**
 23 **2022**. An intermediate district or consortium shall use funds
 24 allocated under this section for great start readiness programs to
 25 provide part-day, school-day, or GSRP/Head Start blended
 26 comprehensive free compensatory classroom programs designed to
 27 improve the readiness and subsequent achievement of educationally
 28 disadvantaged children who meet the participant eligibility and
 29 prioritization guidelines as defined by the department. For a child



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

12 (2) From the funds allocated under subsection (1), an amount
 13 not to exceed ~~\$247,600,000.00~~ **\$279,800,000.00** is allocated to
 14 intermediate districts or consortia of intermediate districts based
 15 on the formula in section 39. An intermediate district or
 16 consortium of intermediate districts receiving funding under this
 17 section shall act as the fiduciary for the great start readiness
 18 programs. In order to be eligible to receive funds allocated under
 19 this subsection from an intermediate district or consortium of
 20 intermediate districts, a district, a consortium of districts, or a
 21 public or private for-profit or nonprofit legal entity or agency
 22 must comply with this section and section 39.

23 (3) In addition to the allocation under subsection (1), from
 24 the general fund money appropriated under section 11, there is
 25 allocated an amount not to exceed ~~\$350,000.00~~ **\$600,000.00** for ~~2020-~~
 26 ~~2021-2021-2022~~ for a competitive grant to continue a longitudinal
 27 evaluation of children who have participated in great start
 28 readiness programs. This evaluation must include ~~, to the extent,~~
 29 ~~for 2020-2021, that data from the kindergarten readiness assessment~~



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

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

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

27 (b) An age-appropriate educational curriculum that is in
 28 compliance with the early childhood standards of quality for
 29 prekindergarten children adopted by the state board, including, at



1 least, the Connect4Learning curriculum.

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

4 (d) Physical and dental health and developmental screening
5 services for all program participants.

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

9 (f) Active and continuous involvement of the parents or
10 guardians of the program participants.

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

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

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

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

28 (5) An application for funding under this section must provide
29 for the following, in a form and manner determined by the



1 department:

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

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

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

28 (i) Teachers possessing proper training. A lead teacher must
29 have a valid **Michigan** teaching certificate with an early childhood



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

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

29 (d) Include a program budget that contains only those costs



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

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

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

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

26 (9) An intermediate district or consortium of intermediate
27 districts may retain for administrative services provided by the
28 intermediate district or consortium of intermediate districts an
29 amount not to exceed 4% of the grant amount. Expenses incurred by



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

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

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



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

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

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



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

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

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



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

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

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

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

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

27 (c) Ensure that all intermediate district, district, community
28 college or university, Head Start grantee or delegate, private for-
29 profit, and private nonprofit providers are subject to a single



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

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

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

25 (17) As used in this section:

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



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

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

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

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

25 (19) From the amount allocated in subsection (2), there is
 26 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 27 \$10,000,000.00 for reimbursement of transportation costs for
 28 children attending great start readiness programs funded under this
 29 section. To receive reimbursement under this subsection, not later



1 than November 1 of each year, a program funded under this section
2 that provides transportation shall submit to the intermediate
3 district that is the fiscal agent for the program a projected
4 transportation budget. The amount of the reimbursement for
5 transportation under this subsection is no more than the projected
6 transportation budget or \$300.00 multiplied by the number of
7 children funded for the program under this section. If the amount
8 allocated under this subsection is insufficient to fully reimburse
9 the transportation costs for all programs that provide
10 transportation and submit the required information, the department
11 shall prorate the reimbursement in an equal amount per child
12 funded. The department shall make payments to the intermediate
13 district that is the fiscal agent for each program, and the
14 intermediate district shall then reimburse the program provider for
15 transportation costs as prescribed under this subsection.

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

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

27 (b) Financial documentation of actual transportation costs
28 incurred by the program, including, but not limited to, receipts
29 and mileage reports, as determined by the department.



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

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

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

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

24 (24) From the funds allocated under subsection (1), there is
25 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
26 \$2,000,000.00 for payments to intermediate districts or consortia
27 of intermediate districts for professional development and training
28 materials for educators in programs implementing new curricula **or**
29 **child assessment tools approved for use in the great start**



1 **readiness program.**

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

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

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



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

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



1 ~~2020-2021 program year:~~

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

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

18 Sec. 32p. (1) From the ~~appropriation~~ **state school aid fund**
19 **money appropriated** in section 11, there is allocated an amount not
20 to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~
21 **2021-2022** for the purpose of providing early childhood funding to
22 intermediate districts to support the goals and outcomes under
23 subsection (2) and subsection (4), and to provide early childhood
24 programs for children from birth through age 8. The funding
25 provided to each intermediate district under this section is
26 determined by the distribution formula established by the
27 department's office of great start to provide equitable funding
28 statewide. In order to receive funding under this section, each
29 intermediate district must provide an application to the office of



1 great start not later than September 15 of the immediately
2 preceding fiscal year indicating the strategies planned to be
3 provided.

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

11 (a) Children born healthy.

12 (b) Children healthy, thriving, and developmentally on track
13 from birth to ~~third~~ grade 3.

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

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

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

23 (a) Physical health.

24 (b) Social-emotional health.

25 (c) Family supports and basic needs.

26 (d) Parent education.

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

29 (4) From the funds allocated in subsection (1), at least



1 \$2,500,000.00 must be used for the purpose of providing home visits
2 to at-risk children and their families. The home visits must be
3 conducted as part of a locally coordinated, family-centered,
4 evidence-based, data-driven home visit strategic plan that is
5 approved by the department. The goals of the home visits funded
6 under this subsection are to improve school readiness using
7 evidence-based methods, including a focus on developmentally
8 appropriate outcomes for early literacy, to improve positive
9 parenting practices, and to improve family economic self-
10 sufficiency while reducing the impact of high-risk factors through
11 community resources and referrals. The department shall coordinate
12 the goals of the home visit strategic plans approved under this
13 subsection with other state agency home visit programs in a way
14 that strengthens Michigan's home visiting infrastructure and
15 maximizes federal funds available for the purposes of at-risk
16 family home visits. The coordination among departments and agencies
17 is intended to avoid duplication of state services and spending,
18 and should emphasize efficient service delivery of home visiting
19 programs.

20 (5) Not later than December 1 of each year, each intermediate
21 district shall provide a report to the department detailing the
22 strategies actually implemented during the immediately preceding
23 school year and the families and children actually served. At a
24 minimum, the report must include an evaluation of the services
25 provided with additional funding under subsection (4) for home
26 visits, using the goals identified in subsection (4) as the basis
27 for the evaluation, including the degree to which school readiness
28 was improved, the degree to which positive parenting practices were
29 improved, the degree to which there was improved family economic



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

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

26 Sec. 35a. (1) From the appropriations in section 11, there is
 27 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section
 28 an amount not to exceed ~~\$55,400,000.00~~**\$57,400,000.00** from the
 29 state school aid fund and there is allocated for ~~2020-2021-2021-~~



1 **2022** for the purposes of subsection (8) an amount not to exceed
 2 ~~\$2,773,000.00~~ **\$3,500,000.00** from the general fund. ~~The~~ **Excluding**
 3 **staff or contracted employees funded under subsection (8), the**
 4 superintendent shall designate staff or contracted employees funded
 5 under this section as critical shortage. Programs funded under this
 6 section are intended to ensure that this state will be a top 10
 7 state in grade 4 reading proficiency by 2025 according to the
 8 National Assessment of Educational Progress (NAEP).

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

18 **(2) (3)** ~~A district that receives funds under subsection (5)~~
 19 ~~may use up to 5% of those funds to administer department-approved~~
 20 ~~screening and diagnostic tools to monitor the development of early~~
 21 ~~literacy and early reading skills, and risk factors for word-level~~
 22 ~~reading difficulties of pupils in grades pre-K to 3 and to support~~
 23 ~~research-based evidence-based professional development learning~~
 24 ~~described in subsection (9) for educators in administering and~~
 25 ~~using screening, progress monitoring, and diagnostic tools and in~~
 26 ~~assessment data interpretation of the results obtained through the~~
 27 ~~use of those tools for the purpose of implementing a multi-tiered~~
 28 ~~system of support to improve reading proficiency among pupils in~~
 29 ~~grades pre-K to 3. to inform instruction through prevention and~~



1 **intervention in a multi-tiered system of supports framework.** A
 2 department-approved screening and diagnostic tool administered by a
 3 district using funding under this section must include all of the
 4 following components: phonemic awareness, phonics, fluency, **rapid**
 5 **automatized naming (RAN)**, and comprehension. Further, all of the
 6 following sub-skills must be assessed within each of these
 7 components:

8 (a) Phonemic awareness - segmentation, blending, and sound
 9 manipulation (deletion and substitution).

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

11 (c) Fluency. ~~reading rate, accuracy, and expression.~~

12 (d) Comprehension - making meaning of text.

13 **(3)** ~~(4)~~ From the allocation under subsection (1), there is
 14 allocated an amount not to exceed \$31,500,000.00 for ~~2020-2021~~
 15 **2021-2022** for the purpose of providing early literacy coaches at
 16 intermediate districts to **develop early literacy coaching capacity**
 17 **in districts and schools. The early literacy coaches must support**
 18 **district-identified staff such as teacher leaders who must provide**
 19 **peer-to-peer literacy coaching supports to assist pre-K to grade 3**
 20 ~~teachers in developing and implementing instructional strategies~~
 21 ~~for pupils in grades pre-K to 3 so that pupils are reading at grade~~
 22 ~~level by the end of grade 3.~~ **implementing professional learning**
 23 **described in subsection (9).** All of the following apply to funding
 24 under this subsection:

25 (a) The department shall develop an application process
 26 consistent with the provisions of this subsection. An application
 27 must provide assurances that literacy coaches funded under this
 28 subsection are knowledgeable about ~~at least the following:~~

29 ~~(i) Current~~ **current** state literacy standards for pupils in



1 grades pre-K to 3 -

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

7 ~~(iii) The use of data from diagnostic tools to determine the~~
 8 ~~necessary additional supports and interventions needed by~~
 9 ~~individual pupils in grades pre K to 3 in order to be reading at~~
 10 ~~grade level.~~ **and the information described in subsection (9).**

11 (b) From the allocation under this subsection, the department
 12 shall award grants to intermediate districts for the support of
 13 early literacy coaches. The department shall provide this funding
 14 in the following manner:

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

18 (ii) After distribution of the grant funding under subparagraph
 19 (i), the department shall distribute the remainder of grant funding
 20 for additional early literacy coaches in an amount not to exceed
 21 \$112,500.00 per early literacy coach. The number of funded early
 22 literacy coaches for each intermediate district is based on the
 23 percentage of the total statewide number of pupils in grades K to 3
 24 who meet the income eligibility standards for the federal free and
 25 reduced-price lunch programs who are enrolled in districts in the
 26 intermediate district.

27 (c) If an intermediate district that receives funding under
 28 this subsection uses an assessment tool that screens for ~~signs~~
 29 **characteristics** of dyslexia, the intermediate district shall use



1 the assessment results from that assessment tool to identify pupils
2 who demonstrate ~~signs~~ **characteristics** of dyslexia.

3 (4) From the allocation under subsection (1), there is
4 allocated an amount not to exceed \$10,000,000.00 for 2021-2022 to
5 districts to provide professional learning described in subsection
6 (9), first to educators in pre-K, kindergarten, and grade 1 and
7 then to educators in grade 2 and grade 3. All of the following
8 apply to funding under this subsection:

9 (a) In order to be eligible to receive funding under this
10 subsection, a district must do both of the following:

11 (i) Demonstrate to the satisfaction of the department that the
12 district has used an approved professional learning provider for
13 teachers to access training described in subsection (9).

14 (ii) Comply with the requirements under section 1280f of the
15 revised school code, MCL 380.1280f.

16 (b) The department shall distribute funding allocated under
17 this subsection to eligible districts on an equal per-first-grade-
18 pupil basis.

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

23 (5) From the allocation under subsection (1), there is
24 allocated an amount not to exceed ~~\$19,900,000.00~~ **\$9,900,000.00** for
25 ~~2020-2021-2021-2022~~ to districts that provide additional
26 instructional time to those pupils in grades pre-K to 3 ~~, or, for~~
27 ~~2020-2021 only, those pupils in grades pre-K to 12,~~ who have been
28 identified by using department-approved screening and diagnostic
29 tools as needing additional supports and interventions in order to



1 be reading at grade level by the end of grade 3. ~~, or, for 2020-~~
 2 ~~2021 only, reading at the applicable grade level.~~ Additional
 3 instructional time may be provided before, during, and after
 4 regular school hours or as part of a year-round balanced school
 5 calendar. All of the following apply to funding under this
 6 subsection:

7 (a) In order to be eligible to receive funding, a district
 8 ~~shall~~**must** demonstrate to the satisfaction of the department that
 9 the district has done all of the following:

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

17 (A) Team-based leadership.

18 (B) A tiered delivery system.

19 (C) Selection and implementation of instruction,
 20 interventions, and supports.

21 (D) A comprehensive screening and assessment system.

22 (E) Continuous data-based decision making.

23 (ii) Used department-approved ~~research-based~~**evidence-based**
 24 **screening and** diagnostic tools to identify individual pupils in
 25 need of additional instructional time.

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



1 (iv) Provided teachers of pupils in grades pre-K to 3 with
2 ~~research-based~~**evidence-based** professional development in **screening**
3 **and** diagnostic data interpretation.

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

6 (b) The department shall distribute funding allocated under
7 this subsection to eligible districts on an equal per-first-grade-
8 pupil basis.

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

13 (6) Not later than September 1 of each year, a district that
14 receives funding under subsection **(4) or** (5) in conjunction with
15 the Michigan student data system, if possible, shall provide to the
16 department a report that includes at least both of the following,
17 in a form and manner prescribed by the department:

18 (a) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
19 ~~applicable,~~ the **teachers**, pupils, schools, and grades served with
20 funds under this section and the categories of services provided.

21 (b) For pupils in grades pre-K to 3, ~~or pre-K to 12, as~~
22 ~~applicable,~~ pupil proficiency and growth data that allows analysis
23 both in the aggregate and by each of the following subgroups, as
24 applicable:

25 (i) School.

26 (ii) Grade level.

27 (iii) Gender.

28 (iv) Race.

29 (v) Ethnicity.



1 (vi) Economically disadvantaged status.

2 (vii) Disability.

3 (viii) Pupils identified as having reading deficiencies.

4 (7) From the allocation under subsection (1), there is
 5 allocated an amount not to exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for
 6 ~~2020-2021~~ **2021-2022** to an intermediate district in which the
 7 combined total number of pupils in membership of all of its
 8 constituent districts is the fewest among all intermediate
 9 districts. All of the following apply to the funding under this
 10 subsection:

11 (a) ~~Funding~~ **Except as otherwise provided in this subsection,**
 12 **funding** under this subsection must be used by the intermediate
 13 district, in partnership with an association that represents
 14 intermediate district administrators in this state, to implement
 15 all of the following:

16 (i) ~~Literacy essentials teacher and principal training~~
 17 ~~modules.~~ **The development of literacy peer-to-peer coaching capacity**
 18 **in districts and schools.**

19 (ii) ~~Face-to-face and online professional learning of literacy~~
 20 ~~essentials teacher and principal training modules for literacy~~
 21 ~~coaches, principals, and teachers.~~ **Support the individuals**
 22 **identified at schools or districts learning to be effective peer-**
 23 **to-peer coaches to implement the professional learning described in**
 24 **subsection (9).**

25 (iii) The placement of regional lead literacy coaches to
 26 facilitate professional learning for **intermediate district** early
 27 literacy coaches. These regional lead literacy coaches shall
 28 provide support for new **intermediate district** literacy coaches. ~~7~~
 29 ~~building teachers, and administrators and shall facilitate regional~~



1 ~~data collection to evaluate the effectiveness of statewide literacy~~
 2 ~~coaches funded under this section.~~

3 (iv) Provide \$500,000.00 from this subsection for **pre-K and K**
 4 **to 3** literacy training, modeling, coaching, and feedback for
 5 district principals or chief administrators, as applicable. ~~The~~
 6 ~~training described in this subparagraph must use the pre-K and K to~~
 7 ~~3 essential instructional practices in literacy created by the~~
 8 ~~general education leadership network as the framework for all~~
 9 ~~training provided under this subparagraph.~~

10 (b) Not later than September 1 of each year, the intermediate
 11 district described in this subsection, in consultation with grant
 12 recipients, shall submit a report to the chairs of the senate and
 13 house appropriations subcommittees on ~~state~~ school aid, the chairs
 14 of the senate and house standing committees responsible for
 15 education legislation, the house and senate fiscal agencies, and
 16 the state budget director. The report described under this
 17 subdivision must include ~~student achievement results in English~~
 18 ~~language arts and survey results with feedback from parents and~~
 19 ~~teachers regarding the initiatives implemented under this~~
 20 ~~subsection.~~ **all of the following:**

21 (i) **The percentage of schools within a region supported by an**
 22 **intermediate district that receive services from an early literacy**
 23 **coach. The intermediate district early literacy coach also may be**
 24 **identified as the district or school coach for purposes of this**
 25 **subparagraph.**

26 (ii) **The pre-K to grade 3 teacher-to-coach ratio. The report**
 27 **must provide for a recommendation as to whether the number of**
 28 **district or school early peer-to-peer literacy coaches supporting**
 29 **pre-K to grade 3 teachers can be scaled across the state based on**



1 the information described in the immediately preceding sentence.

2 (iii) The coaching skills taught to the district- or school-
3 identified early peer-to-peer literacy coaches who support teachers
4 and administrators in literacy.

5 (iv) Data indicating the effectiveness of professional learning
6 provided to literacy coaches and the impact on student outcomes.

7 (c) Up to 2% of funds allocated under this subsection may be
8 used by the association representing intermediate district
9 administrators that is in partnership with the intermediate
10 district specified in this subsection to administer this
11 subsection.

12 (d) The intermediate district receiving funds allocated under
13 this subsection must use \$2,000,000.00 of those funds for math
14 essentials teacher and principal training modules. Funding under
15 this subdivision must be used for professional learning for
16 coaches, professional developers, administrators, and teachers;
17 coaching for early mathematics educators; the development of
18 statewide and regional professional learning networks in
19 mathematics instructions; and the development and support of
20 digital professional learning modules.

21 (8) From the general fund money allocated in subsection (1),
22 the department shall allocate the amount of ~~\$2,773,000.00~~
23 **\$3,500,000.00** for ~~2020-2021-2021-2022~~ to the Michigan Education
24 Corps for the PreK Reading Corps, the K3 Reading Corps, and the
25 Math Corps. All of the following apply to funding under this
26 subsection:

27 (a) By September 1 of the current fiscal year, the Michigan
28 Education Corps shall provide a report concerning its use of the
29 funding to the senate and house appropriations subcommittees on



1 state school aid, the senate and house fiscal agencies, and the
2 senate and house caucus policy offices on outcomes and performance
3 measures of the Michigan Education Corps, including, but not
4 limited to, the degree to which the Michigan Education Corps'
5 replication of the PreK Reading Corps, the K3 Reading Corps, and
6 the Math Corps programs is demonstrating sufficient efficacy and
7 impact. The report must include data pertaining to at least all of
8 the following:

9 (i) The current impact of the programs on this state in terms
10 of numbers of children and schools receiving support. This portion
11 of the report must specify the number of children tutored,
12 including dosage and completion, and the demographics of those
13 children.

14 (ii) Whether the **evidence-based** assessments and interventions
15 are implemented with fidelity. This portion of the report must
16 include details on the total number of assessments and
17 interventions completed and the range, mean, and standard
18 deviation.

19 (iii) Whether the literacy or math improvement of children
20 participating in the programs is consistent with expectations. This
21 portion of the report must detail at least all of the following:

22 (A) Growth rate by grade or age level, in comparison to
23 targeted growth rate.

24 (B) Average linear growth rates.

25 (C) Exit rates.

26 (D) Percentage of children who exit who also meet or exceed
27 spring benchmarks.

28 (iv) The impact of the programs on organizations and
29 stakeholders, including, but not limited to, school administrators,



1 internal coaches, and AmeriCorps members.

2 (b) If the department determines that the Michigan Education
3 Corps has misused the funds allocated under this subsection, the
4 Michigan Education Corps shall reimburse this state for the amount
5 of state funding misused.

6 (c) The department may not reserve any portion of the
7 allocation provided under this subsection for an evaluation of the
8 Michigan Education Corps, the Michigan Education Corps' funding, or
9 the Michigan Education Corps' programming unless agreed to in
10 writing by the Michigan Education Corps. The department shall award
11 the entire ~~\$2,773,000.00~~ **\$3,500,000.00** allocated under this
12 subsection to the Michigan Education Corps and shall not condition
13 the awarding of this funding on the implementation of an
14 independent evaluation.

15 ~~(9) If a district or intermediate district expends any funding~~
16 ~~received under subsection (4) or (5) for professional development~~
17 ~~in research based effective reading instruction, the district or~~
18 ~~intermediate district shall select a professional development~~
19 ~~program from the list described under subdivision (a). All of the~~
20 ~~following apply to the requirement under this subsection:~~

21 ~~(a) The department shall issue a request for proposals for~~
22 ~~professional development programs in research based effective~~
23 ~~reading instruction to develop an initial approved list of~~
24 ~~professional development programs in research based effective~~
25 ~~reading instruction. The department shall make the initial approved~~
26 ~~list public and shall determine if it will, on a rolling basis,~~
27 ~~approve any new proposals submitted for addition to its initial~~
28 ~~approved list.~~

29 ~~(b) To be included as an approved professional development~~



1 ~~program in research-based effective reading instruction under~~
 2 ~~subdivision (a), an applicant must demonstrate to the department in~~
 3 ~~writing the program's competency in all of the following topics:~~

4 ~~(i) Understanding of phonemic awareness, phonics, fluency,~~
 5 ~~vocabulary, and comprehension.~~

6 ~~(ii) Appropriate use of assessments and differentiated~~
 7 ~~instruction.~~

8 ~~(iii) Selection of appropriate instructional materials.~~

9 ~~(iv) Application of research-based instructional practices.~~

10 ~~(e) As used in this subsection, "effective reading~~
 11 ~~instruction" means reading instruction scientifically proven to~~
 12 ~~result in improvement in pupil reading skills.~~ **The department shall**
 13 **provide a list of 1 or more approved providers of professional**
 14 **learning outlined in this subsection for pre-K to grade 3 teachers,**
 15 **administrators, and early literacy coaches. In order to be**
 16 **approved, a provider of professional learning must meet all of the**
 17 **following:**

18 (a) Be offered through a system of training that provides
 19 educators with the knowledge base to effectively implement any
 20 class-wide, supplemental, or intervention reading approach and to
 21 determine why some students struggle with reading, writing,
 22 spelling, and language.

23 (b) Provide training activities that direct educators to
 24 implement effective reading and spelling instruction supported by
 25 scientifically based research and foster a direct explicit
 26 instructional sequence that uses techniques to support teachers'
 27 independence in using their newly-learned skills with students in
 28 the classroom.

29 (c) Include integrated components for educators and



1 administrators in pre-K to grade 3 with embedded evaluation or
 2 assessment of knowledge. Evaluation or assessment of knowledge
 3 under this subdivision must incorporate evaluations of learning
 4 throughout each unit and include a summative assessment that must
 5 be completed to demonstrate successful course completion.

6 (d) Build teacher content knowledge and pedagogical knowledge
 7 of the critical components of literacy including how the brain
 8 learns to read, phonological and phonemic awareness; letter
 9 knowledge; phonics; advanced phonics; vocabulary and oral language;
 10 fluency; comprehension; spelling and writing; and the organization
 11 of language.

12 (e) Support educators in understanding how to effectively use
 13 screening, progress monitoring, and diagnostic assessment data to
 14 improve literacy outcomes through prevention and intervention for
 15 reading difficulties in a multi-tiered system of supports. The
 16 multi-tiered system of supports must include at least all of the
 17 following essential components:

18 (i) Team-based leadership.

19 (ii) A tiered delivery system.

20 (iii) Selection and implementation of instruction,
 21 interventions, and supports.

22 (iv) A comprehensive screening and assessment system.

23 (v) Continuous data-based decision making.

24 (10) Notwithstanding section 17b, the department shall make
 25 payments made under subsections (7) and (8) on a schedule
 26 determined by the department.

27 (11) As used in this section:

28 (a) "Dyslexia" means both of the following:

29 (i) A specific learning disorder that is neurobiological in



1 origin and characterized by difficulties with accurate or fluent
2 word recognition and by poor spelling and decoding abilities that
3 typically result from a deficit in the phonological component of
4 language that is often unexpected in relation to other cognitive
5 abilities and the provision of effective classroom instruction.

6 (ii) A specific learning disorder that may include secondary
7 consequences, such as problems in reading comprehension and a
8 reduced reading experience that can impede the growth of vocabulary
9 and background knowledge and lead to social, emotional, and
10 behavioral difficulties.

11 (b) "Evidence-based" means an activity, program, process,
12 service, strategy, or intervention that demonstrates statistically
13 significant effects on improving pupil outcomes or other relevant
14 outcomes and that meets at least both of the following:

15 (i) At least 1 of the following:

16 (A) Is based on strong evidence from at least 1 well-designed
17 and well-implemented experimental study.

18 (B) Is based on moderate evidence from at least 1 well-
19 designed and well-implemented quasi-experimental study.

20 (C) Is based on promising evidence from at least 1 well-
21 designed and well-implemented correlational study with statistical
22 controls for selection bias.

23 (D) Demonstrates a rationale based on high-quality research
24 findings or positive evaluation that the activity, program,
25 process, service, strategy, or intervention is likely to improve
26 pupil outcomes or other relevant outcomes.

27 (ii) Includes ongoing efforts to examine the effects of the
28 activity, program, process, service, strategy, or intervention.

29 (c) "Explicit" means direct and deliberate instruction through



1 continuous pupil-teacher interaction that includes teacher
2 modeling, guided practice, and independent practice.

3 (d) "Fluency" means the ability to read with speed, accuracy,
4 and proper expression.

5 (e) "Multi-tiered system of supports" means a comprehensive
6 framework that includes 3 distinct tiers of instructional support
7 and is composed of a collection of evidence-based strategies
8 designed to meet the individual needs and assets of a whole pupil
9 at all achievement levels.

10 (f) "Phonemic awareness" means the conscious awareness of all
11 of the following:

12 (i) Individual speech sounds, including, but not limited to,
13 consonants and vowels, in spoken syllables.

14 (ii) The ability to consciously manipulate through, including,
15 but not limited to, matching, blending, segmenting, deleting, or
16 substituting, individual speech sounds described in subparagraph
17 (i).

18 (iii) All levels of the speech sound system, including, but not
19 limited to, word boundaries, rhyme recognition, stress patterns,
20 syllables, onset-rime units, and phonemes.

21 (g) "Phonological" means relating to the system of contrastive
22 relationships among the speech sounds that constitute the
23 fundamental components of a language.

24 (h) "Progress monitoring" means the assessing of students'
25 academic performance, quantifying students' rates of improvement or
26 progress toward goals, and determining how students are responding
27 to instruction.

28 (i) "Rapid automatized naming (RAN)" means a task that
29 measures how quickly individuals can name objects; pictures;



1 **colors; or symbols, including letters and digits, aloud, which can**
2 **predict later reading abilities for preliterate children.**

3 Sec. 35b. (1) From the general fund money appropriated in
4 section 11, there is allocated for ~~2020-2021~~**2021-2022** an amount
5 not to exceed \$250,000.00 for a grant to be distributed by the
6 department to the Children's Choice Initiative for a program to use
7 a multisensory structured language education method to improve
8 reading proficiency rates and to comply with section 1280f of the
9 revised school code, MCL 380.1280f.

10 (2) Grant funds awarded under this section must be expended
11 for the following purposes:

12 (a) Professional development including training staff and
13 tutors in a multisensory, sequential, systematic education
14 approach.

15 (b) Additional instructional time before, during, or after
16 school for pupils in grades K to 3 identified as having an early
17 literacy delay or reading deficiency using a multisensory,
18 sequential, systematic education approach.

19 (3) Not later than December 1, 2021, an entity that receives
20 grant funds under this section shall report to the house and senate
21 appropriations subcommittees on school aid, the house and senate
22 fiscal agencies, and the state budget director on all of the
23 following for the grant funds awarded under this section:

24 (a) The number of staff and tutors trained.

25 (b) The number of pupils in grades K to 3 identified as having
26 an early literacy delay or reading deficiency served.

27 (c) The number of hours of added instructional time provided
28 to pupils served.

29 (d) Pupil reading proficiency and growth data of pupils served



1 necessary to evaluate the effectiveness of the program.

2 Sec. 35d. (1) From the general fund money appropriated under
3 section 11, for ~~2020-2021~~, **2021-2022**, there is allocated an amount
4 not to exceed \$500,000.00 for the department to provide grants to
5 districts and intermediate districts for the purchase of 1 or more
6 components or trainings through an eligible 1-on-1 tutoring program
7 for children with dyslexia from a provider of an eligible 1-on-1
8 tutoring program for children with dyslexia as provided under this
9 section.

10 (2) A provider that provides programming that meets all of the
11 following is considered to be a provider of an eligible 1-on-1
12 tutoring program for purposes of this section:

13 (a) Allows teachers to incorporate the 5 components essential
14 to an effective reading program into their daily lessons. The 5
15 components described in this subdivision are phonemic awareness,
16 phonics, vocabulary, fluency, and comprehension.

17 (b) Trains educators to teach reading using a proven,
18 multisensory approach.

19 (c) Educates teachers on how to explicitly and effectively
20 teach reading to beginning readers.

21 (d) Breaks reading and spelling down into smaller skills
22 involving letters and sounds, and then builds on these skills over
23 time.

24 (e) Uses multisensory teaching strategies to teach reading by
25 using sight, hearing, touch, and movement to help students connect
26 and learn the concepts being taught.

27 (3) Districts and intermediate districts may apply to the
28 department for grants to purchase components or training through an
29 eligible 1-on-1 tutoring program from a provider of an eligible 1-



1 on-1 tutoring program, and, upon receiving an application but
2 except as otherwise provided in this subsection, the department
3 shall make payments to districts and intermediate districts for
4 those purchases. The department shall make payments under this
5 section on a first-come, first-served basis until funds are
6 depleted.

7 Sec. 35e. (1) From the general fund money appropriated under
8 section 11, there is allocated an amount not to exceed
9 \$1,000,000.00 for ~~2020-2021~~**2021-2022** for a grant to be distributed
10 by the department to an organization to provide early literacy and
11 academic support to at-need youth in this state.

12 (2) To qualify for a grant under this section, an organization
13 must be exempt from federal income tax under section 501(c)(3) of
14 the internal revenue code, 26 USC 501, and must be affiliated and
15 in good standing with a national congressionally chartered
16 organization's standards under 36 USC 20101 to 240112, and must
17 meet both of the following:

18 (a) Is facility-based and provides proven and tested
19 recreational, educational, and character building programs for
20 children ages 6 to 18.

21 (b) Provides after-school and summer programs in at least 25
22 communities statewide, with youth development services available at
23 least 20 hours per week during the school year and 30 hours per
24 week during summer programming.

25 (3) A grant recipient under this section shall administer an
26 early learning literacy program targeted at students in grades K-3.
27 At least 60% of the participants in the program must qualify for
28 free or reduced-priced lunch. Each entity receiving funds to
29 implement the program shall report to the department on the number



1 of children served, the types of services, and the outcome of those
2 services.

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

6 Sec. 35f. From the general fund money appropriated in section
7 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to
8 exceed ~~\$500,000.00~~ **\$700,000.00** for the department to award to the
9 Chaldean community foundation. The Chaldean community foundation
10 shall use funds received under this section to support and expand
11 early childhood learning opportunities, improve early literacy
12 achievement, increase high school graduation rates for new
13 Americans, and assist with diploma acquisition, skills training,
14 and postsecondary education.

15 Sec. 39. (1) An eligible applicant receiving funds under
16 section 32d shall submit an application, in a form and manner
17 prescribed by the department, by a date specified by the department
18 in the immediately preceding fiscal year. An eligible applicant is
19 not required to amend the applicant's current accounting cycle or
20 adopt this state's fiscal year accounting cycle in accounting for
21 financial transactions under this section. The application must
22 include all of the following:

23 (a) The estimated total number of children in the community
24 who meet the criteria of section 32d, as provided to the applicant
25 by the department utilizing the most recent population data
26 available from the American Community Survey conducted by the
27 United States Census Bureau. The department shall ensure that it
28 provides updated American Community Survey population data at least
29 once every 3 years.



1 (b) The estimated number of children in the community who meet
2 the criteria of section 32d and are being served exclusively by
3 Head Start programs operating in the community.

4 (c) The number of children whom the applicant has the capacity
5 to serve who meet the criteria of section 32d including a
6 verification of physical facility and staff resources capacity.

7 (2) After notification of funding allocations, an applicant
8 receiving funds under section 32d shall also submit an
9 implementation plan for approval, in a form and manner prescribed
10 by the department, by a date specified by the department, that
11 details how the applicant complies with the program components
12 established by the department pursuant to section 32d.

13 (3) The initial allocation to each eligible applicant under
14 section 32d is the lesser of the following:

15 (a) The sum of the number of children served in a school-day
16 program in the preceding school year multiplied by ~~\$7,250.00~~
17 **\$8,275.00** and the number of children served in a GSRP/Head Start
18 blended program or a part-day program in the preceding school year
19 multiplied by ~~\$3,625.00~~ **\$4,138.00**.

20 (b) The sum of the number of children the applicant has the
21 capacity to serve in the current school year in a school-day
22 program multiplied by ~~\$7,250.00~~ **\$8,275.00** and the number of
23 children served in a GSRP/Head Start blended program or a part-day
24 program the applicant has the capacity to serve in the current
25 school year multiplied by ~~\$3,625.00~~ **\$4,138.00**.

26 (4) If funds remain after the allocations under subsection
27 (3), the department shall distribute the remaining funds to each
28 intermediate district or consortium of intermediate districts that
29 serves less than the state percentage benchmark determined under



1 subsection (5). The department shall distribute these remaining
2 funds to each eligible applicant based upon each applicant's
3 proportionate share of the remaining unserved children necessary to
4 meet the statewide percentage benchmark in intermediate districts
5 or consortia of intermediate districts serving less than the
6 statewide percentage benchmark. When all applicants have been given
7 the opportunity to reach the statewide percentage benchmark, the
8 statewide percentage benchmark may be reset, as determined by the
9 department, until greater equity of opportunity to serve eligible
10 children across all intermediate school districts has been
11 achieved.

12 (5) For the purposes of subsection (4), the department shall
13 calculate a percentage of children served by each intermediate
14 district or consortium of intermediate districts by adding the
15 number of children served in the immediately preceding year by that
16 intermediate district or consortium with the number of eligible
17 children under section 32d served exclusively by head start, as
18 reported in a form and manner prescribed by the department, within
19 the intermediate district or consortia service area and dividing
20 that total by the total number of children within the intermediate
21 district or consortium of intermediate districts who meet the
22 criteria of section 32d as determined by the department utilizing
23 the most recent population data available from the American
24 Community Survey conducted by the United States Census Bureau. The
25 department shall compare the resulting percentage of eligible
26 children served to a statewide percentage benchmark to determine if
27 the intermediate district or consortium is eligible for additional
28 funds under subsection (4). The statewide percentage benchmark is
29 60%.



1 (6) If, taking into account the total amount to be allocated
 2 to the applicant as calculated under this section, an applicant
 3 determines that it is able to include additional eligible children
 4 in the great start readiness program without additional funds under
 5 section 32d, the applicant may include additional eligible children
 6 but does not receive additional funding under section 32d for those
 7 children.

8 (7) The department shall review the program components under
 9 section 32d and under this section at least biennially. The
 10 department also shall convene a committee of internal and external
 11 stakeholders at least once every 5 years to ensure that the funding
 12 structure under this section reflects current system needs under
 13 section 32d.

14 **(8) For the 2020-2021 program year only, the number of**
 15 **children reported on the application described in subsection**
 16 **(1) (a), (b), and (c) must not be used by the department for the**
 17 **purpose of calculating hold harmless funding levels for 2021-2022.**
 18 **Hold harmless funding for 2021-2022 must be determined based on the**
 19 **2019-2020 final allocations calculated and paid under section 32d**
 20 **in 2019-2020.**

21 (9) ~~(8)~~ As used in this section, "GSRP/Head Start blended
 22 program", "part-day program", and "school-day program" mean those
 23 terms as defined in section 32d. ~~as, for 2020-2021, impacted by~~
 24 ~~section 32d(26).~~

25 Sec. 39a. (1) From the federal funds appropriated in section
 26 11, there is allocated for 2020-2021 to districts, intermediate
 27 districts, and other eligible entities all available federal
 28 funding, estimated at ~~\$749,200,000.00~~ **\$750,300,000.00 and there is**
 29 **allocated for 2021-2022 to districts, intermediate districts, and**



1 **other eligible entities all available federal funding, estimated at**
2 **\$752,300,000.00**, for the federal programs under the no child left
3 behind act of 2001, Public Law 107-110, or the every student
4 succeeds act, Public Law 114-95. These funds are allocated as
5 follows:

6 (a) An amount estimated at \$1,200,000.00 for 2020-2021 **and**
7 **estimated at \$1,200,000.00 for 2021-2022** to provide students with
8 drug- and violence-prevention programs and to implement strategies
9 to improve school safety, funded from DED-OESE, drug-free schools
10 and communities funds.

11 (b) An amount estimated at \$100,000,000.00 for 2020-2021 **and**
12 **estimated at \$100,000,000.00 for 2021-2022** for the purpose of
13 preparing, training, and recruiting high-quality teachers and class
14 size reduction, funded from DED-OESE, improving teacher quality
15 funds.

16 (c) An amount estimated at \$11,000,000.00 for 2020-2021 **and**
17 **estimated at \$13,000,000.00 for 2021-2022** for programs to teach
18 English to limited English proficient (LEP) children, funded from
19 DED-OESE, language acquisition state grant funds.

20 (d) An amount estimated at \$2,800,000.00 for 2020-2021 **and**
21 **estimated at \$2,800,000.00 for 2021-2022** for rural and ~~low income~~
22 **low-income** schools, funded from DED-OESE, rural and low income
23 school funds.

24 (e) An amount estimated at \$535,000,000.00 for 2020-2021 **and**
25 **estimated at \$535,000,000.00 for 2021-2022** to provide supplemental
26 programs to enable educationally disadvantaged children to meet
27 challenging academic standards, funded from DED-OESE, title I,
28 disadvantaged children funds.

29 (f) An amount estimated at \$9,200,000.00 for 2020-2021 **and**



1 **estimated at \$9,200,000.00 for 2021-2022** for the purpose of
 2 identifying and serving migrant children, funded from DED-OESE,
 3 title I, migrant education funds.

4 (g) An amount estimated at \$39,000,000.00 for 2020-2021 **and**
 5 **estimated at \$39,000,000.00 for 2021-2022** for the purpose of
 6 providing high-quality extended learning opportunities, after
 7 school and during the summer, for children in low-performing
 8 schools, funded from DED-OESE, twenty-first century community
 9 learning center funds.

10 (h) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
 11 **estimated at \$14,000,000.00 for 2021-2022** to help support local
 12 school improvement efforts, funded from DED-OESE, title I, local
 13 school improvement grants.

14 (i) An amount estimated at \$35,000,000.00 for 2020-2021 **and**
 15 **estimated at \$35,000,000.00 for 2021-2022** to improve the academic
 16 achievement of students, funded from DED-OESE, title IV, student
 17 support and academic enrichment grants.

18 (j) **An amount estimated at \$3,100,000.00 for 2020-2021 and**
 19 **estimated at \$3,100,000.00 for 2021-2022 for literacy programs that**
 20 **advance literacy skills for students from birth through grade 12,**
 21 **including, but not limited to, English-proficient students and**
 22 **students with disabilities, funded from DED-OESE, striving readers**
 23 **comprehensive literacy program.**

24 (2) From the federal funds appropriated in section 11, there
 25 is allocated to districts, intermediate districts, and other
 26 eligible entities all available federal funding, estimated at
 27 ~~\$55,000,000.00~~ **\$56,500,000.00** for 2020-2021 **and estimated at**
 28 **\$56,500,000.00 for 2021-2022** for the following programs that are
 29 funded by federal grants:



1 (a) An amount estimated at \$3,000,000.00 for 2020-2021 **and**
2 **estimated at \$3,000,000.00 for 2021-2022** to provide services to
3 homeless children and youth, funded from DED-OVAE, homeless
4 children and youth funds.

5 (b) An amount estimated at \$24,000,000.00 for 2020-2021 **and**
6 **estimated at \$24,000,000.00 for 2021-2022** for providing career and
7 technical education services to pupils, funded from DED-OVAE, basic
8 grants to states.

9 (c) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
10 **estimated at \$14,000,000.00 for 2021-2022** for the Michigan charter
11 school subgrant program, funded from DED-OII, public charter
12 schools program funds.

13 (d) An amount estimated at \$14,000,000.00 for 2020-2021 **and**
14 **estimated at \$14,000,000.00 for 2021-2022** for the purpose of
15 promoting and expanding high-quality preschool services, funded
16 from HHS-OCC, preschool development funds.

17 (e) **An amount estimated at \$1,500,000.00 for 2020-2021 and**
18 **estimated at \$1,500,000.00 for 2021-2022 for the purpose of**
19 **addressing priority substance abuse treatment, prevention, and**
20 **mental health needs, funded from HHS-SAMHSA.**

21 (3) The department shall distribute all federal funds
22 allocated under this section in accordance with federal law and
23 with flexibility provisions outlined in Public Law 107-116, and in
24 the education flexibility partnership act of 1999, Public Law 106-
25 25. Notwithstanding section 17b, the department shall make payments
26 of federal funds to districts, intermediate districts, and other
27 eligible entities under this section on a schedule determined by
28 the department.

29 (4) For the purposes of applying for federal grants



1 appropriated under this article, the department shall allow an
2 intermediate district to submit a consortium application on behalf
3 of 2 or more districts with the agreement of those districts as
4 appropriate according to federal rules and guidelines.

5 (5) For the purposes of funding federal title I grants under
6 this article, in addition to any other federal grants for which the
7 strict discipline academy is eligible, the department shall
8 allocate to a strict discipline academy out of title I, part A an
9 amount equal to what the strict discipline academy would have
10 received if included and calculated under title I, part D, or what
11 it would receive under the formula allocation under title I, part
12 A, whichever is greater.

13 (6) As used in this section:

14 (a) "DED" means the United States Department of Education.

15 (b) "DED-OESE" means the DED Office of Elementary and
16 Secondary Education.

17 (c) "DED-OII" means the DED Office of Innovation and
18 Improvement.

19 (d) "DED-OVAE" means the DED Office of Vocational and Adult
20 Education.

21 (e) "HHS" means the United States Department of Health and
22 Human Services.

23 (f) "HHS-OCC" means the HHS Office of Child Care.

24 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental
25 Health Services Project.

26 Sec. 41. (1) For a district to be eligible to receive funding
27 under this section, the district must administer to English
28 language learners the English language proficiency assessment known
29 as the "WIDA ACCESS for English language learners" or the "WIDA



1 Alternate ACCESS". From the ~~appropriation~~ **state school aid fund**
 2 **money appropriated** in section 11, there is allocated an amount not
 3 to exceed ~~\$13,000,000.00~~ **\$13,390,000.00** for ~~2020-2021~~ **2021-2022** for
 4 payments to eligible districts for services for English language
 5 learners who have been administered the WIDA ACCESS for English
 6 language learners.

7 (2) The department shall distribute funding allocated under
 8 subsection (1) to eligible districts based on the number of full-
 9 time equivalent English language learners as follows:

10 (a) \$900.00 per full-time equivalent English language learner
 11 who has been assessed under the WIDA ACCESS for English language
 12 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
 13 Alternate ACCESS composite score between 1.0 and 1.9, or less, as
 14 applicable to each assessment.

15 (b) \$620.00 per full-time equivalent English language learner
 16 who has been assessed under the WIDA ACCESS for English language
 17 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
 18 Alternate ACCESS composite score between 2.0 and 2.9, or less, as
 19 applicable to each assessment.

20 (c) \$100.00 per full-time equivalent English language learner
 21 who has been assessed under the WIDA ACCESS for English language
 22 learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA
 23 Alternate ACCESS composite score between 3.0 and 3.9, or less, as
 24 applicable to each assessment.

25 (3) If funds allocated under subsection (1) are insufficient
 26 to fully fund the payments as prescribed under subsection (2), the
 27 department shall prorate payments on an equal percentage basis,
 28 with the same percentage proration applied to all funding
 29 categories.



1 (4) Each district receiving funds under subsection (1) shall
 2 submit to the department by July 15 of each fiscal year a report,
 3 not to exceed 10 pages, on the usage by the district of funds under
 4 subsection (1) in a form and manner determined by the department,
 5 including a brief description of each program conducted or services
 6 performed by the district using funds under subsection (1) and the
 7 amount of funds under subsection (1) allocated to each of those
 8 programs or services. If a district does not comply with this
 9 subsection, the department shall withhold an amount equal to the
 10 August payment due under this section until the district complies
 11 with this subsection. If the district does not comply with this
 12 subsection by the end of the fiscal year, the withheld funds are
 13 forfeited to the school aid fund.

14 (5) In order to receive funds under subsection (1), a district
 15 must allow access for the department or the department's designee
 16 to audit all records related to the program for which it receives
 17 those funds. The district shall reimburse this state for all
 18 disallowances found in the audit.

19 (6) Beginning July 1, 2020, and every 3 years thereafter, the
 20 department shall review the per-pupil distribution under subsection
 21 (2), to ensure that funding levels are appropriate and make
 22 recommendations for adjustments to the members of the senate and
 23 house subcommittees on K-12 school aid appropriations.

24 Sec. 51a. (1) From the ~~appropriation~~ **state school aid fund**
 25 **money** in section 11, there is allocated an amount not to exceed
 26 ~~\$1,023,996,100.00~~ **\$1,075,896,100.00** for ~~2019-2020~~ **2020-2021** and
 27 there is allocated an amount not to exceed ~~\$1,079,296,100.00~~
 28 **\$1,120,796,100.00** for ~~2020-2021~~ **2021-2022** from state sources and
 29 all available federal funding under sections ~~611-1411~~ to ~~619-1419~~



1 of part B of the individuals with disabilities education act, 20
 2 USC 1411 to 1419, estimated at ~~\$370,000,000.00~~ **\$375,000,000.00** for
 3 ~~2019-2020-2020-2021~~ and ~~\$375,000,000.00~~ **\$380,000,000.00** for ~~2020-~~
 4 ~~2021,~~ **2021-2022**, plus any carryover federal funds from previous
 5 year appropriations. The allocations under this subsection are for
 6 the purpose of reimbursing districts and intermediate districts for
 7 special education programs, services, and special education
 8 personnel as prescribed in article 3 of the revised school code,
 9 MCL 380.1701 to 380.1761; net tuition payments made by intermediate
 10 districts to the Michigan Schools for the Deaf and Blind; and
 11 special education programs and services for pupils who are eligible
 12 for special education programs and services according to statute or
 13 rule. For meeting the costs of special education programs and
 14 services not reimbursed under this article, a district or
 15 intermediate district may use money in general funds or special
 16 education funds, not otherwise restricted, or contributions from
 17 districts to intermediate districts, tuition payments, gifts and
 18 contributions from individuals or other entities, or federal funds
 19 that may be available for this purpose, as determined by the
 20 intermediate district plan prepared under article 3 of the revised
 21 school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b,
 22 the department shall make payments of federal funds to districts,
 23 intermediate districts, and other eligible entities under this
 24 section on a schedule determined by the department.

25 (2) From the funds allocated under subsection (1), there is
 26 allocated the amount necessary, estimated at ~~\$286,900,000.00~~
 27 **\$316,100,000.00** for ~~2019-2020-2020-2021~~ and estimated at
 28 ~~\$307,500,000.00~~ **\$329,900,000.00** for ~~2020-2021,~~ **2021-2022**, for
 29 payments toward reimbursing districts and intermediate districts



1 for 28.6138% of total approved costs of special education,
 2 excluding costs reimbursed under section 53a, and 70.4165% of total
 3 approved costs of special education transportation. Allocations
 4 under this subsection are made as follows:

5 (a) The department shall calculate the initial amount
 6 allocated to a district under this subsection toward fulfilling the
 7 specified percentages by multiplying the district's special
 8 education pupil membership, excluding pupils described in
 9 subsection (11), times the foundation allowance under section 20 of
 10 the pupil's district of residence, **plus the amount of the**
 11 **district's per-pupil allocation under section 20m**, not to exceed
 12 the target foundation allowance for the current fiscal year, or,
 13 for a special education pupil in membership in a district that is a
 14 public school academy, times an amount equal to the amount per
 15 membership pupil calculated under section 20(6). For an
 16 intermediate district, the amount allocated under this subdivision
 17 toward fulfilling the specified percentages is an amount per
 18 special education membership pupil, excluding pupils described in
 19 subsection (11), and is calculated in the same manner as for a
 20 district, using the foundation allowance under section 20 of the
 21 pupil's district of residence, not to exceed the target foundation
 22 allowance for the current fiscal year, **and that district's per**
 23 **pupil allocation under section 20m.**

24 (b) After the allocations under subdivision (a), the
 25 department shall pay a district or intermediate district for which
 26 the payments calculated under subdivision (a) do not fulfill the
 27 specified percentages the amount necessary to achieve the specified
 28 percentages for the district or intermediate district.

29 (3) From the funds allocated under subsection (1), there is



1 allocated for ~~2019-2020~~**2020-2021** an amount not to exceed
 2 \$1,000,000.00 and there is allocated for ~~2020-2021~~**2021-2022** an
 3 amount not to exceed \$1,000,000.00 to make payments to districts
 4 and intermediate districts under this subsection. If the amount
 5 allocated to a district or intermediate district for a fiscal year
 6 under subsection (2)(b) is less than the sum of the amounts
 7 allocated to the district or intermediate district for 1996-97
 8 under sections 52 and 58, there is allocated to the district or
 9 intermediate district for the fiscal year an amount equal to that
 10 difference, adjusted by applying the same proration factor that was
 11 used in the distribution of funds under section 52 in 1996-97 as
 12 adjusted to the district's or intermediate district's necessary
 13 costs of special education used in calculations for the fiscal
 14 year. This adjustment is to reflect reductions in special education
 15 program operations or services between 1996-97 and subsequent
 16 fiscal years. The department shall make adjustments for reductions
 17 in special education program operations or services in a manner
 18 determined by the department and shall include adjustments for
 19 program or service shifts.

20 (4) If the department determines that the sum of the amounts
 21 allocated for a fiscal year to a district or intermediate district
 22 under subsection (2)(a) and (b) is not sufficient to fulfill the
 23 specified percentages in subsection (2), then the department shall
 24 pay the shortfall to the district or intermediate district during
 25 the fiscal year beginning on the October 1 following the
 26 determination and shall adjust payments under subsection (3) as
 27 necessary. If the department determines that the sum of the amounts
 28 allocated for a fiscal year to a district or intermediate district
 29 under subsection (2)(a) and (b) exceeds the sum of the amount



1 necessary to fulfill the specified percentages in subsection (2),
 2 then the department shall deduct the amount of the excess from the
 3 district's or intermediate district's payments under this article
 4 for the fiscal year beginning on the October 1 following the
 5 determination and shall adjust payments under subsection (3) as
 6 necessary. However, if the amount allocated under subsection (2)(a)
 7 in itself exceeds the amount necessary to fulfill the specified
 8 percentages in subsection (2), there is no deduction under this
 9 subsection.

10 (5) State funds are allocated on a total approved cost basis.
 11 Federal funds are allocated under applicable federal requirements.

12 (6) From the amount allocated in subsection (1), there is
 13 allocated an amount not to exceed \$2,200,000.00 for ~~2019-2020-2020-~~
 14 **2021** and there is allocated an amount not to exceed \$2,200,000.00
 15 for ~~2020-2021-2021-2022~~ to reimburse 100% of the net increase in
 16 necessary costs incurred by a district or intermediate district in
 17 implementing the revisions in the administrative rules for special
 18 education that became effective on July 1, 1987. As used in this
 19 subsection, "net increase in necessary costs" means the necessary
 20 additional costs incurred solely because of new or revised
 21 requirements in the administrative rules minus cost savings
 22 permitted in implementing the revised rules. The department shall
 23 determine net increase in necessary costs in a manner specified by
 24 the department.

25 (7) For purposes of ~~sections 51a~~ **this section and sections 51b**
 26 to 58, all of the following apply:

27 (a) "Total approved costs of special education" are determined
 28 in a manner specified by the department and may include indirect
 29 costs, but must not exceed 115% of approved direct costs for



1 section 52 and section 53a programs. The total approved costs
2 include salary and other compensation for all approved special
3 education personnel for the program, including payments for Social
4 Security and Medicare and public school employee retirement system
5 contributions. The total approved costs do not include salaries or
6 other compensation paid to administrative personnel who are not
7 special education personnel as that term is defined in section 6 of
8 the revised school code, MCL 380.6. Costs reimbursed by federal
9 funds, other than those federal funds included in the allocation
10 made under this article, are not included. Special education
11 approved personnel not utilized full time in the evaluation of
12 students or in the delivery of special education programs,
13 ancillary, and other related services are reimbursed under this
14 section only for that portion of time actually spent providing
15 these programs and services, with the exception of special
16 education programs and services provided to youth placed in child
17 caring institutions or juvenile detention programs approved by the
18 department to provide an on-grounds education program.

19 (b) Beginning with the 2004-2005 fiscal year, a district or
20 intermediate district that employed special education support
21 services staff to provide special education support services in
22 2003-2004 or in a subsequent fiscal year and that in a fiscal year
23 after 2003-2004 receives the same type of support services from
24 another district or intermediate district shall report the cost of
25 those support services for special education reimbursement purposes
26 under this article. This subdivision does not prohibit the transfer
27 of special education classroom teachers and special education
28 classroom aides if the pupils counted in membership associated with
29 those special education classroom teachers and special education



1 classroom aides are transferred and counted in membership in the
2 other district or intermediate district in conjunction with the
3 transfer of those teachers and aides.

4 (c) If the department determines before bookclosing for a
5 fiscal year that the amounts allocated for that fiscal year under
6 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
7 will exceed expenditures for that fiscal year under subsections
8 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
9 district or intermediate district whose reimbursement for that
10 fiscal year would otherwise be affected by subdivision (b),
11 subdivision (b) does not apply to the calculation of the
12 reimbursement for that district or intermediate district and the
13 department shall calculate reimbursement for that district or
14 intermediate district in the same manner as it was for 2003-2004.
15 If the amount of the excess allocations under subsections (2), (3),
16 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
17 fully fund the calculation of reimbursement to those districts and
18 intermediate districts under this subdivision, then the department
19 shall prorate calculations and resulting reimbursement under this
20 subdivision on an equal percentage basis. Beginning in 2015-2016,
21 the amount of reimbursement under this subdivision for a fiscal
22 year must not exceed \$2,000,000.00 for any district or intermediate
23 district.

24 (d) Reimbursement for ancillary and other related services, as
25 **that term is** defined by R 340.1701c of the Michigan Administrative
26 Code, is not provided when those services are covered by and
27 available through private group health insurance carriers or
28 federal reimbursed program sources unless the department and
29 district or intermediate district agree otherwise and that



1 agreement is approved by the state budget director. Expenses, other
2 than the incidental expense of filing, must not be borne by the
3 parent. In addition, the filing of claims must not delay the
4 education of a pupil. A district or intermediate district is
5 responsible for payment of a deductible amount and for an advance
6 payment required until the time a claim is paid.

7 (e) Beginning with calculations for 2004-2005, if an
8 intermediate district purchases a special education pupil
9 transportation service from a constituent district that was
10 previously purchased from a private entity; if the purchase from
11 the constituent district is at a lower cost, adjusted for changes
12 in fuel costs; and if the cost shift from the intermediate district
13 to the constituent does not result in any net change in the revenue
14 the constituent district receives from payments under sections 22b
15 and 51c, then upon application by the intermediate district, the
16 department shall direct the intermediate district to continue to
17 report the cost associated with the specific identified special
18 education pupil transportation service and shall adjust the costs
19 reported by the constituent district to remove the cost associated
20 with that specific service.

21 (8) A pupil who is enrolled in a full-time special education
22 program conducted or administered by an intermediate district or a
23 pupil who is enrolled in the Michigan Schools for the Deaf and
24 Blind is not included in the membership count of a district, but is
25 counted in membership in the intermediate district of residence.

26 (9) Special education personnel transferred from 1 district to
27 another to implement the revised school code are entitled to the
28 rights, benefits, and tenure to which the person would otherwise be
29 entitled had that person been employed by the receiving district



1 originally.

2 (10) If a district or intermediate district uses money
3 received under this section for a purpose other than the purpose or
4 purposes for which the money is allocated, the department may
5 require the district or intermediate district to refund the amount
6 of money received. The department shall deposit money that is
7 refunded in the state treasury to the credit of the state school
8 aid fund.

9 (11) From the funds allocated in subsection (1), there is
10 allocated the amount necessary, estimated at ~~\$3,100,000.00~~
11 **\$2,400,000.00** for ~~2019-2020-2020-2021~~ and estimated at
12 ~~\$3,000,000.00~~ **\$2,500,000.00** for ~~2020-2021,~~ **2021-2022**, to pay the
13 foundation allowances for pupils described in this subsection. The
14 department shall calculate the allocation to a district under this
15 subsection by multiplying the number of pupils described in this
16 subsection who are counted in membership in the district times the
17 sum of the foundation allowance under section 20 of the pupil's
18 district of residence, **plus the amount of the district's per-pupil**
19 **allocation under section 20m**, not to exceed the target foundation
20 allowance for the current fiscal year, or, for a pupil described in
21 this subsection who is counted in membership in a district that is
22 a public school academy, times an amount equal to the amount per
23 membership pupil under section 20(6). The department shall
24 calculate the allocation to an intermediate district under this
25 subsection in the same manner as for a district, using the
26 foundation allowance under section 20 of the pupil's district of
27 residence not to exceed the target foundation allowance for the
28 current fiscal year **and that district's per-pupil allocation under**
29 **section 20m**. This subsection applies to all of the following



1 pupils:

2 (a) Pupils described in section 53a.

3 (b) Pupils counted in membership in an intermediate district
4 who are not special education pupils and are served by the
5 intermediate district in a juvenile detention or child caring
6 facility.

7 (c) Pupils with an emotional impairment counted in membership
8 by an intermediate district and provided educational services by
9 the department of health and human services.

10 (12) If it is determined that funds allocated under subsection
11 (2) or (11) or under section 51c will not be expended, funds up to
12 the amount necessary and available may be used to supplement the
13 allocations under subsection (2) or (11) or under section 51c in
14 order to fully fund those allocations. After payments under
15 subsections (2) and (11) and section 51c, the department shall
16 expend the remaining funds from the allocation in subsection (1) in
17 the following order:

18 (a) 100% of the reimbursement required under section 53a.

19 (b) 100% of the reimbursement required under subsection (6).

20 (c) 100% of the payment required under section 54.

21 (d) 100% of the payment required under subsection (3).

22 (e) 100% of the payments under section 56.

23 (13) The allocations under subsections (2), (3), and (11) are
24 allocations to intermediate districts only and are not allocations
25 to districts, but instead are calculations used only to determine
26 the state payments under section 22b.

27 (14) If a public school academy that is not a cyber school, as
28 that term is defined in section 551 of the revised school code, MCL
29 380.551, enrolls under this section a pupil who resides outside of



1 the intermediate district in which the public school academy is
2 located and who is eligible for special education programs and
3 services according to statute or rule, or who is a child with
4 ~~disabilities,~~ **a disability,** as **that term is** defined under the
5 individuals with disabilities education act, Public Law 108-446,
6 the intermediate district in which the public school academy is
7 located and the public school academy shall enter into a written
8 agreement with the intermediate district in which the pupil resides
9 for the purpose of providing the pupil with a free appropriate
10 public education, and the written agreement must include at least
11 an agreement on the responsibility for the payment of the added
12 costs of special education programs and services for the pupil. If
13 the public school academy that enrolls the pupil does not enter
14 into an agreement under this subsection, the public school academy
15 shall not charge the pupil's resident intermediate district or the
16 intermediate district in which the public school academy is located
17 the added costs of special education programs and services for the
18 pupil, and the public school academy is not eligible for any
19 payouts based on the funding formula outlined in the resident or
20 nonresident intermediate district's plan. If a pupil is not
21 enrolled in a public school academy under this subsection, the
22 provision of special education programs and services and the
23 payment of the added costs of special education programs and
24 services for a pupil described in this subsection are the
25 responsibility of the district and intermediate district in which
26 the pupil resides.

27 (15) For the purpose of receiving its federal allocation under
28 part B of the individuals with disabilities education act, Public
29 Law 108-446, a public school academy that is a cyber school, as



1 that term is defined in section 551 of the revised school code, MCL
2 380.551, and is in compliance with section 553a of the revised
3 school code, MCL 380.553a, directly receives the federal allocation
4 under part B of the individuals with disabilities education act,
5 Public Law 108-446, from the intermediate district in which the
6 cyber school is located, as the subrecipient. If the intermediate
7 district does not distribute the funds described in this subsection
8 to the cyber school by the part B application due date of July 1,
9 the department may distribute the funds described in this
10 subsection directly to the cyber school according to the formula
11 prescribed in 34 CFR 300.705 and 34 CFR 300.816.

12 (16) For a public school academy that is a cyber school, as
13 that term is defined in section 551 of the revised school code, MCL
14 380.551, and is in compliance with section 553a of the revised
15 school code, MCL 380.553a, that enrolls a pupil under this section,
16 the intermediate district in which the cyber school is located
17 shall ensure that the cyber school complies with sections 1701a,
18 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,
19 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
20 and 380.1757; applicable rules; and the individuals with
21 disabilities education act, Public Law 108-446.

22 (17) For the purposes of this section, the department or the
23 center shall only require a district or intermediate district to
24 report information that is not already available from the financial
25 information database maintained by the center.

26 Sec. 51c. As required by the court in the consolidated cases
27 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
28 allocation under section 51a(1), there is allocated for ~~2019-2020~~
29 **2020-2021** and for ~~2020-2021, 2021-2022~~, the amount necessary,



1 estimated at ~~\$678,600,000.00~~ **\$702,000,000.00** for ~~2019-2020~~ **2020-**
 2 **2021** and ~~\$713,400,000.00~~ **\$733,000,000.00** for ~~2020-2021,~~ **2021-2022,**
 3 for payments to reimburse districts for 28.6138% of total approved
 4 costs of special education excluding costs reimbursed under section
 5 53a, and 70.4165% of total approved costs of special education
 6 transportation. Funds allocated under this section that are not
 7 expended in the fiscal year for which they were allocated, as
 8 determined by the department, may be used to supplement the
 9 allocations under sections 22a and 22b to fully fund those
 10 allocations for the same fiscal year. For each fund transfer as
 11 described in the immediately preceding sentence that occurs, the
 12 state budget director shall send notification of the transfer to
 13 the house and senate appropriations subcommittees on state school
 14 aid and the house and senate fiscal agencies by not later than 14
 15 calendar days after the transfer occurs.

16 Sec. 51d. (1) From the federal funds appropriated in section
 17 11, there is allocated for ~~2020-2021~~ **2021-2022** all available
 18 federal funding, estimated at \$71,000,000.00 for special education
 19 programs and services that are funded by federal grants. The
 20 department shall distribute all federal funds allocated under this
 21 section in accordance with federal law. Notwithstanding section
 22 17b, the department shall make payments of federal funds to
 23 districts, intermediate districts, and other eligible entities
 24 under this section on a schedule determined by the department.

25 (2) From the federal funds allocated under subsection (1), the
 26 following amounts are allocated for ~~2020-2021~~ **2021-2022**:

27 (a) An amount estimated at \$14,000,000.00 for handicapped
 28 infants and toddlers, funded from DED-OSERS, handicapped infants
 29 and toddlers funds.



1 (b) An amount estimated at \$14,000,000.00 for preschool grants
2 ~~(Public Law 94-142)~~, **under Public Law 94-142**, funded from DED-
3 OSERS, handicapped preschool incentive funds.

4 (c) An amount estimated at \$43,000,000.00 for special
5 education programs funded by DED-OSERS, handicapped program,
6 individuals with disabilities act funds.

7 (3) As used in this section, "DED-OSERS" means the United
8 States Department of Education Office of Special Education and
9 Rehabilitative Services.

10 Sec. 51f. (1) From the funds appropriated under section 11,
11 there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
12 ~~\$60,207,000.00~~ **\$61,407,000.00** for payments to districts and
13 intermediate districts to increase the level of reimbursement of
14 costs associated with providing special education services required
15 under state and federal law.

16 (2) A district's or intermediate district's allocation under
17 this section is equal to the level percentage multiplied by each
18 district's or intermediate district's costs reported to the center
19 on the special education actual cost report, known as "SE-4096" as
20 referred to under section 18(6), as approved by the department.

21 (3) The total reimbursement under this section and under
22 section 51c must not exceed the total reported costs for a district
23 or intermediate district.

24 (4) For ~~2020-2021~~, **2021-2022**, the level percentage is
25 estimated at 2.0%.

26 (5) For the purposes of this section, "level percentage" means
27 the percentage calculated by dividing the allocation in subsection
28 (1) by the total of costs reported to the center on the special
29 education actual cost report, known as "SE-4096" as referred to



1 under section 18(6), as approved by the department.

2 Sec. 51g. (1) From the state school aid fund money
3 appropriated under section 11, there is allocated for 2021-2022 an
4 amount not to exceed \$450,000.00 to an eligible intermediate
5 district as provided in this section. Funds awarded under this
6 section are for the eligible intermediate district to support
7 Project SEARCH, a program that provides high school students with
8 disabilities the opportunity to train, gain, and maintain
9 employment through businesses and organization opportunities across
10 the nation.

11 (2) An intermediate district with a sum of pupils in
12 membership in its constituent districts that equals at least 40,000
13 but less than 50,000 and that is located in prosperity region 7 is
14 an eligible intermediate district under this section.

15 (3) The eligible intermediate district that receives funding
16 under this section shall ensure that the program provides at least
17 1 year of training and education through internships while students
18 are fully immersed in a large-host business, and that the program
19 prepares young adults with disabilities to enter the workforce with
20 marketable and transferable skills.

21 (4) The funds allocated under this section may be spent
22 through September 30, 2024.

23 (5) Notwithstanding section 17b, the department shall make
24 payments under this section not later than November 15, 2021.

25 Sec. 51h. (1) From the general fund money appropriated in
26 section 11, there is allocated for 2021-2022 an amount not to
27 exceed \$500,000.00 for the childhood resilience initiative program
28 operated by Kids Kicking Cancer to train educators to help children
29 address childhood trauma by empowering those children to transcend



1 adverse childhood experiences. The program funded under this
 2 section shall use funds to expand training and supply Heroes Circle
 3 tools and curriculum statewide.

4 (2) Notwithstanding section 17b, the department shall make
 5 payments under this section by not later than November 15, 2021.

6 (3) The program that receives funding under this section shall
 7 commit to expanding the program statewide and shall provide a
 8 report to the senate and house appropriations subcommittees on
 9 school aid not later than July 1, 2022 detailing the number of
 10 districts and number of teachers that were provided training and
 11 curriculum through the program, and children impacted by the
 12 program.

13 Sec. 53a. (1) For districts, reimbursement for pupils
 14 described in subsection (2) is 100% of the total approved costs of
 15 operating special education programs and services approved by the
 16 department and included in the intermediate district plan adopted
 17 under article 3 of the revised school code, MCL 380.1701 to
 18 380.1761, minus the district's foundation allowance calculated
 19 under section 20 **and minus the district's per-pupil allocation**
 20 **under section 20m.** For intermediate districts, the department shall
 21 calculate reimbursement for pupils described in subsection (2) in
 22 the same manner as for a district, using the foundation allowance
 23 under section 20 of the pupil's district of residence, not to
 24 exceed the target foundation allowance under section 20 for the
 25 current fiscal year **plus the amount of the district's per pupil**
 26 **allocation under section 20m.**

27 (2) Reimbursement under subsection (1) is for the following
 28 special education pupils:

29 (a) Pupils assigned to a district or intermediate district



1 through the community placement program of the courts or a state
2 agency, if the pupil was a resident of another intermediate
3 district at the time the pupil came under the jurisdiction of the
4 court or a state agency.

5 (b) Pupils who are residents of institutions operated by the
6 department of health and human services.

7 (c) Pupils who are former residents of department of community
8 health institutions for the developmentally disabled who are placed
9 in community settings other than the pupil's home.

10 (d) Pupils enrolled in a department-approved on-grounds
11 educational program longer than 180 days, but not longer than 233
12 days, at a residential child care institution, if the child care
13 institution offered in 1991-92 an on-grounds educational program
14 longer than 180 days but not longer than 233 days.

15 (e) Pupils placed in a district by a parent for the purpose of
16 seeking a suitable home, if the parent does not reside in the same
17 intermediate district as the district in which the pupil is placed.

18 (3) Only those costs that are clearly and directly
19 attributable to educational programs for pupils described in
20 subsection (2), and that would not have been incurred if the pupils
21 were not being educated in a district or intermediate district, are
22 reimbursable under this section.

23 (4) The costs of transportation are funded under this section
24 and are not reimbursed under section 58.

25 (5) The department shall not allocate more than \$10,500,000.00
26 of the allocation for ~~2020-2021~~ **2021-2022** in section 51a(1) under
27 this section.

28 Sec. 54. Each intermediate district receives an amount per-
29 pupil for each pupil in attendance at the Michigan Schools for the



1 Deaf and Blind. The amount is proportionate to the total
 2 instructional cost at each school. The department shall not
 3 allocate more than \$1,688,000.00 of the allocation for ~~2020-2021~~
 4 **2021-2022** in section 51a(1) under this section.

5 Sec. 54b. (1) From the general fund money appropriated in
 6 section 11, there is allocated an amount not to exceed
 7 \$1,600,000.00 for ~~2020-2021~~**2021-2022** to continue the
 8 implementation of the recommendations of the special education
 9 reform task force published in January 2016.

10 (2) The department shall use funds allocated under this
 11 section for the purpose of piloting statewide implementation of the
 12 Michigan Integrated Behavior and Learning Support Initiative
 13 (MiBLSI), a nationally recognized program that includes positive
 14 behavioral intervention and supports and provides a statewide
 15 structure to support local initiatives for an integrated behavior
 16 and reading program. With the assistance of the intermediate
 17 districts involved in MiBLSI, the department shall identify a
 18 number of intermediate districts to participate in the pilot that
 19 is sufficient to ensure that MiBLSI can be implemented statewide
 20 with fidelity and sustainability. In addition, the department shall
 21 identify an intermediate district to act as a fiscal agent for
 22 these funds.

23 Sec. 54d. (1) From the ~~appropriations~~**state school aid fund**
 24 **money appropriated** in section 11, there is allocated an amount not
 25 to exceed \$7,150,000.00 for ~~2020-2021~~**2021-2022** to intermediate
 26 districts for the purpose of providing state early on services
 27 programs for children from birth to 3 years of age with a
 28 developmental delay or a disability, or both, and their families,
 29 as described in the early on Michigan state plan, as approved by



1 the department.

2 (2) To be eligible to receive grant funding under this
3 section, each intermediate district must apply in a form and manner
4 determined by the department.

5 (3) The grant funding allocated under this section must be
6 used to increase early on services and resources available to
7 children that demonstrate developmental delays to help prepare them
8 for success as they enter school. State early on services include
9 evaluating and providing early intervention services for eligible
10 infants and toddlers and their families to address developmental
11 delays, including those affecting physical, cognitive,
12 communication, adaptive, social, or emotional development. Grant
13 funds must not be used to supplant existing services that are
14 currently being provided.

15 (4) The department shall distribute the funds allocated under
16 subsection (1) to intermediate districts according to the
17 department's early on funding formula utilized to distribute the
18 federal award to Michigan under part C of the individuals with
19 disabilities education act, **Public Law 108-446**. Funds received
20 under this section must not supplant existing funds or resources
21 allocated for early on early intervention services. An intermediate
22 district receiving funds under this section shall maximize the
23 capture of Medicaid funds to support early on early intervention
24 services to the extent possible.

25 (5) Each intermediate district that receives funds under this
26 section shall report data and other information to the department
27 in a form, manner, and frequency prescribed by the department to
28 allow for monitoring and evaluation of the program and to ensure
29 that the children described in subsection (1) received appropriate



1 levels and types of services delivered by qualified personnel,
2 based on the individual needs of the children and their families.

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

6 (7) **Grant funds awarded and allocated to an intermediate**
7 **district under this section must be expended by the grant recipient**
8 **before June 30 of the fiscal year immediately following the fiscal**
9 **year in which the funds were received.**

10 Sec. 55. (1) From the general fund money appropriated in
11 section 11, there is allocated an amount not to exceed \$250,000.00
12 for ~~2020-2021~~ **2021-2022** to the Conductive Learning Center located
13 at Aquinas College. This funding must be used to support the
14 operational costs of the conductive education model taught at the
15 Conductive Learning Center to maximize the independence and
16 mobility of children and adults with neuromotor disabilities. The
17 conductive education model funded under this section must be based
18 on the concept of neuroplasticity and the ability of people to
19 learn and improve when they are motivated, regardless of the
20 severity of their disability.

21 (2) Notwithstanding section 17b, the department shall
22 distribute the funding allocated under this section to the
23 Conductive Learning Center not later than December 1, ~~2020~~ **2021**.

24 Sec. 56. (1) For the purposes of this section:

25 (a) "Membership" means for a particular fiscal year the total
26 membership ~~for the immediately preceding fiscal year~~ of the
27 intermediate district and the districts constituent to the
28 intermediate district, **except that if a district has elected not to**
29 **come under part 30 of the revised school code, MCL 380.1711 to**



1 **380.1741, membership of the district is not included in the**
 2 **membership of the intermediate district.**

3 (b) "Millage levied" means the millage levied for special
 4 education under part 30 of the revised school code, MCL 380.1711 to
 5 380.1741, including a levy for debt service obligations.

6 (c) "Taxable value" means the total taxable value of the
 7 districts constituent to an intermediate district, except that if a
 8 district has elected not to come under part 30 of the revised
 9 school code, MCL 380.1711 to 380.1741, ~~membership and taxable value~~
 10 of the district ~~are~~ **is** not included in the ~~membership and taxable~~
 11 value of the intermediate district.

12 (2) From the allocation under section 51a(1), there is
 13 allocated ~~\$40,008,100.00 for 2019-2020 and an amount not to exceed~~
 14 ~~\$40,008,100.00 for 2020-2021~~ **and an amount not to exceed**
 15 **\$40,008,100.00 for 2021-2022** to reimburse intermediate districts
 16 levying millages for special education under part 30 of the revised
 17 school code, MCL 380.1711 to 380.1741. The purpose, use, and
 18 expenditure of the reimbursement are limited as if the funds were
 19 generated by these millages and governed by the intermediate
 20 district plan adopted under article 3 of the revised school code,
 21 MCL 380.1701 to 380.1761. As a condition of receiving funds under
 22 this section, an intermediate district distributing any portion of
 23 special education millage funds to its constituent districts must
 24 submit for departmental approval and implement a distribution plan.

25 ~~(3) Except as otherwise provided in this subsection,~~
 26 ~~reimbursement for those millages levied in 2018-2019 is made in~~
 27 ~~2019-2020 at an amount per 2018-2019 membership pupil computed by~~
 28 ~~subtracting from \$201,700.00 the 2018-2019 taxable value behind~~
 29 ~~each membership pupil and multiplying the resulting difference by~~



1 ~~the 2018-2019 millage levied, and then subtracting from that amount~~
 2 ~~the 2018-2019 local community stabilization share revenue for~~
 3 ~~special education purposes behind each membership pupil for~~
 4 ~~reimbursement of personal property exemption loss under the local~~
 5 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~
 6 ~~123.1362. Reimbursement in 2019-2020 for an intermediate district~~
 7 ~~whose 2017-2018 allocation was affected by the operation of~~
 8 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~
 9 ~~allocation to that intermediate district.~~

10 **(3)** ~~(4)~~ Except as otherwise provided in this subsection,
 11 reimbursement for those millages levied in 2019-2020 is made in
 12 2020-2021 at an amount per 2019-2020 membership pupil computed by
 13 subtracting from ~~\$209,000.00~~ **\$208,800.00** the 2019-2020 taxable
 14 value behind each membership pupil and multiplying the resulting
 15 difference by the 2019-2020 millage levied, and then subtracting
 16 from that amount the 2019-2020 local community stabilization share
 17 revenue for special education purposes behind each membership pupil
 18 for reimbursement of personal property exemption loss under the
 19 local community stabilization authority act, 2014 PA 86, MCL
 20 123.1341 to 123.1362. Reimbursement in 2020-2021 for an
 21 intermediate district whose 2017-2018 allocation was affected by
 22 the operation of subsection (5) is an amount equal to 102.5% of the
 23 2017-2018 allocation to that intermediate district.

24 **(4) Except as otherwise provided in this subsection,**
 25 **reimbursement for those millages levied in 2020-2021 is made in**
 26 **2021-2022 at an amount per 2020-2021 membership pupil computed by**
 27 **subtracting from \$215,900.00 the 2020-2021 taxable value behind**
 28 **each membership pupil and multiplying the resulting difference by**
 29 **the 2020-2021 millage levied, and then subtracting from that amount**



1 the 2020-2021 local community stabilization share revenue for
2 special education purposes behind each membership pupil for
3 reimbursement of personal property exemption loss under the local
4 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
5 123.1362. Reimbursement in 2021-2022 for an intermediate district
6 whose 2017-2018 allocation was affected by the operation of
7 subsection (5) is an amount equal to 102.5% of the 2017-2018
8 allocation to that intermediate district.

9 (5) The department shall ensure that the amount paid to a
10 single intermediate district under this section does not exceed
11 62.9% of the total amount allocated under subsection (2).

12 (6) The department shall ensure that the amount paid to a
13 single intermediate district under this section is not less than
14 75% of the amount allocated to the intermediate district under this
15 section for the immediately preceding fiscal year.

16 Sec. 61a. (1) From the state school aid fund money
17 appropriated in section 11, there is allocated an amount not to
18 exceed \$37,611,300.00 for ~~2020-2021~~**2021-2022** to reimburse on an
19 added cost basis districts, except for a district that served as
20 the fiscal agent for a vocational education consortium in the 1993-
21 94 school year and that has a foundation allowance as calculated
22 under section 20 greater than the minimum foundation allowance
23 under that section, and secondary area vocational-technical
24 education centers for secondary-level career and technical
25 education programs according to rules approved by the
26 superintendent. Applications for participation in the programs must
27 be submitted in the form prescribed by the department. The
28 department shall determine the added cost for each career and
29 technical education program area. The department shall prioritize



1 the allocation of added cost funds based on the capital and program
2 expenditures needed to operate the career and technical education
3 programs provided; the number of pupils enrolled; the advancement
4 of pupils through the instructional program; the existence of an
5 articulation agreement with at least 1 postsecondary institution
6 that provides pupils with opportunities to earn postsecondary
7 credit during the pupil's participation in the career and technical
8 education program and transfers those credits to the postsecondary
9 institution upon completion of the career and technical education
10 program; and the program rank in student placement, job openings,
11 and wages, and shall ensure that the allocation does not exceed 75%
12 of the added cost of any program. Notwithstanding any rule or
13 department determination to the contrary, when determining a
14 district's allocation or the formula for making allocations under
15 this section, the department shall include the participation of
16 pupils in grade 9 in all of those determinations and in all
17 portions of the formula. With the approval of the department, the
18 board of a district maintaining a secondary career and technical
19 education program may offer the program for the period from the
20 close of the school year until September 1. The program shall use
21 existing facilities and must be operated as prescribed by rules
22 promulgated by the superintendent.

23 (2) Except for a district that served as the fiscal agent for
24 a vocational education consortium in the 1993-94 school year, the
25 department shall reimburse districts and intermediate districts for
26 local career and technical education administration, shared time
27 career and technical education administration, and career education
28 planning district career and technical education administration.
29 The superintendent shall adopt guidelines for the definition of



1 what constitutes administration and shall make reimbursement
2 pursuant to those guidelines. The department shall not distribute
3 more than \$800,000.00 of the allocation in subsection (1) under
4 this subsection.

5 (3) A career and technical education program funded under this
6 section may provide an opportunity for participants who are
7 eligible to be funded under section 107 to enroll in the career and
8 technical education program funded under this section if the
9 participation does not occur during regular school hours.

10 (4) In addition to the funds allocated under subsection (1),
11 from the state school aid fund money appropriated under section 11,
12 there is allocated for 2021-2022 an amount not to exceed
13 \$500,000.00 to an eligible district as provided in this subsection.
14 An eligible district receiving funds under this subsection shall
15 only use those funds to support DRIVE One to upgrade its career and
16 technical education facilities so that it can fully offer
17 automotive performance technology programs to students. A district
18 to which all of the following apply is an eligible district under
19 this subsection:

20 (a) The district is located in a county with a population of
21 at least 750,000 but less than 1,000,000.

22 (b) The district has at least 1,500 but less than 1,700 pupils
23 in membership.

24 (c) The district partners with an organization that is exempt
25 from federal income tax under section 501(c)(3) of the internal
26 revenue code, 26 USC 501, that provides at-risk youth with
27 vocational training in automotive technology, machining, welding,
28 woodworking, and transportation design.

29 Sec. 61b. (1) From the funds appropriated under section 11,



1 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
2 \$8,000,000.00 from the state school aid fund appropriation for
3 **state-approved** CTE early/middle college and CTE dual enrollment
4 programs authorized under this section and for planning grants for
5 the development or expansion of **state-approved** CTE ~~early/middle~~
6 **early middle** college programs. The purpose of these programs is to
7 increase the number of Michigan residents with high-quality degrees
8 or credentials, and to increase the number of students who are
9 college and career ready upon high school graduation.

10 (2) From the funds allocated under subsection (1), the
11 department shall allocate an amount as determined under this
12 subsection to each intermediate district serving as a fiscal agent
13 for state-approved CTE ~~early/middle~~**early middle** college and CTE
14 dual enrollment programs in each of the career education planning
15 districts identified by the department. An intermediate district
16 shall not use more than 5% of the funds allocated under this
17 subsection for administrative costs for serving as the fiscal
18 agent.

19 (3) To be an eligible fiscal agent, an intermediate district
20 must agree to do all of the following in a form and manner
21 determined by the department:

22 (a) Distribute funds to eligible CTE ~~early/middle~~**early middle**
23 college and CTE dual enrollment programs in a career education
24 planning district as described in this section.

25 (b) Collaborate with the career and educational advisory
26 council in the workforce development board service delivery area to
27 develop 1 regional strategic plan under subsection (4) that aligns
28 CTE programs and services into an efficient and effective delivery
29 system for high school students. The department will align career



1 education planning districts, workforce development board service
2 delivery areas, and intermediate districts for the purpose of
3 creating 1 regional strategic plan for each workforce development
4 board service delivery area.

5 (c) Implement a regional process to rank career clusters in
6 the workforce development board service delivery area as described
7 under subsection (4). Regional processes must be approved by the
8 department before the ranking of career clusters.

9 (d) Report CTE ~~early/middle~~**early middle** college and CTE dual
10 enrollment program and student data and information as prescribed
11 by the department and the center.

12 (e) **The local education agency responsible for student**
13 **reporting in the Michigan student data system (MSDS) will report**
14 **the total number of college credits the student earned, at the time**
15 **of high school graduation, as determined by the department and the**
16 **center.**

17 (f) The local education agency will report each award outcome
18 in the Michigan student data system (MSDS) that the CTE early
19 middle college student attained. For purposes of this subsection,
20 an on-track CTE early middle college graduate is a graduate who
21 obtained their high school diploma and at least 1 of the following:

- 22 (i) An associate's degree.
23 (ii) 60 transferrable college credits.
24 (iii) Professional certification.
25 (iv) A Michigan Early Middle College Association certificate.
26 (v) Participation in a registered apprenticeship.

27 (4) A regional strategic plan must be approved by the career
28 and educational advisory council before submission to the
29 department. A regional strategic plan must include, but is not



1 limited to, the following:

2 (a) An identification of regional employer need based on a
 3 ranking of all career clusters in the workforce development board
 4 service delivery area ranked by 10-year **projections of annual** job
 5 openings projections and median wage for each standard occupational
 6 code in each career cluster as obtained from the United States
 7 Bureau of Labor Statistics. Standard occupational codes within
 8 high-ranking clusters also may be further ranked by ~~median wage.~~
 9 **annual job openings**. The career and educational advisory council
 10 located in the workforce development board service delivery area
 11 shall review the rankings and modify them if necessary to
 12 accurately reflect employer demand for talent in the workforce
 13 development board service delivery area. A career and educational
 14 advisory council shall document that it has conducted this review
 15 and certify that it is accurate. These career cluster rankings must
 16 be determined and updated once every 4 years.

17 (b) An identification of educational entities in the workforce
 18 development board service delivery area that will provide eligible
 19 CTE ~~early/middle~~ **early middle** college and CTE dual enrollment
 20 programs including districts, intermediate districts, postsecondary
 21 institutions, and noncredit occupational training programs leading
 22 to an industry-recognized credential.

23 (c) A strategy to inform parents and students of CTE
 24 ~~early/middle~~ **early middle** college and CTE dual enrollment programs
 25 in the workforce development board service delivery area.

26 (d) Any other requirements as defined by the department.

27 (5) An eligible CTE program is a program that **is state-**
 28 **approved and** meets all of the following:

29 (a) Has been identified in the highest 5 career cluster



1 rankings in any of the 16 workforce development board service
 2 delivery area strategic plans jointly approved by the department of
 3 labor and economic opportunity and the department.

4 (b) Has a coherent sequence of courses that will allow a
 5 student to earn a high school diploma and achieve at least 1 of the
 6 ~~following outcomes defined in subsection (3)(f)~~ in a specific
 7 career cluster. ÷

8 ~~(i) An associate degree.~~

9 ~~(ii) An industry-recognized technical certification approved by~~
 10 ~~the department of labor and economic opportunity.~~

11 ~~(iii) Up to 60 transferable college credits.~~

12 ~~(iv) Participation in a registered apprenticeship, pre-~~
 13 ~~apprenticeship, or apprentice readiness program.~~

14 (c) Is aligned with the Michigan merit curriculum.

15 (d) Has an articulation **a college credit** agreement with at
 16 least 1 postsecondary institution that provides students with
 17 opportunities to receive postsecondary credits during the student's
 18 participation in the CTE ~~early/middle~~ **early middle** college or CTE
 19 dual enrollment program and transfers those credits to the
 20 postsecondary institution upon completion of the CTE ~~early/middle~~
 21 **early middle** college or CTE dual enrollment program.

22 (e) Provides instruction that is supervised, directed, or
 23 coordinated by an appropriately certificated CTE teacher or, for
 24 concurrent enrollment courses, a postsecondary faculty member.

25 (f) Provides for highly integrated student support services
 26 that include at least the following:

27 (i) Teachers as academic advisors.

28 (ii) Supervised course selection.

29 (iii) Monitoring of student progress and completion.



1 (iv) Career planning services provided by a local one-stop
2 service center as described in the Michigan works one-stop service
3 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
4 high school counselor or advisor.

5 (g) Has courses that are taught on a college campus, are
6 college courses offered at the high school and taught by college
7 faculty, or are courses taught in combination with online
8 instruction.

9 (6) The department shall distribute funds to eligible CTE
10 ~~early/middle~~**early middle** college and CTE dual enrollment programs
11 as follows:

12 (a) The department shall determine statewide average CTE costs
13 per pupil for each CIP code program by calculating statewide
14 average costs for each CIP code program for the 3 most recent
15 fiscal years.

16 (b) The distribution to each eligible CTE ~~early/middle~~**early**
17 **middle** college or CTE dual enrollment program is the product of 50%
18 of CTE costs per pupil times the pupil enrollment of each eligible
19 CTE ~~early/middle~~**early middle** college or CTE dual enrollment
20 program in the immediately preceding school year.

21 (7) In order to receive funds under this section, a CTE
22 ~~early/middle~~**early middle** college or CTE dual enrollment program
23 shall furnish to the intermediate district that is the fiscal agent
24 identified in subsection (2), in a form and manner determined by
25 the department, all information needed to administer this program
26 and meet federal reporting requirements; shall allow the department
27 or the department's designee to review all records related to the
28 program for which it receives funds; and shall reimburse the state
29 for all disallowances found in the review, as determined by the



1 department.

2 (8) There is allocated for ~~2020-2021~~**2021-2022** from the funds
3 under subsection (1) an amount not to exceed \$500,000.00 from the
4 state school aid fund allocation for grants to intermediate
5 districts or consortia of intermediate districts for the purpose of
6 planning for new or expanded ~~early/middle~~**early middle** college
7 programs. Applications for grants must be submitted in a form and
8 manner determined by the department. The amount of a grant under
9 this subsection must not exceed \$50,000.00. To be eligible for a
10 grant under this subsection, an intermediate district or consortia
11 of intermediate districts must provide matching funds equal to the
12 grant received under this subsection. Notwithstanding section 17b,
13 the department shall make payments under this subsection in the
14 manner determined by the department.

15 (9) Funds distributed under this section may be used to fund
16 program expenditures that would otherwise be paid from foundation
17 allowances. A program receiving funding under section 61a may
18 receive funding under this section for allowable costs that exceed
19 the reimbursement the program received under section 61a. The
20 combined payments received by a program under section 61a and this
21 section must not exceed the total allowable costs of the program. A
22 program provider shall not use more than 5% of the funds allocated
23 under this section to the program for administrative costs.

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

28 (11) If pupils enrolled in a career cluster in an eligible CTE
29 ~~early/middle~~**early middle** college or CTE dual enrollment program



1 qualify to be reimbursed under this section, those pupils continue
 2 to qualify for reimbursement until graduation, even if the career
 3 cluster is no longer identified as being in the highest 5 career
 4 cluster rankings.

5 (12) As used in this section:

6 (a) "Allowable costs" means those costs directly attributable
 7 to the program as jointly determined by the department of labor and
 8 economic opportunity and the department.

9 (b) "Career and educational advisory council" means an
 10 advisory council to the local workforce development boards located
 11 in a workforce development board service delivery area consisting
 12 of educational, employer, labor, and parent representatives.

13 (c) "CIP" means classification of instructional programs.

14 (d) "CTE" means career and technical education programs.

15 (e) "CTE dual enrollment program" means a 4-year high school
 16 program of postsecondary courses offered by eligible postsecondary
 17 educational institutions that leads to an industry-recognized
 18 certification or degree.

19 (f) "~~Early/middle~~ **Early middle** college program" means a 5-year
 20 high school program.

21 (g) "Eligible postsecondary educational institution" means
 22 that term as defined in section 3 of the career and technical
 23 preparation act, 2000 PA 258, MCL 388.1903.

24 Sec. 61d. (1) From the appropriation in section 11, there is
 25 allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
 26 \$5,000,000.00 from the state school aid fund for additional
 27 payments to districts for career and technical education programs
 28 for the purpose of increasing the number of Michigan residents with
 29 high-quality degrees or credentials, and to increase the number of



1 pupils who are college- and career-ready upon high school
2 graduation.

3 (2) The department shall calculate payments to districts under
4 this section in the following manner:

5 (a) A payment of \$35.00 multiplied by the number of pupils in
6 grades 9 to 12 who are counted in membership in the district and
7 are enrolled in at least 1 career and technical education program.

8 (b) An additional payment of \$35.00 multiplied by the number
9 of pupils in grades 9 to 12 who are counted in membership in the
10 district and are enrolled in at least 1 career and technical
11 education program that provides instruction in critical skills and
12 high-demand career fields.

13 (3) If the allocation under subsection (1) is insufficient to
14 fully fund payments under subsection (2), the department shall
15 prorate payments under this section on an equal per-pupil basis.

16 (4) As used in this section:

17 (a) "Career and technical education program" means a state-
18 approved career and technical education program, as determined by
19 the department.

20 (b) "Career and technical education program that provides
21 instruction in critical skills and high-demand career field" means
22 a career and technical education program classified under any of
23 the following 2-digit classification of instructional programs
24 (CIP) codes:

25 (i) 01, which refers to "agriculture, agriculture operations,
26 and related sciences".

27 (ii) 03, which refers to "natural resources and conservation".

28 (iii) 10 through 11, which refers to "communications
29 technologies/technicians and support services" and "computer and



1 information sciences and support services".

2 (iv) 14 through 15, which refers to "engineering" and
3 "engineering technologies and engineering-related fields".

4 (v) 26, which refers to "biological and biomedical sciences".

5 (vi) 46 through 48, which refers to "construction trades",
6 "mechanic and repair technologies/technicians", and "precision
7 production".

8 (vii) 51, which refers to "health professions and related
9 programs".

10 **Sec. 61g. (1) From the state school aid fund money**
11 **appropriated under section 11, there is allocated for 2021-2022**
12 **only an amount not to exceed \$2,449,800.00 to an intermediate**
13 **district in which the combined total number of pupils in membership**
14 **of all of its constituent districts is at least 6,500 but not more**
15 **than 7,500 and the intermediate district is located in prosperity**
16 **region 3.**

17 (2) An intermediate district receiving funds under this
18 section shall use the funds to support its career and technical
19 education offerings. Funds must be used by the intermediate
20 district for building retrofitting, equipment purchases, and other
21 associated expenditures necessary to provide career and technical
22 education programming and services.

23 (3) As used in this section, "constituent district" means a
24 district, including a district that is a public school academy,
25 that is located within the geographic boundaries of an intermediate
26 district.

27 Sec. 62. (1) For the purposes of this section:

28 (a) "Membership" means for a particular fiscal year the total
29 membership ~~for the immediately preceding fiscal year of the~~



1 intermediate district and the districts constituent to the
2 intermediate district or the total membership ~~for the immediately~~
3 ~~preceding fiscal year~~ of the area vocational-technical program,
4 **except that if a district has elected not to come under sections**
5 **681 to 690 of the revised school code, MCL 380.681 to 380.690, the**
6 **membership of that district are not included in the membership of**
7 **the intermediate district. However, the membership of a district**
8 **that has elected not to come under sections 681 to 690 of the**
9 **revised school code, MCL 380.681 to 380.690, is included in the**
10 **membership of the intermediate district if the district meets both**
11 **of the following:**

12 (i) The district operates the area vocational-technical
13 education program pursuant to a contract with the intermediate
14 district.

15 (ii) The district contributes an annual amount to the operation
16 of the program that is commensurate with the revenue that would
17 have been raised for operation of the program if millage were
18 levied in the district for the program under sections 681 to 690 of
19 the revised school code, MCL 380.681 to 380.690.

20 (b) "Millage levied" means the millage levied for area
21 vocational-technical education under sections 681 to 690 of the
22 revised school code, MCL 380.681 to 380.690, including a levy for
23 debt service obligations incurred as the result of borrowing for
24 capital outlay projects and in meeting capital projects fund
25 requirements of area vocational-technical education.

26 (c) "Taxable value" means the total taxable value of the
27 districts constituent to an intermediate district or area
28 vocational-technical education program, except that if a district
29 has elected not to come under sections 681 to 690 of the revised



1 school code, MCL 380.681 to 380.690, the ~~membership and~~ taxable
 2 value of that district ~~are is~~ not included in the ~~membership and~~
 3 taxable value of the intermediate district. However, the ~~membership~~
 4 ~~and~~ taxable value of a district that has elected not to come under
 5 sections 681 to 690 of the revised school code, MCL 380.681 to
 6 380.690, ~~are is~~ included in the ~~membership and~~ taxable value of the
 7 intermediate district if the district meets both of the following:

8 (i) The district operates the area vocational-technical
 9 education program pursuant to a contract with the intermediate
 10 district.

11 (ii) The district contributes an annual amount to the operation
 12 of the program that is commensurate with the revenue that would
 13 have been raised for operation of the program if millage were
 14 levied in the district for the program under sections 681 to 690 of
 15 the revised school code, MCL 380.681 to 380.690.

16 (2) From the appropriation in section 11, there is allocated
 17 an amount not to exceed \$9,190,000.00 ~~each fiscal year for 2019-~~
 18 ~~2020 and for 2020-2021~~ **2021-2022** to reimburse intermediate
 19 districts and area vocational-technical education programs
 20 established under section 690(3) of the revised school code, MCL
 21 380.690, levying millages for area vocational-technical education
 22 under sections 681 to 690 of the revised school code, MCL 380.681
 23 to 380.690. The purpose, use, and expenditure of the reimbursement
 24 are limited as if the funds were generated by those millages.

25 (3) Reimbursement for those millages levied in ~~2018-2019~~ **2019-**
 26 **2020** is made in ~~2019-2020~~ **2020-2021** at an amount per ~~2018-2019~~
 27 **2019-2020** membership pupil computed by subtracting from ~~\$210,800.00~~
 28 **\$218,700.00** the ~~2018-2019~~ **2019-2020** taxable value behind each
 29 membership pupil and multiplying the resulting difference by the



1 ~~2018-2019-2019-2020~~ millage levied, and then subtracting from that
 2 amount the ~~2018-2019-2019-2020~~ local community stabilization share
 3 revenue for area vocational technical education behind each
 4 membership pupil for reimbursement of personal property exemption
 5 loss under the local community stabilization authority act, 2014 PA
 6 86, MCL 123.1341 to 123.1362.

7 (4) Reimbursement for those millages levied in ~~2019-2020-2020-~~
 8 ~~2021~~ is made in ~~2020-2021-2021-2022~~ at an amount per ~~2019-2020~~
 9 ~~2020-2021~~ membership pupil computed by subtracting from ~~\$218,800.00~~
 10 ~~\$224,800.00~~ the ~~2019-2020-2020-2021~~ taxable value behind each
 11 membership pupil and multiplying the resulting difference by the
 12 ~~2019-2020-2020-2021~~ millage levied, and then subtracting from that
 13 amount the ~~2019-2020-2020-2021~~ local community stabilization share
 14 revenue for area vocational technical education behind each
 15 membership pupil for reimbursement of personal property exemption
 16 loss under the local community stabilization authority act, 2014 PA
 17 86, MCL 123.1341 to 123.1362.

18 (5) The department shall ensure that the amount paid to a
 19 single intermediate district under this section does not exceed
 20 38.4% of the total amount allocated under subsection (2).

21 (6) The department shall ensure that the amount paid to a
 22 single intermediate district under this section is not less than
 23 75% of the amount allocated to the intermediate district under this
 24 section for the immediately preceding fiscal year.

25 Sec. 65. (1) From the appropriation under section 11, there is
 26 allocated an amount not to exceed \$400,000.00 for ~~2020-2021-2021-~~
 27 ~~2022~~ for a pre-college engineering K-12 educational program that is
 28 focused on the development of a diverse future Michigan workforce,
 29 that serves multiple communities within southeast Michigan, that



1 enrolls pupils from multiple districts, and that received funds
2 appropriated for this purpose in the appropriations act that
3 provided the Michigan strategic fund budget for 2014-2015.

4 (2) To be eligible for funding under this section, a program
5 must have the ability to expose pupils to, and motivate and prepare
6 pupils for, science, technology, engineering, and mathematics
7 careers and postsecondary education with special attention given to
8 groups of pupils who are at-risk and underrepresented in technical
9 professions and careers.

10 Sec. 67. (1) From the general fund money appropriated in
11 section 11, there is allocated an amount not to exceed
12 \$3,000,000.00 for ~~2020-2021~~**2021-2022** for college access programs.
13 The programs funded under this section are intended to inform
14 students of college and career options and to provide resources
15 intended to increase the number of pupils who are adequately
16 prepared with the information needed to make informed decisions on
17 college and career. The funds appropriated under this section are
18 intended to be used to increase the number of Michigan residents
19 with high-quality degrees or credentials. Funds appropriated under
20 this section must not be used to supplant funding for counselors
21 already funded by districts.

22 (2) The department of labor and economic opportunity shall
23 administer funds allocated under this section in collaboration with
24 the Michigan college access network. These funds may be used for
25 any of the following purposes:

26 (a) Michigan college access network operations, programming,
27 and services to local college access networks.

28 (b) Local college access networks, which are community-based
29 college access/success partnerships committed to increasing the



1 college participation and completion rates within geographically
2 defined communities through a coordinated strategy.

3 (c) The Michigan college advising program, a program intended
4 to place trained, recently graduated college advisors in high
5 schools that serve significant numbers of low-income and first-
6 generation college-going pupils. State funds used for this purpose
7 may not exceed 33% of the total funds available under this
8 subsection.

9 (d) Subgrants of up to \$5,000.00 to districts with
10 comprehensive high schools that establish a college access team and
11 implement specific strategies to create a college-going culture in
12 a high school in a form and manner approved by the Michigan college
13 access network and the department of labor and economic
14 opportunity.

15 (e) The Michigan college access portal, an online one-stop
16 portal to help pupils and families plan and apply for college.

17 (f) Public awareness and outreach campaigns to encourage low-
18 income and first-generation college-going pupils to take necessary
19 steps toward college and to assist pupils and families in
20 completing a timely and accurate free application for federal
21 student aid.

22 (g) Subgrants to postsecondary institutions to recruit, hire,
23 and train college student mentors and college advisors to assist
24 high school pupils in navigating the postsecondary planning and
25 enrollment process.

26 (3) For the purposes of this section, "college" means any
27 postsecondary educational opportunity that leads to a career,
28 including, but not limited to, a postsecondary degree, industry-
29 recognized technical certification, or registered apprenticeship.



1 Sec. 67a. (1) From the general fund money appropriated under
2 section 11, there is allocated an amount not to exceed \$50,000.00
3 for ~~2020-2021-2021-2022~~ for a grant to be distributed by the
4 department to an organization to provide industrial and
5 technological education and workforce preparation for students and
6 professional development opportunities and support for teachers.

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

10 Sec. 74. (1) From the ~~amount appropriated~~ **state school aid**
11 **fund money appropriated** in section 11, there is allocated an amount
12 not to exceed ~~\$3,814,500.00~~ **\$3,805,800.00** for ~~2020-2021-2021-2022~~
13 for the purposes of this section.

14 (2) From the allocation in subsection (1), there is allocated
15 for ~~2020-2021-2021-2022~~ the amount necessary for payments to state
16 supported colleges or universities and intermediate districts
17 providing school bus driver safety instruction under section 51 of
18 the pupil transportation act, 1990 PA 187, MCL 257.1851. The
19 department shall make payments in an amount determined by the
20 department not to exceed the actual cost of instruction and driver
21 compensation for each public or nonpublic school bus driver
22 attending a course of instruction. For the purpose of computing
23 compensation, the hourly rate allowed each school bus driver must
24 not exceed the hourly rate received for driving a school bus. The
25 department shall make reimbursement compensating the driver during
26 the course of instruction to the college or university or
27 intermediate district providing the course of instruction.

28 (3) From the allocation in subsection (1), there is allocated
29 for ~~2020-2021-2021-2022~~ the amount necessary to pay the reasonable



1 costs of nonspecial education auxiliary services transportation
2 provided under section 1323 of the revised school code, MCL
3 380.1323. Districts funded under this subsection do not receive
4 funding under any other section of this article for nonspecial
5 education auxiliary services transportation.

6 (4) From the funds allocated in subsection (1), there is
7 allocated an amount not to exceed ~~\$1,789,500.00~~ **\$1,780,800.00** for
8 ~~2020-2021~~ **2021-2022** for reimbursement to districts and intermediate
9 districts for costs associated with the inspection of school buses
10 and pupil transportation vehicles by the department of state police
11 as required under section 715a of the Michigan vehicle code, 1949
12 PA 300, MCL 257.715a, and section 39 of the pupil transportation
13 act, 1990 PA 187, MCL 257.1839. The department of state police
14 shall prepare a statement of costs attributable to each district
15 for which bus inspections are provided and submit it to the
16 department and to an intermediate district serving as fiduciary in
17 a time and manner determined jointly by the department and the
18 department of state police. Upon review and approval of the
19 statement of cost, the department shall forward to the designated
20 intermediate district serving as fiduciary the amount of the
21 reimbursement on behalf of each district and intermediate district
22 for costs detailed on the statement within 45 days after receipt of
23 the statement. The designated intermediate district shall make
24 payment in the amount specified on the statement to the department
25 of state police within 45 days after receipt of the statement. The
26 total reimbursement of costs under this subsection must not exceed
27 the amount allocated under this subsection. Notwithstanding section
28 17b, the department shall make payments to eligible entities under
29 this subsection on a schedule prescribed by the department.



1 **Sec. 78. From the state school aid fund money appropriated**
2 **under section 11, there is allocated for 2021-2022 an amount not to**
3 **exceed \$100.00 for reimbursements to districts for transportation**
4 **costs.**

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 **\$70,521,000.00** 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 102% 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. From the general fund money appropriated under**
 29 **section 11, there is allocated an amount not to exceed \$100.00 for**



1 the Michigan Center for Education Research and Implementation for a
 2 partnership between government and nongovernmental organizations
 3 that will lead the replication and scaling of best practices in
 4 instruction, administration, and student support, beginning first
 5 with the recommendations of this state's COVID-19 student recovery
 6 advisory council, to enable this state to be among the fastest
 7 improving states in the nation in academic gains for all student
 8 groups, to close the achievement gap, and to prepare every student
 9 for success after high school.

10 Sec. 95b. (1) From the general fund money appropriated under
 11 section 11, there is allocated an amount not to exceed
 12 \$2,000,000.00 for **2021-2022 for** the model value-added growth and
 13 projection analytics system. The department shall continue the
 14 model value-added growth and projection analytics system and
 15 incorporate that model into its reporting requirements under the
 16 every student succeeds act, Public Law 114-95. ~~It is the intent of~~
 17 ~~the legislature to fund the model under this section for 2021-2022~~
 18 ~~only if at least 50% of districts that are not public school~~
 19 ~~academies opt in to student-teacher linkages provided by the model~~
 20 ~~value-added growth and projection analytics system and there is~~
 21 ~~verification that the value-added reporting platform continued~~
 22 ~~hosting and delivery of historical reporting as determined based on~~
 23 ~~the report under subsection (5).~~ The model described in this
 24 subsection must do at least all of the following:

25 (a) Utilize existing assessments and any future assessments
 26 that are suitable for measuring student growth.

27 (b) Report student growth measures at the district, school,
 28 teacher, and subgroup levels.

29 (c) Recognize the growth of tested students, including those



1 who may have missing assessment data.

2 (d) Include all available prior standardized assessment data
3 that meet inclusion criteria across grades, subjects, and state and
4 local assessments.

5 (e) Allow student growth results to be disaggregated.

6 (f) Provide individual student projections showing the
7 probability of a student reaching specific performance levels on
8 future assessments. Given school closures and extended
9 cancellations related to COVID-19, the data under this subdivision
10 may be used to inform decisions about student placement or students
11 that could benefit from additional supports or interventions.

12 (g) Demonstrate any prior success with this state's
13 assessments through the Michigan council of educator effectiveness
14 teacher evaluation pilot.

15 (h) Demonstrate prior statewide implementation in at least 2
16 other states for at least 10 years.

17 (i) Have a native roster verification system built into the
18 value-added reporting platform that has been implemented statewide
19 in at least 2 other states.

20 (j) Have a "help/contact us" ticketing system built into the
21 value-added reporting platform.

22 (k) Given school closures that have occurred pursuant to an
23 executive order issued by the governor, the value-added reporting
24 platform must provide continued hosting and delivery of reporting
25 and offer the department additional supports in the areas of
26 research, analysis, web reporting, and training.

27 (l) The department and the platform vendor shall provide
28 statewide training for educators to understand the reporting that
29 details the impact to student learning and growth.



1 (2) The department shall provide internet-based electronic
2 student growth and projection reporting based on the model under
3 subsection (1) to educators at the school, district, and state
4 levels. The model must include role-based permissions that allow
5 educators to access information about the performance of the
6 students within their immediate responsibility in accordance with
7 applicable privacy laws.

8 (3) The model under subsection (1) must not be a mandatory
9 part of teacher evaluation or educator pay-for-performance systems.

10 (4) The model under subsection (1) must be a model that
11 received funding under this section in 2018-2019.

12 (5) By March 31, ~~2021~~, **2022**, the department shall work with
13 the center to provide a report to the senate and house
14 appropriations subcommittees on ~~state~~-school aid and the senate and
15 house fiscal agencies regarding the number of districts that are
16 not public school academies that opted in to student-teacher
17 linkages in their use of the model value-added growth and
18 projection analytics system under this section. The report under
19 this subsection must also include verification that the value-added
20 reporting platform continued hosting and delivery of historical
21 reporting and specify any additional research and analysis offered
22 to the department.

23 **Sec. 97. (1) For 2021-2022, from the federal funding**
24 **appropriated under section 11, there is allocated an amount not to**
25 **exceed \$100.00 for competitive grants to public schools, nonpublic**
26 **schools, districts, and intermediate districts to purchase**
27 **technology equipment, upgrade hardening measures, or conduct school**
28 **building safety assessments to improve the safety and security of**
29 **school buildings, pupils or students, and school staff with the**



1 goal of creating a safer school environment through equipment and
2 technology enhancements. The department of state police, grants and
3 community services division, shall administer the grant program
4 described in this subsection. All grants under this subsection must
5 be funded on a reimbursement-only basis. Grants under this
6 subsection must not exceed \$50.00 for each public school or
7 nonpublic school and \$50.00 for each district or intermediate
8 district.

9 (2) All of the following apply to the application process for
10 funding under subsection (1):

11 (a) To receive funding under subsection (1), a public school,
12 nonpublic school, district, or intermediate district shall submit
13 an application for funding under subsection (1) directly to the
14 department of state police, grants and community services division.

15 (b) An application from a district or intermediate district
16 under this subsection must be for 1 or more buildings that have
17 some or all of pre-K to grade 12 classrooms and pupils.

18 (c) An applicant may submit only 1 application.

19 (d) An individual public school may submit its own application
20 but must not also be included in its district's application if the
21 district submits an application under this subsection.

22 (e) The department of state police shall award grants to
23 applicants based on eligibility, the project description, and
24 whether the project reflects the highest security need of the
25 applicant within grant funding constraints, the budget narrative,
26 the budget, project goals, objectives, and performance measures.

27 (f) The department of state police shall give priority to all
28 of the following applicants:

29 (i) Applicants seeking funding for projects that involve



1 multiple agencies working in partnership.

2 (ii) Applicants seeking funding for proposals that seek to
3 secure exterior access points of school buildings.

4 (iii) Applicants that did not receive a school safety grant in
5 the past.

6 (iv) Applicants that did not receive a grant under section 1001
7 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

8 (g) To be awarded a grant, an applicant must demonstrate proof
9 that the public school, nonpublic school, district, or intermediate
10 district has an emergency operation plan that was updated after
11 August 1, 2017 to align with the state emergency operations plan
12 guidance and statewide school safety information policy developed
13 under section 1308 of the revised school code, MCL 380.1308.

14 (h) The department of state police shall issue grant guidance
15 and application materials, including required performance measures,
16 not later than February 1, 2022.

17 (3) The department of state police shall not award funding
18 under subsection (1) to a public school, nonpublic school,
19 district, or intermediate district in relation to the same school
20 building more than once. If a district submits an application under
21 subsection (2) relating to a school building and a public school
22 within that district also submits an application for funding in
23 relation to that same school building, the department of state
24 police shall not allocate funding under subsection (1) twice for
25 that school building. If a public school, nonpublic school,
26 district, or intermediate district submits more than 1 application,
27 the department of state police shall first consider the most recent
28 application submitted in considering funding under subsection (1).

29 (4) Eligible expenses for reimbursement under subsection (1)



1 must be consistent with the recommendations of the school safety
2 task force created by Executive Order No. 2018-5. The department of
3 state police shall list the eligible expenses in the grant guidance
4 and application materials described under subsection (2). The
5 following items are not eligible expenses for which grant funds
6 under subsection (1) may be applied:

- 7 (a) Weapons, including tasers.
- 8 (b) Personal body armor for routine use.
- 9 (c) Construction of new facilities.
- 10 (d) Costs in applying for the grant, such as consultants and
11 grant writers.
- 12 (e) Expenses incurred before the date of the award or after
13 the end of the performance period of the grant award.
- 14 (f) Personnel costs or operation costs related to a capital
15 improvement.
- 16 (g) Indirect costs or indirect administrative expenses.
- 17 (h) Travel.
- 18 (i) Contributions or donations.
- 19 (j) Management or administrative training and conferences,
20 except as otherwise preapproved by the department of state police.
- 21 (k) Management studies or research and development.
- 22 (l) Memberships and dues, except for a specific requirement of
23 the project that has been preapproved by the department of state
24 police.
- 25 (m) Vehicles, watercraft, or aircraft, including unmanned or
26 remotely piloted aircraft and vehicles.
- 27 (n) Service contracts and training beyond the performance
28 period of the grant award.
- 29 (o) Food, refreshments, and snacks.



1 (5) A grantee under section 1001 of article XX of 2018 PA 207
2 that is a public school, nonpublic school, district, or
3 intermediate district or a grantee under section 115 of 2018 PA 618
4 that is a public school, nonpublic school, district, or
5 intermediate district is not prohibited from applying for, and
6 receiving, a grant award under this section.

7 (6) The department of state police shall begin issuing awards
8 for grants under subsection (1) not later than May 1, 2022. A
9 project that is awarded a grant under this section must be
10 completed by July 1, 2023.

11 (7) The department of state police shall report on grant
12 activities under this section, including available performance
13 outcomes as identified in individual grant agreements, to the
14 senate and house appropriations subcommittees on state police, the
15 senate and house fiscal agencies, and the state budget office by
16 August 1, 2023.

17 (8) The funds allocated for school safety grants under this
18 section for 2021-2022 are a work project appropriation, and any
19 unexpended funds for 2021-2022 do not lapse to the state school aid
20 fund or general fund and are carried forward into 2022-2023. The
21 purpose of the work project is to continue promoting safer school
22 environments. The estimated completion date of the work project is
23 July 1, 2023.

24 Sec. 98. (1) From the general fund money appropriated in
25 section 11, there is allocated an amount not to exceed
26 ~~\$7,500,000.00~~ **\$8,447,000.00** for ~~2020-2021~~ **2021-2022** for the
27 purposes described in this section. The Michigan Virtual University
28 shall provide a report to the legislature not later than November 1
29 of each year that includes its mission, its plans, and proposed



1 benchmarks it must meet, including a plan to achieve the
2 organizational priorities identified in this section, in order to
3 receive full funding for ~~2021-2022.~~ **2022-2023**. Not later than March
4 1 of each year, the Michigan Virtual University shall provide an
5 update to the house and senate appropriations subcommittees on
6 school aid to show the progress being made to meet the benchmarks
7 identified.

8 (2) The Michigan Virtual University shall operate the Michigan
9 Virtual Learning Research Institute. The Michigan Virtual Learning
10 Research Institute shall do all of the following:

11 (a) Support and accelerate innovation in education through the
12 following activities:

13 (i) Test, evaluate, and recommend as appropriate new
14 technology-based instructional tools and resources.

15 (ii) Research, design, and recommend virtual education delivery
16 models for use by pupils and teachers that include age-appropriate
17 multimedia instructional content.

18 (iii) Research, develop, and recommend annually to the
19 department criteria by which cyber schools and virtual course
20 providers should be monitored and evaluated to ensure a quality
21 education for their pupils.

22 (iv) Based on pupil completion and performance data reported to
23 the department or the center from cyber schools and other virtual
24 course providers operating in this state, analyze the effectiveness
25 of virtual learning delivery models in preparing pupils to be
26 college- and career-ready and publish a report that highlights
27 enrollment totals, completion rates, and the overall impact on
28 pupils. The Michigan Virtual Learning Research Institute shall
29 submit the report to the house and senate appropriations



1 subcommittees on ~~state~~-school aid, the state budget director, the
2 house and senate fiscal agencies, the department, districts, and
3 intermediate districts not later than March 31 of each year.

4 (v) Provide an extensive professional development program to
5 at least 30,000 educational personnel, including teachers, school
6 administrators, and school board members, that focuses on the
7 effective integration of virtual learning into curricula and
8 instruction. The Michigan Virtual Learning Research Institute is
9 encouraged to work with the MiSTEM ~~advisory~~-council ~~created under~~
10 **described in** section 99s to coordinate professional development of
11 teachers in applicable fields. In addition, the Michigan Virtual
12 Learning Research Institute and external stakeholders are
13 encouraged to coordinate with the department for professional
14 development in this state. Not later than December 1 of each year,
15 the Michigan Virtual Learning Research Institute shall submit a
16 report to the house and senate appropriations subcommittees on
17 ~~state~~-school aid, the state budget director, the house and senate
18 fiscal agencies, and the department on the number of teachers,
19 school administrators, and school board members who have received
20 professional development services from the Michigan Virtual
21 University. The report must also identify barriers and other
22 opportunities to encourage the adoption of virtual learning in the
23 public education system.

24 (vi) Identify and share best practices for planning,
25 implementing, and evaluating virtual and blended education delivery
26 models with intermediate districts, districts, and public school
27 academies to accelerate the adoption of innovative education
28 delivery models statewide.

29 (b) Provide leadership for this state's system of virtual



1 learning education by doing the following activities:

2 (i) Develop and report policy recommendations to the governor
3 and the legislature that accelerate the expansion of effective
4 virtual learning in this state's schools.

5 (ii) Provide a clearinghouse for research reports, academic
6 studies, evaluations, and other information related to virtual
7 learning.

8 (iii) Promote and distribute the most current instructional
9 design standards and guidelines for virtual teaching.

10 (iv) In collaboration with the department and interested
11 colleges and universities in this state, support implementation and
12 improvements related to effective virtual learning instruction.

13 (v) Pursue public/private partnerships that include districts
14 to study and implement competency-based technology-rich virtual
15 learning models.

16 (vi) Create a statewide network of school-based mentors serving
17 as liaisons between pupils, virtual instructors, parents, and
18 school staff, as provided by the department or the center, and
19 provide mentors with research-based training and technical
20 assistance designed to help more pupils be successful virtual
21 learners.

22 (vii) Convene focus groups and conduct annual surveys of
23 teachers, administrators, pupils, parents, and others to identify
24 barriers and opportunities related to virtual learning.

25 (viii) Produce an annual consumer awareness report for schools
26 and parents about effective virtual education providers and
27 education delivery models, performance data, cost structures, and
28 research trends.

29 (ix) Provide an internet-based platform that educators can use



1 to create student-centric learning tools and resources for sharing
2 in the state's open educational resource repository and facilitate
3 a user network that assists educators in using the content creation
4 platform and state repository for open educational resources. As
5 part of this initiative, the Michigan Virtual University shall work
6 collaboratively with districts and intermediate districts to
7 establish a plan to make available virtual resources that align to
8 Michigan's K-12 curriculum standards for use by students,
9 educators, and parents.

10 (x) Create and maintain a public statewide catalog of virtual
11 learning courses being offered by all public schools and community
12 colleges in this state. The Michigan Virtual Learning Research
13 Institute shall identify and develop a list of nationally
14 recognized best practices for virtual learning and use this list to
15 support reviews of virtual course vendors, courses, and
16 instructional practices. The Michigan Virtual Learning Research
17 Institute shall also provide a mechanism for intermediate districts
18 to use the identified best practices to review content offered by
19 constituent districts. The Michigan Virtual Learning Research
20 Institute shall review the virtual course offerings of the Michigan
21 Virtual University, and make the results from these reviews
22 available to the public as part of the statewide catalog. The
23 Michigan Virtual Learning Research Institute shall ensure that the
24 statewide catalog is made available to the public on the Michigan
25 Virtual University website and shall allow the ability to link it
26 to each district's website as provided for in section 21f. The
27 statewide catalog must also contain all of the following:

28 (A) The number of enrollments in each virtual course in the
29 immediately preceding school year.



1 (B) The number of enrollments that earned 60% or more of the
2 total course points for each virtual course in the immediately
3 preceding school year.

4 (C) The pass rate for each virtual course.

5 (xi) Support registration, payment services, and transcript
6 functionality for the statewide catalog and train key stakeholders
7 on how to use new features.

8 (xii) Collaborate with key stakeholders to examine district
9 level accountability and teacher effectiveness issues related to
10 virtual learning under section 21f and make findings and
11 recommendations publicly available.

12 (xiii) Provide a report on the activities of the Michigan
13 Virtual Learning Research Institute.

14 (3) To further enhance its expertise and leadership in virtual
15 learning, the Michigan Virtual University shall continue to operate
16 the Michigan Virtual School as a statewide laboratory and quality
17 model of instruction by implementing virtual and blended learning
18 solutions for Michigan schools in accordance with the following
19 parameters:

20 (a) The Michigan Virtual School must maintain its
21 accreditation status from recognized national and international
22 accrediting entities.

23 (b) The Michigan Virtual University shall use no more than
24 \$1,000,000.00 of the amount allocated under this section to
25 subsidize the cost paid by districts for virtual courses.

26 (c) In providing educators responsible for the teaching of
27 virtual courses as provided for in this section, the Michigan
28 Virtual School shall follow the requirements to request and assess,
29 and the department of state police shall provide, a criminal



1 history check and criminal records check under sections 1230 and
2 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
3 the same manner as if the Michigan Virtual School were a school
4 district under those sections.

5 (4) From the funds allocated under subsection (1), the
6 Michigan Virtual University shall allocate up to \$500,000.00 to
7 support the expansion of new online and blended educator
8 professional development programs.

9 (5) If the course offerings are included in the statewide
10 catalog of virtual courses under subsection (2)(b)(x), the Michigan
11 Virtual School operated by the Michigan Virtual University may
12 offer virtual course offerings, including, but not limited to, all
13 of the following:

14 (a) Information technology courses.

15 (b) College level equivalent courses, as **that term is** defined
16 in section 1471 of the revised school code, MCL 380.1471.

17 (c) Courses and dual enrollment opportunities.

18 (d) Programs and services for at-risk pupils.

19 (e) High school equivalency test preparation courses for
20 adjudicated youth.

21 (f) Special interest courses.

22 (g) Professional development programs for teachers, school
23 administrators, other school employees, and school board members.

24 (6) If a home-schooled or nonpublic school student is a
25 resident of a district that subscribes to services provided by the
26 Michigan Virtual School, the student may use the services provided
27 by the Michigan Virtual School to the district without charge to
28 the student beyond what is charged to a district pupil using the
29 same services.



1 (7) Not later than December 1 of each fiscal year, the
2 Michigan Virtual University shall provide a report to the house and
3 senate appropriations subcommittees on ~~state~~ school aid, the state
4 budget director, the house and senate fiscal agencies, and the
5 department that includes at least all of the following information
6 related to the Michigan Virtual School for the preceding state
7 fiscal year:

8 (a) A list of the districts served by the Michigan Virtual
9 School.

10 (b) A list of virtual course titles available to districts.

11 (c) The total number of virtual course enrollments and
12 information on registrations and completions by course.

13 (d) The overall course completion rate percentage.

14 (8) In addition to the information listed in subsection (7),
15 the report under subsection (7) must also include a plan to serve
16 at least 600 schools with courses from the Michigan Virtual School
17 or with content available through the internet-based platform
18 identified in subsection (2) (b) (ix).

19 (9) The governor may appoint an advisory group for the
20 Michigan Virtual Learning Research Institute established under
21 subsection (2). The members of the advisory group serve at the
22 pleasure of the governor and without compensation. The purpose of
23 the advisory group is to make recommendations to the governor, the
24 legislature, and the president and board of the Michigan Virtual
25 University that will accelerate innovation in this state's
26 education system in a manner that will prepare elementary and
27 secondary students to be career and college ready and that will
28 promote the goal of increasing the percentage of residents of this
29 state with high-quality degrees and credentials to at least 60% by



1 2025.

2 (10) Not later than November 1 of each year, the Michigan
3 Virtual University shall submit to the house and senate
4 appropriations subcommittees on ~~state~~-school aid, the state budget
5 director, and the house and senate fiscal agencies a detailed
6 budget for that fiscal year that includes a breakdown on its
7 projected costs to deliver virtual educational services to
8 districts and a summary of the anticipated fees to be paid by
9 districts for those services. Not later than March 1 each year, the
10 Michigan Virtual University shall submit to the house and senate
11 appropriations subcommittees on ~~state~~-school aid, the state budget
12 director, and the house and senate fiscal agencies a breakdown on
13 its actual costs to deliver virtual educational services to
14 districts and a summary of the actual fees paid by districts for
15 those services based on audited financial statements for the
16 immediately preceding fiscal year.

17 (11) **From the funds allocated under subsection (1), the**
18 **Michigan Virtual University shall allocate \$1,947,000.00 for 2021-**
19 **2022 to support Navigate 360.**

20 (12) ~~(11)~~As used in this section:

21 (a) "Blended learning" means a hybrid instructional delivery
22 model where pupils are provided content, instruction, and
23 assessment, in part at a supervised educational facility away from
24 home where the pupil and a teacher with a valid Michigan teaching
25 certificate are in the same physical location and in part through
26 internet-connected learning environments with some degree of pupil
27 control over time, location, and pace of instruction.

28 (b) "Cyber school" means a full-time instructional program of
29 virtual courses for pupils that may or may not require attendance



1 at a physical school location.

2 (c) "Virtual course" means a course of study that is capable
3 of generating a credit or a grade and that is provided in an
4 interactive learning environment in which the majority of the
5 curriculum is delivered using the internet and in which pupils are
6 separated from their instructor or teacher of record by time or
7 location, or both.

8 **Sec. 98b. (1) Subject to subsection (2), in order to receive**
9 **state aid under this article, the district must comply with both of**
10 **the following requirements:**

11 (a) For the 2021-2022 school year, except for the portion of
12 the first half of the 2021-2022 school year in which an exception
13 in this subdivision applies, the district must provide a full
14 schedule of in-person instruction to each pupil enrolled in the
15 district to be taught by the pupil's regularly assigned teacher of
16 record, with the teacher of record teaching in person, unless, in
17 the first half of the 2021-2022 school year, either of the
18 following applies:

19 (i) If, in the first half of the 2021-2022 school year, the
20 pupil's parent or legal guardian provides written notice, in a form
21 and manner prescribed by the district, to the district stating that
22 he or she is electing that his or her child will not participate in
23 the in-person instruction being provided as described in this
24 subsection. A district shall ensure that a pupil for whom it
25 receives a notice described in this subparagraph is provided with
26 instruction online, digitally, or by other remote means, with the
27 pupil's regularly assigned teacher of record providing this
28 instruction to the pupil from a classroom designated by the
29 district. This subparagraph does not exempt a district from the



1 requirements under this subsection entirely, and, even with the
2 application of this subparagraph, the district is required to, in
3 order to receive its state aid under this article, ensure that
4 teachers of record are also teaching pupils other than the pupils
5 described in this subparagraph who are enrolled in the district in
6 person.

7 (ii) If, in the first half of the 2021-2022 school year, the
8 district is prohibited from providing in-person instruction
9 pursuant to an executive order, proclamation, or directive issued
10 by the governor under the emergency management act, 1976 PA 390,
11 MCL 30.401 to 30.421, or an emergency order issued under section
12 2253 or 2453 of the public health code, 1978 PA 368, MCL 333.2253
13 and 333.2453.

14 (b) For the 2021-2022 school year, the district shall provide
15 all teachers of the district who are teaching in person proper
16 personal protection equipment and regular COVID-19 testing.

17 (2) If subsection (1) (a) (i) or (ii) applies to a district, in
18 order to receive state aid under this article, a district must
19 provide instruction under an extended COVID-19 learning plan that
20 has been approved by an intermediate district or authorizing body,
21 as applicable, under subsection (3). It is the intent of the
22 legislature that extended COVID-19 learning plans described in this
23 subsection provide districts with maximum flexibility to adapt
24 their educational programs for some or all pupils at some or all of
25 the schools operated by the district to continue to respond to the
26 COVID-19 pandemic. An extended COVID-19 learning plan described in
27 this subsection must include all of the following elements:

28 (a) A statement indicating why an extended COVID-19 learning
29 plan is necessary.



1 (b) A description of how instruction will be delivered during
2 the first half of the 2021-2022 school year. Instruction, as
3 described in this subdivision, may be delivered at school or at a
4 different location but must be in person, except as otherwise
5 provided in the exceptions under subdivision (a) (i) or (ii); may be
6 in a synchronous or asynchronous format; and must be delivered as
7 included in the description. If the description of instructional
8 delivery under this subdivision differs from the delivery of
9 instruction reconfirmed under this subdivision, then instruction
10 must be delivered as reconfirmed. Thirty days after the approval of
11 the plan under subsection (3), and every 60 days thereafter for the
12 remainder of the first half of the 2021-2022 school year, the
13 district must, at a meeting of the board, reconfirm how instruction
14 is going to be delivered during the first half of the 2021-2022
15 school year. Public comment must be solicited from the parents or
16 legal guardians of the pupils enrolled in the district during a
17 meeting described in this subdivision. For each reconfirmation
18 described in this subdivision, the district shall report to the
19 center, in a form and manner prescribed by the center, the
20 instructional delivery method that was reconfirmed; how that
21 instruction will be delivered for each grade level offered by the
22 district, including pre-kindergarten, as applicable; and whether or
23 not, as determined by the department in consultation with the
24 center, the district is offering higher levels of in-person
25 instruction for English language learners, special education
26 students, or other special populations.

27 (c) A description of how instruction that is not being
28 provided in person for core academic areas provided under the
29 extended COVID-19 learning plan will expose each pupil to the



1 academic standards that apply for each pupil's grade level or
2 courses in the same scope and sequence as the district plans for
3 that exposure to occur for in person instruction, as applicable,
4 and a description of how pupil progress toward mastery of the
5 standards described in this subdivision will be graded or otherwise
6 reported to the pupil and the pupil's parent or legal guardian.

7 (d) If the district is delivering pupil instruction virtually,
8 an assurance and description of how pupils receiving instruction
9 virtually will be provided with equitable access to technology and
10 the internet necessary to participate in instruction. This
11 subdivision does not prohibit a district from providing pupil
12 instruction through nonvirtual educational materials.

13 (e) A description of how the district will ensure that
14 students with disabilities will be provided with equitable access
15 to instruction accommodation in accordance with applicable state
16 and federal laws, rules, and regulations.

17 (3) A district that is not a public school academy that
18 intends to provide instruction under an extended COVID-19 learning
19 plan shall submit its extended COVID-19 learning plan described in
20 subsection (2) to the intermediate district in which the district
21 is located by not later than 5 days after subsection (1) (a) (i) or
22 (ii) applies to the district, and, except as otherwise provided in
23 this subsection, a district that is a public school academy that
24 intends to provide instruction under an extended COVID-19 learning
25 plan shall submit its extended COVID-19 learning plan described in
26 subsection (2) to its authorizing body by not later than 5 days
27 after subsection (1) (a) (i) or (ii) applies to the district, for
28 approval. A district that is a public school academy that, by
29 agreement, provides educational services for the residents of a



1 district that is not a public school academy and that does not
2 directly provide public educational services to its residents that
3 intends to provide instruction under an extended COVID-19 learning
4 plan shall submit its extended COVID-19 learning plan described in
5 subsection (2) to the intermediate district in which it is located
6 not later than 5 days after subsection (1) (a) (i) or (ii) applies to
7 the district, for approval. An intermediate district or authorizing
8 body, as applicable, shall approve an extended COVID-19 learning
9 plan submitted for approval under this subsection by not later than
10 5 days after receiving the plan if the plan includes all of the
11 elements required for inclusion in the plan under subsection (2).
12 If an intermediate district or authorizing body, as applicable,
13 approves of a district's extended COVID-19 learning plan under this
14 subsection, the intermediate district or authorizing body, as
15 applicable, shall transmit copies of the approved plan to the
16 superintendent of public instruction and the state treasurer.

17 (4) An extended COVID-19 learning plan described in subsection
18 (2) and approved under subsection (3) must be made accessible
19 through the transparency reporting link located on the district's
20 website by not later than 3 days after the plan is approved under
21 subsection (3).

22 (5) This section does not apply to a district that operates as
23 a cyber school, as that term is defined in section 551 of the
24 revised school code, MCL 380.551.

25 (6) As used in this section, "first half of the 2021-2022
26 school year" means the period beginning on the first day of the
27 2021-2022 school year and ending December 31, 2021 or the last day
28 of the district's first semester of the 2021-2022 school year,
29 whichever is later.



1 Sec. 98e. (1) From the state school aid fund money
2 appropriated under section 11, there is allocated for 2021-2022
3 only an amount not to exceed \$200,000.00 to Michigan State
4 University HUB for Innovation in Learning and Technology for the
5 HEROES Tech Program as described under this section.

6 (2) Michigan State University HUB for Innovation in Learning
7 and Technology shall use funds allocated under this section to
8 support the HEROES Tech Program and shall ensure that the program
9 provides participants with professional training and certification
10 in science, technology, engineering, arts, and music, with a
11 specific focus on music and film technology production.

12 (3) In order for the HEROES Tech Program to be supported by
13 Michigan State University HUB for Innovation in Learning and
14 Technology, it must fund the participation of at least 100 students
15 during 2021-2022 and provide each student with training and hands-
16 on experience in a diverse array of technical skills in music and
17 film production technology from industry professionals, with an
18 added opportunity to earn certification from the Berklee College of
19 Music.

20 (4) Funding for the program funded under this section must not
21 continue past 2021-2022.

22 (5) Notwithstanding section 17b, the department shall make
23 grant payments under this section to Michigan State University HUB
24 for Innovation in Learning and Technology to support the HEROES
25 Tech Program by not later than November 15, 2021.

26 Sec. 99h. (1) From the state school aid fund money
27 appropriated in section 11, there is allocated an amount not to
28 exceed ~~\$4,400,000.00~~ **\$4,600,000.00** for ~~2020-2021~~ **2021-2022** for
29 competitive grants to districts and intermediate districts, and



1 from the general fund money appropriated in section 11, there is
2 allocated \$300,000.00 for ~~2020-2021~~**2021-2022** for competitive
3 grants to nonpublic schools, that provide pupils in grades pre-K to
4 12 with expanded opportunities to improve mathematics, science, and
5 technology skills by participating in events hosted by a science
6 and technology development program known as FIRST (for inspiration
7 and recognition of science and technology) Robotics, including JR
8 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and
9 FIRST Robotics competition, or other competitive robotics programs,
10 including VEX, **Square One**, and those hosted by the Robotics
11 Education and Competition (REC) Foundation. Programs funded under
12 this section are intended to increase the number of pupils
13 demonstrating proficiency in science and mathematics on the state
14 assessments and to increase the number of pupils who are college-
15 and career-ready upon high school graduation. Notwithstanding
16 section 17b, the department shall make grant payments to districts,
17 nonpublic schools, and intermediate districts under this section on
18 a schedule determined by the department. The department shall set
19 maximum grant awards for each different level of programming and
20 competition in a manner that both maximizes the number of teams
21 that will be able to receive funds and expands the geographical
22 distribution of teams.

23 (2) A district, nonpublic school, or intermediate district
24 applying for a grant under this section shall submit an application
25 in a form and manner prescribed by the department. To be eligible
26 for a grant, a district, nonpublic school, or intermediate district
27 must demonstrate in its application that the district, nonpublic
28 school, or intermediate district has established a partnership for
29 the purposes of the robotics program with at least 1 sponsor,



1 business entity, higher education institution, or technical school,
2 shall submit a spending plan, and shall provide a local in-kind or
3 cash match from other private or local funds of at least 25% of the
4 cost of the robotics program award.

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

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

10 (b) Grants to districts, nonpublic schools, or intermediate
11 districts for event registrations, materials, travel costs, and
12 other expenses associated with the preparation for and attendance
13 at robotics events and competitions.

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

18 ~~(4) The funds allocated under this section for 2020-2021 are a~~
19 ~~work project appropriation, and any unexpended funds for 2020-2021~~
20 ~~are carried forward into 2021-2022. The purpose of the work project~~
21 ~~is to continue support of FIRST Robotics and must not be used to~~
22 ~~support other robotics competitions. The estimated completion date~~
23 ~~of the work project is September 30, 2023.~~

24 (4) ~~(5)~~—A nonpublic school that receives a grant under this
25 section may use the funds for either robotics or Science Olympiad
26 programs.

27 (5) ~~(6)~~—To be eligible to receive funds under this section, a
28 nonpublic school must be a nonpublic school registered with the
29 department and must meet all applicable state reporting



1 requirements for nonpublic schools.

2 Sec. 99i. From the general fund money appropriated in section
3 11, there is allocated for ~~2020-2021~~**2021-2022** an amount not to
4 exceed \$150,000.00 to support the Michigan council of women in
5 technology foundation. The funds awarded under this section must be
6 used to support the girls-exploring-together-information-technology
7 clubs for middle and high school girls that provide structured
8 hands-on learning activities through a comprehensive technology-
9 focused curriculum.

10 Sec. 99s. (1) From the funds appropriated under section 11,
11 there is allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
12 \$7,634,300.00 from the state school aid fund appropriation and an
13 amount not to exceed \$300,000.00 from the general fund
14 appropriation for Michigan science, technology, engineering, and
15 mathematics (MiSTEM) programs. In addition, from the federal funds
16 appropriated in section 11, there is allocated to the department
17 for ~~2020-2021~~**2021-2022** an amount estimated at \$235,000.00 from
18 DED-OESE, title II, mathematics and science partnership grants. The
19 MiSTEM network may receive funds from private sources. If the
20 MiSTEM network receives funds from private sources, the MiSTEM
21 network shall expend those funds in alignment with the statewide
22 STEM strategy. Programs funded under this section are intended to
23 increase the number of pupils demonstrating proficiency in science
24 and mathematics on the state assessments, to increase the number of
25 pupils who are college- and career-ready upon high school
26 graduation, and to promote certificate and degree attainment in
27 STEM fields. Notwithstanding section 17b, the department shall make
28 payments under this section on a schedule determined by the
29 department.



1 ~~(2) All of the following apply to the MiSTEM advisory council:~~

2 ~~(a) The MiSTEM advisory council is created. The MiSTEM~~
3 ~~advisory council shall provide to the governor, legislature,~~
4 ~~department of labor and economic opportunity, and department~~
5 ~~recommendations designed to improve and promote innovation in STEM~~
6 ~~education and to prepare students for careers in science,~~
7 ~~technology, engineering, and mathematics.~~

8 ~~(b) The MiSTEM advisory council created under subdivision (a)~~
9 ~~consists of the following members:~~

10 ~~(i) The governor shall appoint 11 voting members who are~~
11 ~~representative of business sectors that are important to Michigan's~~
12 ~~economy and rely on a STEM educated workforce, nonprofit~~
13 ~~organizations and associations that promote STEM education, K-12~~
14 ~~and postsecondary education entities involved in STEM related~~
15 ~~career education, or other sectors as considered appropriate by the~~
16 ~~governor. Each of these members serves at the pleasure of the~~
17 ~~governor and for a term determined by the governor.~~

18 ~~(ii) The senate majority leader shall appoint 2 members of the~~
19 ~~senate to serve as nonvoting, ex-officio members of the MiSTEM~~
20 ~~advisory council, including 1 majority party member and 1 minority~~
21 ~~party member.~~

22 ~~(iii) The speaker of the house of representatives shall appoint~~
23 ~~2 members of the house of representatives to serve as nonvoting,~~
24 ~~ex-officio members of the MiSTEM advisory council, including 1~~
25 ~~majority party member and 1 minority party member.~~

26 ~~(iv) The governor shall appoint 1 state officer or employee to~~
27 ~~serve as a nonvoting, ex-officio member of the MiSTEM advisory~~
28 ~~council.~~

29 ~~(c) Each member of the MiSTEM advisory council serves without~~



1 ~~compensation.~~

2 (2) ~~(d)~~ The MiSTEM ~~advisory~~ council annually shall review and
3 make recommendations to the governor, the legislature, and the
4 department concerning changes to the statewide strategy adopted by
5 the council for delivering STEM education-related opportunities to
6 pupils. The MiSTEM ~~advisory~~ council shall use funds received under
7 this subsection to ensure that its members or their designees are
8 trained in the Change the Equation STEMworks rating system program
9 for the purpose of rating STEM programs.

10 (3) The MiSTEM ~~advisory~~ council shall make specific funding
11 recommendations for the funds allocated under subsection (4) by
12 December 15 of each fiscal year. Each specific funding
13 recommendation must be for a program approved by the MiSTEM
14 ~~advisory~~ council. All of the following apply:

15 (a) To be eligible for MiSTEM ~~advisory~~ council approval as
16 described in this subsection, a program must satisfy all of the
17 following:

18 (i) Align with this state's academic standards.

19 (ii) Have STEMworks certification.

20 (iii) Provide project-based experiential learning, student
21 programming, or educator professional learning experiences.

22 (iv) Focus predominantly on classroom-based STEM experiences or
23 professional learning experiences.

24 (b) The MiSTEM ~~advisory~~ council shall approve programs that
25 represent all network regions and include a diverse array of
26 options for students and educators and at least 1 program in each
27 of the following areas:

28 (i) Robotics.

29 (ii) Computer science or coding.



1 (iii) Engineering or bioscience.

2 (c) The MiSTEM ~~advisory~~ council is encouraged to work with the
3 MiSTEM network to develop locally and regionally developed programs
4 and professional learning experiences for the programs on the list
5 of approved programs.

6 (d) If the MiSTEM ~~advisory~~ council is unable to make specific
7 funding recommendations by December 15 of a fiscal year, the
8 department shall award and distribute the funds allocated under
9 subsection (4) on a competitive grant basis that at least follows
10 the statewide STEM strategy plan and rating system recommended by
11 the MiSTEM ~~advisory~~ council. Each grant must provide STEM
12 education-related opportunities for pupils.

13 (e) The MiSTEM ~~advisory~~ council shall work with the ~~executive~~
14 ~~director of the MiSTEM network~~ **department of labor and economic**
15 **opportunity** to implement the statewide STEM strategy adopted by the
16 MiSTEM ~~advisory~~ council.

17 (4) From the state school aid fund money allocated under
18 subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an
19 amount not to exceed \$3,050,000.00 for the purpose of funding
20 programs under this section for ~~2020-2021~~ **2021-2022** as recommended
21 by the MiSTEM ~~advisory~~ council.

22 (5) From the state school aid fund money allocated under
23 subsection (1), there is allocated an amount not to exceed
24 \$3,834,300.00 for ~~2020-2021~~ **2021-2022** to support the activities and
25 programs of the MiSTEM network regions. In addition, from the
26 federal funds allocated under subsection (1), there is allocated
27 for ~~2020-2021~~ **2021-2022** an amount estimated at \$235,000.00 from
28 DED-OESE, title II, mathematics and science partnership grants, for
29 the purposes of this subsection. From the money allocated under



1 this subsection, the department shall award the fiscal agent for
2 each MiSTEM network region \$200,000.00 for the base operations of
3 each region. The department shall distribute the remaining funds to
4 each fiscal agent in an equal amount per pupil, based on the number
5 of K to 12 pupils enrolled in districts within each region in the
6 immediately preceding fiscal year.

7 (6) A MiSTEM network region shall do all of the following:

8 (a) Collaborate with the career and educational advisory
9 council that is located in the MiSTEM region to develop a regional
10 strategic plan for STEM education that creates a robust regional
11 STEM culture, that empowers STEM teachers, that integrates business
12 and education into the STEM network, and that ensures high-quality
13 STEM experiences for pupils. At a minimum, a regional STEM
14 strategic plan should do all of the following:

15 (i) Identify regional employer need for STEM.

16 (ii) Identify processes for regional employers and educators to
17 create guided pathways for STEM careers that include internships or
18 externships, apprenticeships, and other experiential engagements
19 for pupils.

20 (iii) Identify educator professional development opportunities,
21 including internships or externships and apprenticeships, that
22 integrate this state's science standards into high-quality STEM
23 experiences that engage pupils.

24 (b) Facilitate regional STEM events such as educator and
25 employer networking and STEM career fairs to raise STEM awareness.

26 (c) Contribute to the MiSTEM website and engage in other
27 MiSTEM network functions to further the mission of STEM in this
28 state in coordination with the MiSTEM ~~advisory~~ council and ~~its~~
29 ~~executive director.~~ **the department of labor and economic**



1 **opportunity.**

2 (d) Facilitate application and implementation of state and
3 federal funds under this subsection and any other grants or funds
4 for the MiSTEM network region.

5 (e) Work with districts to provide STEM programming and
6 professional learning.

7 (f) Coordinate recurring discussions and work with the career
8 and educational advisory council to ensure that feedback and best
9 practices are being shared, including funding, program,
10 professional learning opportunities, and regional strategic plans.

11 (7) From the state school aid fund money allocated under
12 subsection (1), the department shall distribute for ~~2020-2021-2021-~~
13 **2022** an amount not to exceed \$750,000.00, in a form and manner
14 determined by the department, to those network regions able to
15 ~~provide curriculum and professional development support to assist~~
16 ~~districts in implementing the Michigan merit curriculum components~~
17 ~~for mathematics and science.~~ **further the statewide STEM strategy**
18 **recommended by the MiSTEM council.**

19 (8) In order to receive state or federal funds under
20 subsection (5) or (7), or to receive funds from private sources as
21 authorized under subsection (1), a grant recipient must allow
22 access for the department or the department's designee to audit all
23 records related to the program for which it receives those funds.
24 The grant recipient shall reimburse the state for all disallowances
25 found in the audit.

26 (9) In order to receive state funds under subsection (5) or
27 (7), a grant recipient must provide at least a 10% local match from
28 local public or private resources for the funds received under this
29 subsection.



1 (10) Not later than July 1 of each year, a MiSTEM network
2 region that receives funds under subsection (5) shall report to the
3 executive director of the MiSTEM network in a form and manner
4 prescribed by the executive director on performance measures
5 developed by the MiSTEM network regions and approved by the
6 executive director. The performance measures must be designed to
7 ensure that the activities of the MiSTEM network are improving
8 student academic outcomes.

9 (11) Not more than 5% of a MiSTEM network region grant under
10 subsection (5) or (7) may be retained by a fiscal agent for serving
11 as the fiscal agent of a MiSTEM network region.

12 (12) From the general fund money allocated under subsection
13 (1), there is allocated an amount not to exceed \$300,000.00 to the
14 department of labor and economic opportunity to support the
15 ~~functions of the executive director and executive assistant~~ **staff**
16 for the MiSTEM network, and for administrative, training, and
17 travel costs related to the MiSTEM ~~advisory~~ council. The ~~executive~~
18 ~~director and executive assistant~~ **staff** for the MiSTEM network shall
19 do all of the following:

20 (a) Serve as a liaison among and between the department, the
21 department of labor and economic opportunity, the MiSTEM ~~advisory~~
22 council, the governor's ~~future talent council~~, **workforce**
23 **development board**, the MiSTEM regions, and any other relevant
24 organization or entity in a manner that creates a robust statewide
25 STEM culture, that empowers STEM teachers, that integrates business
26 and education into the STEM network, and that ensures high-quality
27 STEM experiences for pupils.

28 (b) Coordinate the implementation of a marketing campaign,
29 including, but not limited to, a website that includes dashboards



1 of outcomes, to build STEM awareness and communicate STEM needs and
2 opportunities to pupils, parents, educators, and the business
3 community.

4 (c) Work with the department and the MiSTEM ~~advisory~~ council
5 to coordinate, award, and monitor MiSTEM state and federal grants
6 to the MiSTEM network regions and conduct reviews of grant
7 recipients, including, but not limited to, pupil experience and
8 feedback.

9 (d) Report to the governor, the legislature, the department,
10 and the MiSTEM ~~advisory~~ council annually on the activities and
11 performance of the MiSTEM network regions.

12 (e) Coordinate recurring discussions and work with regional
13 staff to ensure that a network or loop of feedback and best
14 practices are shared, including funding, programming, professional
15 learning opportunities, discussion of MiSTEM strategic vision, and
16 regional objectives.

17 (f) Coordinate major grant application efforts with the MiSTEM
18 ~~advisory~~ council to assist regional staff with grant applications
19 on a local level. The MiSTEM ~~advisory~~ council shall leverage
20 private and nonprofit relationships to coordinate and align private
21 funds in addition to funds appropriated under this section.

22 (g) Train state and regional staff in the STEMworks rating
23 system, in collaboration with the MiSTEM ~~advisory~~ council and the
24 department.

25 (h) Hire MiSTEM network region staff in collaboration with the
26 network region fiscal agent.

27 (13) As used in this section:

28 (a) "Career and educational advisory council" means an
29 advisory council to the local workforce development boards located



1 in a prosperity region consisting of educational, employer, labor,
2 and parent representatives.

3 (b) "DED" means the United States Department of Education.

4 (c) "DED-OESE" means the DED Office of Elementary and
5 Secondary Education.

6 (d) **"MiSTEM Council" means the Michigan Science, Technology,**
7 **Engineering, and Mathematics Education Advisory Council created as**
8 **an advisory body within the department of labor and economic**
9 **opportunity by Executive Reorganization Order No. 2019-13, MCL**
10 **125.1998.**

11 (e) ~~(d)~~—"STEM" means science, technology, engineering, and
12 mathematics delivered in an integrated fashion using cross-
13 disciplinary learning experiences that can include language arts,
14 performing and fine arts, and career and technical education.

15 Sec. 99t. (1) From the general fund appropriation under
16 section 11, there is allocated an amount not to exceed
17 \$1,000,000.00 for ~~2020-2021~~ **2021-2022** to purchase statewide access
18 to an online algebra tool that meets all of the following:

19 (a) Provides students statewide with complete access to videos
20 aligned with state standards including study guides and workbooks
21 that are aligned with the videos.

22 (b) Provides students statewide with access to a personalized
23 online algebra learning tool including adaptive diagnostics.

24 (c) Provides students statewide with dynamic algebra practice
25 assessments that emulate the state assessment with immediate
26 feedback and help solving problems.

27 (d) Provides students statewide with online access to algebra
28 help 24 hours a day and 7 days a week from study experts, teachers,
29 and peers on a moderated social networking platform.



1 (e) Provides an online algebra professional development
2 network for teachers.

3 (f) Is already provided under a statewide contract in at least
4 1 other state that has a population of at least 18,000,000 but not
5 more than 19,000,000 according to the most recent decennial census
6 and is offered in that state in partnership with a public
7 university.

8 (2) The department shall purchase the online algebra tool that
9 was chosen under this section in 2016-2017.

10 (3) A grantee receiving funding under this section shall
11 comply with the requirements of section 19b.

12 Sec. 99u. (1) ~~From~~ **Subject to subsection (2), from** the general
13 fund money appropriated under section 11, there is allocated for
14 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$1,500,000.00~~
15 **\$3,450,000.00** to a provider that is a provider of both of the
16 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 **allocate \$2,450,000.00 of the funding for the purposes of an online**
 14 **mathematics tool described in subsection (1) (a) and shall allocate**
 15 **\$1,000,000.00 of the funding for the purposes of targeted literacy**
 16 **instruction described in subsection (1) (b) .**

17 (3) ~~(2)~~—A grantee that receives funding under this section
 18 shall comply with the requirements of section 19b.

19 (4) ~~(3)~~—Notwithstanding section 17b, the department shall make
 20 payments under this section by not later than December 1,
 21 ~~2020-2021~~.

22 Sec. 99w. (1) From the general fund money appropriated under
 23 section 11, there is allocated an amount not to exceed ~~\$400,000.00~~
 24 **\$600,000.00** for ~~2020-2021-2021-2022~~ to facilitate a culture of
 25 health and physical activity as part of daily life. Funding under
 26 this section must be a grant to the Michigan Fitness Foundation to
 27 work with the department to invest in a physical education
 28 curriculum. Funding under this section may support staff,
 29 evaluation, assessment, technology, meetings, training, travel,



1 materials, and other administrative expenses in support of an
 2 updated physical education curriculum. Funding under this section
 3 may be used as matching dollars to qualify for federal and private
 4 resources to support physical education.

5 ~~(2) An entity that received funding under this section for~~
 6 ~~2018-2019 may expend those funds through September 30, 2021.~~

7 (2) ~~(3)~~ Notwithstanding section 17b, the department shall make
 8 payments under this section by not later than December 1,
 9 ~~2020-2021.~~

10 Sec. 99x. (1) From the general fund money appropriated under
 11 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount
 12 not to exceed \$1,000,000.00 for Teach for America to host a summer
 13 training institute in the city of Detroit, recruit teachers into a
 14 master teacher fellowship, and retain a committed alumni community.
 15 A program funded under this section must provide coaching and
 16 professional development, with the goal to produce highly effective
 17 teachers that move pupils beyond their growth benchmarks.

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

21 Sec. 99z. (1) From the state school aid fund money
 22 appropriated in section 11, there is allocated an amount not to
 23 exceed \$5,000,000.00 for ~~2020-2021-2021-2022~~ for payments to
 24 eligible districts described in subsection (3) to be used in the
 25 manner described in subsection (4).

26 (2) A district seeking funding under this section shall apply
 27 for the funding in a form and manner prescribed by the department.

28 (3) A district that meets all of the following is an eligible
 29 district under this section:



1 (a) In its application described in subsection (2), the
2 district confirms its approval of a department-generated list that
3 includes the full name and personnel identification code for each
4 eligible teacher employed by the district in an assignment as
5 described in subsection ~~(8) (b) (i)~~ **(7) (b) (i)** and *(ii)* to whom it will
6 provide a payment under subsection (4) with the funding received
7 under this section.

8 (b) The district agrees to provide to each eligible teacher
9 whose name is included on the list described in subdivision (a) a
10 payment of \$500.00, in addition to the payment it will provide
11 those eligible teachers under subsection (4).

12 (c) The district agrees to pay each eligible teacher the
13 payment described in subdivision (b) and subsection (4) by not
14 later than 45 days after receiving the disbursement of funds under
15 this section from the department.

16 (4) An eligible district that receives funding under this
17 section shall use that funding only as follows:

18 (a) If the eligible district is a district in which at least
19 70% of the pupils in membership in the district for the immediately
20 preceding fiscal year were economically disadvantaged, to provide a
21 payment of \$1,000.00 to each eligible teacher whose name is
22 included on the list described in subsection (3) (a).

23 (b) If the eligible district is not a district described in
24 subdivision (a), to provide a payment of \$500.00 to each eligible
25 teacher whose name is included on the list described in subsection
26 (3) (a).

27 ~~(5) It is the intent of the legislature to provide for funding~~
28 ~~so that an eligible teacher who receives a payment under this~~
29 ~~section from the district to which he or she is assigned as~~



1 ~~described in this section receives payments under this section~~
 2 ~~through that eligible teacher's third year of teaching at that~~
 3 ~~district if that teacher remains continuously employed full-time at~~
 4 ~~that district during those 3 years. For purposes of this~~
 5 ~~subsection, an eligible teacher is considered continuously employed~~
 6 ~~at a district during a period for which he or she is on approved~~
 7 ~~medical, parental, or military leave.~~

8 (5) ~~(6)~~—The funds allocated under this section for ~~2020–2021~~
 9 **2021–2022** are a work project appropriation, and any unexpended
 10 funds for ~~2020–2021–2021–2022~~ are carried forward into ~~2021–2022–~~
 11 **2022–2023**. The purpose of the work project is to continue providing
 12 payments to eligible teachers as described in this section. The
 13 estimated completion date of the work project is September 30,
 14 ~~2023–2024~~.

15 (6) ~~(7)~~—Notwithstanding section 17b, the department shall make
 16 payments under this section on a schedule determined by the
 17 department.

18 (7) ~~(8)~~—As used in this section:

19 (a) "Economically disadvantaged" means that term as defined in
 20 section 31a.

21 (b) "Eligible teacher" means an individual who meets all of
 22 the following:

23 (i) Is assigned a teacher assignment code in the registry of
 24 educational personnel for the first time in the ~~2020–2021–2021–2022~~
 25 school year.

26 (ii) Is assigned to a district in the registry of educational
 27 personnel in the ~~2020–2021–2021–2022~~ school year.

28 (iii) Has completed a full school year as a full-time teacher at
 29 the district to which he or she is assigned as described in



1 subparagraph (ii) or, through a cooperative agreement, at multiple
2 districts, **and who commits to teach for a second school year.**

3 (iv) Holds a valid Michigan teaching certificate or holds a
4 full-year permit.

5 (v) Is employed by the district or districts described in
6 subparagraph (iii) on or before November 1, ~~2020-2021~~.

7 (vi) Has not been subject to any recorded disciplinary action
8 during the school year.

9 (c) "Registry of educational personnel" means the data
10 collected biannually by the center on June 30 and the first
11 business day of December.

12 Sec. 101. (1) To be eligible to receive state aid under this
13 article, not later than the fifth Wednesday after the pupil
14 membership count day and not later than the fifth Wednesday after
15 the supplemental count day, each district superintendent shall
16 submit and certify to the center and the intermediate
17 superintendent, in the form and manner prescribed by the center,
18 the number of pupils enrolled and in regular daily attendance, or,
19 for ~~2020-2021-2021-2022~~ only, **not later than the fifth Wednesday**
20 **after the pupil membership count day**, the number of pupils engaged
21 in pandemic learning for fall ~~2020~~ or the number of pupils engaged
22 in pandemic learning for spring ~~2021~~, as applicable, or, for a ~~2021~~
23 **in a district that is not a** district that operates as a cyber
24 school, as that term is defined in section 551 of the revised
25 school code, MCL 380.551, the number of pupils enrolled and in
26 regular daily attendance, including identification of tuition-
27 paying pupils, in the district as of the pupil membership count day
28 and as of the supplemental count day, as applicable, for the
29 current school year. In addition, a district maintaining school



1 during the entire year shall submit and certify to the center and
2 the intermediate superintendent, in the form and manner prescribed
3 by the center, the number of pupils enrolled and in regular daily
4 attendance in the district or, for ~~2020-2021~~ **2021-2022** only, the
5 number of pupils engaged in pandemic learning for fall ~~2020~~ or the
6 ~~number of pupils engaged in pandemic learning for spring 2021, as~~
7 ~~applicable, or, for a~~ **2021 and the number of pupils enrolled and in**
8 **regular daily attendance in a district or, for a** district that
9 operates as a cyber school, as that term is defined in section 551
10 of the revised school code, MCL 380.551, the number of pupils
11 enrolled and in regular daily attendance, for the current school
12 year pursuant to rules promulgated by the superintendent. Not later
13 than the sixth Wednesday after the pupil membership count day and
14 not later than the sixth Wednesday after the supplemental count
15 day, the district shall resolve any pupil membership conflicts with
16 another district, correct any data issues, and recertify the data
17 in a form and manner prescribed by the center and file the
18 certified data with the intermediate superintendent. If a district
19 fails to submit and certify the attendance data, as required under
20 this subsection, the center shall notify the department and the
21 department shall withhold state aid due to be distributed under
22 this article from the defaulting district immediately, beginning
23 with the next payment after the failure and continuing with each
24 payment until the district complies with this subsection. If a
25 district does not comply with this subsection by the end of the
26 fiscal year, the district forfeits the amount withheld. A person
27 who willfully falsifies a figure or statement in the certified and
28 sworn copy of enrollment is subject to penalty as prescribed by
29 section 161. ~~As used in this subsection, "pupils engaged in~~



1 ~~pandemic learning for spring 2021" means that term as defined in~~
 2 ~~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), (12),
 20 and (13), all of the following apply to the provision of pupil
 21 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), (f), and
24 (h), if a district does not have at least 75% of the district's
25 membership in attendance on any day of pupil instruction, the
26 department shall pay the district state aid in that proportion of
27 1/180 that the actual percent of attendance bears to 75%.

28 (e) If a district adds 1 or more days of pupil instruction to
29 the end of its instructional calendar for a school year to comply



1 with subdivision (a) because the district otherwise would fail to
2 provide the required minimum number of days of pupil instruction
3 even after the operation of subsection (4) due to conditions not
4 within the control of school authorities, then subdivision (d) does
5 not apply for any day of pupil instruction that is added to the end
6 of the instructional calendar. Instead, for any of those days, if
7 the district does not have at least 60% of the district's
8 membership in attendance on that day, the department shall pay the
9 district state aid in that proportion of 1/180 that the actual
10 percentage of attendance bears to 60%. For any day of pupil
11 instruction added to the instructional calendar as described in
12 this subdivision, the district shall report to the department the
13 percentage of the district's membership that is in attendance, in
14 the form and manner prescribed by the department.

15 (f) At the request of a district that operates a department-
16 approved alternative education program and that does not provide
17 instruction for pupils in all of grades K to 12, the superintendent
18 shall grant a waiver from the requirements of subdivision (d). The
19 waiver must provide that an eligible district is subject to the
20 proration provisions of subdivision (d) only if the district does
21 not have at least 50% of the district's membership in attendance on
22 any day of pupil instruction. In order to be eligible for this
23 waiver, a district must maintain records to substantiate its
24 compliance with the following requirements:

25 (i) The district offers the minimum hours of pupil instruction
26 as required under this section.

27 (ii) For each enrolled pupil, the district uses appropriate
28 academic assessments to develop an individual education plan that
29 leads to a high school diploma.



1 (iii) The district tests each pupil to determine academic
2 progress at regular intervals and records the results of those
3 tests in that pupil's individual education plan.

4 (g) All of the following apply to a waiver granted under
5 subdivision (f):

6 (i) If the waiver is for a blended model of delivery, a waiver
7 that is granted for the 2011-2012 fiscal year or a subsequent
8 fiscal year remains in effect unless it is revoked by the
9 superintendent.

10 (ii) If the waiver is for a 100% online model of delivery and
11 the educational program for which the waiver is granted makes
12 educational services available to pupils for a minimum of at least
13 1,098 hours during a school year and ensures that each pupil
14 participates in the educational program for at least 1,098 hours
15 during a school year, a waiver that is granted for the 2011-2012
16 fiscal year or a subsequent fiscal year remains in effect unless it
17 is revoked by the superintendent.

18 (iii) A waiver that is not a waiver described in subparagraph
19 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
20 superintendent, and must be renewed at the end of the 3-year period
21 to remain in effect.

22 (h) For the ~~2020-2021~~**2021-2022** school year only, subdivision
23 (d) does not apply for any day of pupil instruction. ~~However, for~~
24 ~~the 2020-2021 school year only, a district shall ensure that 1 2-~~
25 ~~way interaction occurs between a pupil enrolled in the district and~~
26 ~~the pupil's teacher or at least 1 of the pupil's teachers or~~
27 ~~another district employee who has responsibility for the pupil's~~
28 ~~learning, grade progression, or academic progress during each month~~
29 ~~of the school year for at least 75% of pupils enrolled in the~~



1 ~~district. As used in the immediately preceding sentence, "school~~
2 ~~year" means a period comprising at least 9 calendar months that are~~
3 ~~chosen by a district and that are designated as part of the~~
4 ~~district's 2020-2021 school year. If a district does not ensure~~
5 ~~that the interactions required under this subdivision occur for at~~
6 ~~least 75% of pupils enrolled in the district as required under this~~
7 ~~subdivision, the department shall pay the district state aid in~~
8 ~~that proportion of 1/9 that the actual percentage of interaction~~
9 ~~during each month bears to 75%. As used in this subdivision, "2-way~~
10 ~~interaction" means a communication that occurs between a pupil and~~
11 ~~the pupil's teacher or at least 1 of the pupil's teachers or~~
12 ~~another district employee who has responsibility for the pupil's~~
13 ~~learning, grade progression, or academic progress, where 1 party~~
14 ~~initiates communication and a response from the other party follows~~
15 ~~that communication, and that is relevant to course progress or~~
16 ~~course content for at least 1 of the courses in which the pupil is~~
17 ~~enrolled or relevant to the pupil's overall academic progress or~~
18 ~~grade progression. Responses, as described in this subdivision,~~
19 ~~must be to communication initiated by the teacher, by another~~
20 ~~district employee who has responsibility for the pupil's learning,~~
21 ~~grade progression, or academic progress, or by the pupil, and not~~
22 ~~some other action taken. The communication described in this~~
23 ~~subdivision may occur through, but is not limited to, any of the~~
24 ~~following means:~~

- 25 ~~(i) Electronic mail.~~
26 ~~(ii) Telephone.~~
27 ~~(iii) Instant messaging.~~
28 ~~(iv) Face-to-face conversation.~~
29 ~~(i) The superintendent shall promulgate rules for the~~



1 ~~implementation of this subsection.~~ **that occurs during the first half**
2 **of the 2021-2022 school year for the period of that first half for**
3 **which section 98b(1) (a) (i) or (ii) applies to the district, as**
4 **applicable.**

5 (4) Except as otherwise provided in this subsection, the first
6 6 days or the equivalent number of hours for which pupil
7 instruction is not provided because of conditions not within the
8 control of school authorities, such as severe storms, fires,
9 epidemics, utility power unavailability, water or sewer failure, or
10 health conditions as defined by the city, county, or state health
11 authorities, are counted as hours and days of pupil instruction.
12 With the approval of the superintendent of public instruction, the
13 department shall count as hours and days of pupil instruction for a
14 fiscal year not more than 3 additional days or the equivalent
15 number of additional hours for which pupil instruction is not
16 provided in a district due to unusual and extenuating occurrences
17 resulting from conditions not within the control of school
18 authorities such as those conditions described in this subsection.
19 Subsequent such hours or days are not counted as hours or days of
20 pupil instruction.

21 (5) A district does not forfeit part of its state aid
22 appropriation because it adopts or has in existence an alternative
23 scheduling program for pupils in kindergarten if the program
24 provides at least the number of hours required under subsection (3)
25 for a full-time equated membership for a pupil in kindergarten as
26 provided under section 6(4).

27 (6) In addition to any other penalty or forfeiture under this
28 section, if at any time the department determines that 1 or more of
29 the following have occurred in a district, the district forfeits in



1 the current fiscal year beginning in the next payment to be
2 calculated by the department a proportion of the funds due to the
3 district under this article that is equal to the proportion below
4 the required minimum number of hours and days of pupil instruction
5 under subsection (3), as specified in the following:

6 (a) The district fails to operate its schools for at least the
7 required minimum number of hours and days of pupil instruction
8 under subsection (3) in a school year, including hours and days
9 counted under subsection (4).

10 (b) The board of the district takes formal action not to
11 operate its schools for at least the required minimum number of
12 hours and days of pupil instruction under subsection (3) in a
13 school year, including hours and days counted under subsection (4).

14 (7) In providing the minimum number of hours and days of pupil
15 instruction required under subsection (3), a district shall use the
16 following guidelines, and a district shall maintain records to
17 substantiate its compliance with the following guidelines:

18 (a) Except as otherwise provided in this subsection, a pupil
19 must be scheduled for at least the required minimum number of hours
20 of instruction, excluding study halls, or at least the sum of 90
21 hours plus the required minimum number of hours of instruction,
22 including up to 2 study halls.

23 (b) The time a pupil is assigned to any tutorial activity in a
24 block schedule may be considered instructional time, unless that
25 time is determined in an audit to be a study hall period.

26 (c) Except as otherwise provided in this subdivision, a pupil
27 in grades 9 to 12 for whom a reduced schedule is determined to be
28 in the individual pupil's best educational interest must be
29 scheduled for a number of hours equal to at least 80% of the



1 required minimum number of hours of pupil instruction to be
2 considered a full-time equivalent pupil. A pupil in grades 9 to 12
3 who is scheduled in a 4-block schedule may receive a reduced
4 schedule under this subsection if the pupil is scheduled for a
5 number of hours equal to at least 75% of the required minimum
6 number of hours of pupil instruction to be considered a full-time
7 equivalent pupil.

8 (d) If a pupil in grades 9 to 12 who is enrolled in a
9 cooperative education program or a special education pupil cannot
10 receive the required minimum number of hours of pupil instruction
11 solely because of travel time between instructional sites during
12 the school day, that travel time, up to a maximum of 3 hours per
13 school week, is considered to be pupil instruction time for the
14 purpose of determining whether the pupil is receiving the required
15 minimum number of hours of pupil instruction. However, if a
16 district demonstrates to the satisfaction of the department that
17 the travel time limitation under this subdivision would create
18 undue costs or hardship to the district, the department may
19 consider more travel time to be pupil instruction time for this
20 purpose.

21 (e) In grades 7 through 12, instructional time that is part of
22 a Junior Reserve Officer Training Corps (JROTC) program is
23 considered to be pupil instruction time regardless of whether the
24 instructor is a certificated teacher if all of the following are
25 met:

26 (i) The instructor has met all of the requirements established
27 by the United States Department of Defense and the applicable
28 branch of the armed services for serving as an instructor in the
29 Junior Reserve Officer Training Corps program.



1 (ii) The board of the district or intermediate district
2 employing or assigning the instructor complies with the
3 requirements of sections 1230 and 1230a of the revised school code,
4 MCL 380.1230 and 380.1230a, with respect to the instructor to the
5 same extent as if employing the instructor as a regular classroom
6 teacher.

7 (8) Except as otherwise provided in subsections (11), (12),
8 and (13), the department shall apply the guidelines under
9 subsection (7) in calculating the full-time equivalency of pupils.

10 (9) Upon application by the district for a particular fiscal
11 year, the superintendent shall waive for a district the minimum
12 number of hours and days of pupil instruction requirement of
13 subsection (3) for a department-approved alternative education
14 program or another innovative program approved by the department,
15 including a 4-day school week. If a district applies for and
16 receives a waiver under this subsection and complies with the terms
17 of the waiver, the district is not subject to forfeiture under this
18 section for the specific program covered by the waiver. If the
19 district does not comply with the terms of the waiver, the amount
20 of the forfeiture is calculated based upon a comparison of the
21 number of hours and days of pupil instruction actually provided to
22 the minimum number of hours and days of pupil instruction required
23 under subsection (3). A district shall report pupils enrolled in a
24 department-approved alternative education program under this
25 subsection to the center in a form and manner determined by the
26 center. All of the following apply to a waiver granted under this
27 subsection:

28 (a) If the waiver is for a blended model of delivery, a waiver
29 that is granted for the 2011-2012 fiscal year or a subsequent



1 fiscal year remains in effect unless it is revoked by the
2 superintendent.

3 (b) If the waiver is for a 100% online model of delivery and
4 the educational program for which the waiver is granted makes
5 educational services available to pupils for a minimum of at least
6 1,098 hours during a school year and ensures that each pupil is on
7 track for course completion at proficiency level, a waiver that is
8 granted for the 2011-2012 fiscal year or a subsequent fiscal year
9 remains in effect unless it is revoked by the superintendent.

10 (c) A waiver that is not a waiver described in subdivision (a)
11 or (b) is valid for 3 fiscal years, unless it is revoked by the
12 superintendent, and must be renewed at the end of the 3-year period
13 to remain in effect.

14 (10) A district may count up to 38 hours of professional
15 development for teachers as hours of pupil instruction. All of the
16 following apply to the counting of professional development as
17 pupil instruction under this subsection:

18 (a) If the professional development exceeds 5 hours in a
19 single day, that day may be counted as a day of pupil instruction.

20 (b) At least 8 hours of the professional development counted
21 as hours of pupil instruction under this subsection must be
22 recommended by a districtwide professional development advisory
23 committee appointed by the district board. The advisory committee
24 must be composed of teachers employed by the district who represent
25 a variety of grades and subject matter specializations, including
26 special education; nonteaching staff; parents; and administrators.
27 The majority membership of the committee must be composed of
28 teaching staff.

29 (c) Professional development provided online is allowable and



1 encouraged, as long as the instruction has been approved by the
2 district. The department shall issue a list of approved online
3 professional development providers that must include the Michigan
4 Virtual School.

5 (d) Professional development may only be counted as hours of
6 pupil instruction under this subsection for the pupils of those
7 teachers scheduled to participate in the professional development.

8 (e) The professional development must meet all of the
9 following to be counted as pupil instruction under this subsection:

10 (i) Be aligned to the school or district improvement plan for
11 the school or district in which the professional development is
12 being provided.

13 (ii) Be linked to 1 or more criteria in the evaluation tool
14 developed or adopted by the district or intermediate district under
15 section 1249 of the revised school code, MCL 380.1249.

16 (iii) Has been approved by the department as counting for state
17 continuing education clock hours. The number of hours of
18 professional development counted as hours of pupil instruction
19 under this subsection may not exceed the number of state continuing
20 education clock hours for which the professional development was
21 approved.

22 (iv) Not more than a combined total of 10 hours of the
23 professional development takes place before the first scheduled day
24 of school for the school year ending in the fiscal year and after
25 the last scheduled day of school for that school year.

26 (v) Not more than 10 hours of the professional development
27 takes place in a single month.

28 (vi) At least 75% of teachers scheduled to participate in the
29 professional development are in attendance.



1 (11) Subsections (3) and (8) do not apply to a school of
2 excellence that is a cyber school, as that term is defined in
3 section 551 of the revised school code, MCL 380.551, and is in
4 compliance with section 553a of the revised school code, MCL
5 380.553a.

6 (12) Subsections (3) and (8) do not apply to eligible pupils
7 enrolled in a dropout recovery program that meets the requirements
8 of section 23a. As used in this subsection, "eligible pupil" means
9 that term as defined in section 23a.

10 (13) ~~For the 2020-2021 school year only, the minimum number of~~
11 ~~hours and days of pupil instruction requirement under subsection~~
12 ~~(3) is waived for each district that, at a minimum, provides pupil~~
13 ~~instruction for the 2020-2021 school year at school, at a different~~
14 ~~location, in person, online, digitally, by other remote means, in a~~
15 ~~synchronous or asynchronous format, or through any combination~~
16 ~~therein that results in an amount of hours and days necessary to~~
17 ~~deliver the educational or course content that would have been~~
18 ~~delivered in 180 days and 1,098 hours in a school year in which~~
19 ~~pandemic learning was not provided and that would have led to~~
20 ~~course completion. As used in this subsection, "pandemic learning"~~
21 ~~means a mode of pupil instruction provided as a result of the~~
22 ~~COVID-19 pandemic.~~**For the 2021-2022 school year, the minimum number**
23 **of hours and days of pupil instruction requirement under subsection**
24 **(3) is waived for each district that meets both of the following:**

25 (a) **For the first half of the 2021-2022 school year, at a**
26 **minimum, the district provides pupil instruction at school, at a**
27 **different location, in person, online, digitally, by other remote**
28 **means, in a synchronous or asynchronous format, or through any**
29 **combination therein that results in an amount of hours and days**



1 necessary to deliver the educational or course content that would
2 have been delivered in 90 days and 549 hours in a school year in
3 which pandemic learning was not provided and that would have led to
4 course completion. As used in this subdivision, "pandemic learning"
5 means a mode of pupil instruction provided as a result of the
6 COVID-19 pandemic.

7 (b) For the period beginning after the first half of the 2021-
8 2022 school year and ending on the last day of the 2021-2022 school
9 year, each district must provide at least 549 hours and 90 days of
10 pupil instruction in the manner the district otherwise would have
11 to meet the minimum number of hours and days requirement under
12 subsection (3).

13 (14) At least every 2 years the superintendent shall review
14 the waiver standards set forth in the pupil accounting and auditing
15 manuals to ensure that the waiver standards and waiver process
16 continue to be appropriate and responsive to changing trends in
17 online learning. The superintendent shall solicit and consider
18 input from stakeholders as part of this review.

19 (15) As used in this section, "first half of the 2021-2022
20 school year" means the period beginning on the first day of the
21 2021-2022 school year and ending December 31, 2021 or the last day
22 of the district's first semester of the 2021-2022 school year,
23 whichever is later.

24 Sec. 104. (1) In order to receive state aid under this
25 article, a district shall comply with sections 1249, 1278a, 1278b,
26 1279g, and 1280b of the revised school code, MCL 380.1249,
27 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
28 388.1081 to 388.1086. Subject to subsection (2), from the state
29 school aid fund money appropriated in section 11, there is



1 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
2 \$31,009,400.00 for payments on behalf of districts for costs
3 associated with complying with those provisions of law. In
4 addition, from the federal funds appropriated in section 11, there
5 is allocated for ~~2020-2021~~**2021-2022** an amount estimated at
6 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
7 funds, and from DED-OSERS, ~~section 504 of~~ part B of the individuals
8 with disabilities education act, ~~Public Law 94-142,~~ **20 USC 1411 to**
9 **1419** plus any carryover federal funds from previous year
10 appropriations, for the purposes of complying with the every
11 student succeeds act, Public Law 114-95.

12 (2) The results of each test administered as part of the
13 Michigan student test of educational progress (M-STEP), including
14 tests administered to high school students, must include an item
15 analysis that lists all items that are counted for individual pupil
16 scores and the percentage of pupils choosing each possible
17 response. The department shall work with the center to identify the
18 number of students enrolled at the time assessments are given by
19 each district. In calculating the percentage of pupils assessed for
20 a district's scorecard, the department shall use only the number of
21 pupils enrolled in the district at the time the district
22 administers the assessments and shall exclude pupils who enroll in
23 the district after the district administers the assessments.

24 (3) The department shall distribute federal funds allocated
25 under this section in accordance with federal law and with
26 flexibility provisions outlined in Public Law 107-116, and in the
27 education flexibility partnership act of 1999, Public Law 106-25.

28 (4) From the funds allocated in subsection (1), there is
29 allocated an amount not to exceed \$1,500,000.00 to an intermediate



1 district described in this subsection for, except as otherwise
 2 provided in this subsection, statewide implementation of the
 3 Michigan kindergarten entry observation tool (MKEO), utilizing the
 4 Maryland-Ohio observational tool, also referred to as the
 5 Kindergarten Readiness Assessment, as piloted under this subsection
 6 in 2017-2018 and implemented in 2018-2019 and 2019-2020. The
 7 funding in this subsection is allocated to an intermediate district
 8 in prosperity region 9 with at least 3,000 kindergarten pupils
 9 enrolled in its constituent districts. ~~An intermediate district~~
 10 ~~described in this subsection is not required to carry out the~~
 11 ~~statewide implementation of the Michigan kindergarten entry~~
 12 ~~observation tool (MKEO), as described in this subsection, for the~~
 13 ~~fall of 2020. It is the intent of the legislature to account for~~
 14 ~~health, safety, and welfare concerns related to the COVID-19~~
 15 ~~pandemic by temporarily suspending the requirement for statewide~~
 16 ~~implementation of the Michigan kindergarten entry observation tool~~
 17 ~~(MKEO) under this subsection for the fall of 2020.~~ All of the
 18 following apply to the implementation of the kindergarten entry
 19 observation tool under this subsection:

20 (a) The department, in collaboration with all intermediate
 21 districts, shall ensure that the Michigan kindergarten entry
 22 observation tool is administered in each kindergarten classroom to
 23 either the full census of kindergarten pupils enrolled in the
 24 classroom or to a representative sample of not less than 35% of the
 25 total kindergarten pupils enrolled in each classroom. If a district
 26 elects to administer the Michigan kindergarten entry observation
 27 tool to a random sample of pupils within each classroom, the
 28 district's intermediate district shall select the pupils who will
 29 receive the assessment based on the same random method. Beginning



1 in 2021, the observation tool must be administered within 45 days
2 after the start of the school year.

3 (b) The intermediate district that receives funding under this
4 subsection, in collaboration with all other intermediate districts,
5 shall implement a "train the trainer" professional development
6 model on the usage of the Michigan kindergarten entry observation
7 tool. This training model must provide training to intermediate
8 district staff so that they may provide similar training for staff
9 of their constituent districts. This training model must also
10 ensure that the tool produces reliable data and that there are a
11 sufficient number of trainers to train all kindergarten teachers
12 statewide.

13 (c) By March 1, 2022, and each year thereafter, the department
14 and the intermediate district that receives funding under this
15 subsection shall report to the house and senate appropriations
16 subcommittees on ~~state~~-school aid, the house and senate fiscal
17 agencies, and the state budget director on the results of the
18 statewide implementation, including, but not limited to, an
19 evaluation of the demonstrated readiness of kindergarten pupils
20 statewide and the effectiveness of state and federal early
21 childhood programs that are designed for school readiness under
22 this state's authority, including the great start readiness program
23 and the great start readiness/Head Start blended program, as
24 referenced under section 32d. By September 1, 2022, and each year
25 thereafter, the department and the center shall provide a method
26 for districts and public school academies with kindergarten
27 enrollment to look up and verify their student enrollment data for
28 pupils who were enrolled in a publicly funded early childhood
29 program in the year before kindergarten, including the individual



1 great start readiness program, individual great start
 2 readiness/Head Start blended program, individual title I preschool
 3 program, individual section 31a preschool program, individual early
 4 childhood special education program, or individual developmental
 5 kindergarten or program for young 5-year-olds in which each tested
 6 child was enrolled. A participating district shall analyze the data
 7 to determine whether high-performing children were enrolled in any
 8 specific early childhood program and, if so, report that finding to
 9 the department and to the intermediate district that receives
 10 funding under this subsection.

11 (d) The department shall approve the language and literacy
 12 domain within the Kindergarten Readiness Assessment for use by
 13 districts as an initial assessment that may be delivered to all
 14 kindergarten pupils to assist with identifying any possible area of
 15 concern for a pupil in English language arts.

16 (e) As used in this subsection:

17 (i) "Kindergarten" includes a classroom for young 5-year-olds,
 18 commonly referred to as "young 5s" or "developmental kindergarten".

19 (ii) "Representative sample" means a sample capable of
 20 producing valid and reliable assessment information on all or major
 21 subgroups of kindergarten pupils in a district.

22 (5) The department may recommend, but may not require,
 23 districts to allow pupils to use an external keyboard with tablet
 24 devices for online M-STEP testing, including, but not limited to,
 25 open-ended test items such as constructed response or equation
 26 builder items.

27 (6) Notwithstanding section 17b, the department shall make
 28 payments on behalf of districts, intermediate districts, and other
 29 eligible entities under this section on a schedule determined by



1 the department.

2 (7) From the allocation in subsection (1), there is allocated
3 an amount not to exceed \$500,000.00 for ~~2020-2021~~**2021-2022** for the
4 operation of an online reporting tool to provide student-level
5 assessment data in a secure environment to educators, parents, and
6 pupils immediately after assessments are scored. The department and
7 the center shall ensure that any data collected by the online
8 reporting tool do not provide individually identifiable student
9 data to the federal government.

10 (8) In order to receive state aid under this article for 2020-
11 2021, a district shall meet both of the following requirements:

12 (a) Within the first 9 weeks of the 2020-2021 school year, the
13 district shall administer 1 or more benchmark assessments provided
14 by a provider approved under subsection (9), benchmark assessments
15 described in subsection (10), or local benchmark assessments, or
16 any combination thereof, to all pupils in grades K to 8 to measure
17 proficiency in reading and mathematics.

18 (b) In addition to the benchmark assessment or benchmark
19 assessments administered under subdivision (a), by not later than
20 the last day of the 2020-2021 school year, the district shall
21 administer 1 or more benchmark assessments provided by a provider
22 approved under subsection (9), benchmark assessments described in
23 subsection (10), or local benchmark assessments, or any combination
24 thereof, to all pupils in grades K to 8 to measure proficiency in
25 reading and mathematics.

26 (9) The department shall approve at least 4 but not more than
27 5 providers of benchmark assessments for the purposes of subsection
28 (8). The department shall inform districts of all of the providers
29 approved under this subsection in an equitable manner. The



1 benchmark assessments provided for the purposes of subsection (8)
2 by approved providers under this subsection, with the exclusion of
3 the benchmark assessment described in subsection (14), must meet
4 all of the following:

5 (a) Be 1 of the most commonly administered benchmark
6 assessments in this state.

7 (b) Be aligned to the content standards of this state.

8 (c) Complement the state's summative assessment system.

9 (d) Be internet-delivered and include a standards-based
10 remote, in-person, or both remote and in-person assessment using a
11 computer-adaptive model to target the instructional level of each
12 pupil.

13 (e) Provide information on pupil achievement with regard to
14 learning content required in a given year or grade span.

15 (f) Provide immediate feedback to pupils and teachers.

16 (g) Be nationally normed.

17 (h) Provide multiple measures of growth and provide for
18 multiple testing opportunities.

19 (10) A district may administer 1 or more of the following
20 benchmark assessments toward meeting the requirement under
21 subsection (8):

22 (a) A benchmark assessment in reading for students in grades K
23 to 9 that contains progress monitoring tools and enhanced
24 diagnostic assessments.

25 (b) A benchmark assessment in math for students in grades K to
26 8 that contains progress monitoring tools.

27 (11) To the extent practicable, if a district administers a
28 benchmark assessment or benchmark assessments under this section,
29 the district shall administer the same benchmark assessment or



1 benchmark assessments provided by a provider approved under
2 subsection (9), benchmark assessment or benchmark assessments
3 described in subsection (10), or local benchmark assessment or
4 local benchmark assessments that it administered to pupils in
5 previous school years, as applicable.

6 (12) By not later than June 30, 2021, a district shall send
7 the aggregate district-level data from a benchmark assessment or
8 benchmark assessments, excluding data from a local benchmark
9 assessment or local benchmark assessments, administered under this
10 section to a regional data hub that is part of the Michigan data
11 hub network that shall compile the data and send it to the center.
12 Not later than September 1, 2021, the department and the center
13 shall provide a report to the governor and the senate and house
14 standing committees responsible for education legislation
15 identifying the number and percentage of pupils in this state who
16 are significantly behind grade level as determined by the
17 department and the center based on the data provided to the center
18 under this subsection. The benchmark assessment data under this
19 subsection may also be used to measure pupils' growth based on
20 their performance on state summative assessments to identify
21 districts and schools where pupil achievement has increased or
22 decreased. However, the benchmark assessment data under this
23 subsection must not be utilized for the state accountability
24 system. It is the intent of the legislature that the benchmark
25 assessment data under this subsection be primarily utilized to
26 determine the loss of learning, if any, resulting from the COVID-19
27 pandemic. After the administration of statewide assessments
28 resumes, the department shall also provide a report to the governor
29 and the senate and house standing committees responsible for



1 education legislation identifying the specific pupil groups whose
2 expected trajectory toward grade-level proficiency were most
3 impacted by school closures that occurred pursuant to the COVID-19
4 pandemic.

5 (13) If a district administers a benchmark assessment or
6 benchmark assessments under this section, the district shall
7 provide each pupil's data from the benchmark assessment or
8 benchmark assessments, as available, to the pupil's parent or legal
9 guardian within 30 days of administering the benchmark assessment
10 or benchmark assessments.

11 (14) The department shall make 1 of the benchmark assessments
12 provided by a provider approved under subsection (9) available to
13 districts at no cost to the districts. The benchmark assessment
14 described in this subsection must meet all of the following:

15 (a) Be aligned to the content standards of this state.

16 (b) Complement the state's summative assessment system.

17 (c) Be internet-delivered and include a standards-based
18 assessment.

19 (d) Provide information on pupil achievement with regard to
20 learning content required in a given year or grade span.

21 (e) Provide timely feedback to pupils and teachers.

22 (f) Be nationally normed.

23 (g) Provide information to educators about student growth and
24 allow for multiple testing opportunities.

25 (15) If a local benchmark assessment or local benchmark
26 assessments are administered under subsection (8), the district
27 shall report to the department and the center, in a form and manner
28 prescribed by the center, the local benchmark assessment or local
29 benchmark assessments that were administered and how that



1 assessment or those assessments measure changes, including any
 2 losses, as applicable, in learning, and the district's plan for
 3 addressing any losses in learning.

4 ~~(16) From the general fund money appropriated in section 11,~~
 5 ~~there is allocated for 2020-2021 an amount not to exceed~~
 6 ~~\$150,000.00 to a higher education institution or other entity that~~
 7 ~~is not a state governmental entity that has expertise in conducting~~
 8 ~~a study described in this subsection to conduct a study that, at a~~
 9 ~~minimum, accomplishes all of the following:~~

10 ~~(a) Provides for an assessment of the distance-learning~~
 11 ~~programs utilized in this state that were effective at meeting~~
 12 ~~educational goals and attainment.~~

13 ~~(b) Provides for an assessment of how the programs described~~
 14 ~~in subdivision (a) operated.~~

15 ~~(c) Provides for an assessment of the best practices~~
 16 ~~implemented by the programs described in subdivision (a) that~~
 17 ~~should be replicated by schools engaged in distance learning.~~

18 ~~(d) Notes distance-learning models that were ineffective in~~
 19 ~~achieving educational goals.~~

20 **(16)** ~~(17)~~ As used in this section:

21 (a) "DED" means the United States Department of Education.

22 (b) "DED-OESE" means the DED Office of Elementary and
 23 Secondary Education.

24 (c) "DED-OSERS" means the DED Office of Special Education and
 25 Rehabilitative Services.

26 Sec. 104a. (1) From the federal fund money allocated under
 27 section 11n awarded to this state from the governor's emergency
 28 education relief (GEER) fund under the coronavirus response and
 29 relief supplemental appropriations act, 2021, division M of Public



1 Law 116-260, there is allocated for 2020-2021 an amount not to
 2 exceed \$2,572,000.00, and from the federal fund money allocated
 3 under section 11n awarded to this state from the elementary and
 4 secondary school emergency relief (ESSER) fund under the
 5 coronavirus response and relief supplemental appropriations act,
 6 2021, division M of Public Law 116-260, there is allocated for
 7 2020-2021 an amount not to exceed \$4,949,300.00, and from the state
 8 school aid fund money appropriated under section 11, there is
 9 allocated for 2020-2021 an amount not to exceed \$4,197,900.00 to
 10 districts to begin implementation of a benchmark assessment system
 11 for the 2021-2022 school year. All of the following apply to the
 12 benchmark assessment system described in this subsection:

13 (a) The system must provide for all of the following:

14 (i) That, within the first 9 weeks of the 2021-2022 school
 15 year, the district shall administer 1 or more benchmark assessments
 16 provided by a provider approved under ~~section 104(9)~~, **subsection**
 17 **(4)**, benchmark assessments described in subdivision (b), or local
 18 benchmark assessments, or any combination thereof, to all pupils in
 19 grades K to 8 to measure proficiency in reading and mathematics.

20 (ii) That, in addition to the benchmark assessment or benchmark
 21 assessments administered under subparagraph (i), by not later than
 22 the last day of the 2021-2022 school year, the district shall
 23 administer 1 or more benchmark assessments provided by a provider
 24 approved under ~~section 104(9)~~, **subsection (4)**, benchmark
 25 assessments described in subdivision (b), or local benchmark
 26 assessments, or any combination thereof, to all pupils in grades K
 27 to 8 to measure proficiency in reading and mathematics.

28 (b) A district may administer 1 or more of the following
 29 benchmark assessments toward meeting the requirements under



1 subdivision (a):

2 (i) A benchmark assessment in reading for students in grades K
3 to 9 that contains progress monitoring tools and enhanced
4 diagnostic assessments.

5 (ii) A benchmark assessment in math for students in grades K to
6 8 that contains progress monitoring tools.

7 (c) The system must provide that, to the extent practicable,
8 if a district administers a benchmark assessment or benchmark
9 assessments under this section, the district shall administer the
10 same benchmark assessment or benchmark assessments provided by a
11 provider approved under ~~section 104(9)~~, **subsection (4)**, benchmark
12 assessment or benchmark assessments described in subdivision (b),
13 or local benchmark assessment or local benchmark assessments that
14 it administered to pupils in previous school years, as applicable.

15 (d) The system must provide that, if a district administers a
16 benchmark assessment or benchmark assessments under this section,
17 the district shall provide each pupil's data from the benchmark
18 assessment or benchmark assessments, as available, to the pupil's
19 parent or legal guardian within 30 days of administering the
20 benchmark assessment or benchmark assessments.

21 (e) The system must provide that, if a local benchmark
22 assessment or local benchmark assessments are administered under
23 subdivision (a), the district shall report to the department and
24 the center, in a form and manner prescribed by the center, the
25 local benchmark assessment or local benchmark assessments that were
26 administered and how that assessment or those assessments measure
27 changes, including any losses, as applicable, in learning, and the
28 district's plan for addressing any losses in learning.

29 (f) The system must provide that, by not later than 30 days



1 after a benchmark assessment or benchmark assessments are
 2 administered as described in this subsection, the district shall
 3 send benchmark assessment data, excluding data from a local
 4 benchmark assessment, as applicable, aggregated by grade level to
 5 the department. If available, the data described in this
 6 subdivision must include information concerning pupil growth from
 7 fall 2020 to fall 2021.

8 (2) To receive funding under this section, a district must
 9 apply for the funding in a form and manner prescribed by the
 10 department.

11 (3) The department shall pay an amount equal to \$12.50 per
 12 membership pupil in grades K to 8 in the district to each district
 13 that applies for funding under this section.

14 (4) **The department shall approve at least 5 but not more than**
 15 **6 providers of benchmark assessments for the purposes of this**
 16 **section. The department shall inform districts of all of the**
 17 **providers approved under this subsection in an equitable manner.**
 18 **The benchmark assessments provided for the purposes of this section**
 19 **by approved providers under this subsection, with the exclusion of**
 20 **the benchmark assessment described in subsection (5) or the**
 21 **benchmark assessment described in subsection (6), must meet all of**
 22 **the following:**

23 (a) Be aligned to the content standards of this state.

24 (b) Complement the state's summative assessment system.

25 (c) Be internet-delivered and include a standards-based
 26 remote, in-person, or both remote and in-person assessment using a
 27 computer-adaptive model to target the instructional level of each
 28 pupil.

29 (d) Provide information on pupil achievement with regard to



1 learning content required in a given year or grade span.

2 (e) Provide immediate feedback to pupils and teachers.

3 (f) Be nationally normed.

4 (g) Provide multiple measures of growth and provide for
5 multiple testing opportunities.

6 (5) ~~(4)~~—The department shall make 1 of the benchmark
7 assessments provided by a provider approved under ~~section 104(9)~~
8 **subsection (4)** available to districts at no cost to the districts
9 for purposes of meeting the requirements under this section. The
10 benchmark assessment described in this subsection must meet all of
11 the following:

12 (a) Be aligned to the content standards of this state.

13 (b) Complement the state's summative assessment system.

14 (c) Be internet-delivered and include a standards-based
15 assessment.

16 (d) Provide information on pupil achievement with regard to
17 learning content required in a given year or grade span.

18 (e) Provide timely feedback to pupils and teachers.

19 (f) Be nationally normed.

20 (g) Provide information to educators about student growth and
21 allow for multiple testing opportunities.

22 (6) **The department shall approve at least 1 of the benchmark**
23 **assessments provided by a provider approved under subsection (4)**
24 **that meets all of the following:**

25 (a) Be aligned to the content standards of this state.

26 (b) Complement the state's summative assessment system.

27 (c) Be internet-delivered and include a standards-based
28 remote, in-person, or both remote and in-person assessment using a
29 computer-adaptive model to target the instructional level of each



1 pupil.

2 (d) Provide information on pupil achievement with regard to
3 learning content required in a given year or grade span.

4 (e) Provide immediate feedback to pupils and teachers.

5 (f) Be nationally normed.

6 (g) Provide multiple measures of growth and provide for
7 multiple testing opportunities.

8 (h) Have the option of providing an oral reading fluency
9 online assessment.

10 (7) ~~(5)~~By not later than December 31, 2021, the department
11 shall submit a report to the house and senate appropriations
12 committees, the house and senate appropriations subcommittees on
13 school aid, and the house and senate fiscal agencies regarding the
14 benchmark assessment data received under this section,
15 disaggregated by grade level for each district. If information
16 concerning pupil growth is included in the data described in this
17 subsection, it must be incorporated in the report described in this
18 subsection.

19 Sec. 104f. (1) From the ~~general~~**state school aid** fund money
20 appropriated under section 11, there is allocated an amount not to
21 exceed \$500,000.00 **to a district** for the implementation of an
22 assessment digital literacy preparation program for pupils enrolled
23 in grades K to 8 for ~~2020-2021~~**2021-2022**. The department shall
24 ensure that a program funded under this subsection satisfies all of
25 the following:

26 (a) Is available to districts in the ~~2020-2021~~**2021-2022**
27 school year.

28 (b) Focuses on ensuring pupils have the necessary skills
29 required for state online assessments by assessing pupil digital



1 literacy skill levels and providing teachers with a digital
2 curriculum targeted at areas of determined weakness.

3 (c) Allows pupils to engage with the digital curriculum in an
4 independent or teacher-facilitated modality.

5 (d) Includes training and professional development for
6 teachers.

7 (e) Is implemented in at least 100 districts that operate
8 grades K to 8 and that represent a diverse geography and socio-
9 economic demographic.

10 (2) Funding under subsection (1) must be allocated to a
11 district that did not receive funding under former section 104e for
12 2017-2018 and that operates at least grades K to 8 and has a
13 partnership with a third party that is experienced in the
14 assessment of digital literacy and the preparation of digital
15 literacy skills and has demonstrable experience serving districts
16 in this state and local education agencies in 10 other states. The
17 district, along with its third-party partner, shall provide a
18 report to the house and senate appropriations subcommittees on
19 ~~state-school~~ aid and the house and senate fiscal agencies on the
20 efficacy and usefulness of the assessment digital literacy
21 preparation program no later than July 1, ~~2021~~-**2022**.

22 (3) Notwithstanding section 17b, the department shall make
23 payments under subsection (1) by not later than December 1,
24 ~~2020~~-**2021**.

25 Sec. 104g. (1) For the ~~2020-2021~~-**2021-2022** school year only, a
26 district shall make the SAT available in the fall of ~~2020-2021~~ to
27 pupils who were in grade 11 during the ~~2019-2020-2020-2021~~ school
28 year and who were not able to take the examination during the ~~2019-~~
29 ~~2020-2020-2021~~ school year.



1 (2) For the ~~2020-2021~~**2021-2022** school year only, a district
2 shall make the PSAT available in the fall of ~~2020-2021~~ to pupils
3 who were in grades 8, 9, and 10 during the ~~2019-2020-2020-2021~~
4 school year and who were not able to take the examination during
5 the ~~2019-2020-2020-2021~~ school year.

6 (3) The examinations offered by a district in subsections (1)
7 and (2) are not considered state summative assessments or the
8 college entrance portion of the Michigan merit examination for the
9 ~~2020-2021-2021-2022~~ school year.

10 (4) Pupils must be encouraged but not required to take the
11 examinations under subsections (1) and (2).

12 Sec. 105. (1) In order to avoid a penalty under this section,
13 and in order to count a nonresident pupil residing within the same
14 intermediate district in membership without the approval of the
15 pupil's district of residence, a district must comply with this
16 section.

17 (2) Except as otherwise provided in this section, a district
18 shall determine whether or not it will accept applications for
19 enrollment by nonresident applicants residing within the same
20 intermediate district for the next school year. If the district
21 determines to accept applications for enrollment of a number of
22 nonresidents, beyond those entitled to preference under this
23 section, the district shall use the following procedures for
24 accepting applications from and enrolling nonresidents:

25 (a) The district shall publish the grades, schools, and
26 special programs, if any, for which enrollment may be available to,
27 and for which applications will be accepted from, nonresident
28 applicants residing within the same intermediate district.

29 (b) If the district has a limited number of positions



1 available for nonresidents residing within the same intermediate
 2 district in a grade, school, or program, all of the following apply
 3 to accepting applications for and enrollment of nonresidents in
 4 that grade, school, or program:

5 (i) The district shall do all of the following not later than
 6 the second Friday in August:

7 (A) Provide notice to the general public that applications
 8 will be taken for a period of at least 15 calendar days but not
 9 more than 30 calendar days from nonresidents residing within the
 10 same intermediate district for enrollment in that grade, school, or
 11 program. The notice must identify the dates of the application
 12 period and the place and manner for submitting applications.

13 (B) During the application period under sub-subparagraph (A),
 14 accept applications from nonresidents residing within the same
 15 intermediate district for enrollment in that grade, school, or
 16 program.

17 (C) Within 15 calendar days after the end of the application
 18 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
 19 ~~later than October 13, 2020,~~ using the procedures and preferences
 20 required under this section, determine which nonresident applicants
 21 will be allowed to enroll in that grade, school, or program, using
 22 the random draw system required under subsection ~~(14)~~ **(13)** as
 23 necessary, and notify the parent or legal guardian of each
 24 nonresident applicant of whether or not the applicant may enroll in
 25 the district. The notification to parents or legal guardians of
 26 nonresident applicants accepted for enrollment must contain
 27 notification of the date by which the applicant must enroll in the
 28 district and procedures for enrollment. The date for enrollment
 29 must be no later than the end of the first week of school. ~~or,~~



1 ~~for 2020-2021 only, not later than October 13, 2020.~~

2 (ii) Beginning on the third Monday in August and not later than
 3 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 4 ~~later than October 13, 2020,~~ if any positions become available in a
 5 grade, school, or program due to accepted applicants failing to
 6 enroll or to more positions being added, the district may enroll
 7 nonresident applicants from the waiting list maintained under
 8 subsection ~~(14),~~ **(13)**, offering enrollment in the order that
 9 applicants appear on the waiting list. If there are still positions
 10 available after enrolling all applicants from the waiting list who
 11 desire to enroll, the district may not fill those positions until
 12 the second semester or trimester enrollment under subsection (3),
 13 as provided under that subsection, or until the next school year.

14 (c) For a grade, school, or program that has an unlimited
 15 number of positions available for nonresidents residing within the
 16 same intermediate district, all of the following apply to
 17 enrollment of nonresidents in that grade, school, or program:

18 (i) The district may accept applications for enrollment in that
 19 grade, school, or program, and may enroll nonresidents residing
 20 within the same intermediate district in that grade, school, or
 21 program until the end of the first week of school. ~~or, for 2020-~~
 22 ~~2021 only, the district may enroll nonresidents residing within the~~
 23 ~~same intermediate district in that grade, school, or program until~~
 24 ~~October 13, 2020 if the application was received by the end of the~~
 25 ~~first week of school.~~ The district shall provide notice to the
 26 general public of the place and manner for submitting applications
 27 and, if the district has a limited application period, the notice
 28 must include the dates of the application period. The application
 29 period shall be at least a 15-calendar-day period.



1 (ii) Not later than the end of the first week of school, ~~or~~
 2 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 3 shall notify the parent or legal guardian of each nonresident
 4 applicant who is accepted for enrollment that the applicant has
 5 been accepted for enrollment in the grade, school, or program and
 6 of the procedures for enrollment. The date for enrollment must be
 7 no later than the end of the first week of school. ~~or, for 2020-~~
 8 ~~2021 only, not later than October 13, 2020.~~

9 (3) If a district determines during the first semester or
 10 trimester of a school year that it has positions available for
 11 enrollment of a number of nonresidents residing within the same
 12 intermediate district, beyond those entitled to preference under
 13 this section, for the second semester or trimester of the school
 14 year, the district may accept applications from and enroll
 15 nonresidents residing within the same intermediate district for the
 16 second semester or trimester using the following procedures:

17 (a) Not later than 2 weeks before the end of the first
 18 semester or trimester, the district shall publish the grades,
 19 schools, and special programs, if any, for which enrollment for the
 20 second semester or trimester may be available to, and for which
 21 applications will be accepted from, nonresident applicants residing
 22 within the same intermediate district.

23 (b) During the last 2 weeks of the first semester or
 24 trimester, the district shall accept applications from nonresidents
 25 residing within the same intermediate district for enrollment for
 26 the second semester or trimester in the available grades, schools,
 27 and programs.

28 (c) By the beginning of the second semester or trimester,
 29 using the procedures and preferences required under this section,



1 the district shall determine which nonresident applicants will be
2 allowed to enroll in the district for the second semester or
3 trimester and notify the parent or legal guardian of each
4 nonresident applicant residing within the same intermediate
5 district of whether or not the applicant may enroll in the
6 district. The notification to parents or legal guardians of
7 nonresident applicants accepted for enrollment must contain
8 notification of the date by which the applicant must enroll in the
9 district and procedures for enrollment. The date for enrollment
10 must be no later than the end of the first week of school.

11 (4) If deadlines similar to those described in subsection (2)
12 or (3) have been established in an intermediate district, and if
13 those deadlines are not later than the deadlines under subsection
14 (2) or (3), the districts within the intermediate district may use
15 those deadlines.

16 (5) A district offering to enroll nonresident applicants
17 residing within the same intermediate district may limit the number
18 of nonresident pupils it accepts in a grade, school, or program, at
19 its discretion, and may use that limit as the reason for refusal to
20 enroll an applicant.

21 (6) A nonresident applicant residing within the same
22 intermediate district must not be granted or refused enrollment
23 based on intellectual, academic, artistic, or other ability,
24 talent, or accomplishment, or lack thereof, or based on a mental or
25 physical disability, except that a district may refuse to admit a
26 nonresident applicant if the applicant does not meet the same
27 criteria, other than residence, that an applicant who is a resident
28 of the district must meet to be accepted for enrollment in a grade
29 or a specialized, magnet, or intra-district choice school or



1 program to which the applicant applies.

2 (7) A nonresident applicant residing within the same
3 intermediate district must not be granted or refused enrollment
4 based on age, except that a district may refuse to admit a
5 nonresident applicant applying for a program that is not
6 appropriate for the age of the applicant.

7 (8) A nonresident applicant residing within the same
8 intermediate district must not be granted or refused enrollment
9 based upon religion, race, color, national origin, sex, height,
10 weight, marital status, or athletic ability, or, generally, in
11 violation of any state or federal law prohibiting discrimination.

12 (9) Subject to subsection (10), a district may refuse to
13 enroll a nonresident applicant if any of the following are met:

14 (a) The applicant is, or has been within the preceding 2
15 years, suspended from another school.

16 (b) The applicant, at any time before enrolling under this
17 section, has been expelled from another school.

18 (c) The applicant, at any time before enrolling under this
19 section, has been convicted of a felony.

20 (10) If a district has counted a pupil in membership on either
21 the pupil membership count day or the supplemental count day, the
22 district shall not refuse to enroll or refuse to continue to enroll
23 that pupil for a reason specified in subsection (9). This
24 subsection does not prohibit a district from expelling a pupil
25 described in this subsection for disciplinary reasons.

26 (11) A district shall continue to allow a pupil who was
27 enrolled in and attended the district under this section in the
28 school year or semester or trimester immediately preceding the
29 school year or semester or trimester in question to enroll in the



1 district until the pupil graduates from high school. This
2 subsection does not prohibit a district from expelling a pupil
3 described in this subsection for disciplinary reasons.

4 (12) A district shall give preference for enrollment under
5 this section over all other nonresident applicants residing within
6 the same intermediate district to other school-age children who
7 reside in the same household as a pupil described in subsection
8 (11).

9 ~~(13) If a nonresident pupil was enrolled in and attending~~
10 ~~school in a district as a nonresident pupil in the 1995-96 school~~
11 ~~year and continues to be enrolled continuously each school year in~~
12 ~~that district, the district shall allow that nonresident pupil to~~
13 ~~continue to enroll in and attend school in the district until high~~
14 ~~school graduation, without requiring the nonresident pupil to apply~~
15 ~~for enrollment under this section. This subsection does not~~
16 ~~prohibit a district from expelling a pupil described in this~~
17 ~~subsection for disciplinary reasons.~~

18 (13) ~~(14)~~ If the number of qualified nonresident applicants
19 eligible for acceptance in a school, grade, or program does not
20 exceed the positions available for nonresident pupils in the
21 school, grade, or program, the school district shall accept for
22 enrollment all of the qualified nonresident applicants eligible for
23 acceptance. If the number of qualified nonresident applicants
24 residing within the same intermediate district eligible for
25 acceptance exceeds the positions available in a grade, school, or
26 program in a district for nonresident pupils, the district shall
27 use a random draw system, subject to the need to abide by state and
28 federal antidiscrimination laws and court orders and subject to
29 preferences allowed by this section. The district shall develop and



1 maintain a waiting list based on the order in which nonresident
2 applicants were drawn under this random draw system.

3 (14) ~~(15)~~—If a district, or the nonresident applicant,
4 requests the district in which a nonresident applicant resides to
5 supply information needed by the district for evaluating the
6 applicant's application for enrollment or for enrolling the
7 applicant, the district of residence shall provide that information
8 on a timely basis.

9 (15) ~~(16)~~—If a district is subject to a court-ordered
10 desegregation plan, and if the court issues an order prohibiting
11 pupils residing in that district from enrolling in another district
12 or prohibiting pupils residing in another district from enrolling
13 in that district, this section is subject to the court order.

14 (16) ~~(17)~~—This section does not require a district to provide
15 transportation for a nonresident pupil enrolled in the district
16 under this section or for a resident pupil enrolled in another
17 district under this section. However, at the time a nonresident
18 pupil enrolls in the district, a district shall provide to the
19 pupil's parent or legal guardian information on available
20 transportation to and from the school in which the pupil enrolls.

21 (17) ~~(18)~~—A district may participate in a cooperative
22 education program with 1 or more other districts or intermediate
23 districts whether or not the district enrolls any nonresidents
24 under this section.

25 (18) ~~(19)~~—A district that, under this section, enrolls a
26 nonresident pupil who is eligible for special education programs
27 and services according to statute or rule, or who is a child with
28 ~~disabilities,~~ **a disability,** as **that term is** defined under the
29 individuals with disabilities education act, Public Law 108-446, is



1 considered to be the resident district of the pupil for the purpose
 2 of providing the pupil with a free appropriate public education.
 3 Consistent with state and federal law, that district is responsible
 4 for developing and implementing an individualized education program
 5 annually for a nonresident pupil described in this subsection.

6 (19) ~~(20)~~—If a district does not comply with this section, the
 7 district forfeits 5% of the total state school aid allocation to
 8 the district under this act.

9 (20) ~~(21)~~—Upon application by a district, the superintendent
 10 may grant a waiver for the district from a specific requirement
 11 under this section for not more than 1 year.

12 Sec. 105c. (1) In order to avoid a penalty under this section,
 13 and in order to count a nonresident pupil residing in a district
 14 located in a contiguous intermediate district in membership without
 15 the approval of the pupil's district of residence, a district must
 16 comply with this section.

17 (2) Except as otherwise provided in this section, a district
 18 shall determine whether or not it will accept applications for
 19 enrollment by nonresident applicants residing in a district located
 20 in a contiguous intermediate district for the next school year. If
 21 the district determines to accept applications for enrollment of a
 22 number of nonresidents under this section, beyond those entitled to
 23 preference under this section, the district shall use the following
 24 procedures for accepting applications from and enrolling
 25 nonresidents under this section:

26 (a) The district shall publish the grades, schools, and
 27 special programs, if any, for which enrollment may be available to,
 28 and for which applications will be accepted from, nonresident
 29 applicants residing in a district located in a contiguous



1 intermediate district.

2 (b) If the district has a limited number of positions
3 available for nonresidents residing in a district located in a
4 contiguous intermediate district in a grade, school, or program,
5 all of the following apply to accepting applications for and
6 enrollment of nonresidents under this section in that grade,
7 school, or program:

8 (i) The district shall do all of the following not later than
9 the second Friday in August:

10 (A) Provide notice to the general public that applications
11 will be taken for a period of at least 15 calendar days but not
12 more than 30 calendar days from nonresidents residing in a district
13 located in a contiguous intermediate district for enrollment in
14 that grade, school, or program. The notice must identify the dates
15 of the application period and the place and manner for submitting
16 applications.

17 (B) During the application period under sub-subparagraph (A),
18 accept applications from nonresidents residing in a district
19 located in a contiguous intermediate district for enrollment in
20 that grade, school, or program.

21 (C) Within 15 calendar days after the end of the application
22 period under sub-subparagraph (A), ~~or, for 2020-2021 only, not~~
23 ~~later than October 13, 2020,~~ using the procedures and preferences
24 required under this section, determine which nonresident applicants
25 will be allowed to enroll under this section in that grade, school,
26 or program, using the random draw system required under subsection
27 (14) as necessary, and notify the parent or legal guardian of each
28 nonresident applicant of whether or not the applicant may enroll in
29 the district. The notification to parents or legal guardians of



1 nonresident applicants accepted for enrollment under this section
 2 must contain notification of the date by which the applicant must
 3 enroll in the district and procedures for enrollment. The date for
 4 enrollment must be no later than the end of the first week of
 5 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

6 (ii) Beginning on the third Monday in August and not later than
 7 the end of the first week of school, ~~or, for 2020-2021 only, not~~
 8 ~~later than October 13, 2020,~~ if any positions become available in a
 9 grade, school, or program due to accepted applicants failing to
 10 enroll or to more positions being added, the district may enroll
 11 nonresident applicants from the waiting list maintained under
 12 subsection (14), offering enrollment in the order that applicants
 13 appear on the waiting list. If there are still positions available
 14 after enrolling all applicants from the waiting list who desire to
 15 enroll, the district may not fill those positions until the second
 16 semester or trimester enrollment under subsection (3), as provided
 17 under that subsection, or until the next school year.

18 (c) For a grade, school, or program that has an unlimited
 19 number of positions available for nonresidents residing in a
 20 district located in a contiguous intermediate district, all of the
 21 following apply to enrollment of nonresidents in that grade,
 22 school, or program under this section:

23 (i) The district may accept applications for enrollment in that
 24 grade, school, or program, and may enroll nonresidents residing in
 25 a district located in a contiguous intermediate district in that
 26 grade, school, or program until the end of the first week of
 27 school. ~~or, for 2020-2021 only, the district may enroll~~
 28 ~~nonresidents residing in a district located in a contiguous~~
 29 ~~intermediate district in that grade, school, or program until~~



1 ~~October 13, 2020 if the application was received by the end of the~~
 2 ~~first week of school.~~ The district shall provide notice to the
 3 general public of the place and manner for submitting applications
 4 and, if the district has a limited application period, the notice
 5 must include the dates of the application period. The application
 6 period must be at least a 15-calendar-day period.

7 (ii) Not later than the end of the first week of school, ~~or,~~
 8 ~~for 2020-2021 only, not later than October 13, 2020,~~ the district
 9 shall notify the parent or legal guardian of each nonresident
 10 applicant who is accepted for enrollment under this section that
 11 the applicant has been accepted for enrollment in the grade,
 12 school, or program and of the date by which the applicant must
 13 enroll in the district and the procedures for enrollment. The date
 14 for enrollment must be no later than the end of the first week of
 15 school. ~~or, for 2020-2021 only, not later than October 13, 2020.~~

16 (3) If a district determines during the first semester or
 17 trimester of a school year that it has positions available for
 18 enrollment of a number of nonresidents residing in a district
 19 located in a contiguous intermediate district, beyond those
 20 entitled to preference under this section, for the second semester
 21 or trimester of the school year, the district may accept
 22 applications from and enroll nonresidents residing in a district
 23 located in a contiguous intermediate district for the second
 24 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 in a district located in a contiguous 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 in a district located in a contiguous intermediate
5 district for enrollment for the second semester or trimester in the
6 available grades, schools, 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 under this section in the district for the second
11 semester or trimester and notify the parent or legal guardian of
12 each nonresident applicant residing in a district located in a
13 contiguous intermediate district of whether or not the applicant
14 may enroll in the district. The notification to parents or legal
15 guardians of nonresident applicants accepted for enrollment must
16 contain notification of the date by which the applicant must enroll
17 in the district and procedures for enrollment. The date for
18 enrollment must be no later than the end of the first week of
19 school.

20 (4) If deadlines similar to those described in subsection (2)
21 or (3) have been established in an intermediate district, and if
22 those deadlines are not later than the deadlines under subsection
23 (2) or (3), the districts within the intermediate district may use
24 those deadlines.

25 (5) A district offering to enroll nonresident applicants
26 residing in a district located in a contiguous intermediate
27 district may limit the number of those nonresident pupils it
28 accepts in a grade, school, or program, at its discretion, and may
29 use that limit as the reason for refusal to enroll an applicant



1 under this section.

2 (6) A nonresident applicant residing in a district located in
 3 a contiguous intermediate district must not be granted or refused
 4 enrollment based on intellectual, academic, artistic, or other
 5 ability, talent, or accomplishment, or lack thereof, or based on a
 6 mental or physical disability, except that a district may refuse to
 7 admit a nonresident applicant under this section if the applicant
 8 does not meet the same criteria, other than residence, that an
 9 applicant who is a resident of the district must meet to be
 10 accepted for enrollment in a grade or a specialized, magnet, or
 11 intra-district choice school or program to which the applicant
 12 applies.

13 (7) A nonresident applicant residing in a district located in
 14 a contiguous intermediate district must not be granted or refused
 15 enrollment under this section based on age, except that a district
 16 may refuse to admit a nonresident applicant applying for a program
 17 that is not appropriate for the age of the applicant.

18 (8) A nonresident applicant residing in a district located in
 19 a contiguous intermediate district must not be granted or refused
 20 enrollment under this section based upon religion, race, color,
 21 national origin, sex, height, weight, marital status, or athletic
 22 ability, or, generally, in violation of any state or federal law
 23 prohibiting discrimination.

24 (9) Subject to subsection (10), a district may refuse to
 25 enroll a nonresident applicant under this section if any of the
 26 following are met:

27 (a) The applicant is, or has been within the preceding 2
 28 years, suspended from another school.

29 (b) The applicant, at any time before enrolling under this



1 section, has been expelled from another school.

2 (c) The applicant, at any time before enrolling under this
3 section, has been convicted of a felony.

4 (10) If a district has counted a pupil in membership on either
5 the pupil membership count day or the supplemental count day, the
6 district shall not refuse to enroll or refuse to continue to enroll
7 that pupil for a reason specified in subsection (9). This
8 subsection does not prohibit a district from expelling a pupil
9 described in this subsection for disciplinary reasons.

10 (11) A district shall continue to allow a pupil who was
11 enrolled in and attended the district under this section in the
12 school year or semester or trimester immediately preceding the
13 school year or semester or trimester in question to enroll in the
14 district until the pupil graduates from high school. This
15 subsection does not prohibit a district from expelling a pupil
16 described in this subsection for disciplinary reasons.

17 (12) A district shall give preference for enrollment under
18 this section over all other nonresident applicants residing in a
19 district located in a contiguous intermediate district to other
20 school-age children who reside in the same household as a pupil
21 described in subsection (11).

22 (13) If a nonresident pupil was enrolled in and attending
23 school in a district as a nonresident pupil in the 1995-96 school
24 year and continues to be enrolled continuously each school year in
25 that district, the district shall allow that nonresident pupil to
26 continue to enroll in and attend school in the district until high
27 school graduation, without requiring the nonresident pupil to apply
28 for enrollment under this section. This subsection does not
29 prohibit a district from expelling a pupil described in this



1 subsection for disciplinary reasons.

2 (14) If the number of qualified nonresident applicants
3 eligible for acceptance under this section in a school, grade, or
4 program does not exceed the positions available for nonresident
5 pupils under this section in the school, grade, or program, the
6 school district shall accept for enrollment all of the qualified
7 nonresident applicants eligible for acceptance. If the number of
8 qualified nonresident applicants residing in a district located in
9 a contiguous intermediate district eligible for acceptance under
10 this section exceeds the positions available in a grade, school, or
11 program in a district for nonresident pupils, the district shall
12 use a random draw system, subject to the need to abide by state and
13 federal antidiscrimination laws and court orders and subject to
14 preferences allowed by this section. The district shall develop and
15 maintain a waiting list based on the order in which nonresident
16 applicants were drawn under this random draw system.

17 (15) If a district, or the nonresident applicant, requests the
18 district in which a nonresident applicant resides to supply
19 information needed by the district for evaluating the applicant's
20 application for enrollment or for enrolling the applicant under
21 this section, the district of residence shall provide that
22 information on a timely basis.

23 (16) If a district is subject to a court-ordered desegregation
24 plan, and if the court issues an order prohibiting pupils residing
25 in that district from enrolling in another district or prohibiting
26 pupils residing in another district from enrolling in that
27 district, this section is subject to the court order.

28 (17) This section does not require a district to provide
29 transportation for a nonresident pupil enrolled in the district



1 under this section or for a resident pupil enrolled in another
2 district under this section. However, at the time a nonresident
3 pupil enrolls in the district, a district shall provide to the
4 pupil's parent or legal guardian information on available
5 transportation to and from the school in which the pupil enrolls.

6 (18) A district may participate in a cooperative education
7 program with 1 or more other districts or intermediate districts
8 whether or not the district enrolls any nonresidents pursuant to
9 this section.

10 (19) In order for a district or intermediate district to
11 enroll under this section a nonresident pupil who resides in a
12 district located in a contiguous intermediate district and who is
13 eligible for special education programs and services according to
14 statute or rule, or who is a child with disabilities, as defined
15 under the individuals with disabilities education act, Public Law
16 108-446, the enrolling district shall have a written agreement with
17 the resident district of the pupil for the purpose of providing the
18 pupil with a free appropriate public education. The written
19 agreement must include, but is not limited to, an agreement on the
20 responsibility for the payment of the added costs of special
21 education programs and services for the pupil. The written
22 agreement must address how the agreement must be amended in the
23 event of significant changes in the costs or level of special
24 education programs or services required by the pupil.

25 (20) If a district does not comply with this section, the
26 district forfeits 5% of the total state school aid allocation to
27 the district under this act.

28 (21) Upon application by a district, the superintendent may
29 grant a waiver for the district from a specific requirement under



1 this section for not more than 1 year.

2 (22) This section is repealed if the final decision of a court
3 of competent jurisdiction holds that any portion of this section is
4 unconstitutional, ineffective, invalid, or in violation of federal
5 law.

6 (23) As used in this section, "district located in a
7 contiguous intermediate district" means a district located in an
8 intermediate district that is contiguous to the intermediate
9 district in which a pupil's district of residence is located.

10 Sec. 107. (1) From the appropriation in section 11, there is
11 allocated an amount not to exceed \$30,000,000.00 for ~~2020-2021~~
12 **2021-2022** for adult education programs authorized under this
13 section. Except as otherwise provided under subsections (14) and
14 (15), funds allocated under this section are restricted for adult
15 education programs as authorized under this section only. A
16 recipient of funds under this section shall not use those funds for
17 any other purpose.

18 (2) To be eligible for funding under this section, an eligible
19 adult education provider shall employ certificated teachers and
20 qualified administrative staff and shall offer continuing education
21 opportunities for teachers to allow them to maintain certification.

22 (3) To be eligible to be a participant funded under this
23 section, an individual must be enrolled in an adult basic education
24 program, an adult secondary education program, an adult English as
25 a second language program, a high school equivalency test
26 preparation program, or a high school completion program, that
27 meets the requirements of this section, and for which instruction
28 is provided, and the individual must be at least 18 years of age **by**
29 **July 1 of the program year** and the individual's graduating class



1 must have graduated.

2 (4) By April 1 of each fiscal year, the intermediate districts
 3 within a prosperity region or subregion shall determine which
 4 intermediate district will serve as the prosperity region's or
 5 subregion's fiscal agent for the next fiscal year and shall notify
 6 the department in a form and manner determined by the department.
 7 The department shall approve or disapprove of the prosperity
 8 region's or subregion's selected fiscal agent. From the funds
 9 allocated under subsection (1), an amount as determined under this
 10 subsection is allocated to each intermediate district serving as a
 11 fiscal agent for adult education programs in each of the prosperity
 12 regions or subregions identified by the department. An intermediate
 13 district shall not use more than 5% of the funds allocated under
 14 this subsection for administration costs for serving as the fiscal
 15 agent. The allocation provided to each intermediate district
 16 serving as a fiscal agent ~~is an amount equal to what the~~
 17 ~~intermediate district received in 2018-2019.~~ **must be calculated as**
 18 **follows:**

19 (a) **Sixty percent of this portion of the funding must be**
 20 **distributed based upon the proportion of the state population of**
 21 **individuals between the ages of 18 and 24 that are not high school**
 22 **graduates that resides in each of the prosperity regions or**
 23 **subregions located within the intermediate district, as reported by**
 24 **the most recent 5-year estimates from the American Community Survey**
 25 **(ACS) from the United States Census Bureau.**

26 (b) **Thirty-five percent of this portion of the funding must be**
 27 **distributed based upon the proportion of the state population of**
 28 **individuals age 25 or older who are not high school graduates that**
 29 **resides in each of the prosperity regions or subregions located**



1 within the intermediate district, as reported by the most recent 5-
 2 year estimates from the American Community Survey (ACS) from the
 3 United States Census Bureau.

4 (c) Five percent of this portion of the funding must be
 5 distributed based upon the proportion of the state population of
 6 individuals age 18 or older who lack basic English language
 7 proficiency that resides in each of the prosperity regions or
 8 subregions located within the intermediate district, as reported by
 9 the most recent 5-year estimates from the American Community Survey
 10 (ACS) from the United States Census Bureau.

11 (5) To be an eligible fiscal agent, an intermediate district
 12 must agree to do the following in a form and manner determined by
 13 the department:

14 (a) Distribute funds to adult education programs in a
 15 prosperity region or subregion as described in this section.

16 (b) Collaborate with the career and educational advisory
 17 council, which is an advisory council of the workforce development
 18 boards located in the prosperity region or subregion, or its
 19 successor, to develop a regional strategy that aligns adult
 20 education programs and services into an efficient and effective
 21 delivery system for adult education learners, with special
 22 consideration for providing contextualized learning and career
 23 pathways and addressing barriers to education and employment.

24 (c) Collaborate with the career and educational advisory
 25 council, which is an advisory council of the workforce development
 26 boards located in the prosperity region or subregion, or its
 27 successor, to create a local process and criteria that will
 28 identify eligible adult education providers to receive funds
 29 allocated under this section based on location, demand for



1 services, past performance, quality indicators as identified by the
 2 department, and cost to provide instructional services. The fiscal
 3 agent shall determine all local processes, criteria, and provider
 4 determinations. However, the local processes, criteria, and
 5 provider services must be approved by the department before funds
 6 may be distributed to the fiscal agent.

7 (d) Provide oversight to its adult education providers
 8 throughout the program year to ensure compliance with the
 9 requirements of this section.

10 (e) Report adult education program and participant data and
 11 information as prescribed by the department.

12 (6) An adult basic education program, an adult secondary
 13 education program, or an adult English as a second language program
 14 operated on a year-round or school year basis may be funded under
 15 this section, subject to all of the following:

16 (a) The program enrolls adults who are determined by a
 17 department-approved assessment, in a form and manner prescribed by
 18 the department, to be below twelfth grade level in reading or
 19 mathematics, or both, or to lack basic English proficiency.

20 (b) The program tests individuals for eligibility under
 21 subdivision (a) before enrollment and upon completion of the
 22 program in compliance with the state-approved assessment policy.

23 (c) A participant in an adult basic education program is
 24 eligible for reimbursement until 1 of the following occurs:

25 (i) The participant's reading and mathematics proficiency are
 26 assessed at or above the ninth grade level.

27 (ii) The participant fails to show progress on 2 successive
 28 assessments after having completed at least 450 hours of
 29 instruction.



1 (d) A participant in an adult secondary education program is
2 eligible for reimbursement until 1 of the following occurs:

3 (i) The participant's reading and mathematics proficiency are
4 assessed above the twelfth grade level.

5 (ii) The participant fails to show progress on 2 successive
6 assessments after having at least 450 hours of instruction.

7 (e) A funding recipient enrolling a participant in an English
8 as a second language program is eligible for funding according to
9 subsection (9) until the participant meets 1 of the following:

10 (i) The participant is assessed as having attained basic
11 English proficiency as determined by a department-approved
12 assessment.

13 (ii) The participant fails to show progress on 2 successive
14 department-approved assessments after having completed at least 450
15 hours of instruction. The department shall provide information to a
16 funding recipient regarding appropriate assessment instruments for
17 this program.

18 (7) A high school equivalency test preparation program
19 operated on a year-round or school year basis may be funded under
20 this section, subject to all of the following:

21 (a) The program enrolls adults who do not have a high school
22 diploma or a high school equivalency certificate.

23 (b) The program administers a pre-test approved by the
24 department before enrolling an individual to determine the
25 individual's literacy levels, administers a high school equivalency
26 practice test to determine the individual's potential for success
27 on the high school equivalency test, and administers a post-test
28 upon completion of the program in compliance with the state-
29 approved assessment policy.



1 (c) A funding recipient receives funding according to
 2 subsection (9) for a participant, and a participant may be enrolled
 3 in the program until 1 of the following occurs:

4 (i) The participant achieves a high school equivalency
 5 certificate.

6 (ii) The participant fails to show progress on 2 successive
 7 department-approved assessments used to determine readiness to take
 8 a high school equivalency test after having completed at least 450
 9 hours of instruction.

10 (8) A high school completion program operated on a year-round
 11 or school year basis may be funded under this section, subject to
 12 all of the following:

13 (a) The program enrolls adults who do not have a high school
 14 diploma.

15 (b) The program tests participants described in subdivision
 16 (a) before enrollment and upon completion of the program in
 17 compliance with the state-approved assessment policy.

18 (c) A funding recipient receives funding according to
 19 subsection (9) for a participant in a course offered under this
 20 subsection until 1 of the following occurs:

21 (i) The participant passes the course and earns a high school
 22 diploma.

23 (ii) The participant fails to earn credit in 2 successive
 24 semesters or terms in which the participant is enrolled after
 25 having completed at least 900 hours of instruction.

26 (9) The department shall make payments to a funding recipient
 27 under this section in accordance with all of the following:

28 (a) Statewide allocation criteria, including 3-year average
 29 enrollments, census data, and local needs.



1 (b) Participant completion of the adult basic education
2 objectives by achieving an educational gain as determined by the
3 national reporting system levels; for achieving basic English
4 proficiency, as determined by the department; for achieving a high
5 school equivalency certificate or passage of 1 or more individual
6 high school equivalency tests; for attainment of a high school
7 diploma or passage of a course required for a participant to attain
8 a high school diploma; for enrollment in a postsecondary
9 institution, or for entry into or retention of employment, as
10 applicable.

11 (c) Participant completion of core indicators as identified in
12 the innovation and opportunity act.

13 (d) Allowable expenditures.

14 (10) A person who is not eligible to be a participant funded
15 under this section may receive adult education services upon the
16 payment of tuition. In addition, a person who is not eligible to be
17 served in a program under this section due to the program
18 limitations specified in subsection (6), (7), or (8) may continue
19 to receive adult education services in that program upon the
20 payment of tuition. The local or intermediate district conducting
21 the program shall determine the tuition amount.

22 (11) An individual who is an inmate in a state correctional
23 facility is not counted as a participant under this section.

24 (12) A funding recipient shall not commingle money received
25 under this section or from another source for adult education
26 purposes with any other funds and shall establish a separate ledger
27 account for funds received under this section. This subsection does
28 not prohibit a district from using general funds of the district to
29 support an adult education or community education program.



1 (13) A funding recipient receiving funds under this section
2 may establish a sliding scale of tuition rates based upon a
3 participant's family income. A funding recipient may charge a
4 participant tuition to receive adult education services under this
5 section from that sliding scale of tuition rates on a uniform
6 basis. The amount of tuition charged per participant must not
7 exceed the actual operating cost per participant minus any funds
8 received under this section per participant. A funding recipient
9 may not charge a participant tuition under this section if the
10 participant's income is at or below 200% of the federal poverty
11 guidelines published by the United States Department of Health and
12 Human Services.

13 (14) In order to receive funds under this section, a funding
14 recipient shall furnish to the department, in a form and manner
15 determined by the department, all information needed to administer
16 this program and meet federal reporting requirements; shall allow
17 the department or the department's designee to review all records
18 related to the program for which it receives funds; and shall
19 reimburse the state for all disallowances found in the review, as
20 determined by the department. In addition, a funding recipient
21 shall agree to pay to a career and technical education program
22 under section 61a the amount of funding received under this section
23 in the proportion of career and technical education coursework used
24 to satisfy adult basic education programming, as billed to the
25 funding recipient by programs operating under section 61a. In
26 addition to the funding allocated under subsection (1), there is
27 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
28 \$500,000.00 to reimburse funding recipients for administrative and
29 instructional expenses associated with commingling programming



1 under this section and section 61a. The department shall make
 2 payments under this subsection to each funding recipient in the
 3 same proportion as funding calculated and allocated under
 4 subsection (4).

5 (15) From the amount appropriated in subsection (1), an amount
 6 not to exceed \$4,000,000.00 is allocated for ~~2020-2021-2021-2022~~
 7 for grants to adult education or state-approved career technical
 8 center programs that connect adult education participants with
 9 employers as provided under this subsection. The department shall
 10 determine the amount of the grant to each program under this
 11 subsection, not to exceed \$350,000.00. To be eligible for funding
 12 under this subsection, a program must provide a collaboration
 13 linking adult education programs within the county, the area career
 14 technical center, **a state-approved Michigan Training Connect**
 15 **program**, and local employers. ~~☞Subject to subsection (18), to~~
 16 receive funding under this subsection, an eligible program must
 17 satisfy all of the following:

18 (a) Connect adult education participants directly with
 19 employers by linking adult education, career and technical skills,
 20 and workforce development.

21 (b) Require adult education staff to work with Michigan Works!
 22 agency to identify a cohort of participants who are most prepared
 23 to successfully enter the workforce. Except as otherwise provided
 24 under this subdivision, participants identified under this
 25 subsection must be dually enrolled in adult education programming
 26 and in at least 1 state-approved **high-demand** technical course at
 27 the area career and technical center ~~. A program that links~~
 28 ~~participants identified under this subsection with adult education~~
 29 ~~programming and commercial driver license courses does not need to~~



1 ~~enroll the participants in at least 1 state-approved technical~~
 2 ~~course at the area career and technical center to be considered an~~
 3 ~~eligible program under this subsection.~~ **or in a high-demand state-**
 4 **approved Michigan Training Connect program.**

5 (c) Employ an individual staffed as an adult education
 6 navigator who will serve as a caseworker for each participant
 7 identified under subdivision (b). The navigator shall work with
 8 adult education staff and potential employers to design an
 9 educational program best suited to the personal and employment
 10 needs of the participant and shall work with human service agencies
 11 or other entities to address any barrier in the way of participant
 12 access.

13 (16) Each program funded under subsection (15) will receive
 14 funding for 3 years. After 3 years of operations and funding, a
 15 program must reapply for funding.

16 (17) Not later than December 1 of each year, a program funded
 17 under subsection (15) shall provide a report to the senate and
 18 house appropriations subcommittees on school aid, to the senate and
 19 house fiscal agencies, and to the state budget director identifying
 20 the number of participants, graduation rates, and a measure of
 21 transition to employment.

22 ~~(18) It is the intent of the legislature to implement a~~
 23 ~~phased-in cap on the percentage of adult education participants~~
 24 ~~under subsection (15) that may already have a high school diploma~~
 25 ~~or a high school equivalency certificate at the time of~~
 26 ~~enrollment.~~ **Except as otherwise provided in this subsection,**
 27 **participants under subsection (15) must be concurrently enrolled**
 28 **and actively working toward obtaining a high school diploma or a**
 29 **high school equivalency certificate. Concurrent enrollment is not**



1 required under this subsection for a participant that was enrolled
 2 in adult education during the same program year and obtained a high
 3 school diploma or a high school equivalency certificate prior to
 4 enrollment in an eligible career and technical skills program under
 5 subsection (15). Up to 25% of adult education participants served
 6 under subsection (15) may already have a high school diploma or a
 7 high school equivalency certificate at the time of enrollment in an
 8 eligible career and technical skills program under subsection (15)
 9 and receive remediation services. It is intended that the cap
 10 described in the immediately preceding sentence is continually
 11 lowered on an annual basis until it eventually is 0%.

12 (19) The department shall approve at least 3 high school
 13 equivalency tests and determine whether a high school equivalency
 14 certificate meets the requisite standards for high school
 15 equivalency in this state.

16 (20) As used in this section:

17 (a) "Career and educational advisory council" means an
 18 advisory council to the local workforce development boards located
 19 in a prosperity region consisting of educational, employer, labor,
 20 and parent representatives.

21 (b) "Career pathway" means a combination of rigorous and high-
 22 quality education, training, and other services that comply with
 23 all of the following:

24 (i) Aligns with the skill needs of industries in the economy of
 25 this state or in the regional economy involved.

26 (ii) Prepares an individual to be successful in any of a full
 27 range of secondary or postsecondary education options, including
 28 apprenticeships registered under the act of August 16, 1937,
 29 ~~(commonly known as the "national apprenticeship act")~~, **commonly**



1 referred to as the national apprenticeship act, 29 USC 50 et seq.

2 (iii) Includes counseling to support an individual in achieving
3 the individual's education and career goals.

4 (iv) Includes, as appropriate, education offered concurrently
5 with and in the same context as workforce preparation activities
6 and training for a specific occupation or occupational cluster.

7 (v) Organizes education, training, and other services to meet
8 the particular needs of an individual in a manner that accelerates
9 the educational and career advancement of the individual to the
10 extent practicable.

11 (vi) Enables an individual to attain a secondary school diploma
12 or its recognized equivalent, and at least 1 recognized
13 postsecondary credential.

14 (vii) Helps an individual enter or advance within a specific
15 occupation or occupational cluster.

16 (c) "Department" means the department of labor and economic
17 opportunity.

18 (d) "Eligible adult education provider" means a district,
19 intermediate district, a consortium of districts, a consortium of
20 intermediate districts, or a consortium of districts and
21 intermediate districts that is identified as part of the local
22 process described in subsection (5)(c) and approved by the
23 department.

24 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the
25 public school employees' retirement system pursuant to the public
26 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
27 to 38.1437, is made using the individual projected benefit entry
28 age normal cost method of valuation and risk assumptions adopted by
29 the public school employees retirement board and the department of



1 technology, management, and budget.

2 (2) The annual level percentage of payroll contribution rates
3 for the ~~2020-2021~~**2021-2022** fiscal year, as determined by the
4 retirement system, are estimated as follows:

5 (a) For public school employees who first worked for a public
6 school reporting unit before July 1, 2010 and who are enrolled in
7 the health premium subsidy, the annual level percentage of payroll
8 contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%**
9 paid directly by the employer.

10 (b) For public school employees who first worked for a public
11 school reporting unit on or after July 1, 2010 and who are enrolled
12 in the health premium subsidy, the annual level percentage of
13 payroll contribution rate is estimated at ~~39.76%~~**40.36%** with ~~25.25%~~
14 **25.31%** paid directly by the employer.

15 (c) For public school employees who first worked for a public
16 school reporting unit on or after July 1, 2010 and who participate
17 in the personal healthcare fund, the annual level percentage of
18 payroll contribution rate is estimated at ~~38.90%~~**39.50%** with ~~24.39%~~
19 **24.45%** paid directly by the employer.

20 (d) For public school employees who first worked for a public
21 school reporting unit on or after September 4, 2012, who elect
22 defined contribution, and who participate in the personal
23 healthcare fund, the annual level percentage of payroll
24 contribution rate is estimated at ~~35.47%~~**36.01%** with 20.96% paid
25 directly by the employer.

26 (e) For public school employees who first worked for a public
27 school reporting unit before July 1, 2010, who elect defined
28 contribution, and who are enrolled in the health premium subsidy,
29 the annual level percentage of payroll contribution rate is



1 estimated at ~~36.33%~~ **36.87%** with 21.82% paid directly by the
2 employer.

3 (f) For public school employees who first worked for a public
4 school reporting unit before July 1, 2010, who elect defined
5 contribution, and who participate in the personal healthcare fund,
6 the annual level percentage of payroll contribution rate is
7 estimated at ~~35.47%~~ **36.01%** with 20.96% paid directly by the
8 employer.

9 (g) For public school employees who first worked for a public
10 school reporting unit before July 1, 2010 and who participate in
11 the personal healthcare fund, the annual level percentage of
12 payroll contribution rate is estimated at ~~41.86%~~ **42.42%** with ~~27.35%~~
13 **27.37%** paid directly by the employer.

14 (h) For public school employees who first worked for a public
15 school reporting unit after January 31, 2018 and who elect to
16 become members of the MPSERS plan, the annual level percentage of
17 payroll contribution rate is estimated at ~~41.67%~~ **42.21%** with 27.16%
18 paid directly by the employer.

19 (3) In addition to the employer payments described in
20 subsection (2), the employer shall pay the applicable contributions
21 to the Tier 2 plan, as determined by the public school employees
22 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

23 (4) The contribution rates in subsection (2) reflect an
24 amortization period of ~~18~~ **17** years for ~~2020-2021.~~ **2021-2022**. The
25 public school employees' retirement system board shall notify each
26 district and intermediate district by February 28 of each fiscal
27 year of the estimated contribution rate for the next fiscal year.

28 Sec. 147a. (1) From the appropriation in section 11, there is
29 allocated for ~~2020-2021.~~ **2021-2022** an amount not to exceed



1 \$100,000,000.00 for payments to participating districts. A
 2 participating district that receives money under this subsection
 3 shall use that money solely for the purpose of offsetting a portion
 4 of the retirement contributions owed by the district for the fiscal
 5 year in which it is received. The amount allocated to each
 6 participating district under this subsection is based on each
 7 participating district's percentage of the total statewide payroll
 8 for all participating districts for the immediately preceding
 9 fiscal year. As used in this subsection, "participating district"
 10 means a district that is a reporting unit of the Michigan public
 11 school employees' retirement system under the public school
 12 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
 13 38.1437, and that reports employees to the Michigan public school
 14 employees' retirement system for the applicable fiscal year.

15 (2) In addition to the allocation under subsection (1), from
 16 the state school aid fund money appropriated under section 11,
 17 there is allocated an amount not to exceed ~~\$155,136,000.00~~
 18 **\$177,400,000.00** for ~~2020-2021-2021-2022~~ for payments to
 19 participating districts and intermediate districts and from the
 20 general fund money appropriated under section 11, there is
 21 allocated an amount not to exceed ~~\$70,000.00~~ **\$60,000.00** for ~~2020-~~
 22 ~~2021-2021-2022~~ for payments to participating district libraries.
 23 The amount allocated to each participating entity under this
 24 subsection is based on each participating entity's reported
 25 quarterly payroll for members that became tier 1 prior to February
 26 1, 2018 for the current fiscal year. A participating entity that
 27 receives money under this subsection shall use that money solely
 28 for the purpose of offsetting a portion of the normal cost
 29 contribution rate. As used in this subsection:



1 (a) "District library" means a district library established
 2 under the district library establishment act, 1989 PA 24, MCL
 3 397.171 to 397.196.

4 (b) "Participating entity" means a district, intermediate
 5 district, or district library that is a reporting unit of the
 6 Michigan public school employees' retirement system under the
 7 public school employees retirement act of 1979, 1980 PA 300, MCL
 8 38.1301 to 38.1437, and that reports employees to the Michigan
 9 public school employees' retirement system for the applicable
 10 fiscal year.

11 Sec. 147b. (1) The MPSEERS retirement obligation reform reserve
 12 fund is created as a separate account within the state school aid
 13 fund.

14 (2) The state treasurer may receive money or other assets from
 15 any source for deposit into the MPSEERS retirement obligation reform
 16 reserve fund. The state treasurer shall direct the investment of
 17 the MPSEERS retirement obligation reform reserve fund. The state
 18 treasurer shall credit to the MPSEERS retirement obligation reform
 19 reserve fund interest and earnings from the MPSEERS retirement
 20 obligation reform reserve fund.

21 (3) Money available in the MPSEERS retirement obligation reform
 22 reserve fund shall not be expended without a specific
 23 appropriation.

24 (4) Money in the MPSEERS retirement obligation reform reserve
 25 fund at the close of the fiscal year ~~shall remain in the MPSEERS~~
 26 ~~retirement obligation reform reserve fund and shall not lapse~~
 27 **lapses** to the state school aid fund. ~~or to the general fund.~~ The
 28 department of treasury shall be the administrator of the MPSEERS
 29 retirement obligation reform reserve fund for auditing purposes.



1 Sec. 147c. From the state school aid fund money appropriated
 2 in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount
 3 not to exceed ~~\$1,219,300,000.00~~ **\$1,328,500,000.00** for payments to
 4 districts and intermediate districts that are participating
 5 entities of the Michigan public school employees' retirement
 6 system. In addition, from the general fund money appropriated in
 7 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount
 8 not to exceed \$500,000.00 for payments to district libraries that
 9 are participating entities of the Michigan public school employees'
 10 retirement system. All of the following apply to funding under this
 11 subsection:

12 (a) For ~~2020-2021,~~ **2021-2022**, the amounts allocated under this
 13 subsection are estimated to provide an average MPSERS rate cap per
 14 pupil amount of ~~\$827.00~~ **\$911.00** and are estimated to provide a rate
 15 cap per pupil for districts ranging between \$5.00 and
 16 ~~\$4,000.00~~ **\$4,200.00**.

17 (b) Payments made under this subsection are equal to the
 18 difference between the unfunded actuarial accrued liability
 19 contribution rate as calculated pursuant to section 41 of the
 20 public school employees retirement act of 1979, 1980 PA 300, MCL
 21 38.1341, as calculated without taking into account the maximum
 22 employer rate of 20.96% included in section 41 of the public school
 23 employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the
 24 maximum employer rate of 20.96% included in section 41 of the
 25 public school employees retirement act of 1979, 1980 PA 300, MCL
 26 38.1341.

27 (c) The amount allocated to each participating entity under
 28 this subsection is based on each participating entity's proportion
 29 of the total covered payroll for the immediately preceding fiscal



1 year for the same type of participating entities. A participating
2 entity that receives funds under this subsection shall use the
3 funds solely for the purpose of retirement contributions as
4 specified in subdivision (d).

5 (d) Each participating entity receiving funds under this
6 subsection shall forward an amount equal to the amount allocated
7 under subdivision (c) to the retirement system in a form, manner,
8 and time frame determined by the retirement system.

9 (e) Funds allocated under this subsection should be considered
10 when comparing a district's growth in total state aid funding from
11 1 fiscal year to the next.

12 (f) Not later than December 20, ~~2020~~, **2021**, the department
13 shall publish and post on its website an estimated MPERS rate cap
14 per pupil for each district.

15 (g) The office of retirement services shall first apply funds
16 allocated under this subsection to pension contributions and, if
17 any funds remain after that payment, shall apply those remaining
18 funds to other postemployment benefit contributions.

19 (h) As used in this section:

20 (i) "District library" means a district library established
21 under the district library establishment act, 1989 PA 24, MCL
22 397.171 to 397.196.

23 (ii) "MPERS rate cap per pupil" means an amount equal to the
24 quotient of the district's payment under this subsection divided by
25 the district's pupils in membership.

26 (iii) "Participating entity" means a district, intermediate
27 district, or district library that is a reporting unit of the
28 Michigan public school employees' retirement system under the
29 public school employees retirement act of 1979, 1980 PA 300, MCL



1 38.1301 to 38.1437, and that reports employees to the Michigan
2 public school employees' retirement system for the applicable
3 fiscal year.

4 (iv) "Retirement board" means the board that administers the
5 retirement system under the public school employees retirement act
6 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

7 (v) "Retirement system" means the Michigan public school
8 employees' retirement system under the public school employees
9 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

10 Sec. 147e. (1) From the appropriation in section 11, there is
11 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed
12 ~~\$51,400,000.00~~**\$65,300,000.00** from the state school aid fund for
13 payments to participating entities.

14 (2) The payment to each participating entity under this
15 section is the sum of the amounts under this subsection as follows:

16 (a) An amount equal to the contributions made by a
17 participating entity for the additional contribution made to a
18 qualified participant's Tier 2 account in an amount equal to the
19 contribution made by the qualified participant not to exceed 3% of
20 the qualified participant's compensation as provided for under
21 section 131(6) of the public school employees retirement act of
22 1979, 1980 PA 300, MCL 38.1431.

23 (b) Beginning October 1, 2017, an amount equal to the
24 contributions made by a participating entity for a qualified
25 participant who is only a Tier 2 qualified participant under
26 section 81d of the public school employees retirement act of 1979,
27 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
28 February 1, 2018, not to exceed 1%, of the qualified participant's
29 compensation.



1 (c) An amount equal to the increase in employer normal cost
2 contributions under section 41b(2) of the public school employees
3 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
4 that was hired after February 1, 2018 and chose to participate in
5 Tier 1, compared to the employer normal cost contribution for a
6 member under section 41b(1) of the public school employees
7 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

8 (3) As used in this section:

9 (a) "Member" means that term as defined under the public
10 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
11 to 38.1437.

12 (b) "Participating entity" means a district, intermediate
13 district, or community college that is a reporting unit of the
14 Michigan public school employees' retirement system under the
15 public school employees retirement act of 1979, 1980 PA 300, MCL
16 38.1301 to 38.1437, and that reports employees to the Michigan
17 public school employees' retirement system for the applicable
18 fiscal year.

19 (c) "Qualified participant" means that term as defined under
20 section 124 of the public school employees retirement act of 1979,
21 1980 PA 300, MCL 38.1424.

22 Sec. 152a. (1) As required by the court in the consolidated
23 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
24 the state school aid fund money appropriated in section 11, there
25 is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed
26 \$38,000,500.00 to be used solely for the purpose of paying
27 necessary costs related to the state-mandated collection,
28 maintenance, and reporting of data to this state.

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



1 shall make payments to districts and intermediate districts in an
 2 equal amount per-pupil based on the total number of pupils in
 3 membership in each district and intermediate district. The
 4 department shall not make any adjustment to these payments after
 5 the final installment payment under section 17b is made.

6 Sec. 152b. (1) From the general fund money appropriated under
 7 section 11, there is allocated ~~an amount not to exceed~~
 8 ~~\$2,500,000.00 for 2017-2018 and an amount not to exceed \$250,000.00~~
 9 for ~~2018-2019~~ **2021-2022** to reimburse actual costs incurred by
 10 nonpublic schools in complying with a health, safety, or welfare
 11 requirement mandated by a law or administrative rule of this state.

12 (2) By January 1 of each applicable fiscal year, the
 13 department shall publish a form for reporting actual costs incurred
 14 by a nonpublic school in complying with a health, safety, or
 15 welfare requirement mandated under state law containing each
 16 health, safety, or welfare requirement mandated by a law or
 17 administrative rule of this state applicable to a nonpublic school
 18 and with a reference to each relevant provision of law or
 19 administrative rule for the requirement. The form shall be posted
 20 on the department's website in electronic form.

21 (3) By June 30 of each applicable fiscal year, a nonpublic
 22 school seeking reimbursement for actual costs incurred in complying
 23 with a health, safety, or welfare requirement under a law or
 24 administrative rule of this state during each applicable school
 25 year shall submit a completed form described in subsection (2) to
 26 the department. This section does not require a nonpublic school to
 27 submit a form described in subsection (2). A nonpublic school is
 28 not eligible for reimbursement under this section if the nonpublic
 29 school does not submit the form described in subsection (2) in a



1 timely manner.

2 (4) By August 15 of each applicable fiscal year, the
3 department shall distribute funds to each nonpublic school that
4 submits a completed form described under subsection (2) in a timely
5 manner. The superintendent shall determine the amount of funds to
6 be paid to each nonpublic school in an amount that does not exceed
7 the nonpublic school's actual costs in complying with a health,
8 safety, or welfare requirement under a law or administrative rule
9 of this state. The superintendent shall calculate a nonpublic
10 school's actual cost in accordance with this section.

11 (5) If the funds allocated under this section are insufficient
12 to fully fund payments as otherwise calculated under this section,
13 the department shall distribute funds under this section on a
14 prorated or other equitable basis as determined by the
15 superintendent.

16 (6) The department may review the records of a nonpublic
17 school submitting a form described in subsection (2) only for the
18 limited purpose of verifying the nonpublic school's compliance with
19 this section. If a nonpublic school does not allow the department
20 to review records under this subsection, the nonpublic school is
21 not eligible for reimbursement under this section.

22 (7) The funds appropriated under this section are for purposes
23 related to education, are considered to be incidental to the
24 operation of a nonpublic school, are noninstructional in character,
25 and are intended for the public purpose of ensuring the health,
26 safety, and welfare of the children in nonpublic schools and to
27 reimburse nonpublic schools for costs described in this section.

28 (8) Funds allocated under this section are not intended to aid
29 or maintain any nonpublic school, support the attendance of any



1 student at a nonpublic school, employ any person at a nonpublic
2 school, support the attendance of any student at any location where
3 instruction is offered to a nonpublic school student, or support
4 the employment of any person at any location where instruction is
5 offered to a nonpublic school student.

6 (9) For purposes of this section, "actual cost" means the
7 hourly wage for the employee or employees performing a task or
8 tasks required to comply with a health, safety, or welfare
9 requirement under a law or administrative rule of this state
10 identified by the department under subsection (2) and is to be
11 calculated in accordance with the form published by the department
12 under subsection (2), which shall include a detailed itemization of
13 costs. The nonpublic school shall not charge more than the hourly
14 wage of its lowest-paid employee capable of performing a specific
15 task regardless of whether that individual is available and
16 regardless of who actually performs a specific task. Labor costs
17 under this subsection shall be estimated and charged in increments
18 of 15 minutes or more, with all partial time increments rounded
19 down. When calculating costs under subsection (4), fee components
20 shall be itemized in a manner that expresses both the hourly wage
21 and the number of hours charged. The nonpublic school may not
22 charge any applicable labor charge amount to cover or partially
23 cover the cost of health or fringe benefits. A nonpublic school
24 shall not charge any overtime wages in the calculation of labor
25 costs.

26 (10) For the purposes of this section, the actual cost
27 incurred by a nonpublic school for taking daily student attendance
28 shall be considered an actual cost in complying with a health,
29 safety, or welfare requirement under a law or administrative rule



1 of this state. Training fees, inspection fees, and criminal
 2 background check fees are considered actual costs in complying with
 3 a health, safety, or welfare requirement under a law or
 4 administrative rule of this state.

5 (11) The funds allocated under this section for 2017-2018 are
 6 a work project appropriation, and any unexpended funds for 2017-
 7 2018 are carried forward into 2018-2019. The purpose of the work
 8 project is to continue to reimburse nonpublic schools for actual
 9 costs incurred in complying with a health, safety, or welfare
 10 requirement mandated by a law or administrative rule of this state.
 11 The estimated completion date of the work project is September 30,
 12 ~~2020-2023~~.

13 (12) The funds allocated under this section for 2018-2019 are
 14 a work project appropriation, and any unexpended funds for 2018-
 15 2019 are carried forward into 2019-2020. The purpose of the work
 16 project is to continue to reimburse nonpublic schools for actual
 17 costs incurred in complying with a health, safety, or welfare
 18 requirement mandated by a law or administrative rule of this state.
 19 The estimated completion date of the work project is September 30,
 20 ~~2020-2023~~.

21 (13) **The funds allocated under this section for 2021-2022 are**
 22 **a work project appropriation, and any unexpended funds for 2021-**
 23 **2022 are carried forward into 2022-2023. The purpose of the work**
 24 **project is to continue to reimburse nonpublic schools for actual**
 25 **costs incurred in complying with a health, safety, or welfare**
 26 **requirement mandated by a law or administrative rule of this state.**
 27 **The estimated completion date of the work project is September 30,**
 28 **2024.**

29 **Sec. 167c. (1) From the state school aid fund money**



1 appropriated under section 11, there is allocated for 2021-2022 an
2 amount not to exceed \$25,000.00 for drowning-prevention education
3 as provided under this section.

4 (2) The department shall award funds allocated under this
5 section to districts to support presentations by the Great Lakes
6 Surf Rescue Project. The amount of a grant to a district under this
7 section must not exceed \$500.00 for each day of presentations and
8 education as described in this subsection, with not more than a
9 total of \$1,500.00 provided to each district for drowning-
10 prevention education under this section.

11 (3) The department shall make grant awards under this section
12 on a first-come, first-served basis until funds are depleted.

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

16 Enacting section 1. In accordance with section 30 of article
17 IX of the state constitution of 1963, total state spending on
18 school aid under article I of the state school aid act of 1979,
19 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2020 PA 165,
20 2021 PA 3, and this amendatory act, from state sources for fiscal
21 year 2020-2021 is estimated at \$13,819,578,600.00 and state
22 appropriations for school aid to be paid to local units of
23 government for fiscal year 2020-2021 are estimated at
24 \$13,504,281,500.00. In accordance with section 30 of article IX of
25 the state constitution of 1963, total state spending on school aid
26 under article I of the state school aid act of 1979, 1979 PA 94,
27 MCL 388.1601 to 388.1772, as amended by this amendatory act, from
28 state sources for fiscal year 2021-2022 is estimated at
29 \$13,951,354,600.00 and state appropriations for school aid to be



1 paid to local units of government for fiscal year 2021-2022 are
2 estimated at \$13,772,979,800.00.

3 Enacting section 2. Sections 11d, 11p, 11q, 25j, 29a, 31k,
4 61c, 91a, 91c, 104d, 105b, and 166 of the state school aid act of
5 1979, 1979 PA 94, MCL 388.1611d, 388.1611p, 388.1611q, 388.1625j,
6 388.1629a, 388.1631k, 388.1661c, 388.1691a, 388.1691c, 388.1704d,
7 388.1705b, and 388.1766, are repealed effective October 1, 2021.

8 Enacting section 3. (1) Except as otherwise provided in
9 subsection (2), this amendatory act takes effect October 1, 2021.

10 (2) Sections 6(8), 6a, 11, 11m, 22a, 22b, 24, 26c, 29a, 31d,
11 31f, 39, 39a, 51a, 56, 62, 81, 98b, and 104a, as amended by this
12 amendatory act, take effect upon enactment of this amendatory act.

