

**SUBSTITUTE FOR
SENATE BILL NO. 173**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 3, 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 11x,
15, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 23a,
24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 27a, 27b, 27c, 28, 31a, 31d,
31f, 31j, 31n, 31p, 31aa, 32d, 32n, 32p, 32t, 35a, 39, 39a, 41,
41b, 51a, 51c, 51d, 51e, 51g, 53a, 54, 54b, 54d, 55, 56, 61a, 61b,
61c, 61d, 62, 65, 67, 67a, 67d, 74, 81, 94, 94a, 95b, 97a, 98, 99h,
99s, 99t, 99u, 99x, 99ee, 101, 104, 104f, 104h, 107, 121, 147,
147a, 147b, 147c, 147e, 152a, 152b, and 163 (MCL 388.1603,
388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j,
388.1611k, 388.1611m, 388.1611s, 388.1611x, 388.1615, 388.1619,
388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a,



388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1623a, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1627a, 388.1627b, 388.1627c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631p, 388.1631aa, 388.1632d, 388.1632n, 388.1632p, 388.1632t, 388.1635a, 388.1639, 388.1639a, 388.1641, 388.1641b, 388.1651a, 388.1651c, 388.1651d, 388.1651e, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1667d, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697a, 388.1698, 388.1699h, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699ee, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1721, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, and 388.1763), sections 3, 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 20, 20d, 20f, 21f, 21h, 22a, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31j, 31n, 31p, 32d, 32p, 35a, 39, 41, 51d, 51g, 54b, 54d, 55, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 97a, 98, 99h, 99s, 99t, 99u, 99x, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147e, 152a, and 152b as amended and sections 11x, 27a, 27b, 27c, 31aa, 32n, 32t, 41b, 51e, 67d, and 99ee as added by 2022 PA 144, sections 4 and 19 as amended by 2021 PA 48, sections 11, 22b, 31f, 39a, 51a, 51c, 53a, 54, and 147c as amended by 2023 PA 3, section 23a as amended by 2020 PA 22, section 56 as amended by 2022 PA 212, section 121 as amended by 2006 PA 342, and section 163 as amended by 2021 PA 15, and by adding sections 11v, 11z, 12a, 12c, 23g, 27g, 27k, 27l, 27n, 27o, 27p, 27q, 30d, 31k, 31l, 31ff, 32e, 32m, 33, 35k, 35l, 35m, 61j, 61k, 61l, 61m, 67f, 74b, 97g, 98d, 99a, 99b, 99c, 99d, 99e, 99f, 99g, 99n, 99ff, 99gg, 99hh, and 99ii; and to repeal acts and



parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

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

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

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

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

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

26 (8) "District of residence", except as otherwise provided in
27 this subsection, means the district in which a pupil's custodial



1 parent or parents or legal guardian resides. For a pupil described
 2 in section 24b, the pupil's district of residence is the district
 3 in which the pupil enrolls under that section. For a pupil
 4 described in section 6(4)(d), the pupil's district of residence is
 5 considered to be the district or intermediate district in which the
 6 pupil is counted in membership under that section. For a pupil
 7 under court jurisdiction who is placed outside the district in
 8 which the pupil's custodial parent or parents or legal guardian
 9 resides, the pupil's district of residence is considered to be the
 10 educating district or educating intermediate district.

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

13 Sec. 4. ~~(1) "Elementary pupil" means a pupil in membership in~~
 14 ~~grades K to 8 in a district not maintaining classes above grade 8~~
 15 ~~or in grades K to 6 in a district maintaining classes above grade 8~~
 16 ~~or a child enrolled and in regular attendance in a publicly funded~~
 17 ~~prekindergarten setting.~~

18 (1) ~~(2)~~ "Extended school year" means an educational program
 19 conducted by a district in which pupils must be enrolled but not
 20 necessarily in attendance on the pupil membership count day in an
 21 extended year program. The mandatory clock hours must be completed
 22 by each pupil not more than 365 calendar days after the pupil's
 23 first day of classes for the school year prescribed. The department
 24 shall prescribe pupil, personnel, and other reporting requirements
 25 for the educational program.

26 (2) ~~(3)~~ "Fiscal year" means the state fiscal year that
 27 commences October 1 and continues through September 30.

28 (3) ~~(4)~~ "High school equivalency certificate" means a
 29 certificate granted for the successful completion of a high school



1 equivalency test.

2 (4) ~~(5)~~—"High school equivalency test" means the G.E.D. test
3 developed by the GED Testing Service, the HISET exam ~~developed by~~
4 ~~Educational Testing Service (ETS),~~ **administered by PSI Services,** or
5 another comparable test approved by the department of labor and
6 economic opportunity.

7 (5) ~~(6)~~—"High school equivalency test preparation program"
8 means a program that has high school level courses in English
9 language arts, social studies, science, and mathematics and that
10 prepares an individual to successfully complete a high school
11 equivalency test.

12 (6) ~~(7)~~—"High school pupil" means a pupil in membership in
13 grades 7 to 12, except in a district not maintaining grades above
14 grade 8.

15 Sec. 6. (1) "Center program" means a program operated by a
16 district or by an intermediate district for special education
17 pupils from several districts in programs for pupils with autism
18 spectrum disorder, pupils with severe cognitive impairment, pupils
19 with moderate cognitive impairment, pupils with severe multiple
20 impairments, pupils with hearing impairment, pupils with visual
21 impairment, and pupils with physical impairment or other health
22 impairment. Programs for pupils with emotional impairment housed in
23 buildings that do not serve regular education pupils also qualify.
24 Unless otherwise approved by the department, a center program
25 either serves all constituent districts within an intermediate
26 district or serves several districts with less than 50% of the
27 pupils residing in the operating district. In addition, special
28 education center program pupils placed part-time in noncenter
29 programs to comply with the least restrictive environment



1 provisions of section 1412 of the individuals with disabilities
2 education act, 20 USC 1412, may be considered center program pupils
3 for pupil accounting purposes for the time scheduled in either a
4 center program or a noncenter program.

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

8 (3) "District and high school graduation report" means a
9 report of the number of pupils, excluding adult education
10 participants, in the district for the immediately preceding school
11 year, adjusted for those pupils who have transferred into or out of
12 the district or high school, who leave high school with a diploma
13 or other credential of equal status.

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



1 this subsection are as determined by the department and calculated
2 by adding the number of pupils registered for attendance plus
3 pupils received by transfer and minus pupils lost as defined by
4 rules promulgated by the superintendent, and as corrected by a
5 subsequent department audit. The amount of the foundation allowance
6 for a pupil in membership is determined under section 20. In making
7 the calculation of membership, all of the following, as applicable,
8 apply to determining the membership of a district, a public school
9 academy, or an intermediate district:

10 (a) Except as otherwise provided in this subsection, and
11 pursuant to subsection (6), a pupil is counted in membership in the
12 pupil's educating district or districts. ~~An~~ **Except as otherwise**
13 **provided in this subsection, an** individual pupil must not be
14 counted for more than a total of 1.0 full-time equated membership.

15 (b) If a pupil is educated in a district other than the
16 pupil's district of residence, if the pupil is not being educated
17 as part of a cooperative education program, if the pupil's district
18 of residence does not give the educating district its approval to
19 count the pupil in membership in the educating district, and if the
20 pupil is not covered by an exception specified in subsection (6) to
21 the requirement that the educating district must have the approval
22 of the pupil's district of residence to count the pupil in
23 membership, the pupil is not counted in membership in any district.

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

26 (d) A pupil placed by a court or state agency in an on-grounds
27 program of a juvenile detention facility, a child caring
28 institution, or a mental health institution, or a pupil funded
29 under section 53a, is counted in membership in the district or



1 intermediate district approved by the department to operate the
2 program.

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

6 (f) A pupil enrolled in a career and technical education
7 program supported by a millage levied over an area larger than a
8 single district or in an area vocational-technical education
9 program established under section 690 of the revised school code,
10 MCL 380.690, is counted in membership only in the pupil's district
11 of residence.

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

14 (h) For the purposes of this section and section 6a, for a
15 cyber school, as that term is defined in section 551 of the revised
16 school code, MCL 380.551, that is in compliance with section 553a
17 of the revised school code, MCL 380.553a, a pupil's participation
18 in the cyber school's educational program is considered regular
19 daily attendance, and for a district or public school academy, a
20 pupil's participation in a virtual course as that term is defined
21 in section 21f is considered regular daily attendance. Beginning
22 July 1, 2021, this subdivision is subject to section 8c. It is the
23 intent of the legislature that the immediately preceding sentence
24 apply retroactively and is effective July 1, 2021. For the purposes
25 of this subdivision, for a pupil enrolled in a cyber school, all of
26 the following apply with regard to the participation requirement as
27 described in this subdivision:

28 (i) Except as otherwise provided in this subdivision, the pupil
29 shall participate in each scheduled course on pupil membership



1 count day or supplemental count day, as applicable. If the pupil is
2 absent on pupil membership count day or supplemental count day, as
3 applicable, the pupil must attend and participate in class during
4 the next 10 consecutive school days if the absence was unexcused,
5 or during the next 30 calendar days if the absence was excused.

6 (ii) For a pupil who is not learning sequentially, 1 or more of
7 the following must be met on pupil membership count day or
8 supplemental count day, as applicable, for each scheduled course to
9 satisfy the participation requirement under this subdivision:

10 (A) The pupil attended a live lesson from the teacher.

11 (B) The pupil logged into a lesson or lesson activity and the
12 login can be documented.

13 (C) The pupil and teacher engaged in a subject-oriented
14 telephone conversation.

15 (D) There is documentation of an email dialogue between the
16 pupil and teacher.

17 (E) There is documentation of activity or work between the
18 learning coach and pupil.

19 (F) An alternate form of attendance as determined and agreed
20 upon by the cyber school and the pupil membership auditor was met.

21 (iii) For a pupil using sequential learning, the participation
22 requirement under this subdivision is satisfied if either of the
23 following occurs:

24 (A) Except as otherwise provided in this sub-subparagraph, the
25 pupil and the teacher of record or mentor complete a 2-way
26 interaction for 1 course during the week on which pupil membership
27 count day or supplemental count day, as applicable, occurs, and the
28 3 consecutive weeks following that week. However, if a school break
29 is scheduled during any of the weeks described in this sub-



1 subparagraph that is 4 or more days in length or instruction has
 2 been canceled districtwide during any of the weeks described in
 3 this sub-subparagraph for 3 or more school days, the district is
 4 not required to ensure that the pupil and the teacher of record or
 5 mentor completed a 2-way interaction for that week. As used in this
 6 sub-subparagraph:

7 (I) "2-way interaction" means the communication that occurs
 8 between the teacher of record or mentor and pupil, where 1 party
 9 initiates communication and a response from the other party follows
 10 that communication. Responses as described in this sub-sub-
 11 subparagraph must be to the communication initiated by the teacher
 12 of record or mentor, and not some other action taken. This
 13 interaction may occur through, but is not limited to, means such as
 14 email, telephone, instant messaging, or face-to-face conversation.
 15 A parent- or legal-guardian-facilitated 2-way interaction is
 16 considered a 2-way interaction if the pupil is in any of grades K
 17 to 5 and does not yet possess the skills necessary to participate
 18 in 2-way interactions unassisted. The interactions described in
 19 this sub-sub-subparagraph must relate to a virtual course on the
 20 pupil's schedule and pertain to course content or progress.

21 (II) "Mentor" means a professional employee of the district
 22 who monitors the pupil's progress, ensures the pupil has access to
 23 needed technology, is available for assistance, and ensures access
 24 to the teacher of record. A mentor may also be the teacher of
 25 record if the mentor meets the definition of a teacher of record
 26 under this sub-subparagraph and the district is the provider for
 27 the course.

28 (III) "Teacher of record" means a teacher to whom all of the
 29 following apply:



1 (1) He or she is responsible for providing instruction,
2 determining instructional methods for each pupil, diagnosing
3 learning needs, assessing pupil learning, prescribing intervention
4 strategies and modifying lessons, reporting outcomes, and
5 evaluating the effects of instruction and support strategies. The
6 teacher of record may coordinate the distribution and assignment of
7 the responsibilities described in this sub-sub-sub-subparagraph
8 with other teachers participating in the instructional process for
9 a course.

10 (2) He or she is certified for the grade level or is working
11 under a valid substitute permit, authorization, or approval issued
12 by the department.

13 (3) He or she has a personnel identification code provided by
14 the center.

15 (IV) "Week" means a period that starts on Wednesday and ends
16 the following Tuesday.

17 (B) The pupil completes a combination of 1 or more of the
18 following activities for each scheduled course on pupil membership
19 count day or supplemental count day, as applicable:

20 (I) Documented attendance in a virtual course where
21 synchronous, live instruction occurred with the teacher.

22 (II) Documented completion of a course assignment.

23 (III) Documented completion of a course lesson or lesson
24 activity.

25 (IV) Documented pupil access to an ongoing lesson, which does
26 not include a login.

27 (V) Documented physical attendance on pupil membership count
28 day or supplemental count day, as applicable, in each scheduled
29 course, if the pupil will attend at least 50% of the instructional



1 time for each scheduled course on-site, face-to-face with the
 2 teacher of record. As used in this sub-sub-subparagraph, "teacher
 3 of record" means that term as defined in subparagraph (iii) (A).

4 (iv) For purposes of subparagraph (iii), each scheduled course
 5 currently being attempted by the pupil, rather than every course on
 6 the pupil's schedule for the entire term, is considered a part of
 7 each scheduled course for the pupil.

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

11 (i) If operations begin before the pupil membership count day
 12 for the fiscal year, membership is the average number of full-time
 13 equated pupils in grades K to 12 actually enrolled and in regular
 14 daily attendance on the pupil membership count day for the current
 15 school year and on the supplemental count day for the current
 16 school year, as determined by the department and calculated by
 17 adding the number of pupils registered for attendance on the pupil
 18 membership count day plus pupils received by transfer and minus
 19 pupils lost as defined by rules promulgated by the superintendent,
 20 and as corrected by a subsequent department audit, plus the final
 21 audited count from the supplemental count day for the current
 22 school year, and dividing that sum by 2.

23 (ii) If operations begin after the pupil membership count day
 24 for the fiscal year and not later than the supplemental count day
 25 for the fiscal year, membership is the final audited count of the
 26 number of full-time equated pupils in grades K to 12 actually
 27 enrolled and in regular daily attendance on the supplemental count
 28 day for the current school year.

29 (j) If a district is the authorizing body for a public school



1 academy, then, in the first school year in which pupils are counted
 2 in membership on the pupil membership count day in the public
 3 school academy, the determination of the district's membership
 4 excludes from the district's pupil count for the immediately
 5 preceding supplemental count day any pupils who are counted in the
 6 public school academy on that first pupil membership count day who
 7 were also counted in the district on the immediately preceding
 8 supplemental count day.

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

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

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

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

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

28 (B) Had dropped out of school.

29 (C) Is less than 22 years of age as of September 1 of the



1 current school year.

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

9 (iv) **A child who is enrolled in a district pre-K program under
10 section 32e that meets the requirements of section 32e may be
11 counted in membership as provided under subdivision (mm).**

12 (m) An individual who has achieved a high school diploma is
13 not counted in membership. An individual who has achieved a high
14 school equivalency certificate is not counted in membership unless
15 the individual is a student with a disability as that term is
16 defined in R 340.1702 of the Michigan Administrative Code. An
17 individual participating in a job training program funded under
18 former section 107a or a jobs program funded under former section
19 107b, administered by the department of labor and economic
20 opportunity, or participating in any successor of either of those 2
21 programs, is not counted in membership.

22 (n) If a pupil counted in membership in a public school
23 academy is also educated by a district or intermediate district as
24 part of a cooperative education program, the pupil is counted in
25 membership only in the public school academy unless a written
26 agreement signed by all parties designates the party or parties in
27 which the pupil is counted in membership, and the instructional
28 time scheduled for the pupil in the district or intermediate
29 district is included in the full-time equated membership



1 determination under subdivision (q) and section 101. However, for
2 pupils receiving instruction in both a public school academy and in
3 a district or intermediate district but not as a part of a
4 cooperative education program, the following apply:

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

15 (ii) If the public school academy provides instruction for less
16 than 1/2 of the class hours required under section 101, the
17 district or intermediate district providing the remainder of the
18 hours of instruction receives as its prorated share of the full-
19 time equated membership for each of those pupils an amount equal to
20 1 times the product of the hours of instruction the district or
21 intermediate district provides divided by the number of hours
22 required under section 101 for full-time equivalency, and the
23 remainder of the full-time membership for each of those pupils is
24 allocated to the public school academy.

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



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

3 (q) The number of class hours used to calculate full-time
4 equated memberships must be consistent with section 101. In
5 determining full-time equated memberships for pupils who are
6 enrolled in a postsecondary institution or for pupils engaged in an
7 internship or work experience under section 1279h of the revised
8 school code, MCL 380.1279h, a pupil is not considered to be less
9 than a full-time equated pupil solely because of the effect of his
10 or her postsecondary enrollment or engagement in the internship or
11 work experience, including necessary travel time, on the number of
12 class hours provided by the district to the pupil.

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

28 (s) For a district or a public school academy that has pupils
29 enrolled in a grade level that was not offered by the district or



1 public school academy in the immediately preceding school year, the
2 number of pupils enrolled in that grade level to be counted in
3 membership is the average of the number of those pupils enrolled
4 and in regular daily attendance on the pupil membership count day
5 and the supplemental count day of the current school year.
6 Membership is calculated by adding the number of pupils registered
7 for attendance in that grade level on the pupil membership count
8 day plus pupils received by transfer and minus pupils lost as
9 defined by rules promulgated by the superintendent, and as
10 corrected by subsequent department audit, plus the final audited
11 count from the supplemental count day for the current school year,
12 and dividing that sum by 2.

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

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



1 providing appropriate instruction if all of the following are met:

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

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

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

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

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

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



1 (x) If a district's membership for a particular fiscal year,
 2 as otherwise calculated under this subsection, would be less than
 3 1,550 pupils, the district has 4.5 or fewer pupils per square mile,
 4 as determined by the department, and the district does not receive
 5 funding under section 22d(2), the district's membership is
 6 considered to be the membership figure calculated under this
 7 subdivision. If a district educates and counts in its membership
 8 pupils in grades 9 to 12 who reside in a contiguous district that
 9 does not operate grades 9 to 12 and if 1 or both of the affected
 10 districts request the department to use the determination allowed
 11 under this sentence, the department shall include the square
 12 mileage of both districts in determining the number of pupils per
 13 square mile for each of the districts for the purposes of this
 14 subdivision. If a district has established a community engagement
 15 advisory committee in partnership with the department of treasury,
 16 is required to submit a deficit elimination plan or an enhanced
 17 deficit elimination plan under section 1220 of the revised school
 18 code, MCL 380.1220, and is located in a city with a population
 19 between 9,000 and 11,000, as determined by the department, that is
 20 in a county with a population between 150,000 and 160,000, as
 21 determined by the department, the district's membership is
 22 considered to be the membership figure calculated under this
 23 subdivision. The membership figure calculated under this
 24 subdivision is the greater of the following:

25 (i) The average of the district's membership for the 3-fiscal-
 26 year period ending with that fiscal year, calculated by adding the
 27 district's actual membership for each of those 3 fiscal years, as
 28 otherwise calculated under this subsection, and dividing the sum of
 29 those 3 membership figures by 3.



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

3 (y) Full-time equated memberships for special education pupils
4 who are not enrolled in kindergarten but are enrolled in a
5 classroom program under R 340.1754 of the Michigan Administrative
6 Code are determined by dividing the number of class hours scheduled
7 and provided per year by 450. Full-time equated memberships for
8 special education pupils who are not enrolled in kindergarten but
9 are receiving early childhood special education services under R
10 340.1755 or R 340.1862 of the Michigan Administrative Code are
11 determined by dividing the number of hours of service scheduled and
12 provided per year per pupil by 180.

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

18 (aa) For the first year in which a pupil is counted in
19 membership on the pupil membership count day in a middle college
20 program, the membership is the average of the full-time equated
21 membership on the pupil membership count day and on the
22 supplemental count day for the current school year, as determined
23 by the department. If a pupil described in this subdivision was
24 counted in membership by the operating district on the immediately
25 preceding supplemental count day, the pupil is excluded from the
26 district's immediately preceding supplemental count for the
27 purposes of determining the district's membership.

28 (bb) A district or public school academy that educates a pupil
29 who attends a United States Olympic Education Center may count the



1 pupil in membership regardless of whether or not the pupil is a
2 resident of this state.

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

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

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

26 (ii) The pupil meets the district's definition under section
27 23a of satisfactory monthly progress for that month or, if the
28 pupil does not meet that definition of satisfactory monthly
29 progress for that month, the pupil did meet that definition of



1 satisfactory monthly progress in the immediately preceding month
2 and appropriate interventions, **as defined by the district**, are
3 implemented within 10 school days after it is determined that the
4 pupil does not meet that definition of satisfactory monthly
5 progress.

6 (ee) A pupil participating in a virtual course under section
7 21f is counted in membership in the district enrolling the pupil.

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

18 (gg) If a special education pupil is expelled under section
19 1311 or 1311a of the revised school code, MCL 380.1311 and
20 380.1311a, and is not in attendance on the pupil membership count
21 day because of the expulsion, and if the pupil remains enrolled in
22 the district and resumes regular daily attendance during that
23 school year, the district's membership is adjusted to count the
24 pupil in membership as if he or she had been in attendance on the
25 pupil membership count day.

26 (hh) A pupil enrolled in a community district is counted in
27 membership in the community district.

28 (ii) A part-time pupil enrolled in a nonpublic school in
29 grades K to 12 in accordance with section 166b must not be counted



1 as more than 0.75 of a full-time equated membership.

2 (jj) A district that borders another state or a public school
3 academy that operates at least grades 9 to 12 and is located within
4 20 miles of a border with another state may count in membership a
5 pupil who is enrolled in a course at a college or university that
6 is located in the bordering state and within 20 miles of the border
7 with this state if all of the following are met:

8 (i) The pupil would meet the definition of an eligible student
9 under the postsecondary enrollment options act, 1996 PA 160, MCL
10 388.511 to 388.524, if the course were an eligible course under
11 that act.

12 (ii) The course in which the pupil is enrolled would meet the
13 definition of an eligible course under the postsecondary enrollment
14 options act, 1996 PA 160, MCL 388.511 to 388.524, if the course
15 were provided by an eligible postsecondary institution under that
16 act.

17 (iii) The department determines that the college or university
18 is an institution that, in the other state, fulfills a function
19 comparable to a state university or community college, as those
20 terms are defined in section 3 of the postsecondary enrollment
21 options act, 1996 PA 160, MCL 388.513, or is an independent
22 nonprofit degree-granting college or university.

23 (iv) The district or public school academy pays for a portion
24 of the pupil's tuition at the college or university in an amount
25 equal to the eligible charges that the district or public school
26 academy would pay to an eligible postsecondary institution under
27 the postsecondary enrollment options act, 1996 PA 160, MCL 388.511
28 to 388.524, as if the course were an eligible course under that
29 act.



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

4 (kk) A pupil enrolled in a middle college program may be
5 counted for more than a total of 1.0 full-time equated membership
6 **for any of the school years in which the pupil is enrolled in the**
7 **middle college program, but the total full-time equated membership**
8 **for that pupil for all of the school years in which the pupil is**
9 **enrolled in the middle college program must not be greater than**
10 **5.00 full-time equated membership** if the pupil is enrolled in more
11 than the minimum number of instructional days and hours required
12 under section 101 and the pupil is expected to complete the 5-year
13 program with both a high school diploma and at least 60
14 transferable college credits or is expected to earn an associate's
15 degree in fewer than 5 years. **A pupil who graduates with both a**
16 **high school diploma and at least 60 transferable college credits or**
17 **an associate degree at least 1 semester early is considered to have**
18 **completed the middle college program in fewer than 5 years.**

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

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



1 must not exceed 10%.

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

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

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

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

19 **(mm) For a pupil enrolled in a district pre-K program under**
20 **section 32e that meets the requirements of section 32e, the pupil**
21 **is counted as 1.2 full-time equated membership. A pupil counted**
22 **under this subdivision shall not be counted as more than 1.2 full-**
23 **time equated membership under any other provision of this act.**

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

26 (6) "Pupil" means an individual in membership in a public
27 school. A district must have the approval of the pupil's district
28 of residence to count the pupil in membership, except approval by
29 the pupil's district of residence is not required for any of the



1 following:

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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



1 380.1311a.

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

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

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

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

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

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

25 (a) Except as provided in subdivision (b) **or (c), ~~the either~~**
26 **of the following:**

27 (i) **The** first Wednesday in October each school year. ~~or, for~~

28 (ii) **For** a district or building in which school is not in
29 session on ~~that~~ **the** Wednesday **described in subparagraph (i)** due to



1 conditions not within the control of school authorities, with the
 2 approval of the superintendent, the immediately following day on
 3 which school is in session in the district or building.

4 (b) ~~For~~ **Except as otherwise provided in subdivision (c), for a**
 5 district or intermediate district maintaining school during the
 6 entire school year, the following days:

7 (i) Fourth Wednesday in July.

8 (ii) First Wednesday in October.

9 (iii) Second Wednesday in February.

10 (iv) Fourth Wednesday in April.

11 (c) **If a date listed in subdivision (a) or (b) is on a day of**
 12 **religious or cultural significance, as determined by the**
 13 **department, the immediately following day on which school is in**
 14 **session in the district or building.**

15 (8) "Pupils in grades K to 12 actually enrolled and in regular
 16 daily attendance" means, except as otherwise provided in this
 17 section, pupils in grades K to 12 **and pupils enrolled in a district**
 18 **pre-K program under section 32e that meets the requirements of**
 19 **section 32e** in attendance and receiving instruction in all classes
 20 for which they are enrolled on the pupil membership count day or
 21 the supplemental count day, as applicable. Except as otherwise
 22 provided in this section and subsection, a pupil who is absent from
 23 any of the classes in which the pupil is enrolled on the pupil
 24 membership count day or supplemental count day and who does not
 25 attend each of those classes during the 10 consecutive school days
 26 immediately following the pupil membership count day or
 27 supplemental count day, except for a pupil who has been excused by
 28 the district, is not counted as 1.0, **or, for a pupil who is**
 29 **enrolled in a district pre-K program under section 32e, 1.2 full-**



1 time equated membership. Except as otherwise provided in this
 2 section, a pupil who is excused from attendance on the pupil
 3 membership count day or supplemental count day and who fails to
 4 attend each of the classes in which the pupil is enrolled within 30
 5 calendar days after the pupil membership count day or supplemental
 6 count day is not counted as 1.0, **or, for a pupil who is enrolled in**
 7 **a district pre-K program under section 32e, 1.2** full-time equated
 8 membership. Except as otherwise provided in this section, in
 9 addition, a pupil who was enrolled and in attendance in a district,
 10 intermediate district, or public school academy before the pupil
 11 membership count day or supplemental count day of a particular year
 12 but was expelled or suspended on the pupil membership count day or
 13 supplemental count day is only counted as 1.0, **or, for a pupil who**
 14 **is enrolled in a district pre-K program under section 32e, 1.2**
 15 full-time equated membership if the pupil resumed attendance in the
 16 district, intermediate district, or public school academy within 45
 17 days after the pupil membership count day or supplemental count day
 18 of that particular year. Except as otherwise provided in this
 19 section, a pupil not counted as 1.0, **or, for a pupil who is**
 20 **enrolled in a district pre-K program under section 32e, 1.2** full-
 21 time equated membership due to an absence from a class is counted
 22 as a prorated membership for the classes the pupil attended. For
 23 purposes of this subsection:

24 (a) **"Appropriately placed" means holding a valid Michigan**
 25 **educator credential with the required grade range and discipline or**
 26 **subject area for the assignment, as defined by the superintendent**
 27 **of public instruction.**

28 (b) ~~,"class"~~ **"Class"** means either of the following, as
 29 applicable:



1 (i) ~~(a)~~—A period of time in 1 day when pupils and an individual
 2 who is appropriately placed under a valid certificate, substitute
 3 permit, authorization, or approval issued by the department, are
 4 together and instruction is taking place. This subdivision does not
 5 apply for the 2020-2021, 2021-2022, and 2022-2023 school years.

6 (ii) ~~(b)~~—For the 2020-2021, 2021-2022, and 2022-2023 school
 7 years only, a period of time in 1 day when pupils and a
 8 certificated teacher, a teacher engaged to teach under section
 9 1233b of the revised school code, MCL 380.1233b, or an individual
 10 working under a valid substitute permit, authorization, or approval
 11 issued by the department are together and instruction is taking
 12 place.

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

16 (10) "The revised school code" means the revised school code,
 17 1976 PA 451, MCL 380.1 to 380.1852.

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

22 (12) "School fiscal year" means a fiscal year that commences
 23 July 1 and continues through June 30.

24 (13) "State board" means the state board of education.

25 (14) "Superintendent", unless the context clearly refers to a
 26 district or intermediate district superintendent, means the
 27 superintendent of public instruction described in section 3 of
 28 article VIII of the state constitution of 1963.

29 (15) "Supplemental count day" means the day on which the



1 supplemental pupil count is conducted under section 6a.

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

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

15 (18) "Taxable value" means, except as otherwise provided in
16 this article, the taxable value of property as determined under
17 section 27a of the general property tax act, 1893 PA 206, MCL
18 211.27a.

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

26 (20) "Total state aid" or "total state school aid", except as
27 otherwise provided in this article, means the total combined amount
28 of all funds due to a district, intermediate district, or other
29 entity under this article.



1 Sec. 6a. Except as otherwise provided in this act, in addition
 2 to the pupil membership count day, there is a supplemental pupil
 3 count of the number of full-time equated pupils in grades ~~K-12~~ **K to**
 4 **12** actually enrolled and in regular daily attendance in a district
 5 or intermediate district on the second Wednesday in February or,
 6 for a district **or intermediate district** that is not in session on
 7 that day due to conditions not within the control of school
 8 authorities, with the approval of the superintendent, the
 9 immediately following day on which the district is in session.
 10 **However, if a date described in the immediately preceding sentence**
 11 **is on a day of religious or cultural significance, as determined by**
 12 **the department, the immediately following day on which school is in**
 13 **session is the day on which the supplemental pupil count described**
 14 **in this section must occur.** For the purposes of this act, the day
 15 on which the supplemental pupil count is conducted is the
 16 supplemental count day.

17 Sec. 11. (1) For the fiscal year ending September 30, ~~2022,~~
 18 **2023**, there is appropriated for the public schools of this state
 19 and certain other state purposes relating to education the sum of
 20 ~~\$14,511,014,700.00~~ **\$17,286,965,900.00** from the state school aid
 21 fund, the sum of ~~\$98,119,400.00~~ **\$124,200,000.00** from the general
 22 fund, an amount not to exceed \$72,000,000.00 from the community
 23 district education trust fund created under section 12 of the
 24 Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not
 25 to exceed ~~\$100.00 from the water emergency reserve fund.~~
 26 **\$140,400,000.00 from the MPSERS retirement obligation reform**
 27 **reserve fund created under section 147b.** For the fiscal year ending
 28 September 30, ~~2023,~~ **2024**, there is appropriated for the public
 29 schools of this state and certain other state purposes relating to



1 education the sum of ~~\$16,754,072,900.00~~ **\$18,098,337,200.00** from the
 2 state school aid fund, the sum of ~~\$124,200,000.00~~ **\$88,900,300.00**
 3 from the general fund, an amount not to exceed \$72,000,000.00 from
 4 the community district education trust fund created under section
 5 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, ~~and an~~
 6 amount not to exceed ~~\$140,400,000.00~~ **\$202,000,000.00** from the
 7 MPERS retirement obligation reform reserve fund created under
 8 section 147b, **and an amount not to exceed \$100,000,000.00 from the**
 9 **school consolidation and infrastructure fund created under section**
 10 **11x**. In addition, all available federal funds are only appropriated
 11 as allocated in this article for the fiscal years ending September
 12 30, ~~2022-2023~~ and September 30, ~~2023-2024~~.

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

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

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

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

27 (a) Unexpended and unencumbered state school aid fund revenue
 28 for a fiscal year that remains in the state school aid fund as of
 29 the bookclosing for that fiscal year.



1 (b) Money statutorily dedicated to the school aid
2 stabilization fund.

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

4 (3) Money available in the school aid stabilization fund may
5 not be expended without a specific appropriation from the school
6 aid stabilization fund. Money in the school aid stabilization fund
7 must be expended only for purposes for which state school aid fund
8 money may be expended.

9 (4) The state treasurer shall direct the investment of the
10 school aid stabilization fund. The state treasurer shall credit to
11 the school aid stabilization fund interest and earnings from fund
12 investments.

13 (5) Money in the school aid stabilization fund at the close of
14 a fiscal year remains in the school aid stabilization fund and does
15 not lapse to the unreserved school aid fund balance or the general
16 fund.

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



1 (7) For ~~2022-2023~~, **2023-2024**, in addition to the
 2 appropriations in section 11, there is appropriated from the school
 3 aid stabilization fund to the state school aid fund the amount
 4 necessary to fully fund the allocations under this article.

5 Sec. 11j. From the state school aid fund money appropriated in
 6 section 11, there is allocated an amount not to exceed
 7 \$111,000,000.00 for ~~2022-2023~~**2023-2024** for payments to the school
 8 loan bond redemption fund in the department of treasury on behalf
 9 of districts and intermediate districts. Notwithstanding section
 10 296 or any other provision of this act, funds allocated under this
 11 section are not subject to proration and must be paid in full.

12 Sec. 11k. For ~~2022-2023~~, **2023-2024**, there is appropriated from
 13 the general fund to the school loan revolving fund an amount equal
 14 to the amount of school bond loans assigned to the Michigan finance
 15 authority, not to exceed the total amount of school bond loans held
 16 in reserve as long-term assets. As used in this section, "school
 17 loan revolving fund" means that fund created in section 16c of the
 18 shared credit rating act, 1985 PA 227, MCL 141.1066c.

19 Sec. 11m. From the state school aid fund money appropriated in
 20 section 11, there is allocated for ~~2021-2022~~**2022-2023** an amount
 21 not to exceed \$1,000,000.00 and there is allocated for ~~2022-2023~~
 22 **2023-2024** an amount not to exceed ~~\$7,800,000.00~~**\$1,000,000.00** for
 23 fiscal year cash-flow borrowing costs solely related to the state
 24 school aid fund established under section 11 of article IX of the
 25 state constitution of 1963.

26 Sec. 11s. (1) From the state school aid fund money
 27 appropriated in section 11, there is allocated \$5,000,000.00 for
 28 ~~2022-2023~~**2023-2024** and from the general fund money appropriated in
 29 section 11, there is allocated \$3,075,000.00 for ~~2022-2023~~**2023-**



1 **2024** for the purpose of providing services and programs to children
 2 who reside within the boundaries of a district with the majority of
 3 its territory located within the boundaries of a city for which an
 4 executive proclamation of emergency concerning drinking water is
 5 issued in the current or immediately preceding ~~7-8~~ fiscal years
 6 under the emergency management act, 1976 PA 390, MCL 30.401 to
 7 30.421, and that has at least 4,500 pupils in membership for the
 8 2016-2017 fiscal year or has at least ~~2,900~~**2,800** pupils in
 9 membership for a fiscal year after 2016-2017.

10 (2) From the general fund money allocated in subsection (1),
 11 there is allocated to a district with the majority of its territory
 12 located within the boundaries of a city for which an executive
 13 proclamation of emergency concerning drinking water is issued in
 14 the current or immediately preceding ~~7-8~~ fiscal years under the
 15 emergency management act, 1976 PA 390, MCL 30.401 to 30.421, and
 16 that has at least 4,500 pupils in membership for the 2016-2017
 17 fiscal year or has at least ~~2,900~~**2,800** pupils in membership for a
 18 fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00
 19 for ~~2022-2023~~**2023-2024** for the purpose of employing school nurses,
 20 classroom aides, and school social workers **and for the provision of**
 21 **behavioral or mental health supports, parental engagement**
 22 **activities, community coordination activities, and other support**
 23 **services.** The district shall provide a report to the department in
 24 a form, manner, and frequency prescribed by the department. The
 25 department shall provide a copy of that report to the governor, the
 26 house and senate school aid subcommittees, the house and senate
 27 fiscal agencies, and the state budget director within 5 days after
 28 receipt. The report must provide at least the following
 29 information:



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

3 (b) A description of the services provided to pupils by those
4 personnel.

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

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

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

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

28 **(3)** ~~(5)~~ For 2022-2023, **2023-2024**, from the general fund money
29 allocated in subsection (1), there is allocated an amount not to



1 exceed \$650,000.00 for nutritional services to children described
2 in subsection (1).

3 (4) ~~(6)~~ For ~~2022-2023, 2023-2024~~, from the state school aid
4 fund money allocated in subsection (1), there is allocated an
5 amount not to exceed ~~\$2,000,000.00~~ **\$5,000,000.00** to ~~the~~ **an**
6 intermediate district ~~described in subsection (3)~~ **that has a**
7 **constituent district described in subsection (2)** for interventions
8 and supports for students in K to 12 who were impacted by an
9 executive proclamation of emergency described in subsection (1)
10 concerning drinking water. Funds under this subsection must be used
11 for behavioral supports, social workers, counselors, psychologists,
12 nursing services, including, but not limited to, vision and hearing
13 services, transportation services, parental engagement, community
14 coordination, and other support services.

15 (5) ~~(7)~~ In addition to the allocation under subsection (1),
16 from the general fund money appropriated under section 11, there is
17 allocated an amount not to exceed \$1,000,000.00 for ~~2022-2023-2023-~~
18 **2024** only for an early childhood collaborative that serves students
19 located in a county with a population of not less than ~~400,000~~
20 **390,000** or more than ~~500,000.~~ **450,000**. The funds allocated under
21 this subsection must be used to continue the expansion of early
22 childhood services in response to an executive proclamation of
23 emergency described in this section concerning drinking water.

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



1 ~~18.1393.~~

2 (6) ~~(9)~~ Notwithstanding section 17b, the department shall make
3 payments under this section on a schedule determined by the
4 department.

5 Sec. 11v. (1) From the state school aid fund money
6 appropriated in section 11, there is allocated for 2022-2023 only
7 \$94,400,000.00 to a community district that was created as
8 described under section 383 of the revised school code, MCL
9 380.383. Funds allocated under this section are direct grant funds
10 to a community district and are not subject to approval by the
11 state board of education or the superintendent of public
12 instruction. A community district shall use funds allocated under
13 this section only for literacy-related programs and initiatives.

14 (2) A community district described in subsection (1) must
15 apply for funding under this section in a form and manner
16 prescribed by the department. In its application, the community
17 district shall document how it will use community input to guide
18 the expenditure of the funds it will receive under this section,
19 and it shall pledge to host at least 1 community conversation about
20 literacy-related programs and initiatives.

21 (3) A community district shall report how the funds were spent
22 in compliance with the *Gary B. v Whitmer* settlement to the
23 department by September 30, 2024. The department shall ensure the
24 report is available on a publicly accessible website.

25 (4) Notwithstanding section 17b, the department shall make
26 payments under this section by not later than September 30, 2023.

27 Sec. 11x. (1) The school consolidation and infrastructure fund
28 is created as a separate account within the state school aid fund
29 for the purpose of improving student academic outcomes, increasing



1 the efficiency of the state's public education system, and creating
2 a healthy and safe space for students in this state.

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

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

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

16 (5) Money available in the school consolidation and
17 infrastructure fund must not be expended without a specific
18 appropriation. ~~No more than 50% of funds in the school~~
19 ~~consolidation and infrastructure fund may be appropriated for non-~~
20 ~~consolidation-related infrastructure projects.~~

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



1 distributed under this section may not exceed \$250,000.00.
 2 Notwithstanding section 17b, the department shall make payments
 3 under this subsection on a schedule determined by the department.

4 ~~(7) For the fiscal year ending September 30, 2022 only,~~
 5 ~~\$475,000,000.00 from the state school aid fund must be deposited~~
 6 ~~into the school consolidation and infrastructure fund.~~

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

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

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

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

23 (A) Budgeting and staffing.

24 (B) Payroll.

25 (C) Employee benefits.

26 (D) State reporting.

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

29 (ii) Human resources, which may include, but is not limited to,



1 the following:

2 (A) Onboarding.

3 (B) Title IX administration.

4 (C) Hiring.

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

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

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

11 (B) Fiber projects.

12 (C) Cybersecurity.

13 (D) One-to-one device management.

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

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

17 (B) Grant reporting.

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

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

23 (A) Refunding opportunities.

24 (B) New bond issue analysis.

25 (vii) School facility consolidation.

26 (viii) Consolidation of transportation-related activities.

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



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

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

13 Sec. 11z. (1) From the state school aid fund money
 14 appropriated under section 11, there is allocated for 2022-2023
 15 only an amount not to exceed \$52,500,000.00 for the purposes of
 16 this section.

17 (2) From the funds allocated under subsection (1), there is
 18 allocated the amount necessary, estimated at \$16,200,000.00, to a
 19 qualifying intermediate district for paying the outstanding school
 20 bond loan fund balances of a dissolved school district. For
 21 purposes of this subsection, an intermediate district is a
 22 qualifying intermediate district if it is required to perform the
 23 functions and satisfy the responsibilities of a dissolved school
 24 district under section 12(3) of the revised school code, MCL
 25 380.12. The department of treasury shall determine which qualifying
 26 intermediate district is eligible for payments under this
 27 subsection based on the ability of the dissolved school district to
 28 repay the balance of outstanding school bond loan fund loans.

29 (3) From the funds allocated under subsection (1), there is



1 allocated the amount necessary, estimated at \$29,000,000.00, to pay
 2 the outstanding emergency loan balances of 2 districts. The
 3 department of treasury shall determine which districts are eligible
 4 for payments under this subsection based on whether the emergency
 5 loan balances are currently being paid from the district operating
 6 budgets.

7 (4) From the funds allocated under subsection (1), there is
 8 allocated the amount necessary, estimated at \$7,300,000.00, to pay
 9 the outstanding debt of a district that has been restructured or
 10 consolidated. The department of treasury shall determine which
 11 district is eligible for payments under this subsection based on
 12 whether the loan is held by the Michigan Finance Authority and if
 13 the loan is being paid from district operating revenue.

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

17 (6) As used in this section, "dissolved school district" means
 18 a school district that has been declared dissolved under section 12
 19 of the revised school code, MCL 380.12.

20 Sec. 12a. (1) From the state school aid fund money
 21 appropriated in section 11, there is allocated for 2022-2023 only
 22 an amount not to exceed \$150,000,000.00 for competitive grants to
 23 participating schools to lower energy costs and improve health
 24 outcomes at school facilities through the healthy schools grant
 25 program created under this section. The department shall create a
 26 healthy schools grant program to disburse grant funding for the
 27 purposes under this section.

28 (2) Except as otherwise provided in this subsection, to
 29 receive a grant under this section, a participating school must



1 apply for the grant in a form and manner prescribed by the
 2 department, in collaboration with the department of environment,
 3 Great Lakes, and energy and the department of health and human
 4 services. An application described in this subsection must be
 5 evaluated using the following scoring criteria:

6 (a) Utilizing Justice40 parameters.

7 (b) Prioritizing applicants from the National Ambient Air
 8 Quality Standards nonattainment zones; high asthma burden areas;
 9 environmental justice areas; small area income and poverty
 10 estimates (SAIPE) program areas; rural areas, defined by locale
 11 codes "43-Rural: Remote" and "42-Rural: Distant" by the National
 12 Center for Education Statistics; and communities with high free and
 13 reduced lunch participation rates.

14 (c) Prioritizing applicants utilizing union labor and Michigan
 15 companies for evaluation and installation of improvements.

16 (d) Prioritizing initial distribution of funds to
 17 participating schools that participated in the racial disparities
 18 task force initiative evaluating and analyzing opportunities to
 19 improve air quality in K to 12 facilities in environmental justice
 20 communities.

21 (3) Grants awarded to participating schools under this section
 22 must be used only for 1 or more of the following purposes:

23 (a) Indoor air quality improvements, including HVAC and air-
 24 conditioning needs.

25 (b) Energy enhancements, including energy efficiencies, on-
 26 site renewable energy production, and facility electrification.

27 (c) Toxin remediation, including the removal of lead and,
 28 subject to section 168a, asbestos.

29 (d) Drinking water system upgrades, including the installation



1 of hydration stations. A participating school's matching funds
2 requirement to access healthy hydration funding is an eligible use
3 under this subsection.

4 (4) Each participating school receiving a grant under this
5 section shall match at least 50% of the grant funding received with
6 other sources toward the completion of projects commenced for
7 purposes of this section.

8 (5) The funds allocated under this section for 2022-2023 are a
9 work project appropriation, and any unexpended funds for 2022-2023
10 are carried forward into 2023-2024. The purpose of the work project
11 is to lower energy costs and improve health outcomes at school
12 facilities. The estimated completion date of the work project is
13 September 30, 2027.

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

17 (7) As used in this section, "participating school" means a
18 district or intermediate district.

19 Sec. 12c. (1) From the school consolidation and infrastructure
20 fund created under section 11x, there is allocated for 2023-2024
21 only an amount not to exceed \$100,000,000.00 for grants to
22 districts and intermediate districts to support the initial costs
23 related to the consolidation of services identified in the
24 feasibility study or analysis conducted under section 11x.

25 (2) To be eligible for funding under this section, a district
26 or intermediate district must apply for the funding in a form and
27 manner prescribed by the department. An intermediate district may
28 apply for funding on behalf of a district if the intermediate
29 district is providing the consolidated services. An application



1 described in this subsection must include all of the following:

2 (a) An assurance that the district or intermediate district
3 was included in a feasibility study or analysis conducted under
4 section 11x.

5 (b) An assurance that the consolidated service or services
6 being funded were included as a recommendation in a feasibility
7 study or analysis conducted under section 11x.

8 (c) A brief description of how the district or intermediate
9 district plans to implement changes, as outlined in a feasibility
10 study or analysis conducted under section 11x, where possible.

11 (d) An assurance that the district or intermediate district
12 will submit to the department an annual report documenting the
13 estimated savings produced as a result of the consolidation of
14 services.

15 (e) A budget of the estimated first-year costs associated with
16 the consolidation of services, in the form and manner prescribed by
17 the department.

18 (3) If funding under this section is not sufficient to fully
19 fund all applicants for funding, the department shall do either of
20 the following:

21 (a) Ensure that awards under this section are determined based
22 upon a competitive grant process.

23 (b) Distribute funds under this section on a prorated or other
24 equitable basis as determined by the department.

25 (4) Each intermediate district that receives funding under
26 this section and also receives funding under section 11x(6) for
27 2022-2023 shall, in consultation with its constituent districts
28 that receive funds under this section, submit a report to the
29 department not later than June 30, 2025. The report must include



1 all of the following information regarding consolidated services
 2 supported by funding under this section, in the form and manner
 3 prescribed by the department:

4 (a) The amount previously spent on each consolidated service
 5 in the prior fiscal year.

6 (b) The number of students impacted by the consolidated
 7 service.

8 (c) The vendors, third-party entities, or other educational
 9 entities used to consolidate the service or services.

10 (d) The impact on student learning attributable to money
 11 reallocated as a result of the consolidated service or services.

12 (e) A total of cost savings produced as a result of the
 13 consolidation of services, in the form and manner prescribed by the
 14 department.

15 (5) As used in this section, "constituent district" means that
 16 term as defined in section 3 of the revised school code, MCL 380.3.

17 Sec. 15. (1) If a district or intermediate district fails to
 18 receive its proper apportionment, the department, upon satisfactory
 19 proof that the district or intermediate district was entitled
 20 justly, shall apportion the deficiency in the next apportionment.
 21 Subject to subsections (2) and (3), if a district or intermediate
 22 district has received more than its proper apportionment, the
 23 department, upon satisfactory proof, shall deduct the excess in the
 24 next apportionment. Notwithstanding any other provision in this
 25 article, state aid overpayments to a district, other than
 26 overpayments in payments for special education or special education
 27 transportation, may be recovered from any payment made under this
 28 article other than a special education or special education
 29 transportation payment, from the proceeds of a loan to the district



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

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

29 (3) If, based on an audit by the department or the



1 department's designee or because of new or updated information
2 received by the department, the department determines that the
3 amount paid to a district or intermediate district under this
4 article for the current fiscal year or a prior fiscal year was
5 incorrect, the department shall make the appropriate deduction or
6 payment in the district's or intermediate district's allocation in
7 the next apportionment after the adjustment is finalized. The
8 department shall calculate the deduction or payment according to
9 the law in effect in the fiscal year in which the incorrect amount
10 was paid. If the district does not receive an allocation for the
11 fiscal year or if the allocation is not sufficient to pay the
12 amount of any deduction, the amount of any deduction otherwise
13 applicable must be satisfied from the proceeds of a loan to the
14 district under the emergency municipal loan act, 1980 PA 243, MCL
15 141.931 to 141.942, or from the proceeds of millage levied or
16 pledged under section 1211 of the revised school code, MCL
17 380.1211, as determined by the department.

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

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



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

4 (7) In addition to funds appropriated in section 11 for all
 5 programs and services, there is appropriated for ~~2022-2023~~**2023-**
 6 **2024** for obligations in excess of applicable appropriations an
 7 amount equal to the collection of overpayments, but not to exceed
 8 amounts available from overpayments.

9 Sec. 19. (1) A district or intermediate district shall comply
 10 with all applicable reporting requirements specified in state and
 11 federal law. Data provided to the center, in a form and manner
 12 prescribed by the center, ~~shall~~**must** be aggregated and
 13 disaggregated as required by state and federal law. In addition, a
 14 district or intermediate district shall cooperate with all measures
 15 taken by the center to establish and maintain a statewide P-20
 16 longitudinal data system.

17 (2) Each district shall furnish to the center not later than 5
 18 weeks after the pupil membership count day and by the last business
 19 day in June of the school fiscal year ending in the fiscal year, in
 20 a manner prescribed by the center, the information necessary for
 21 the preparation of the district and high school graduation report,
 22 information regarding completion of early middle college
 23 credentials obtained and postsecondary credits obtained in any
 24 college acceleration program, and information necessary for the
 25 preparation of the state and federal accountability reports. This
 26 information ~~shall~~**must** meet requirements established in the pupil
 27 auditing manual approved and published by the department. The
 28 center shall calculate an annual graduation and pupil dropout rate
 29 for each high school, each district, and this state, in compliance



1 with nationally recognized standards for these calculations. The
2 center shall report all graduation and dropout rates to the senate
3 and house education committees and appropriations committees, the
4 state budget director, and the department not later than 30 days
5 after the publication of the list described in subsection (5).
6 Before reporting these graduation and dropout rates, the department
7 shall allow a school or district to appeal the calculations. The
8 department shall consider and act upon the appeal within 30 days
9 after it is submitted and shall not report these graduation and
10 dropout rates until after all appeals have been considered and
11 decided.

12 (3) By the first business day in December and by the last
13 business day in June of each year, **and within 30 days of any**
14 **changes in employment or assignment status**, a district shall
15 furnish to the center, in a manner prescribed by the center,
16 information related to educational personnel **and personnel**
17 **vacancies** as necessary for reporting required by state and federal
18 law. For the purposes of this subsection, the center shall only
19 require districts and intermediate districts to report information
20 that is not already available from the office of retirement
21 services in the department of technology, management, and budget,
22 **including, but not limited to, information concerning vacancy start**
23 **and end dates and reasons for vacancies and vacancy terminations.**

24 (4) If a district or intermediate district fails to meet the
25 requirements of this section, the department shall withhold 5% of
26 the total funds for which the district or intermediate district
27 qualifies under this article until the district or intermediate
28 district complies with this section. If the district or
29 intermediate district does not comply with this section by the end



1 of the fiscal year, the department shall place the amount withheld
2 in an escrow account until the district or intermediate district
3 complies with this section.

4 (5) Before publishing a list of school or district
5 accountability designations as required by the no child left behind
6 act of 2001, Public Law 107-110, or the every student succeeds act,
7 Public Law 114-95, and utilizing data that were certified as
8 accurate and complete after districts and intermediate districts
9 adhered to deadlines, data quality reviews, and correction
10 processes leading to local certification of final student data in
11 subsection (2), the department shall allow a school or district to
12 appeal any calculation errors used in the preparation of
13 accountability metrics. The department shall consider and act upon
14 the appeal within 30 days after it is submitted and shall not
15 publish the list until after all appeals have been considered and
16 decided.

17 (6) The department shall implement statewide standard
18 reporting requirements for education data approved by the
19 department in conjunction with the center. The department shall
20 work with the center, intermediate districts, districts, and other
21 interested stakeholders to implement this policy change. A district
22 or intermediate district shall implement the statewide standard
23 reporting requirements not later than 2017-2018 or when a district
24 or intermediate district updates its education data reporting
25 system, whichever is later.

26 **(7) A district or intermediate district shall collect and**
27 **submit to the center tribal affiliation data for all students and**
28 **staff and the identification of student participation in federal**
29 **programs funded under 20 USC 7401 to 7546 and participation in**



1 federal programs funded under the Johnson-O'Malley Supplemental
 2 Indian Education Program Modernization Act, Public Law 115-404. The
 3 data must be reported in a form and manner prescribed by the center
 4 in consultation with the federally recognized Indian tribes in this
 5 state and the department in adherence to the department's tribal
 6 consultation policy. A district or intermediate district shall
 7 begin completion of the reporting requirement under this subsection
 8 by not later than the 2024-2025 fiscal year.

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

10 ~~(a) For 2021-2022, the target foundation allowance is~~
 11 ~~\$8,700.00.~~

12 ~~(b) For 2021-2022, the minimum foundation allowance is~~
 13 ~~\$8,700.00.~~

14 **(a)** ~~(e)~~ For 2022-2023, the target foundation allowance is
 15 \$9,150.00.

16 **(b)** For 2023-2024, the target foundation allowance is
 17 \$9,700.00.

18 (2) The department shall calculate the amount of each
 19 district's foundation allowance as provided in this section, using
 20 a target foundation allowance in the amount specified in subsection
 21 (1).

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

27 ~~(a) For 2021-2022, for a district that had a foundation~~
 28 ~~allowance for the immediately preceding fiscal year that was at~~
 29 ~~least equal to the minimum foundation allowance for the immediately~~



1 ~~preceding fiscal year, but less than the target foundation~~
 2 ~~allowance for the immediately preceding fiscal year, the district's~~
 3 ~~foundation allowance is \$8,700.00. Except as otherwise provided in~~
 4 ~~this subdivision, except for 2021-2022, for **For** a district that had~~
 5 ~~a foundation allowance for the immediately preceding fiscal year~~
 6 ~~that was equal to the target foundation allowance for the~~
 7 ~~immediately preceding fiscal year, the district receives a~~
 8 ~~foundation allowance in an amount equal to the target foundation~~
 9 ~~allowance described in subsection (1) for the current fiscal year.~~

10 ~~(b) For a district that in the immediately preceding fiscal~~
 11 ~~year had a foundation allowance in an amount equal to the amount of~~
 12 ~~the target foundation allowance for the immediately preceding~~
 13 ~~fiscal year, the district receives a foundation allowance for 2021-~~
 14 ~~2022 in an amount equal to the target foundation allowance for~~
 15 ~~2021-2022. This subdivision does not apply after the 2021-2022~~
 16 ~~fiscal year.~~

17 ~~(c) For a district that had a foundation allowance for the~~
 18 ~~immediately preceding fiscal year that was greater than the target~~
 19 ~~foundation allowance for the immediately preceding fiscal year, the~~
 20 ~~district's foundation allowance is an amount equal to the sum of~~
 21 ~~the district's foundation allowance for the immediately preceding~~
 22 ~~fiscal year plus the lesser of the increase in the target~~
 23 ~~foundation allowance for the current fiscal year, as compared to~~
 24 ~~the immediately preceding fiscal year, or the product of the~~
 25 ~~district's foundation allowance for the immediately preceding~~
 26 ~~fiscal year times the percentage increase in the United States~~
 27 ~~Consumer Price Index in the calendar year ending in the immediately~~
 28 ~~preceding fiscal year as reported by the May revenue estimating~~
 29 ~~conference conducted under section 367b of the management and~~



1 ~~budget act, 1984 PA 431, MCL 18.1367b. This subdivision does not~~
 2 ~~apply after the 2021-2022 fiscal year.~~

3 **(b)** ~~(d)~~ For a district that had a foundation allowance for the
 4 immediately preceding fiscal year that was greater than the target
 5 foundation allowance for the immediately preceding fiscal year, the
 6 district's foundation allowance is an amount equal to the lesser of
 7 (the sum of the district's foundation allowance for the immediately
 8 preceding fiscal year plus any per pupil amount calculated under
 9 section 20m(2) in the immediately preceding fiscal year plus the
 10 increase in the target foundation allowance for the current fiscal
 11 year, as compared to the immediately preceding fiscal year) or (the
 12 product of the district's foundation allowance for the immediately
 13 preceding fiscal year times the percentage increase in the United
 14 States Consumer Price Index in the calendar year ending in the
 15 immediately preceding fiscal year as reported by the May revenue
 16 estimating conference conducted under section 367b of the
 17 management and budget act, 1984 PA 431, MCL 18.1367b). ~~This~~
 18 ~~subdivision does not apply for the 2021-2022 fiscal year.~~

19 **(c)** ~~(e)~~ For a district that has a foundation allowance that is
 20 less than the target foundation allowance in the current fiscal
 21 year but had a foundation allowance in fiscal year 2020-2021 that
 22 was greater than the target foundation allowance in effect for that
 23 fiscal year, the district's foundation allowance is an amount equal
 24 to the lesser of (the sum of the district's foundation allowance
 25 for fiscal year 2020-2021 plus the increase in the target
 26 foundation allowance for the current fiscal year, as compared to
 27 fiscal year 2020-2021) or (the product of the district's foundation
 28 allowance for the immediately preceding fiscal year times the
 29 percentage increase in the United States Consumer Price Index in



1 the calendar year ending in the immediately preceding fiscal year
2 as reported by the May revenue estimating conference conducted
3 under section 367b of the management and budget act, 1984 PA 431,
4 MCL 18.1367b). ~~This subdivision does not apply for the 2021-2022~~
5 ~~fiscal year.~~

6 (d) ~~(f)~~ For a district that has a foundation allowance that is
7 not a whole dollar amount, the department shall round the
8 district's foundation allowance up to the nearest whole dollar.

9 (4) Except as otherwise provided in this subsection, the state
10 portion of a district's foundation allowance is an amount equal to
11 the district's foundation allowance or the target foundation
12 allowance for the current fiscal year, whichever is less, minus the
13 local portion of the district's foundation allowance. Except as
14 otherwise provided in this subsection, for a district described in
15 subsection ~~(3) (d) and (e), beginning in 2021-2022,~~ **(3) (b) and (c)** ,
16 the state portion of the district's foundation allowance is an
17 amount equal to the target foundation allowance minus the
18 district's foundation allowance supplemental payment per pupil
19 calculated under section 20m and minus the local portion of the
20 district's foundation allowance. For a district that has a millage
21 reduction required under section 31 of article IX of the state
22 constitution of 1963, the department shall calculate the state
23 portion of the district's foundation allowance as if that reduction
24 did not occur. For a receiving district, if school operating taxes
25 continue to be levied on behalf of a dissolved district that has
26 been attached in whole or in part to the receiving district to
27 satisfy debt obligations of the dissolved district under section 12
28 of the revised school code, MCL 380.12, the taxable value per
29 membership pupil of property in the receiving district used for the



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

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

25 (6) Except as otherwise provided in this subsection, for
 26 pupils in membership, other than special education pupils, in a
 27 public school academy, the allocation calculated under this section
 28 is an amount per membership pupil other than special education
 29 pupils in the public school academy equal to ~~, for 2021-2022, the~~



1 ~~minimum foundation allowance specified in subsection (1)(b) and,~~
2 ~~for 2022-2023,~~ the target foundation allowance specified in
3 subsection ~~(1)(e).~~ **(1), or, for a public school academy that was**
4 **issued a contract under section 552 of the revised school code, MCL**
5 **380.552, to operate as a school of excellence that is a cyber**
6 **school, \$7,760.00.** Notwithstanding section 101, for a public school
7 academy that begins operations after the pupil membership count
8 day, the amount per membership pupil calculated under this
9 subsection must be adjusted by multiplying that amount per
10 membership pupil by the number of hours of pupil instruction
11 provided by the public school academy after it begins operations,
12 as determined by the department, divided by the minimum number of
13 hours of pupil instruction required under section 101(3). The
14 result of this calculation must not exceed the amount per
15 membership pupil otherwise calculated under this subsection.

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

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



1 weighted as to the percentage of pupils in total membership in the
 2 resulting district who reside in the geographic area of each of the
 3 original or affected districts plus \$100.00 or the highest
 4 foundation allowance among the original or affected districts. This
 5 subsection does not apply to a receiving district unless there is a
 6 subsequent consolidation or annexation that affects the district.
 7 The calculation under this subsection must take into account a
 8 district's per-pupil allocation under section 20m.

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

13 **(10) For 2022-2023, state payments related to payment of the**
 14 **foundation allowance for a special education pupil are not**
 15 **calculated under this section but are instead calculated as**
 16 **follows:**

17 **(a) Twenty-five percent is calculated under section 51a.**

18 **(b) Seventy-five percent is calculated under section 51e.**

19 ~~(11) (10) Except as otherwise provided in this subsection,~~
 20 ~~state payments related to payment of the foundation allowance for a~~
 21 ~~special education pupil are not calculated under this section but~~
 22 ~~are instead calculated under section 51a and section 51e. All of~~
 23 ~~the following apply with regard to state payments related to~~
 24 ~~payment of the foundation allowance for a special education pupil:~~

25 ~~(a) For 2022-2023, state payments described in this subsection~~
 26 ~~are not calculated under this section but are instead calculated as~~
 27 ~~follows:~~

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

29 ~~(ii) Seventy-five percent is calculated under section 51e.~~



1 ~~(b) It is the intent of the legislature that, in future fiscal~~
 2 ~~years, 100% of state payments described in this subsection will be~~
 3 ~~calculated under this section.~~

4 **(12)** ~~(11)~~—To assist the legislature in determining the target
 5 foundation allowance for the subsequent fiscal year, each revenue
 6 estimating conference conducted under section 367b of the
 7 management and budget act, 1984 PA 431, MCL 18.1367b, must
 8 calculate a pupil membership factor, a revenue adjustment factor,
 9 and an index as follows:

10 (a) The pupil membership factor is computed by dividing the
 11 estimated membership in the school year ending in the current
 12 fiscal year, excluding intermediate district membership, by the
 13 estimated membership for the school year ending in the subsequent
 14 fiscal year, excluding intermediate district membership. If a
 15 consensus membership factor is not determined at the revenue
 16 estimating conference, the principals of the revenue estimating
 17 conference shall report their estimates to the house and senate
 18 subcommittees responsible for school aid appropriations not later
 19 than 7 days after the conclusion of the revenue conference.

20 (b) The revenue adjustment factor is computed by dividing the
 21 sum of the estimated total state school aid fund revenue for the
 22 subsequent fiscal year plus the estimated total state school aid
 23 fund revenue for the current fiscal year, adjusted for any change
 24 in the rate or base of a tax the proceeds of which are deposited in
 25 that fund and excluding money transferred into that fund from the
 26 countercyclical budget and economic stabilization fund under the
 27 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by
 28 the sum of the estimated total school aid fund revenue for the
 29 current fiscal year plus the estimated total state school aid fund



1 revenue for the immediately preceding fiscal year, adjusted for any
 2 change in the rate or base of a tax the proceeds of which are
 3 deposited in that fund. If a consensus revenue factor is not
 4 determined at the revenue estimating conference, the principals of
 5 the revenue estimating conference shall report their estimates to
 6 the house and senate subcommittees responsible for school aid
 7 appropriations not later than 7 days after the conclusion of the
 8 revenue conference.

9 (c) The index is calculated by multiplying the pupil
 10 membership factor by the revenue adjustment factor. If a consensus
 11 index is not determined at the revenue estimating conference, the
 12 principals of the revenue estimating conference shall report their
 13 estimates to the house and senate subcommittees responsible for
 14 state school aid appropriations not later than 7 days after the
 15 conclusion of the revenue conference.

16 **(13)** ~~(12)~~—Payments to districts and public school academies
 17 are not made under this section. Rather, the calculations under
 18 this section are used to determine the amount of state payments
 19 under section 22b.

20 **(14)** ~~(13)~~—If an amendment to section 2 of article VIII of the
 21 state constitution of 1963 allowing state aid to some or all
 22 nonpublic schools is approved by the voters of this state, each
 23 foundation allowance or per-pupil payment calculation under this
 24 section may be reduced.

25 **(15)** ~~(14)~~—As used in this section:

26 (a) "Certified mills" means the lesser of 18 mills or the
 27 number of mills of school operating taxes levied by the district in
 28 1993-94.

29 (b) "Current fiscal year" means the fiscal year for which a



1 particular calculation is made.

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

6 (d) "Immediately preceding fiscal year" means the fiscal year
7 immediately preceding the current fiscal year.

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

19 (f) "Membership" means the definition of that term under
20 section 6 as in effect for the particular fiscal year for which a
21 particular calculation is made.

22 (g) "Nonexempt property" means property that is not a
23 principal residence, qualified agricultural property, qualified
24 forest property, supportive housing property, industrial personal
25 property, commercial personal property, or property occupied by a
26 public school academy.

27 (h) "Principal residence", "qualified agricultural property",
28 "qualified forest property", "supportive housing property",
29 "industrial personal property", and "commercial personal property"



1 mean those terms as defined in section 1211 of the revised school
2 code, MCL 380.1211.

3 (i) "Receiving district" means a district to which all or part
4 of the territory of a dissolved district is attached under section
5 12 of the revised school code, MCL 380.12.

6 (j) "School operating purposes" means the purposes included in
7 the operation costs of the district as prescribed in sections 7 and
8 18 and purposes authorized under section 1211 of the revised school
9 code, MCL 380.1211.

10 (k) "School operating taxes" means local ad valorem property
11 taxes levied under section 1211 of the revised school code, MCL
12 380.1211, and retained for school operating purposes.

13 (l) "Tax increment financing acts" means parts 2, 3, 4, and 6
14 of the recodified tax increment financing act, 2018 PA 57, MCL
15 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield
16 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

23 Sec. 20d. In making the final determination required under
24 former section 20a of a district's combined state and local revenue
25 per membership pupil in 1993-94 and in making calculations under
26 section 20 for ~~2022-2023~~, **2023-2024**, the department and the
27 department of treasury shall comply with all of the following:

28 (a) For a district that had combined state and local revenue
29 per membership pupil in the 1994-95 fiscal year of \$6,500.00 or



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

14 (b) If a district had an adjustment made to its 1993-94 total
15 state school aid that excluded payments made under former section
16 146 and under section 147 on behalf of the district's employees who
17 provided direct services for intermediate district center programs
18 operated by the district under former section 51 and sections 51a
19 to 56, if nonresident pupils attending the center programs were
20 included in the district's membership for purposes of calculating
21 the combined state and local revenue per membership pupil for 1993-
22 94, and if there is a signed agreement by all constituent districts
23 of the intermediate district agreeing to an adjustment under this
24 subdivision, the department shall calculate the foundation
25 allowances for 1995-96 and 1996-97 of all districts that had pupils
26 attending the intermediate district center program operated by the
27 district that had the adjustment as if their combined state and
28 local revenue per membership pupil for 1993-94 included resident
29 pupils attending the center program and excluded nonresident pupils



1 attending the center program.

2 Sec. 20f. (1) From the state school aid fund money
3 appropriated in section 11, there is allocated an amount not to
4 exceed \$18,000,000.00 for ~~2022-2023~~**2023-2024** for payments to
5 eligible districts under this section.

6 (2) 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 district received a payment under this section as
9 it was in effect for 2013-2014. A district was eligible for funding
10 in 2013-2014 if the sum of the following was less than \$5.00:

11 (a) The increase in the district's foundation allowance or
12 per-pupil payment as calculated under section 20 from 2012-2013 to
13 2013-2014.

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

16 (c) The quotient of the district's allocation under section
17 147a for 2012-2013 divided by the district's membership pupils for
18 2012-2013 minus the quotient of the district's allocation under
19 section 147a for 2013-2014 divided by the district's membership
20 pupils for 2013-2014.

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

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

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



1 2015-2016.

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

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

6 (d) The quotient of the district's allocation under section
7 31a for 2015-2016 divided by the district's membership pupils for
8 2015-2016 minus the quotient of the district's allocation under
9 section 31a for 2014-2015 divided by the district's membership
10 pupils for 2014-2015.

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

14 (a) The increase in the district's foundation allowance or
15 per-pupil payment as calculated under section 20 from 2014-2015 to
16 2015-2016.

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

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

21 (d) The quotient of the district's allocation under section
22 31a for 2015-2016 divided by the district's membership pupils for
23 2015-2016 minus the quotient of the district's allocation under
24 section 31a for 2014-2015 divided by the district's membership
25 pupils for 2014-2015.

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



1 Sec. 21f. (1) A primary district shall enroll an eligible
2 pupil in virtual courses in accordance with the provisions of this
3 section. A primary district shall not offer a virtual course to an
4 eligible pupil unless the virtual course is published in the
5 primary district's catalog of board-approved courses or in the
6 statewide catalog of virtual courses maintained by the Michigan
7 Virtual University pursuant to section 98. The primary district
8 shall also provide on its publicly accessible website a link to the
9 statewide catalog of virtual courses maintained by the Michigan
10 Virtual University. Unless the pupil is at least age 18 or is an
11 emancipated minor, a pupil must not be enrolled in a virtual course
12 **that meets virtually for more than 15 days in a school year** without
13 the consent of the pupil's parent or legal guardian.

14 (2) Subject to subsection (3), a primary district shall enroll
15 an eligible pupil in up to 2 virtual courses as requested by the
16 pupil during an academic term, semester, or trimester.

17 (3) A pupil may be enrolled in more than 2 virtual courses in
18 a specific academic term, semester, or trimester if both of the
19 following conditions are met:

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

22 (b) The pupil agrees with the recommendation of the primary
23 district.

24 (4) If the number of applicants eligible for acceptance in a
25 virtual course does not exceed the capacity of the provider to
26 provide the virtual course, the provider shall accept for
27 enrollment all of the applicants eligible for acceptance. If the
28 number of applicants exceeds the provider's capacity to provide the
29 virtual course, the provider shall use a random draw system,



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

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

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

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

15 (c) The virtual course is not capable of generating academic
 16 credit.

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

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

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

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

29 (h) The cost of the virtual course exceeds the amount



1 identified in subsection (10), unless the pupil or the pupil's
2 parent or legal guardian agrees to pay the cost that exceeds this
3 amount.

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

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

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

26 (7) To provide a virtual course to an eligible pupil under
27 this section, a provider must do all of the following:

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



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

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

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

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

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

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

25 (8) To provide a virtual course under this section, a
26 community college shall ensure that each virtual course it provides
27 under this section generates postsecondary credit.

28 (9) For any virtual course a pupil enrolls in under this
29 section, the pupil's primary district must assign to the pupil a



1 mentor and shall supply the provider with the mentor's contact
2 information.

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

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

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

24 (13) The enrollment of a pupil in 1 or more virtual courses
25 must not result in a pupil being counted as more than 1.0 full-time
26 equivalent pupils under this article. The minimum requirements to
27 count the pupil in membership are those established by the pupil
28 accounting manual as it was in effect for the 2015-2016 school year
29 or as subsequently amended by the department if the department



1 notifies the legislature about the proposed amendment at least 60
2 days before the amendment becomes effective.

3 (14) As used in this section:

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

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

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

15 (d) "Provider" means the district, intermediate district,
16 community college, or other third-party vendor that the primary
17 district pays to provide the virtual course or the Michigan Virtual
18 University if it is providing the virtual course.

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

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

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

25 (iii) Is responsible for providing instruction, determining
26 instructional methods for each pupil, diagnosing learning needs,
27 assessing pupil learning, prescribing intervention strategies and
28 modifying lessons, reporting outcomes, and evaluating the effects
29 of instruction and support strategies.



1 (iv) Has a personnel identification code provided by the
2 center.

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

5 (f) "Virtual course" means a course of study that is capable
6 of generating a credit or a grade and that is provided in an
7 interactive learning environment where ~~the majority~~ **any portion** of
8 the curriculum is delivered using the internet and in which pupils
9 may be separated from their instructor or teacher of record by time
10 or location, or both.

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

13 (i) An alignment document detailing how the course meets
14 applicable state standards or, if the state does not have state
15 standards, nationally recognized standards.

16 (ii) The virtual course content outline.

17 (iii) The virtual course required assessments.

18 (iv) The virtual course prerequisites.

19 (v) Expectations for actual instructor or teacher of record
20 contact time with the virtual learning pupil and other
21 communications between a pupil and the instructor or teacher of
22 record.

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

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

25 (viii) The name of the institution or organization providing the
26 virtual content.

27 (ix) The name of the institution or organization providing the
28 instructor or teacher of record.



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

4 (xi) The number of eligible pupils that will be accepted by the
 5 provider in the virtual course. A primary district that is also the
 6 provider may limit the enrollment to those pupils enrolled in the
 7 primary district.

8 (xii) The results of the virtual course quality review using
 9 the guidelines and model review process published by the Michigan
 10 Virtual University.

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

13 Sec. 21h. (1) From the state school aid fund money
 14 appropriated in section 11, there is allocated \$6,137,400.00 for
 15 ~~2022-2023~~**2023-2024** for assisting districts assigned by the
 16 superintendent to participate in a partnership and districts that
 17 have established a community engagement advisory committee in
 18 partnership with the department of treasury, are required to submit
 19 a deficit elimination plan or an enhanced deficit elimination plan
 20 under section 1220 of the revised school code, MCL 380.1220, and
 21 are located in a city with a population between ~~9,000~~**8,000** and
 22 ~~11,000~~**10,000** as determined by the department, that is in a county
 23 with a population between 150,000 and 160,000, as determined by the
 24 department, to improve student achievement and district financial
 25 stability. The superintendent shall collaborate with the state
 26 treasurer to identify any conditions that may be contributing to
 27 low academic performance within a district being considered for
 28 assignment to a partnership. The purpose of the partnership is to
 29 identify district needs, develop intervention plans, and partner



1 with public, private, and nonprofit organizations to coordinate
2 resources and improve student achievement. Assignment of a district
3 to a partnership is made by the superintendent in consultation with
4 the state treasurer.

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

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

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

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

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

29 (b) Develop an academic and financial operating or



1 intervention plan that has been approved by the superintendent and
2 that addresses the needs identified in the comprehensive needs
3 assessment or evaluation completed under subdivision (a). The
4 intervention plan must include at least all of the following:

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

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

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

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

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



1 burdensome administrative rules for a partnership district for the
2 duration of the partnership agreement and for a district described
3 in subsection (1) that is not a partnership district under this
4 section and that receives funding under this section in the current
5 fiscal year.

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

17 (5) From the funds allocated under subsection (1), there is
18 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
19 \$137,400.00 for the purchase of a data analytics tool to be used by
20 districts described in subsection (1). The superintendent of public
21 instruction shall require districts described in subsection (1) to
22 purchase a data analytics tool funded under this subsection as part
23 of the agreements described in this section.

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



1 report.

2 (7) In addition to the allocation under subsection (1), from
 3 the state school aid fund money appropriated in section 11, there
 4 is allocated an amount not to exceed \$12,000,000.00 to districts
 5 described in subsection (1) for 2023-2024 only for supplemental
 6 funding to be used by districts for the purposes of this section.

7 Sec. 22a. (1) From the state school aid fund money
 8 appropriated in section 11, there is allocated an amount not to
 9 exceed ~~\$4,492,000,000.00~~ **\$4,366,000,000.00** for ~~2021-2022-2022-2023~~
 10 and there is allocated an amount not to exceed ~~\$4,376,000,000.00~~
 11 **\$4,212,000,000.00** for ~~2022-2023-2023-2024~~ for payments to districts
 12 and qualifying public school academies to guarantee each district
 13 and qualifying public school academy an amount equal to its 1994-95
 14 total state and local per-pupil revenue for school operating
 15 purposes under section 11 of article IX of the state constitution
 16 of 1963. Pursuant to section 11 of article IX of the state
 17 constitution of 1963, this guarantee does not apply to a district
 18 in a year in which the district levies a millage rate for school
 19 district operating purposes less than it levied in 1994. However,
 20 subsection (2) applies to calculating the payments under this
 21 section. Funds allocated under this section that are not expended
 22 in the fiscal year for which they were allocated, as determined by
 23 the department, may be used to supplement the allocations under
 24 sections 22b and 51c to fully fund those allocations for the same
 25 fiscal year. ~~For each fund transfer as described in the immediately~~
 26 ~~preceding sentence that occurs, the state budget director shall~~
 27 ~~send notification of the transfer to the house and senate~~
 28 ~~appropriations subcommittees on state school aid and the house and~~
 29 ~~senate fiscal agencies by not later than 14 calendar days after the~~



1 ~~transfer occurs.~~

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

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



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

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



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

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

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

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



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

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

9 (7) As used in this section:

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

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

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

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



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

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

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

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



1 public school academy.

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

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

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

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

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

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

23 (i) For the number of mills by which the exemption from the
24 levy of school operating taxes on a principal residence, qualified
25 agricultural property, qualified forest property, supportive
26 housing property, industrial personal property, commercial personal
27 property, and property occupied by a public school academy may be
28 reduced as provided in section 1211 of the revised school code, MCL
29 380.1211, the taxable value of principal residence, qualified



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

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

22 Sec. 22b. (1) ~~For~~ **Except as otherwise provided in this**
 23 **section, for** discretionary nonmandated payments to districts under
 24 this section, there is allocated for ~~2021-2022~~ **2022-2023** an amount
 25 not to exceed ~~\$5,094,000,000.00~~ **\$5,735,000,000.00** from the state
 26 school aid fund and general fund appropriations in section 11 and
 27 an amount not to exceed \$72,000,000.00 from the community district
 28 education trust fund appropriation in section 11, and there is
 29 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed



1 ~~\$5,686,000,000.00~~ **\$6,421,000,000.00** from the state school aid fund
 2 and general fund appropriations in section 11 and an amount not to
 3 exceed \$72,000,000.00 from the community district education trust
 4 fund appropriation in section 11. For ~~2021-2022, an amount not to~~
 5 ~~exceed \$14,500,000.00~~ **2022-2023, \$22,500,000.00** must be deposited
 6 from the general fund into the state school aid fund to reimburse
 7 the state school aid fund for community district education trust
 8 fund costs in excess of \$72,000,000.00, as required under section
 9 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262. For
 10 ~~2022-2023, \$19,500,000.00~~ **2023-2024, \$27,800,000.00** must be
 11 deposited from the general fund into the state school aid fund to
 12 reimburse the state school aid fund for community district
 13 education trust fund costs in excess of \$72,000,000.00, as required
 14 under section 12 of the Michigan trust fund act, 2000 PA 489, MCL
 15 12.262. If the amount allocated under this subsection from the
 16 community district education trust fund appropriation under section
 17 11 is insufficient to pay for an increase under this section, any
 18 amount exceeding that allocation may be paid from other allocations
 19 under this subsection. Except for money allocated under this
 20 section from the community district education trust fund
 21 appropriation in section 11, funds allocated under this section
 22 that are not expended in the fiscal year for which they were
 23 allocated, as determined by the department, may be used to
 24 supplement the allocations under sections 22a and 51c to fully fund
 25 those allocations for the same fiscal year. ~~For each fund transfer~~
 26 ~~as described in the immediately preceding sentence that occurs, the~~
 27 ~~state budget director shall send notification of the transfer to~~
 28 ~~the house and senate appropriations subcommittees on school aid and~~
 29 ~~the house and senate fiscal agencies by not later than 14 calendar~~



1 ~~days after the transfer occurs.~~

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

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

18 (a) Comply with section 1280b of the revised school code, MCL
 19 380.1280b.

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

22 (c) 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 (d) Comply with section 1230g of the revised school code, MCL
 26 380.1230g.

27 (e) Comply with section 21f.

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



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



1 the funds are carried forward into the following fiscal year. The
2 purpose of the work project is to provide for any payments that may
3 be awarded to districts as a result of litigation. The work project
4 is 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-6.

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

25 **(13) ~~(12)~~As used in this section:**

26 (a) "Dissolved district" means that term as defined in section
 27 20.

28 (b) "Local school operating revenue" means school operating
 29 taxes levied under section 1211 of the revised school code, MCL



1 380.1211. For a receiving district, if school operating taxes are
 2 to be levied on behalf of a dissolved district that has been
 3 attached in whole or in part to the receiving district to satisfy
 4 debt obligations of the dissolved district under section 12 of the
 5 revised school code, MCL 380.12, local school operating revenue
 6 does not include school operating taxes levied within the
 7 geographic area of the dissolved district.

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

10 Sec. 22c. From the state school aid fund money appropriated in
 11 section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount
 12 not to exceed \$3,000,000.00 for payments to eligible districts as
 13 provided under this section. The payment for an eligible district
 14 under this section must be in an amount per membership pupil equal
 15 to \$171.00. As used in this section:

16 (a) "Eligible district" means a district that received
 17 payments under this section in the immediately preceding fiscal
 18 year and for which the local school operating revenue per
 19 membership pupil in the current school fiscal year exceeds the
 20 district's foundation allowance as calculated under section 20 for
 21 the current fiscal year.

22 (b) "Local school operating revenue" means that term as
 23 defined in section 22b.

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

27 Sec. 22d. (1) From the state school aid fund money
 28 appropriated under section 11, an amount not to exceed
 29 ~~\$8,858,000.00~~**\$11,689,500.00** is allocated for ~~2022-2023~~**2023-2024**



1 for supplemental payments to rural districts under this section.

2 (2) From the allocation under subsection (1), there is
 3 allocated for ~~2022-2023-2023-2024~~ an amount not to exceed
 4 ~~\$1,638,300.00~~ **\$3,536,600.00** for payments under this subsection to
 5 eligible districts. A district that meets all of the following is
 6 an eligible district under this subsection:

7 (a) Operates grades K to 12.

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

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

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

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

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



1 districts in the same manner as payments under section 22b.

2 (4) Subject to subsection ~~(7)~~, **(8)**, from the allocation in
 3 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an
 4 amount not to exceed ~~\$6,357,000.00~~ **\$6,738,400.00** for payments under
 5 this subsection to districts that have fewer than 10.0 pupils per
 6 square mile as determined by the department.

7 (5) The funds allocated under subsection (4) are allocated as
 8 follows:

9 (a) An amount equal to ~~\$5,470,400.00~~ **\$5,798,600.00** is
 10 allocated to districts with fewer than 8.0 pupils per square mile,
 11 as determined by the department, on an equal per-pupil basis.

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

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

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

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

26 (6) From the allocation in subsection (1), there is allocated
 27 an amount not to exceed ~~\$862,700.00~~ **\$914,500.00** for payments under
 28 this subsection to districts that have greater than 250 square
 29 miles and that do not receive funding under subsection (2) or (4).



1 The funds allocated under this subsection must be allocated on an
2 equal per-pupil basis.

3 (7) Subject to subsection (8), from the allocation under
4 subsection (1), there is allocated for 2023-2024 an amount not to
5 exceed \$500,000.00 for payments under this subsection to districts
6 where each school building operated by the district is located on
7 an island that is accessible by bridge.

8 (8) ~~(7)~~—A district receiving funds allocated under subsection
9 (2) is not eligible for funding allocated under subsection (4) or
10 (7).

11 Sec. 22m. (1) From the state school aid fund money
12 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**
13 **2024** an amount not to exceed ~~\$2,200,000.00~~ **\$3,500,000.00** for
14 supporting the integration of local data systems into the Michigan
15 data hub network based on common standards and applications that
16 are in compliance with section 19(6).

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

23 (3) The center shall work with an advisory committee composed
24 of representatives from intermediate districts within each of the
25 data hub regions to coordinate the activities of the Michigan data
26 hub network.

27 (4) The center, in collaboration with the Michigan data hub
28 network, shall determine the amount of funds distributed under this
29 section to each participating regional data hub within the network,



1 based upon a competitive grant process. The center shall ensure
2 that the entities receiving funding under this section represent
3 geographically diverse areas in this state.

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

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

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

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

17 (a) Creating an infrastructure that effectively manages the
18 movement of data between data systems used by intermediate
19 districts, districts, and other educational organizations in
20 Michigan based on common data standards to improve student
21 achievement.

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

25 (c) Promoting the use of a more common set of applications by
26 promoting systems that integrate with the Michigan data hub
27 network.

28 (d) Promoting 100% district adoption of the Michigan data hub
29 network.



1 (e) Ensuring local control of data, data security, and student
2 data privacy.

3 (f) Utilizing the infrastructure to promote the actionable use
4 of data through common reports and dashboards that are consistent
5 statewide.

6 (g) Creating a governance model to facilitate sustainable
7 operations of the infrastructure in the future, including
8 administration, legal agreements, documentation, staffing, hosting,
9 and funding.

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

13 (9) Not later than January 1 of each fiscal year, the center
14 shall prepare a summary report of information provided by each
15 entity that received funds under this section that includes
16 measurable outcomes based on the objectives described under this
17 section and a summary of compiled data from each entity to provide
18 a means to evaluate the effectiveness of the project. The center
19 shall submit the report to the house and senate appropriations
20 subcommittees on school aid and to the house and senate fiscal
21 agencies.

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

27 (a) Measurable academic outcomes that the district or public
28 school academy will achieve for each school operated by the
29 district or public school academy that is subject to the



1 partnership agreement after 18 months and after 36 months from the
 2 date the agreement was originally signed. Measurable academic
 3 outcomes under this subdivision must include all of the following:

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

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

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

10 (B) At least 1 proficiency or growth outcome based on a
 11 benchmark assessment described in section 104h or 104i, as
 12 applicable.

13 **(iii) Outcomes that are intended to measure improved high school**
 14 **graduation rates, as applicable.**

15 **(iv) Outcomes that measure attendance rates.**

16 (b) Accountability measures to be imposed if the district or
 17 public school academy does not achieve the measurable academic
 18 outcomes described in subdivision (a) for each school operated by
 19 the district or public school academy that is subject to the
 20 partnership agreement. For a district assigned as a partnership
 21 district as described in this subsection, accountability measures
 22 under this subdivision must include the reconstitution of the
 23 school. For a public school academy assigned as a partnership
 24 district as described in this subsection, accountability measures
 25 under this subdivision may include the reconstitution of the
 26 school.

27 (c) For a public school academy assigned as a partnership
 28 district as described in this subsection, a requirement that, if
 29 reconstitution is imposed on a school that is operated by the



1 public school academy and that is subject to the partnership
2 agreement, the school must be reconstituted as described in section
3 507, 528, or 561, as applicable, of the revised school code, MCL
4 380.507, 380.528, and 380.561.

5 (d) For a district assigned as a partnership district as
6 described in this subsection, a provision that, if reconstitution
7 is imposed on a school that is operated by the district and that is
8 subject to the partnership agreement, reconstitution may require
9 closure of the school building, but, if the school building remains
10 open, reconstitution must include, but is not limited to, all of
11 the following:

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

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

18 (iii) The reconstitution plan for the school must require the
19 adoption of goals similar to the goals included in the partnership
20 agreement, with a limit of 3 years to achieve the goals. If the
21 goals are not achieved within 3 years, the superintendent of public
22 instruction shall impose a second reconstitution plan.

23 (2) If a district or public school academy is assigned as a
24 partnership district as described in subsection (1) during the
25 current fiscal year, it shall ensure that it has a signed
26 partnership agreement as described in subsection (1) in place by
27 not later than 90 days after the date that it is assigned as a
28 partnership district. If a district or public school academy
29 described in this subsection does not comply with this subsection,



1 the department shall withhold funding under section 22b for that
2 district or public school academy until the district or public
3 school academy has a signed partnership agreement as described in
4 subsection (1) in place.

5 Sec. 23a. (1) A dropout recovery program operated by a
6 district qualifies for the special membership counting provisions
7 of section 6(4)(dd) and the hours and days of pupil instruction
8 exemption under section 101(12) if the dropout recovery program
9 meets all of the following:

10 (a) Enrolls only eligible pupils.

11 (b) Provides an advocate and teacher of record. An advocate
12 may serve in that role for more than 1 pupil but not more than 50
13 pupils. An advocate or teacher of record may be employed by the
14 district or may be provided by an education management organization
15 that is partnering with the district. Before an individual is
16 assigned to be an advocate or teacher of record for a pupil in the
17 dropout recovery program, the district must comply with sections
18 1230 and 1230a of the revised school code, MCL 380.1230 and
19 380.1230a, with respect to that individual.

20 (c) Develops a written learning plan.

21 (d) Monitors the pupil's progress against the written learning
22 plan.

23 (e) Requires each pupil to make satisfactory monthly progress,
24 as defined by the district under subsection (2).

25 (f) Reports the pupil's progress results to the partner
26 district at least monthly.

27 (g) The program may be operated on or off a district school
28 campus, but may be operated using distance learning online only if
29 the program provides a computer and internet access for each



1 eligible pupil participating in the program.

2 (h) Is operated throughout the entire calendar year.

3 (i) If the district partners with an education management
4 organization for the program, the education management organization
5 has a dropout recovery program partnership relationship with at
6 least 1 other district.

7 (2) A district operating a dropout recovery program under this
8 section shall adopt a definition of satisfactory monthly progress
9 that is consistent with the definition of that term under
10 subsection (3).

11 (3) As used in this section:

12 (a) "Advocate" means an adult available to meet in person with
13 assigned pupils, as needed, to conduct social interventions, to
14 proctor final examinations, and to provide academic and social
15 support to pupils enrolled in the district's dropout recovery
16 program.

17 (b) "Education management organization" means a private
18 provider that operates 1 or more other dropout recovery programs
19 that meet the requirements of this section in partnership with 1 or
20 more districts.

21 (c) "Eligible pupil" means a pupil who has been expelled from
22 school under the mandatory expulsion provisions in section 1311 or
23 1311a of the revised school code, MCL 380.1311 and 380.1311a, a
24 pupil who has been suspended or expelled from school under a local
25 policy, a pupil who is referred by a court, a pupil who is pregnant
26 or is a parent, a pupil who was previously a dropout, or a pupil
27 who is determined by the district to be at risk of dropping out.

28 (d) "Satisfactory monthly progress" means an amount of
29 progress that is measurable on a monthly basis and that, if



1 continued for a full 12 months, would result in the same amount of
 2 academic credit being awarded to the pupil as would be awarded to a
 3 general education pupil completing a full school year. Satisfactory
 4 monthly progress may include a lesser required amount of progress
 5 for the first 2 months a pupil participates in the program, **but**
 6 **must include at least a total of 0.25 earned academic credit by the**
 7 **end of that 2-month period.**

8 (e) "Teacher of record" means a teacher who holds a valid
 9 Michigan teaching certificate; who, if applicable, is endorsed in
 10 the subject area and grade of the course; and is responsible for
 11 providing instruction, determining instructional methods for each
 12 pupil, diagnosing learning needs, assessing pupil learning,
 13 prescribing intervention strategies, reporting outcomes, and
 14 evaluating the effects of instruction and support strategies. If
 15 the district partners with an education management organization for
 16 the program, the teacher of record may be employed by or contracted
 17 through the education management organization.

18 (f) "Written learning plan" means a written plan developed in
 19 conjunction with the advocate that includes the plan start and end
 20 dates, courses to be taken, credit to be earned for each course,
 21 teacher of record for each course, and advocate name and contact
 22 information.

23 **Sec. 23g. (1) From the state school aid fund money**
 24 **appropriated in section 11, there is allocated for 2022-2023 only**
 25 **an amount not to exceed \$100,000,000.00 for payments to eligible**
 26 **districts for implementing the MI kids back-on-track program as**
 27 **described in this section.**

28 (2) **The department shall pay an equal amount per membership**
 29 **pupil to each eligible district under this section. Eligible**



1 districts must use funding received under this section only for
2 costs related to implementation of the MI kids back-on-track
3 program as described in this section. Implementation costs of the
4 program include, but are not limited to, costs related to staffing,
5 high-quality training, curriculum needs, student transportation
6 needs, technology needs, materials, any purpose for which any
7 district previously used funds allocated under section 98c, or
8 other costs incurred as a result of the provision of services for
9 the program.

10 (3) A district that meets all of the following is an eligible
11 district under this section:

12 (a) It applies for funding in a form and manner prescribed by
13 the department.

14 (b) It posts a MI kids back-on-track plan to its website
15 homepage that describes evidence-based actions the district is
16 taking to respond to student needs related to unfinished learning
17 and how funds received under this section will create or expand
18 these efforts. The plan described in this subdivision must meet the
19 following criteria:

20 (i) Reflect input from educators, parents and legal guardians,
21 and community members.

22 (ii) Include an analysis of student data and describe student
23 needs.

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

26 (c) It implements and maintains functionality on its website
27 homepage that allows parents, legal guardians, and students to
28 request additional assistance through the MI kids back-on-track
29 program.



1 (d) It matches at least 100% of the funding received under
2 this section with funds from other sources and uses those funds for
3 the MI kids back-on-track program.

4 (e) It provides transparency reporting on the MI kids back-on-
5 track program spending, including posting on its website a
6 transparency dashboard concerning funding from the federal
7 elementary and secondary school emergency relief fund used for the
8 program, in a form and manner prescribed by the department.

9 (4) If a district does not match at least 100% of funding
10 received under this section with other available funds, the
11 district must return any unmatched funds to the department on a
12 timeline determined by the department. The department may
13 redistribute any returned funds to eligible districts on an equal
14 per-pupil basis. Districts receiving redistributed dollars must
15 increase expenditures from other sources to match the amount of
16 redistributed dollars received.

17 (5) The superintendent of public instruction shall provide
18 guidelines to districts on evidence-based best practices and
19 effective strategies a district may use to respond to unfinished
20 learning and shall provide resources to assist districts in
21 implementing the evidence-based programs.

22 (6) The funds allocated under this section for 2022-2023 are a
23 work project appropriation, and any unexpended funds for 2022-2023
24 are carried forward into 2023-2024. The purpose of the work project
25 is to address unfinished learning. The estimated completion date of
26 the work project is September 30, 2025.

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



1 (8) As used in this section, the "MI kids back-on-track
 2 program" means programs provided before school, during school, or
 3 after school directly by the district or in partnership with
 4 community-based organizations for students in any of grades pre-K
 5 to 12 in this state that are designed to address unfinished
 6 learning, get students to grade-level academic standards, provide
 7 additional academic assistance to students at risk of falling
 8 behind their peers, or help high school students prepare for
 9 postsecondary education.

10 Sec. 24. (1) From the state school aid fund money appropriated
 11 in section 11, there is allocated for ~~2022-2023~~**2023-2024** an amount
 12 not to exceed \$7,650,000.00 for payments to the educating district
 13 or intermediate district for educating pupils assigned by a court
 14 or the department of health and human services to reside in or to
 15 attend a juvenile detention facility or child caring institution
 16 licensed by the department of health and human services and
 17 approved by the department to provide an on-grounds education
 18 program. The amount of the payment under this section to a district
 19 or intermediate district is calculated as prescribed under
 20 subsection (2).

21 (2) The department shall allocate the total amount allocated
 22 under this section by paying to the educating district or
 23 intermediate district an amount equal to the lesser of the
 24 district's or intermediate district's added cost or the
 25 department's approved per-pupil allocation for the district or
 26 intermediate district. For the purposes of this subsection:

27 (a) "Added cost" means 100% of the added cost each fiscal year
 28 for educating all pupils assigned by a court or the department of
 29 health and human services to reside in or to attend a juvenile



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

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

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

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

29 Sec. 24a. From the state school aid fund money appropriated in



1 section 11, there is allocated an amount not to exceed
2 \$1,355,700.00 for ~~2022-2023~~**2023-2024** for payments to intermediate
3 districts for pupils who are placed in juvenile justice service
4 facilities operated by the department of health and human services.
5 The amount of the payment to each intermediate district is an
6 amount equal to the state share of those costs that are clearly and
7 directly attributable to the educational programs for pupils placed
8 in facilities described in this section that are located within the
9 intermediate district's boundaries. The intermediate districts
10 receiving payments under this section shall cooperate with the
11 department of health and human services to ensure that all funding
12 allocated under this section is utilized by the intermediate
13 district and department of health and human services for
14 educational programs for pupils described in this section. Pupils
15 described in this section are not eligible to be funded under
16 section 24. However, a program responsibility or other fiscal
17 responsibility associated with these pupils must not be transferred
18 from the department of health and human services to a district or
19 intermediate district unless the district or intermediate district
20 consents to the transfer.

21 Sec. 25f. (1) From the state school aid fund money
22 appropriated in section 11, there is allocated an amount not to
23 exceed \$1,600,000.00 for ~~2022-2023~~**2023-2024** for payments to strict
24 discipline academies and qualified districts, as provided under
25 this section.

26 (2) In order to receive funding under this section, a strict
27 discipline academy or qualified district must first comply with
28 section 25e and use the pupil transfer process under that section
29 for changes in enrollment as prescribed under that section.



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

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

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

24 (6) The department shall make payments to strict discipline
25 academies and qualified districts under this section according to
26 the payment schedule under section 17b.

27 (7) For purposes of this section, the pupil membership for the
28 current fiscal year for a qualified district is the actual number
29 of pupils that are in the custody of a county juvenile agency as



1 described in subsection (8) (c).

2 (8) As used in this section:

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

16 (b) "Department's approved per-pupil allocation" means, for a
17 strict discipline academy or qualified district, an amount equal to
18 the quotient of the total amount allocated under this section for a
19 fiscal year and the full-time equated membership total for all
20 pupils approved by the department to be funded under this section
21 for that fiscal year for the strict discipline academy or qualified
22 district.

23 (c) "Qualified district" means a public school academy that is
24 not a strict discipline academy that enrolls individuals who are in
25 the custody of a county juvenile agency to which both of the
26 following are applicable:

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

29 (ii) The strict discipline academy that the individuals



1 described in subparagraph (i) were enrolled in subsequently closed.

2 (d) "Strict discipline academy" means a public school academy
3 established under sections 1311b to 1311m of the revised school
4 code, MCL 380.1311b to 380.1311m.

5 Sec. 25g. (1) From the state school aid fund money
6 appropriated in section 11, there is allocated an amount not to
7 exceed \$750,000.00 for ~~2022-2023~~ **2023-2024** for the purposes of this
8 section. Except as otherwise provided in this section, if the
9 operation of the special membership counting provisions under
10 section 6(4) (dd) and the other membership counting provisions under
11 section 6(4) result in a pupil being counted as more than 1.0 FTE
12 in a fiscal year, then the payment made for the pupil under
13 sections 22a and 22b must not be based on more than 1.0 FTE for
14 that pupil, and that portion of the FTE that exceeds 1.0 is paid
15 under this section in an amount equal to that portion multiplied by
16 the educating district's foundation allowance or per-pupil payment
17 calculated under section 20.

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

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

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

26 Sec. 26a. From the state school aid fund money appropriated in
27 section 11, there is allocated an amount not to exceed
28 \$14,000,000.00 for ~~2021-2022~~ **2023-2024** to reimburse districts and
29 intermediate districts under section 12 of the Michigan renaissance



1 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2021, and
 2 there is allocated an amount not to exceed \$14,000,000.00 for 2022-
 3 2023 to reimburse districts and intermediate districts under
 4 section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL
 5 125.2692, for taxes levied in 2022. **2023**. The department shall pay
 6 the allocations not later than 60 days after the department of
 7 treasury certifies to the department and to the state budget
 8 director that the department of treasury has received all necessary
 9 information to properly determine the amounts due to each eligible
 10 recipient.

11 Sec. 26b. (1) From the state school aid fund money
 12 appropriated in section 11, there is allocated an amount not to
 13 exceed ~~\$4,989,000.00~~ **\$5,084,000.00** for ~~2022-2023~~ **2023-2024** for
 14 payments to districts, intermediate districts, and community
 15 college districts for the portion of the payment in lieu of taxes
 16 obligation that is attributable to districts, intermediate
 17 districts, and community college districts under section 2154 of
 18 the natural resources and environmental protection act, 1994 PA
 19 451, MCL 324.2154.

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

24 Sec. 26c. (1) From the state school aid fund money
 25 appropriated under section 11, there is allocated an amount not to
 26 exceed ~~\$14,800,000.00~~ **\$20,500,000.00** for ~~2021-2022~~ **2022-2023** and
 27 there is allocated an amount not to exceed ~~\$14,800,000.00~~
 28 **\$26,000,000.00** for ~~2022-2023~~ **2023-2024** to the promise zone fund
 29 created in subsection (3). The funds allocated under this section



1 reflect the amount of revenue from the collection of the state
2 education tax captured under section 17 of the Michigan promise
3 zone authority act, 2008 PA 549, MCL 390.1677.

4 (2) Funds allocated to the promise zone fund under this
5 section must be used solely for payments to eligible districts and
6 intermediate districts, in accordance with section 17 of the
7 Michigan promise zone authority act, 2008 PA 549, MCL 390.1677,
8 that have a promise zone development plan approved by the
9 department of treasury under section 7 of the Michigan promise zone
10 authority act, 2008 PA 549, MCL 390.1667. Eligible districts and
11 intermediate districts shall use payments made under this section
12 for reimbursement for qualified educational expenses as that term
13 is defined in section 3 of the Michigan promise zone authority act,
14 2008 PA 549, MCL 390.1663.

15 (3) The promise zone fund is created as a separate account
16 within the state school aid fund to be used solely for the purposes
17 of the Michigan promise zone authority act, 2008 PA 549, MCL
18 390.1661 to 390.1679. All of the following apply to the promise
19 zone fund:

20 (a) The state treasurer shall direct the investment of the
21 promise zone fund. The state treasurer shall credit to the promise
22 zone fund interest and earnings from fund investments.

23 (b) Money in the promise zone fund at the close of a fiscal
24 year remains in the promise zone fund and does not lapse to the
25 general fund.

26 (4) Subject to subsection (2), the state treasurer may make
27 payments from the promise zone fund to eligible districts and
28 intermediate districts under the Michigan promise zone authority
29 act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the



1 purposes of a promise zone authority created under that act.

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

5 Sec. 26d. (1) From the state school aid fund money
6 appropriated under section 11, there is allocated an amount not to
7 exceed ~~\$12,000,000.00 for 2021-2022 and an amount not to exceed~~
8 ~~\$14,400,000.00 for 2022-2023~~ **2023-2024** for reimbursements to
9 intermediate districts as required under section 15b of the
10 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

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

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

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

21 Sec. 27a. (1) From the state school aid fund money
22 appropriated in section 11, there is allocated for ~~2022-2023~~ **2023-**
23 **2024** an amount not to exceed \$20,000,000.00 and from the general
24 fund money appropriated in section 11, there is allocated for ~~2022-~~
25 ~~2023~~ **2023-2024** an amount not to exceed \$5,000,000.00 for the MI
26 future educator fellowship program. The funds allocated under this
27 section must be used to offset tuition costs for individuals who
28 are working toward earning their initial teacher certification.

29 (2) To establish initial eligibility for an award from funding



1 under this section, an individual must meet all of the following
2 conditions by the date of enrollment described in subdivision (b):

3 (a) Have graduated from high school with a diploma or
4 certificate of completion or achieved a high school equivalency
5 certificate.

6 (b) Be admitted to an eligible educator preparation program
7 and begin the first semester of that program on or after the start
8 of the fall 2022 academic semester; be working toward a teacher
9 certification; and be enrolled in enough coursework to earn at
10 least 24 credits in an academic year or the equivalent of full-time
11 participation for individuals enrolled in an alternative
12 certification program, as defined by the department.

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

14 (d) Timely complete a grant application in a form and manner
15 prescribed by the department of treasury.

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

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

20 (g) Agree to repay any funds received from funding under this
21 section if the individual does not maintain enrollment in their
22 educator preparation program, the individual does not successfully
23 complete their educator program, or the individual does not
24 complete the work requirement described in subsection (7).

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

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

29 (3) To establish continuing eligibility for an award under



1 this section at an eligible educator preparation program, an
2 individual must meet all of the following conditions:

3 (a) Maintain continuous enrollment in an eligible educator
4 preparation program and earn at least 24 credits in an academic
5 year or the equivalent of full-time participation for individuals
6 enrolled in an alternative certification program, as defined by the
7 department, excluding any period of time missed due to a medical or
8 other emergency, as determined by the department of treasury.

9 (b) Maintain satisfactory academic progress, including a grade
10 point average of at least 3.0, in courses provided by the eligible
11 educator preparation program and meet requirements established by
12 the eligible educator preparation program.

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

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

18 (e) Timely apply for all available gift aid for each academic
19 year in which the individual applies for funding under this
20 section.

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

23 (4) An award under this section must not exceed \$10,000.00 per
24 academic year or the cost of tuition at the in-district resident
25 rate plus other required fees, as determined by the department of
26 treasury, at the eligible educator preparation program attended,
27 whichever is less.

28 (5) Awards under this section must be distributed to eligible
29 educator preparation programs on behalf of an eligible recipient on



1 a timeline determined by the department of treasury.

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

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

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

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

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

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

27 (8) If an award recipient does not maintain enrollment in
28 their educator preparation program as required under subsection
29 (3)(a), does not successfully complete their educator preparation



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

10 (9) An individual may not concurrently receive funding through
 11 programs funded under this section and grow your own programs
 12 funded under section 27b.

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

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

25 (12) **The department of treasury shall report to the chairs of**
 26 **the senate and house appropriations subcommittees on school aid by**
 27 **February 1 of the current fiscal year. The report must include the**
 28 **following:**

29 (a) **The number and amount of awards granted in the previous**



1 **fiscal year.**

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

4 (13) ~~(12)~~—As used in this section, "eligible educator
5 preparation program" means an institution of higher education that
6 meets all of the following:

7 (a) Is a public or nonpublic institution of higher education
8 in this state.

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

11 (c) Enrolls 1 or more future educator fellowship recipients.

12 (d) Has not increased tuition and fee rates above the
13 limitations described in section 265.

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

24 (2) Districts and intermediate districts receiving funding
25 under this section shall use the funding to implement a grow your
26 own program. A grow your own program described in this subsection
27 must be implemented to improve the teacher talent pipeline and
28 provide a no-cost pathway for support staff members to become
29 certified teachers. Allowable expenses for grow your own programs



1 include, but are not limited to:

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

8 (b) Books.

9 (c) Testing fees.

10 (d) Travel to and from coursework.

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

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

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

26 (a) Demonstrated need for funding in the district or
 27 intermediate district or the broader community, including projected
 28 workforce needs, and a proposed spending plan on how the funds will
 29 be utilized that includes expected tuition, fees, and books for the



1 program.

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

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

7 (d) Assurances that the pathway will be no cost for
8 participants and that participants will be compensated as an
9 employee for the duration of their training, including a paid
10 residency or student teaching.

11 (e) Identification of eligible recipients and a pledge to hire
12 an eligible recipient as a full-time teacher upon their receipt of
13 an initial teaching certificate and provide for student teaching
14 opportunities.

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

25 (4) An individual may not concurrently receive funding for
26 programs under this section and programs funded under sections 27a
27 and 27c.

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



1 negative impacts.

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

5 (7) The funds allocated under this section for 2022-2023 are a
6 work project appropriation, and any unexpended funds for 2022-2023
7 are carried forward into 2023-2024. The purpose of the work project
8 is to continue support for grow your own programs in districts and
9 intermediate districts. The estimated completion date of the work
10 project is December 31, 2026.

11 Sec. 27c. (1) From the state school aid fund money
12 appropriated in section 11, there is allocated \$50,000,000.00 for
13 ~~2022-2023~~**2023-2024** for the MI future educator student teacher
14 stipend program. Except as otherwise provided in this section, the
15 funds allocated under this section must be paid to eligible
16 educator preparation programs for payments to eligible student
17 teachers working in a district.

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

20 (a) The individual must be admitted to an eligible educator
21 preparation program, be working toward a teacher certification, be
22 participating in required student teaching coursework, and be
23 maintaining satisfactory academic progress. As used in this
24 subdivision, "required student teaching coursework" means credit
25 hours, or the program equivalent, required by an eligible educator
26 preparation program for successful completion of the program. This
27 coursework must include regular placement in a district where the
28 student gains real-world, first-hand experience working in a
29 classroom, teaching students, engaging in the day-to-day activities



1 of a certified teacher, and working daily under the guidance of a
2 certified teacher.

3 (b) The individual must timely complete an application in a
4 form and manner prescribed by the department of treasury. The
5 application must include the district in which the individual is
6 working as a student teacher and must include a certification by
7 the district and the individual's eligible educator preparation
8 program that the student is working as a student teacher. If the
9 individual's eligible educator preparation program is not provided
10 by a public institution of higher education, the district in which
11 the individual is working must also provide an assurance that they
12 will forward any amount received under this section from the
13 department of treasury for purposes of the program described in
14 this section to the individual's eligible educator preparation
15 program.

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

20 (d) If an individual is ~~paid~~**employed** by their district **as a**
21 **teacher of record**, they are not eligible for payment under this
22 section.

23 **(e) An individual that is a former or current AmeriCorps**
24 **service member enrolled in a qualified educator preparation program**
25 **is eligible for payment under this section.**

26 (3) The department of treasury shall pay each eligible
27 educator preparation program an amount not to exceed \$9,600.00 per
28 academic semester for each eligible student teacher working in a
29 district. If the individual's eligible educator preparation program



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

14 (4) Eligible educator preparation programs shall pay funds
 15 received under this section, in entirety, to the eligible student
 16 teacher. ~~Eligible student teachers may use these funds for any of~~
 17 ~~the following:~~

18 ~~(a) Tuition costs.~~

19 ~~(b) Living expenses, including, but not limited to, housing~~
 20 ~~costs, health care costs, and transportation costs.~~

21 ~~(c) Childcare costs for a dependent of the student teacher.~~

22 ~~(d) Any other costs associated with student teaching, as~~
 23 ~~determined by the department of treasury.~~

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

27 (6) As used in this section, "eligible educator preparation
 28 program" means an institution of higher education that meets all of
 29 the following:



1 (a) Is a public or private institution of higher education in
2 this state.

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

5 (c) Has not increased tuition and fee rates above the
6 limitations described in section 265.

7 **Sec. 27g. (1) From the state school aid fund money**
8 **appropriated in section 11, there is allocated for 2022-2023 only**
9 **an amount not to exceed \$25,000,000.00 and there is allocated for**
10 **2023-2024 only an amount not to exceed \$20,000,000.00 to**
11 **intermediate districts and consortia of intermediate districts**
12 **based on the number of pupils in membership in constituent**
13 **districts of the intermediate district or consortia of intermediate**
14 **districts to support the talent-together coalition as described in**
15 **this section.**

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

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

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

24 (c) Provide school leader development programs to increase
25 educator retention and efficacy.

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

29 (e) Promote research so that this state can learn from its



1 investments and innovations and become a top state for educators.

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

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

8 (a) Is based in this state.

9 (b) Operates statewide.

10 (c) Is a non-higher education institution under section
11 501(c) (3) of the internal revenue code of 1986, 26 USC 501.

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

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

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

18 (i) Teacher recruitment.

19 (ii) Teacher development.

20 (iii) Teacher retention.

21 (iv) Teacher certification.

22 (v) School leader development.

23 (vi) School leader retention.

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

26 Sec. 27k. (1) From the state school aid fund money
27 appropriated in section 11, \$250,000,000.00 is allocated for 2023-
28 2024 only to districts for the purposes under this section.

29 (2) To receive funding under this section, a district must



1 apply for the funding in a form and manner prescribed by the
2 department.

3 (3) A district that receives funding under this section shall
4 use the funding only to implement a student loan repayment program
5 in accordance with guidelines issued by the department. The
6 guidelines must include all of the following criteria:

7 (a) A system for which the district verifies both of the
8 following:

9 (i) That each eligible participant owes federal student loans.

10 (ii) That each eligible participant is enrolled in the federal
11 public service loan forgiveness program and is under, pursuant to
12 federal law, a payment plan that makes eligible payments toward
13 federal public service loan forgiveness.

14 (b) A requirement that each eligible participant shall receive
15 up to \$250.00 per month, or, if the eligible participant is
16 employed in a district for which at least 75% of pupils are at-risk
17 pupils, up to \$450.00 per month, for the duration of the program or
18 the total amount of the eligible participant's federal student
19 loan, as verified under subdivision (a), whichever is less.

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

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

26 (e) A requirement that an eligible participant annually, or,
27 if the participant leaves the program, on the date the participant
28 leaves the program, if applicable, certifies to the district that
29 the eligible participant made payments toward the eligible



1 participant's federal student loan with the funding received under
2 this section.

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

7 (4) An eligible participant remains eligible, unless otherwise
8 provided under federal law or other state laws, for student loans
9 even though the eligible participant receives funding from the
10 money allocated under this section.

11 (5) If an eligible participant does not utilize funding
12 received from a district from the allocation under this section
13 toward payment toward the participant's federal student loan, the
14 amount or amounts not used in accordance with this section convert
15 into a 0% interest loan that are due 1 year from receipt of the
16 payment by the eligible participant.

17 (6) Payments to an eligible participant by districts under
18 this section must be made for up to 10 years or until the eligible
19 participant's federal student loan is paid off, whichever occurs
20 earlier.

21 (7) The funds allocated under this section for 2023-2024 are a
22 work project appropriation, and any unexpended funds for 2023-2024
23 are carried forward into 2024-2025. The purpose of the work project
24 is to continue support for federal student loan repayment programs
25 as described in this section. The estimated completion date of the
26 work project is December 31, 2026.

27 (8) If the amount allocated under this section is insufficient
28 to fully make payments to all eligible participants as required
29 under this section, the department shall prorate the amount paid to



1 districts to distribute to all eligible participants on an equal
2 basis.

3 (9) As used in this section:

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

5 (b) "Eligible participant" means an individual who is
6 participating in a student loan repayment program described in
7 subsection (3) and who is working full-time at a district in a role
8 in which the individual works directly with students, including,
9 but not limited to, educators, counselors, social workers,
10 psychologists, reading specialists, librarians, and school
11 administrators who work directly with students.

12 Sec. 27l. From the state school aid fund money appropriated in
13 section 11, there is allocated \$125,000,000.00 for 2023-2024 only
14 to districts and intermediate districts for a salary incentive
15 pilot program.

16 Sec. 27n. From the state school aid fund money appropriated in
17 section 11, \$2,000,000.00 is allocated for 2023-2024 only to
18 Saginaw Public School District to fund the enrollment of employees
19 of Saginaw Public School District in the Accelerated Certification
20 with Residency (ACR) Program at Saginaw Valley State University for
21 the employees to earn their teaching certificate. Saginaw Public
22 School District shall directly make payments to Saginaw Valley
23 State University for the enrollment of employees described in this
24 section as described in this section.

25 Sec. 27o. From the general fund money appropriated in section
26 11, \$3,000,000.00 is allocated for 2023-2024 only to City Year
27 Fellowship to be used for the expansion of the provision of English
28 language and math tutoring services and opportunities to districts
29 in this state.



1 Sec. 27p. (1) From the state school aid fund money
2 appropriated in section 11, \$250,000.00 is allocated for 2023-2024
3 only to districts on a reimbursement basis toward the payment of
4 costs associated with professional learning classes or sessions for
5 school board members. A district must only be reimbursed an amount
6 not to exceed \$100.00 for each class or session as described in
7 this section from the funding allocated under this section.

8 (2) The funds allocated under this section for 2023-2024 are a
9 work project appropriation, and any unexpended funds for 2023-2024
10 are carried forward into 2024-2025. The purpose of the work project
11 is to continue supporting the reimbursement of costs for school
12 board member professional learning as described in this section.
13 The estimated completion date of the work project is September 30,
14 2027.

15 Sec. 27q. From the state school aid fund money appropriated in
16 section 11, there is allocated \$2,000,000.00 for 2023-2024 only to
17 the school district of the city of Hamtramck for both of the
18 following purposes:

19 (a) To hire accelerated learning coaches for each of the 8
20 schools in the district. The coaches described in this subdivision
21 shall do all of the following:

22 (i) Lead efforts in the district to support learning and
23 teaching.

24 (ii) Work directly with teachers to model lessons, co-teach,
25 and work with small groups.

26 (iii) Prioritize equitable access to grade-level content and
27 high-quality resources for all students.

28 (iv) Focus on the depth of instruction rather than the pace,
29 and implement an accelerated learning cycle to identify gaps and



1 scaffold instruction as needed.

2 (v) Collaborate with teachers to provide support in addressing
3 learning gaps and improving student achievement.

4 (b) For the provision of professional development for the
5 coaches described in subdivision (a). The professional learning
6 described in this subdivision must be aligned with best practices
7 in accelerating student learning, including strategies for
8 differentiation, assessment, and data analysis.

9 Sec. 28. (1) To recognize differentiated instructional costs
10 for different types of pupils in ~~2022-2023~~, **2023-2024**, the
11 following sections provide a weighted foundation allocation or an
12 additional payment of some type in the following amounts, as
13 allocated under those sections:

14 (a) Section 22d, isolated and rural districts,
15 ~~\$8,858,000.00~~. **\$11,689,500.00.**

16 (b) Section 31a, at risk, ~~\$747,500,000.00~~. **\$920,600,000.00.**

17 (c) Section 41, bilingual education for English language
18 learners, ~~\$26,511,000.00~~. **\$53,022,000.00.**

19 (d) Section 51c, special education, mandated percentages,
20 ~~\$709,900,000.00~~. **\$819,200,000.00.**

21 (e) Section 61a, career and technical education, standard
22 reimbursement, ~~\$47,611,300.00~~. **\$37,611,300.00.**

23 (f) Section 61d, career and technical education incentives,
24 \$5,000,000.00.

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

28 **Sec. 30d. (1) From the state school aid fund money**
29 **appropriated in section 11, there is allocated an amount not to**



1 exceed \$25,000,000.00 for 2022-2023 and an amount not to exceed
2 \$160,000,000.00 for 2023-2024 for the purpose of making payments to
3 participating entities to provide free school lunch and breakfast
4 to public school pupils in grades pre-K to 12.

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

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

11 (b) Submit information regarding the number of reimbursable
12 breakfasts and reimbursable lunches served in a manner prescribed
13 by the department and pledge that it will report to the department,
14 not later than the last business day of January for each fiscal
15 year, in a form and manner prescribed by the department, the number
16 of meals and the average cost per meal provided during the first
17 half of the current school fiscal year.

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

27 (d) The participating entity meets all applicable state and
28 federal standards in its school breakfast and lunch programs, as
29 determined by the department.



1 (e) The participating entity takes all efforts to maximize and
2 implement policies that require parents or guardians to fill out
3 relevant family income information, in a manner prescribed by the
4 department, for the purposes of determining student eligibility for
5 federal free or reduced cost meal reimbursement rates and CEP
6 eligibility determinations.

7 (f) All school meal debt has been forgiven by the
8 participating entity, as determined by the department.

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

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

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



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

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

10 (5) As used in this section:

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

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

15 Sec. 31a. (1) From the state school aid fund money
 16 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~
 17 ~~2024~~ an amount not to exceed ~~\$537,650,000.00, \$993,750,000.00,~~ and
 18 from the general fund money appropriated in section 11 there is
 19 allocated for ~~2021-2022-2023-2024~~ an amount not to exceed
 20 \$1,500,000.00 ~~, and, from the state school aid fund money~~
 21 ~~appropriated in section 11, there is allocated for 2022-2023 an~~
 22 ~~amount not to exceed \$785,650,000.00, and from the general fund~~
 23 ~~money appropriated in section 11, there is allocated for 2022-2023~~
 24 ~~an amount not to exceed \$1,500,000.00~~ for payments to eligible
 25 districts and eligible public school academies for the purposes of
 26 ensuring that pupils are proficient in English language arts by the
 27 end of grade 3, that pupils are proficient in mathematics by the
 28 end of grade 8, that pupils are attending school regularly, that
 29 high school graduates are career and college ready, and for the



1 purposes under subsections (7) and (8).

2 ~~(2) For 2021-2022 only, for a district that has combined state~~
3 ~~and local revenue per membership pupil under sections 20 and 20m~~
4 ~~that is greater than the target foundation allowance under section~~
5 ~~20 for the current fiscal year and that, for the immediately~~
6 ~~preceding fiscal year, had combined state and local revenue per~~
7 ~~membership pupil under section 20 and 20m that was greater than the~~
8 ~~target foundation allowance under section 20 that was in effect for~~
9 ~~that fiscal year, the allocation under subsection (4) is an amount~~
10 ~~equal to 35% of the allocation for which it would otherwise be~~
11 ~~eligible under subsection (4) before any proration under subsection~~
12 ~~(15). It is the intent of the legislature that, if revenues are~~
13 ~~sufficient and if districts with combined state and local revenue~~
14 ~~per membership pupil under sections 20 and 20m that is below the~~
15 ~~target foundation allowance are receiving nonprorated payments~~
16 ~~under subsection (4), the percentage in the immediately preceding~~
17 ~~sentence must be increased annually until it reaches 100%. If a~~
18 ~~district has combined state and local revenue per membership pupil~~
19 ~~under sections 20 and 20m that is greater than the target~~
20 ~~foundation allowance under section 20 for the current fiscal year,~~
21 ~~but for the 2018-2019 fiscal year had combined state and local~~
22 ~~revenue per membership pupil under section 20 that was less than~~
23 ~~the basic foundation allowance under section 20 that was in effect~~
24 ~~for the 2018-2019 fiscal year, the district shall receive an amount~~
25 ~~per pupil equal to 11.5% of the target foundation allowance, as~~
26 ~~applied under subsection (4), and before any proration under~~
27 ~~subsection (15). This subsection does not apply beginning in 2022-~~
28 ~~2023.~~

29 (2) ~~(3)~~ For a district or public school academy to be eligible



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

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

21 **(3)** ~~(4)~~ From the state school aid fund money allocated under
 22 subsection (1), there is allocated for ~~2021-2022~~ **2023-2024** an
 23 amount not to exceed ~~\$512,500,000.00 and, for 2022-2023, an amount~~
 24 ~~not to exceed \$747,500,000.00~~ **\$920,600,000.00** to continue a
 25 weighted foundation per pupil payment for districts and public
 26 school academies enrolling economically disadvantaged pupils. The
 27 department shall pay under this subsection to each eligible
 28 district or eligible public school academy an amount per pupil
 29 equal to ~~11.5% of a~~ **percentage calculated under subsection (4)**



1 **multiplied by** the target foundation allowance for the following, as
2 applicable:

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

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

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



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

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

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

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



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

8 **(4) Each district or public school academy must be assigned to**
 9 **an opportunity index score each fiscal year, the value of which is**
 10 **a decimal, resulting from taking the number of economically**
 11 **disadvantaged pupils as determined under subsection (3) for the**
 12 **district or public school academy divided by the total number of**
 13 **pupils in the district or public school academy. Each district or**
 14 **public school academy must be assigned an opportunity index band as**
 15 **follows:**

16 (a) A district or public school academy with an opportunity
 17 index score greater than or equal to 0.00 but less than 0.41 must
 18 be assigned to band 1 and shall receive reimbursement under
 19 subsection (3) at a rate of 11.5%.

20 (b) A district or public school academy with an opportunity
 21 index score greater than or equal to 0.41 but less than 0.57 must
 22 be assigned to band 2 and shall receive reimbursement under
 23 subsection (3) at a rate of 11.8%.

24 (c) A district or public school academy with an opportunity
 25 index score greater than or equal to 0.57 but less than 0.71 must
 26 be assigned to band 3 and shall receive reimbursement under
 27 subsection (3) at a rate of 12.5%.

28 (d) A district or public school academy with an opportunity
 29 index score greater than or equal to 0.71 but less than 0.82 must



1 be assigned to band 4 and shall receive reimbursement under
2 subsection (3) at a rate of 13.6%.

3 (e) A district or public school academy with an opportunity
4 index score greater than or equal to 0.82 must be assigned to band
5 5 and shall receive reimbursement under subsection (3) at a rate of
6 15.3%.

7 (5) Except as otherwise provided in this section, a district
8 or public school academy receiving funding under this section shall
9 use that money only to provide instructional programs and direct
10 noninstructional services, including, but not limited to, medical,
11 mental health, or counseling services, for at-risk pupils; for
12 school health clinics; and for the purposes of subsection (6), (7),
13 or (8). In addition, a district that is a school district of the
14 first class or a district or public school academy in which at
15 least 50% of the pupils in membership were determined to be
16 economically disadvantaged in the immediately preceding state
17 fiscal year, as determined and reported as described in subsection
18 ~~(4)~~, ~~(3)~~, may use the funds it receives under this section for
19 school security or school parent liaison personnel. The uses of the
20 funds described in the immediately preceding sentence must align to
21 the needs assessment and the multi-tiered system of supports model
22 and, for funds spent on parent liaison personnel, must connect
23 parents to the school community. A district or public school
24 academy shall not use any of the money received under this section
25 for administrative costs. The instruction or direct
26 noninstructional services provided under this section may be
27 conducted before or after regular school hours or by adding extra
28 school days to the school year.

29 (6) A district or public school academy that receives funds



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

8 (7) From the state school aid fund money allocated under
9 subsection (1), there is allocated for ~~2021-2022~~**2023-2024** an
10 amount not to exceed ~~\$8,000,000.00~~ and there is allocated for ~~2022-~~
11 ~~2023~~ an amount not to exceed ~~\$33,000,000.00~~ **\$68,000,000.00** to
12 support primary health care services provided to children and
13 adolescents up to age 21. **It is the intent of the legislature that,**
14 **for 2024-2025, the allocation from the state school aid fund money**
15 **appropriated in section 11 for purposes described in this**
16 **subsection will be \$48,000,000.00.** These funds must be expended in
17 a form and manner determined jointly by the department and the
18 department of health and human services. **Of the funds allocated for**
19 **2023-2024, \$10,000,000.00 must be used for infrastructure**
20 **investment at existing adolescent health centers and \$10,000,000.00**
21 **must be used to implement a networked patient data IT system.** When
22 making funding decisions for new adolescent health centers under
23 this subsection, the department and department of health and human
24 services shall prioritize support for primary health care services
25 in unserved counties as of the effective date of the amendatory act
26 that added this sentence. An amount not to exceed 4% of the funds
27 allocated for ~~2022-2023~~**2023-2024** under this subsection must be
28 made available for technical support and coordination services from
29 a nonprofit organization exclusively dedicated to serving



1 adolescent health centers in this state and that has a membership
2 that includes federally qualified health centers, local public
3 health departments, hospital systems, and public school districts.
4 As a requirement of being awarded the funds under this subsection
5 as prescribed under this subsection, a nonprofit organization
6 described in this subsection shall make readily available technical
7 support and coordination services to all child and adolescent
8 health centers in this state.

9 (8) From the state school aid fund money allocated under
10 subsection (1), there is allocated for ~~2021-2022-2023-2024~~ an
11 amount not to exceed \$5,150,000.00 ~~and there is allocated for 2022-~~
12 ~~2023 an amount not to exceed \$5,150,000.00~~ for the state portion of
13 the hearing and vision screenings as described in part 93 of the
14 public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and,
15 from the general fund money allocated under subsection (1), there
16 is allocated for ~~2021-2022-2023-2024~~ an amount not to exceed
17 \$1,500,000.00 ~~and there is allocated for 2022-2023 an amount not to~~
18 ~~exceed \$1,500,000.00~~ for the state portion of the dental screenings
19 as described in part 93 of the public health code, 1978 PA 368, MCL
20 333.9301 to 333.9329. A local public health department shall pay at
21 least 50% of the total cost of the screenings. The frequency of the
22 vision screenings must be as required under R 325.13091 to R
23 325.13096 of the Michigan Administrative Code and the frequency of
24 the hearing screenings must be as required under R 325.3271 to R
25 325.3276 of the Michigan Administrative Code. Funds must be awarded
26 in a form and manner approved jointly by the department and the
27 department of health and human services. Notwithstanding section
28 17b, the department shall make payments to eligible entities under
29 this subsection on a schedule determined by the department.



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

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

28 (11) Subject to subsections (6), (7), and (8), for schools in
29 which more than 40% of pupils are identified as at-risk, a district



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

12 (12) A district or public school academy that receives funds
 13 under this section may use those funds to provide research based
 14 professional development and to implement a coaching model that
 15 supports the multi-tiered system of supports framework.

16 Professional development may be provided to district and school
 17 leadership and teachers and must be aligned to professional
 18 learning standards; integrated into district, school building, and
 19 classroom practices; and solely related to the following:

20 (a) Implementing the multi-tiered system of supports required
 21 in subsection ~~(3)~~ **(2)** with fidelity and utilizing the data from
 22 that system to inform curriculum and instruction.

23 (b) Implementing section 1280f of the revised school code, MCL
 24 380.1280f, as required under subsection ~~(3)~~ **(2)**, with fidelity.

25 ~~(13) For 2021-2022, a district or public school academy that~~
 26 ~~receives funds under subsection (4) or (17) may use funds received~~
 27 ~~under subsection (4) or (17) for support staff providing services~~
 28 ~~to at-risk pupils. For 2022-2023, 2023-2024 a district or public~~
 29 school academy that receives funds under subsection ~~(4)~~ **(3)** may use



1 funds received under subsection ~~(4)~~ **(3)** for support staff providing
 2 services to at-risk pupils.

3 (14) A district or public school academy that receives funds
 4 under this section may use up to 10% of the funds received under
 5 this section to provide evidence-based instruction for pre-
 6 kindergarten instructional and noninstructional services to
 7 children who meet at least 1 of the criteria in subsection
 8 ~~(20) (a) (i) to (x)~~ **(18) (a) (i) to (x)**.

9 (15) If necessary, the department shall prorate payments under
 10 this section, except payments under subsection ~~(7), (8), or, for~~
 11 ~~2021-2022, (17), (7) or (8)~~, by reducing the amount of the
 12 allocation as otherwise calculated under this section by an equal
 13 percentage per district.

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

22 ~~(17) From the state school aid fund money allocated under~~
 23 ~~subsection (1), there is allocated for 2021-2022 an amount not to~~
 24 ~~exceed \$12,000,000.00 for payments to districts and public school~~
 25 ~~academies that otherwise received an allocation under this~~
 26 ~~subsection for 2020-2021 and whose allocation under this section~~
 27 ~~for 2020-2021, excluding any payments under subsection (7) or (8),~~
 28 ~~would have been more than the district's or public school academy's~~
 29 ~~allocation under this section for 2021-2022 as calculated under~~



1 ~~subsection (4) only and as adjusted under subsection (15). The~~
 2 ~~allocation for each district or public school academy under this~~
 3 ~~subsection is an amount equal to its allocation under this section~~
 4 ~~for 2020-2021 minus its allocation as otherwise calculated under~~
 5 ~~subsection (4) for 2021-2022 as adjusted by subsection (15), using~~
 6 ~~in those calculations the 2017-2018 number of pupils determined to~~
 7 ~~be economically disadvantaged. However, if the allocation as~~
 8 ~~otherwise calculated under this subsection would have been less~~
 9 ~~than \$0.00, the allocation under this subsection is \$0.00. If~~
 10 ~~necessary, and before any proration required under section 296, the~~
 11 ~~department shall prorate payments under this subsection by reducing~~
 12 ~~the amount of the allocation as otherwise calculated under this~~
 13 ~~subsection by an equal percentage per district or public school~~
 14 ~~academy. Any unexpended funds under this subsection are to be~~
 15 ~~distributed through payments made under subsection (4) as provided~~
 16 ~~under subsection (4), but those funds must not be factored into~~
 17 ~~calculating payments under this subsection. This subsection does~~
 18 ~~not apply beginning in 2022-2023.~~

19 **(17)** ~~(18)~~—A district or public school academy that receives
 20 funds under this section may use funds received under this section
 21 to provide an anti-bullying or crisis intervention program.

22 **(18)** ~~(19)~~—The department shall collaborate with the department
 23 of health and human services to prioritize assigning Pathways to
 24 Potential success coaches to elementary schools that have a high
 25 percentage of pupils in grades K to 3 who are not proficient in
 26 English language arts, based upon state assessments for pupils in
 27 those grades.

28 **(19)** ~~(20)~~—As used in this section:

29 (a) "At-risk pupil" means a pupil in grades pre-K to 12 for



1 whom the district has documentation that the pupil meets any of the
2 following criteria:

3 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

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

24 (b) "Combined state and local revenue" means the aggregate of
25 the district's state school aid received by or paid on behalf of
26 the district under section 20 and the district's local school
27 operating revenue.

28 (c) "Combined state and local revenue per membership pupil"
29 means the district's combined state and local revenue divided by



1 the district's membership excluding special education pupils.

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

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

13 (f) "Local school operating revenue" means that term as
 14 defined in section 22b.

15 Sec. 31d. (1) From the state school aid fund money
 16 appropriated in section 11, there is allocated an amount not to
 17 exceed \$24,553,400.00 for ~~2021-2022-2022-2023~~ and there is
 18 allocated an amount not to exceed ~~\$24,553,400.00~~ **\$25,290,400.00** for
 19 ~~2022-2023-2023-2024~~ for the purpose of making payments to districts
 20 and other eligible entities under this section.

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

29 (3) The payments made under this section include all state



1 payments made to districts so that each district receives at least
 2 6.0127% of the necessary costs of operating the state mandated
 3 portion of the lunch program in a fiscal year.

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

10 (5) From the federal funds appropriated in section 11, there
 11 is allocated for ~~2021-2022-2022-2023~~ all available federal funding,
 12 estimated at ~~\$900,000,000.00,~~ **\$901,400,000.00**, and there is
 13 allocated for ~~2022-2023-2023-2024~~ all available federal funding,
 14 estimated at ~~\$900,000,000.00,~~ **\$901,400,000.00** for child nutrition
 15 programs and, for ~~2021-2022,~~ **2022-2023**, all available federal
 16 funding, estimated at ~~\$30,700,000.00,~~ **\$15,000,000.00**, and, for
 17 ~~2022-2023,~~ **2023-2024**, all available federal funding, estimated at
 18 \$15,000,000.00, for food distribution programs.

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

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

26 Sec. 31f. (1) From the state school aid fund money
 27 appropriated in section 11, there is allocated an amount not to
 28 exceed ~~\$12,400,000.00 for 2021-2022 and \$11,900,000.00 for 2022-~~
 29 ~~2023-2023-2024~~ for the purpose of making payments to districts to



1 reimburse for the cost of providing breakfast.

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

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

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

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

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

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

25 Sec. 31j. (1) From the general fund money appropriated in
26 section 11, there is allocated an amount not to exceed \$500,000.00
27 **and from the state school aid fund money appropriated in section**
28 **11, there is allocated an amount not to exceed \$8,800,000.00 for**
29 **2022-2023, and from the general fund money appropriated in section**



1 **11, there is allocated an amount not to exceed \$500,000.00** and from
 2 the state school aid fund money appropriated in section 11, there
 3 is allocated an amount not to exceed \$4,000,000.00 for ~~2021-2022,~~
 4 ~~and from the general fund money appropriated in section 11, there~~
 5 ~~is allocated an amount not to exceed \$500,000.00 and from the state~~
 6 ~~school aid fund money appropriated in section 11, there is~~
 7 ~~allocated an amount not to exceed \$8,800,000.00 for 2022-2023-2023-~~
 8 **2024** for a program to support districts and other non-school
 9 sponsors in the purchase of locally grown fruits and vegetables as
 10 described in this section. ~~It is the intent of the legislature~~
 11 ~~that, for 2023-2024, the allocation from the state school aid fund~~
 12 ~~money appropriated in section 11 for purposes described in this~~
 13 ~~section will be \$4,000,000.00.~~

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

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



1 training to newly participating schools and other non-school
2 sponsors and electronic information on Michigan agriculture.

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

7 (5) A district or other non-school sponsor that receives a
8 grant under this section shall use those funds for the costs
9 incurred by the district or the sponsor to purchase whole or
10 minimally processed fruits, vegetables, and legumes that meet both
11 of the following:

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

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

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

23 (7) In awarding grants under this section, the department
24 shall work in consultation with Michigan-based farm to school
25 resource organizations, to develop scoring criteria that assess an
26 applicant's ability to procure Michigan-grown products, prepare and
27 menu Michigan-grown products, promote and market Michigan-grown
28 products, and submit letters of intent from districts or other non-
29 school sponsors on plans for educational activities that promote



1 the goals of the program.

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

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

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

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

19 (c) Existing or planned collaboration between child care
20 sponsors, between districts, or with agricultural businesses and
21 essential local food infrastructure, such as farms, farm
22 cooperatives, processors, distributors, and local food hubs.

23 (10) As a condition of receiving a grant under this section, a
24 district or other non-school sponsor shall provide or direct its
25 vendors to provide to the department copies of monthly receipts
26 that show the quantity of different Michigan-grown fruits,
27 vegetables, and legumes purchased, the amount of money spent on
28 each of these products, the name and Michigan location of the farm
29 that grew the products, and the methods or plans to market and



1 promote the program. The district or other non-school sponsor also
2 shall provide to the department monthly United States Department of
3 Agriculture child nutrition reimbursable meal numbers and must
4 retain monthly menus noting when and how Michigan-grown products
5 were used in meals. The district or other non-school sponsor and
6 school or non-school sponsor food service director or directors
7 also shall agree to respond to brief online surveys and to provide
8 a report that shows the percentage relationship of Michigan
9 spending compared to total food spending. Not later than 60 days
10 after the end of the period in which funds under this section were
11 received, and in which federal child nutrition programs require
12 submission of claims, each district or each non-school sponsor
13 shall submit a report to the department on outcomes and related
14 measurements for economic development and children's nutrition and
15 readiness to learn. The report must include at least both of the
16 following:

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

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



1 vegetables, and legumes.

2 (ii) The district or other non-school sponsor shall use
3 purchasing data collected for the program and surveys of school and
4 non-school sponsor food service directors on the impact and success
5 of the program as the source for the data described in subparagraph
6 (i).

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

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

17 (ii) The district or other non-school sponsor shall use
18 purchasing data collected for the project, meal count and
19 enrollment numbers, school menu calendars, and surveys of school
20 and non-school sponsor food service directors as the source for the
21 data described in subparagraph (i).

22 (11) The department shall compile the reports provided by
23 districts and other non-school sponsors under subsection (10) into
24 1 legislative report. The department shall provide this report not
25 later than April 1 of each fiscal year following the fiscal year
26 for which funding is allocated under this section to the house and
27 senate subcommittees responsible for school aid, the house and
28 senate fiscal agencies, and the state budget director.

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



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

3 (13) The funds allocated under this section for 2022-2023 are
4 a work project appropriation, and any unexpended funds for 2022-
5 2023 are carried forward into 2023-2024. The purpose of the work
6 project is to continue to improve access to locally grown produce
7 in schools. The estimated completion date of the work project is
8 September 30, 2025.

9 Sec. 31k. (1) From the state school aid fund money
10 appropriated in section 11, there is allocated for 2022-2023 only
11 an amount not to exceed \$2,500,000.00 for payments to eligible
12 districts as described in this section.

13 (2) Notwithstanding section 17b, to receive funding under this
14 section a district must apply for the funding in a form and manner
15 prescribed by the department by, as a first-time applicant, not
16 later than October 1, 2023, or, if applying through a second
17 application as described in subsection (6), not later than March 1,
18 2024.

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

22 (4) Subject to subsection (8), the department shall provide
23 payments to eligible districts in an amount necessary to reimburse
24 the eligible districts for the cost of forgiving all outstanding
25 student-meal debt.

26 (5) Notwithstanding section 17b, the department shall make
27 reimbursement payments under this section as follows:

28 (a) Except as otherwise provided under subdivision (b),
29 payments under subsection (4) to all eligible districts must be



1 made by not later than 60 days after October 1, 2023.

2 (b) Payments under subsection (6) to all eligible districts
3 must be made by not later than 60 days after March, 1, 2024, as
4 provided under subsection (6).

5 (6) Subject to subsection (8), if the amount paid to eligible
6 districts under subsection (4) is less than the amount allocated
7 under subsection (1), the department may distribute the remaining
8 funds to eligible districts through a second application in an
9 amount necessary to reimburse eligible districts for the cost of
10 forgiving all outstanding student-meal debt. An eligible district
11 receiving a reimbursement payment under subsection (4) is not
12 eligible for a reimbursement payment through a second application
13 under this subsection.

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

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

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

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

26 (d) Communicating directly with a pupil about a student-meal
27 debt unless the district has attempted to contact, but has been
28 unsuccessful in communicating with, a pupil's parent or legal
29 guardian through telephone, mail, and email.



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

3 (8) If the amount allocated under this section is insufficient
4 to fully reimburse the cost of student-meal debt forgiveness for
5 all eligible districts, the department shall prorate the
6 reimbursement on an equal percentage per district.

7 (9) The funds allocated under this section for 2022-2023 are a
8 work project appropriation, and any unexpended funds for 2022-2023
9 are carried forward into 2023-2024. The purpose of the work project
10 is to reimburse districts for forgiven student-meal debt. The
11 estimated completion date of the work project is September 30,
12 2024.

13 Sec. 31/. (1) From the state school aid fund money appropriated
14 in section 11, there is allocated \$5,000,000.00 for 2022-2023 and
15 there is allocated \$5,000,000.00 for 2023-2024 to participating
16 entities for the purposes under this section.

17 (2) To receive funding under this section, a participating
18 entity must do both of the following:

19 (a) Apply for the funding in a form and manner prescribed by
20 the department by, as a first-time applicant, not later than
21 November 1, 2022 or, if applying through a second application as
22 described in subsection (4), not later than May 1, 2023.

23 (b) Pledge that it will provide special meals during any meals
24 that are served by the participating entity to pupils upon request
25 by the pupil for special meals. Special meals include, but are not
26 limited to, meals prepared to cater to medical needs, vegetarian
27 meals, vegan meals, or meals prepared in accordance with religious
28 dietary guidelines.

29 (3) Each participating entity who qualifies for funding under



1 this section shall receive an amount equal to the cost of each
2 special meal served by the participating entity minus any other
3 funding received by the participating entity under federal law or
4 state law for the reimbursement of meals provided to pupils.

5 (4) Subject to subsection (5), if the amount paid to the
6 participating entities under subsection (3) is less than the amount
7 allocated under subsection (1), the department may distribute the
8 remaining funds to participating entities through a second
9 application in an amount necessary to reimburse participating
10 entities for the cost of special meals minus any other funding
11 received by the participating entity under federal law or state law
12 for the reimbursement of meals provided to pupils. A participating
13 entity receiving a reimbursement payment under subsection (3) is
14 not eligible for a reimbursement payment through a second
15 application under this subsection.

16 (5) Notwithstanding section 17b, the department shall make
17 reimbursement payments under this section as follows:

18 (a) Except as otherwise provided under subdivision (b),
19 payments under subsection (3) to all participating entities must be
20 made by not later than 60 days after November 1, 2022.

21 (b) Payments under subsection (4) to all participating
22 entities must be made by not later than 60 days after May 1, 2023,
23 as provided under subsection (4).

24 (6) If the amount allocated under this section is insufficient
25 to fully reimburse the cost of special meals as provided under this
26 section for all participating entities, the department shall
27 prorate the reimbursement on an equal percentage per participating
28 entity.

29 (7) The funds allocated under this section for 2022-2023 are a



1 work project appropriation, and any unexpended funds for 2022-2023
 2 are carried forward into 2023-2024. The purpose of the work project
 3 is to continue support for the reimbursement of special meals as
 4 described in this section. The estimated completion date of the
 5 work project is December 31, 2026.

6 (8) As used in this section, "participating entity" means a
 7 district, intermediate district, or the Michigan School for the
 8 Deaf and Blind.

9 Sec. 31n. (1) From the state school aid fund money
 10 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 11 **2024** for the purposes of this section an amount not to exceed
 12 ~~\$77,600,000.00~~ **\$106,545,000.00** and from the general fund money
 13 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 14 **2024** for the purposes of this section an amount not to exceed
 15 \$1,300,000.00. The department and the department of health and
 16 human services shall continue a program to distribute this funding
 17 to add licensed behavioral health providers for general education
 18 pupils, and **recipients of the funds under subsection (6)** shall
 19 continue to seek federal Medicaid match funding for all eligible
 20 mental health and support services.

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



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

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

22 (4) The department of health and human services shall ~~seek to~~
 23 amend the state Medicaid plan ~~or to~~ 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.~~ **and this**
 3 **expansion is called Caring for Students (CSC).**

4 (5) From the state school aid fund money allocated under
 5 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an
 6 amount not to exceed \$14,300,000.00 to be distributed to the
 7 network of child and adolescent health centers to place a licensed
 8 master's level behavioral health provider in schools that do not
 9 currently have services available to general education students.
 10 Child and adolescent health centers that are part of the network
 11 described in this subsection shall provide a commitment to maintain
 12 services and implement all available federal Medicaid match
 13 methodologies. The department of health and human services shall
 14 use all existing or additional federal Medicaid match opportunities
 15 to maximize funding allocated under this subsection. The department
 16 shall provide funds under this subsection to child and adolescent
 17 health centers that are part of the network described in this
 18 subsection in the same proportion that funding under section 31a(7)
 19 is provided to child and adolescent health centers that are part of
 20 the network described in this subsection and that are located and
 21 operating in those districts. A payment from funding allocated
 22 under this subsection must not be paid to an entity that is not
 23 part of the network described in this subsection.

24 (6) From the state school aid fund money allocated under
 25 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an
 26 amount not to exceed ~~\$62,800,000.00~~ **\$87,245,000.00** to be
 27 distributed to intermediate districts for the provision of mental
 28 health and support services to general education students.
 29 **Recipients of funds under this subsection shall continue to seek**



1 federal Medicaid match funding for all eligible mental health and
2 support services. If a district or intermediate district is not
3 able to procure the services of a licensed master's level
4 behavioral health provider, the district or intermediate district
5 shall notify the department and the department of health and human
6 services and, if the department and department of health and human
7 services verify that the district or intermediate district
8 attempted to procure services from a master's level behavioral
9 health provider and was not able to do so, then the district or
10 intermediate district may instead procure services from a provider
11 with less than a master's degree in behavioral health. To be able
12 to use the exemption in the immediately preceding sentence, the
13 district or intermediate district must submit evidence satisfactory
14 to the department and department of health and human services
15 demonstrating that the district or intermediate district took
16 measures to procure the services of a licensed master's level
17 behavioral health provider but was unable to do so, and the
18 department and department of health and human services must be able
19 to verify this evidence. From the first ~~\$53,496,800.00~~
20 \$56,173,600.00 of the funds allocated under this subsection, the
21 department shall distribute ~~\$955,300.00~~ **up to \$1,003,100.00** for
22 ~~2022-2023-2023-2024~~ to each intermediate district that submits a
23 plan approved by the department and the department of health and
24 human services **by February 1 of each fiscal year for which funds**
25 are allocated under this section. The department shall distribute
26 the remaining ~~\$9,303,200.00~~ **\$31,071,400.00** of the funds allocated
27 under this subsection for ~~2022-2023-2023-2024~~ to intermediate
28 districts on an equal per-pupil basis based on the combined total
29 number of pupils in membership in the intermediate district and its



1 constituent districts, including public school academies that are
 2 considered to be constituent districts under section 705(7) of the
 3 revised school code, MCL 380.705. The department and department of
 4 health and human services shall work cooperatively in providing
 5 oversight and assistance to intermediate districts ~~during the plan~~
 6 ~~submission process~~ and shall monitor the program upon
 7 implementation. An intermediate district shall use funds awarded
 8 under this subsection to provide funding to its constituent
 9 districts, including public school academies that are considered to
 10 be constituent districts under section 705(7) of the revised school
 11 code, MCL 380.705, for the provision of mental health and support
 12 services to general education students. In addition to the criteria
 13 identified under subsection ~~(7)~~, **(9)**, an intermediate district
 14 shall consider geography, cost, or other challenges when awarding
 15 funding to its constituent districts. Districts receiving funding
 16 under this subsection are encouraged to provide suicide prevention
 17 and awareness education and counseling.

18 **(7)** If funding awarded to an intermediate district remains
 19 after funds are provided by the intermediate district to its
 20 constituent districts, **the intermediate district shall notify the**
 21 **department and department of health and human services and submit**
 22 **evidence satisfactory to the department and department of health**
 23 **and human services demonstrating how it would like to use funds for**
 24 **purposes other than hiring licensed behavioral health providers for**
 25 **general education pupils. With permission from the department and**
 26 **department of health and human services,** the intermediate district
 27 may hire or contract for experts to provide mental health and
 28 support services to general education students residing within the
 29 boundaries of the intermediate district, including, but not limited



1 to, expanding, hiring, or contracting for staff and experts to
 2 provide those services directly or to increase access to those
 3 services through coordination with outside mental health agencies;
 4 the intermediate district may also contract with 1 or more other
 5 intermediate districts for coordination and the facilitation of
 6 activities related to providing mental health and support services
 7 to general education students residing within the boundaries of the
 8 intermediate district; ~~and the intermediate district is encouraged~~
 9 ~~to provide suicide prevention and awareness education and~~
 10 ~~counseling.~~ **the intermediate district may also use the funds under**
 11 **this section to create or strengthen school-based behavioral health**
 12 **assessment teams that focus on providing age-appropriate**
 13 **interventions, identifying behaviors that suggest a pupil may be**
 14 **struggling with mental health challenges, providing treatment and**
 15 **support of the pupil, and using disciplinary interventions and the**
 16 **criminal justice system as methods of last resort; and the**
 17 **intermediate district may also use the funds under this section to**
 18 **provide evidence-based trainings that support student mental**
 19 **health.**

20 (8) If funding awarded to an intermediate district under this
 21 section remains unspent, or if the intermediate district submits an
 22 application requesting a lower allocation than the maximum amount
 23 permitted, the department, in conjunction with the intermediate
 24 district, may reallocate the funds to another intermediate district
 25 or other intermediate districts capable of expanding the funds
 26 before the funding deadline in accordance with this section as if
 27 those funds were originally allocated to the intermediate district
 28 or intermediate districts to which the funds are being reallocated.

29 (9) ~~(7)~~—A district requesting funds under this section from



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

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

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

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

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

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

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



1 (g) Whether the district will participate in ongoing
2 trainings.

3 (h) Whether the district will submit an annual report to the
4 state.

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

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

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

12 **(10)** ~~(8)~~—Funding under this section, including any federal
13 Medicaid funds that are generated, must not be used to supplant
14 existing services.

15 **(11)** ~~(9)~~—Both of the following are allocated to the department
16 of health and human services from the general fund money allocated
17 under subsection (1):

18 (a) For ~~2022-2023~~, **2023-2024**, an amount not to exceed
19 \$1,000,000.00 for the purpose of upgrading technology and systems
20 infrastructure and other administrative requirements to support the
21 programs funded under this section.

22 (b) For ~~2022-2023~~, **2023-2024**, an amount not to exceed
23 \$300,000.00 for the purpose of administering the programs under
24 this section and working on generating additional Medicaid funds as
25 a result of programs funded under this section.

26 **(12)** ~~(10)~~—From the state school aid fund money allocated under
27 subsection (1), there is allocated for ~~2022-2023~~ **2023-2024** an
28 amount not to exceed ~~\$500,000.00~~ **\$5,000,000.00** to intermediate
29 districts on an equal per intermediate district basis for the



1 purpose of administering programs funded under this section.
 2 **Recipients of the funds under this subsection shall continue to**
 3 **seek federal Medicaid match funding for all eligible mental health**
 4 **and support services and participate in all learning collaboratives**
 5 **about C4S required by the department and department of health and**
 6 **human services.**

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

26 (14) ~~(12)~~—A district or intermediate district that receives
 27 funding directly or indirectly under this section may carry over
 28 any unexpended funds received under this section for up to 2 fiscal
 29 years beyond the fiscal year in which the funds were received.



1 Sec. 31p. (1) From the federal funding appropriated under
 2 section 11, there is allocated for 2022-2023 only an amount not to
 3 exceed \$50,000,000.00 from the federal funding awarded to this
 4 state from the coronavirus state fiscal recovery fund under the
 5 American rescue plan act of 2021, title IX, subtitle M of Public
 6 Law 117-2, for grants to intermediate districts to implement a
 7 TRAILS program as described in subsection (2).

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

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

17 (4) The department shall award, in an equal amount, grants
 18 under this section to each intermediate district that has an
 19 approved grant application for funding under this section.
 20 ~~Intermediate districts must use funds received under this section~~
 21 ~~for a direct partnership with the TRAILS program described in~~
 22 ~~subsection (2).~~ **forward to the TRAILS program described in**
 23 **subsection (2) an amount equal to the amount awarded to the**
 24 **intermediate district under this subsection to contract with the**
 25 **TRAILS program. The TRAILS program must use funding received from**
 26 **intermediate districts to satisfy the terms of the contracts with**
 27 **the intermediate districts on a statewide basis.**

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



1 department.

2 (6) The funds allocated under this section for 2022-2023 are a
3 work project appropriation, and any unexpended funds for 2022-2023
4 are carried forward into 2023-2024. The purpose of the work project
5 is to continue support for the TRAILS program. The estimated
6 completion date of the work project is December 31, 2026.

7 (7) The federal funding allocated under this section is
8 intended to respond to the COVID-19 public health emergency and its
9 negative impacts.

10 Sec. 31aa. (1) From the state school aid fund money
11 appropriated in section 11, there is allocated ~~\$150,000,000.00~~
12 **\$310,500,000.00** for ~~2022-2023-2023-2024~~ only **and from the general**
13 **fund money appropriated in section 11, there is allocated**
14 **\$17,500,000.00 for 2023-2024 only** to provide payments to districts,
15 **intermediate districts, and nonpublic schools** for activities to
16 improve student mental health **and improve student safety**. The
17 allowable expenditures of funds under this section include, but are
18 not limited to, the following:

19 (a) Hiring or contracting for support staff for student mental
20 health needs, including, but not limited to, school psychologists,
21 social workers, counselors, and school nurses.

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

23 (c) Providing school-based mental health personnel access to
24 consultation with behavioral health clinicians to respond to
25 complex student mental health needs.

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

28 ~~(2) From the allocation under subsection (1), the department~~
29 ~~shall make payments to districts in an equal amount per pupil based~~



1 ~~on the total number of pupils in membership in each district.~~

2 (e) Coordination with local law enforcement.

3 (f) Training for school staff on threat assessment.

4 (g) Training for school staff and students on threat response.

5 (h) Training for school staff on crisis communication.

6 (i) Safety infrastructure, including, but not limited to,
7 cameras, door blocks, hardened vestibules, window screening, and
8 technology necessary to operate buzzer systems. This may also
9 include firearm detection software that integrates to existing
10 security cameras to detect and alert school personnel and first
11 responders to visible firearms on school property. The software
12 described in the immediately preceding sentence must be organically
13 developed and proprietary to the company it is purchased from and
14 should not include any third-party or open-source data.

15 (j) Age-appropriate training for students and families on
16 responsible gun ownership.

17 (k) School resource officers.

18 (l) Any other school safety service or product necessary to
19 improve or maintain security in buildings.

20 (m) Student Safety Management System, the information
21 technology platform and related services to improve student safety
22 by mitigating cyberbullying, school violence, human trafficking,
23 and self-harm that supports students from kindergarten through
24 grade 12.

25 (n) A secure platform for school officials, emergency
26 responders, and emergency management coordinators to house all
27 school safety-related items, including, but not limited to, EOP
28 templates, EOP guidance, reference documents, and security
29 assessments. The platform should use existing password-protected



1 access control methods schools currently utilize and, to the extent
 2 possible, be capable of integrating with existing platforms or
 3 technologies used by districts for school safety. Through
 4 permissions-based access control, the platform should be able to
 5 relay information clearly and in real time to each person or entity
 6 necessary to provide a unified response to a safety incident, or to
 7 take appropriate action in response to an anticipated disruption to
 8 the normal functions of the surrounding community.

9 (2) From the state school aid fund money allocated in
 10 subsection (1), the department shall make payments to districts and
 11 intermediate districts in an equal amount per pupil based on the
 12 total number of pupils in membership in each district. From the
 13 general fund money allocated in subsection (1), the department
 14 shall make payments to nonpublic schools in an equal amount per
 15 pupil, using pupil counts determined by the department. The
 16 department shall ensure that the amount per pupil paid to nonpublic
 17 schools does not exceed the amount per pupil paid to districts and
 18 intermediate districts.

19 (3) If funding remains after the distribution of funds as
 20 described in subsection (2), the department may provide additional
 21 per-pupil allocations to allocate remaining dollars, using for
 22 those calculations the same requirements described in subsection
 23 (2).

24 (4) Except as otherwise provided in this section, to receive
 25 funding under this section, districts, **intermediate districts, and**
 26 **nonpublic schools** must apply for funding under this section in a
 27 form and manner prescribed by the department. In its application
 28 described in this subsection, a district, ~~or~~ intermediate district,
 29 **or nonpublic school**, as applicable, shall document how it or, if an



1 intermediate district is applying **on behalf of a constituent**
 2 **district**, its constituent district, will use community input to
 3 guide the expenditure of the funds it or the constituent district
 4 will receive under this section and it shall pledge to host, or
 5 shall pledge on behalf of its constituent district that the
 6 constituent district will host, at least 1 community conversation
 7 about student mental health and school safety. With consent of its
 8 constituent districts, an intermediate district may apply for
 9 funding under this section on behalf of its constituent districts.
 10 As used in this section, "constituent district" means that term as
 11 defined in section 3 of the revised school code, MCL 380.3.

12 (5) Districts receiving funds under this section must
 13 coordinate with intermediate school districts to avoid duplication
 14 of services and to streamline delivery of ~~mental health~~ services to
 15 students.

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

19 **Sec. 31ff. (1) From the state school aid fund money**
 20 **appropriated in section 11, there is allocated \$14,500,000.00 for**
 21 **2023-2024 only, and, from the general fund money appropriated in**
 22 **section 11, there is allocated \$500,000.00 for 2023-2024 only, for**
 23 **the implementation of requirements under 2022 PA 180, MCL 388.1851**
 24 **to 399.1957. The money from the state school aid fund allocated**
 25 **under this section must be distributed to either districts,**
 26 **intermediate districts, or institutions of higher education for**
 27 **purposes of this section.**

28 (2) From the general fund money allocated under subsection
 29 (1), the department may use not more than \$500,000.00 to hire up to



1 1.0 FTE to help administer the allocation of funds allocated under
2 this section.

3 (3) The funds allocated under this section for 2023-2024 are a
4 work project appropriation, and any unexpended funds for 2023-2024
5 are carried forward into 2024-2025. The purpose of the work project
6 is to continue the coverage of costs associated with the
7 implementation of 2022 PA 180, MCL 388.1851 to 399.1957. The
8 estimated completion date of the work project is September 30,
9 2027.

10 Sec. 32d. (1) From the state school aid fund money
11 appropriated in section 11, there is allocated to eligible
12 intermediate districts and consortia of intermediate districts for
13 great start readiness programs an amount not to exceed
14 \$369,120,000.00 for 2022-2023 **and an amount not to exceed**
15 **\$479,120,000.00 for 2023-2024.** In addition, from the federal
16 funding appropriated in section 11, there is allocated for 2022-
17 2023 an amount not to exceed \$83,000,000.00 from the federal
18 funding awarded to this state from the coronavirus state fiscal
19 recovery fund under the American rescue plan act of 2021, title IX,
20 subtitle M of Public Law 117-2, to eligible intermediate districts
21 and consortia of intermediate districts for great start readiness
22 programs. An intermediate district or consortium shall use funds
23 allocated under this section for great start readiness programs to
24 provide part-day, school-day, or GSRP/Head Start blended
25 comprehensive free compensatory classroom programs designed to
26 improve the readiness and subsequent achievement of educationally
27 disadvantaged children who meet the participant eligibility and
28 prioritization guidelines as defined by the department. For a child
29 to be eligible to participate in a program under this section, the



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

11 (2) From the state school aid fund money allocated under
 12 subsection (1), an amount not to exceed \$367,120,000.00 **for 2022-**
 13 **2023 and \$472,120,000.00 for 2023-2024**, and from the federal funds
 14 allocated under subsection (1), an amount not to exceed
 15 \$83,000,000.00 **for 2022-2023**, is allocated to intermediate
 16 districts or consortia of intermediate districts based on the
 17 formula in section 39. An intermediate district or consortium of
 18 intermediate districts receiving funding under this section shall
 19 act as the fiduciary for the great start readiness programs. An
 20 intermediate district or consortium of intermediate districts
 21 receiving funding under this section may collaborate with local
 22 governments to identify children eligible for programs funded under
 23 this section and may contract with local governments to provide
 24 services. In order to be eligible to receive funds allocated under
 25 this subsection from an intermediate district or consortium of
 26 intermediate districts, a district, a consortium of districts, a
 27 local government, or a public or private for-profit or nonprofit
 28 legal entity or agency must comply with this section and section
 29 39. ~~The funds allocated under this subsection for 2022-2023 are a~~



1 ~~work project appropriation, and any unexpended funds for 2022-2023~~
 2 ~~are carried forward into 2023-2024. The purpose of the work project~~
 3 ~~is to continue to improve access to preschool programming for~~
 4 ~~economically disadvantaged children. The estimated completion date~~
 5 ~~of the work project described in the immediately preceding sentence~~
 6 ~~is September 30, 2024.~~

7 (3) In addition to the allocation under subsection (1), from
 8 the general fund money appropriated under section 11, there is
 9 allocated an amount not to exceed \$350,000.00 for 2022-2023 **and**
 10 **\$350,000.00 for 2023-2024** for a competitive grant to continue a
 11 longitudinal evaluation of children who have participated in great
 12 start readiness programs.

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

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

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

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

28 (d) Physical and dental health and developmental screening
 29 services for all program participants.



1 (e) Referral services for families of program participants to
2 community social service agencies, including mental health
3 services, as appropriate.

4 (f) Active and continuous involvement of the parents or
5 guardians of the program participants.

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

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

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

21 (j) Participation in this state's great start to quality
22 process with a rating of at least ~~3 stars~~ **enhancing quality level**.

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

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

28 (b) Except as otherwise provided in this subdivision, ensure
29 that at least 85% of the children participating in an eligible



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

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

23 (i) Teachers possessing proper training. A lead teacher must
24 have a valid Michigan teaching certificate with an early childhood
25 or lower elementary endorsement or a bachelor's or higher degree in
26 child development or early childhood education with specialization
27 in preschool teaching. However, **except as otherwise provided in**
28 **this subparagraph**, if an applicant demonstrates to the department
29 that it is unable to fully comply with this subparagraph after



1 making reasonable efforts to comply, teachers or paraprofessionals
2 with at least 5 years of experience as a paraprofessional in a
3 great start readiness program, **Head Start, or licensed child care**
4 **center** classroom who have significant but incomplete training in
5 early childhood education or child development may be used if the
6 applicant provides to the department, and the department approves,
7 a plan for each teacher to come into compliance with the standards
8 in this subparagraph. **Individuals may qualify with at least 3 years**
9 **of experience based on the recommendation of the intermediate**
10 **district after a classroom observation.** A teacher's compliance plan
11 must be completed within 3 years of the date of employment.
12 Progress toward completion of the compliance plan consists of at
13 least 2 courses per calendar year.

14 (ii) Paraprofessionals possessing proper training in early
15 childhood education, including an associate 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 **or enrolls in a child development**
23 **associate credential with at least 6 months of verified experience**
24 **in early education and care** if the applicant provides to the
25 department, and the department approves, a plan for each
26 paraprofessional to come into compliance with the standards in this
27 subparagraph. A paraprofessional's compliance plan must be
28 completed within 3 years of the date of employment. Progress toward
29 completion of the compliance plan consists of at least 2 courses,



1 ~~or~~ 60 clock hours, **or an equivalent** of training per calendar year.

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

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

17 (7) For a grant recipient that enrolls pupils in a GSRP/Head
18 Start blended program, the grant recipient shall ensure that all
19 Head Start and GSRP policies and regulations are applied to the
20 blended slots, with adherence to the highest standard from either
21 program, to the extent allowable under federal law. **A grant
22 recipient may request a waiver from an intermediate district or
23 consortium of intermediate districts to align GSRP policies and
24 regulations with Head Start national standards for quality,
25 including ratios, and an intermediate district or consortium of
26 intermediate districts may approve such a waiver. Intermediate
27 districts or consortia must report annually to the department how
28 many waivers were requested, for which policies and regulations,
29 and how many were approved. Not later than March 1 of each year,**



1 the department will compile the results of the information reported
2 by each intermediate district or consortium under this subsection
3 and report to the legislature and post on a publicly available
4 website a list by intermediate district or consortium with the
5 number and type of each waiver requested and approved.

6 (8) An intermediate district or consortium of intermediate
7 districts receiving a grant under this section shall designate an
8 early childhood coordinator, and may provide services directly or
9 may contract with 1 or more districts or public or private for-
10 profit or nonprofit providers that meet all requirements of
11 subsections (4) and (5).

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

22 (10) An intermediate district or consortium of intermediate
23 districts may expend not more than 2% of the total grant amount for
24 outreach, recruiting, and public awareness of the program, **if the**
25 **intermediate district or consortium of intermediate districts also**
26 **participates in related statewide marketing and outreach efforts.**

27 (11) Each grant recipient shall enroll children identified
28 under subsection (5)(b) according to how far the child's household
29 income is below 250% of the federal poverty guidelines by ranking



1 each applicant child's household income from lowest to highest and
2 dividing the applicant children into quintiles based on how far the
3 child's household income is below 250% of the federal poverty
4 guidelines, and then enrolling children in the quintile with the
5 lowest household income before enrolling children in the quintile
6 with the next lowest household income until slots are completely
7 filled. If the grant recipient determines that all eligible
8 children are being served and that there are no children on the
9 waiting list who live with families with a household income that is
10 equal to or less than 250% of the federal poverty guidelines, the
11 grant recipient may then enroll children who live with families
12 with a household income that is equal to or less than 300% of the
13 federal poverty guidelines. The enrollment process must consider
14 income and risk factors, such that children determined with higher
15 need are enrolled before children with lesser need. For purposes of
16 this subsection, all age-eligible children served in foster care or
17 who are experiencing homelessness or who have individualized
18 education programs recommending placement in an inclusive preschool
19 setting are considered to live with families with household income
20 equal to or less than 250% of the federal poverty guidelines
21 regardless of actual family income and are prioritized for
22 enrollment within the lowest quintile.

23 (12) An intermediate district or consortium of intermediate
24 districts receiving a grant under this section shall allow parents
25 of eligible children who are residents of the intermediate district
26 or within the consortium to choose a program operated by or
27 contracted with another intermediate district or consortium of
28 intermediate districts and shall enter into a written agreement
29 regarding payment, in a manner prescribed by the department.



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



1 satisfactory to the department, and the department must be able to
2 verify this evidence, demonstrating that the intermediate district
3 or consortium took measures to contract for at least 30% of its
4 total allocation as required under this subsection, including, but
5 not limited to, at least all of the following measures:

6 (a) The intermediate district or consortium notified each
7 nonparticipating licensed child care center located in the service
8 area of the intermediate district or consortium regarding the
9 center's eligibility to participate, in a manner prescribed by the
10 department.

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

17 (c) The intermediate district or consortium provided to the
18 public and to participating families a list of community-based
19 great start readiness program subrecipients with a great start to
20 quality rating of at least ~~3 stars~~. **enhancing quality level.**

21 (14) If an intermediate district or consortium of intermediate
22 districts receiving a grant under this section fails to submit
23 satisfactory evidence to demonstrate its effort to contract for at
24 least 30% of its total allocation, as required under subsection
25 (13), the department shall reduce the allocation to the
26 intermediate district or consortium by a percentage equal to the
27 difference between the percentage of an intermediate district's or
28 consortium's total allocation awarded to community-based providers
29 and 30% of its total allocation.



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

5 (a) Ensure that a great start resource center or the
6 department provides each intermediate district or consortium
7 receiving a grant under this section with the contact information
8 for each licensed child care center located in the service area of
9 the intermediate district or consortium by March 1 of each year.

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

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

22 (d) Not later than March 1 of each year, compile the results
23 of the information reported by each intermediate district or
24 consortium under subsection (13) and report to the legislature **and**
25 **post on a publicly available website** a list by intermediate
26 district or consortium with the number and percentage of each
27 intermediate district's or consortium's total allocation allocated
28 to community-based providers by provider type, including private
29 for-profit, private nonprofit, community college or university,



1 Head Start grantee or delegate, and district or intermediate
2 district.

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

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

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

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

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

23 (17) As used in this section:

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

27 (b) "Federal poverty guidelines" means the guidelines
28 published annually in the Federal Register by the United States
29 Department of Health and Human Services under its authority to



1 revise the poverty line under 42 USC 9902.

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

6 (d) "School-day program" means a program that operates for at
7 least the same length of day as a district's first grade program
8 for a minimum of 4 days per week, 30 weeks per year. A classroom
9 that offers a school-day program must enroll all children for the
10 school day to be considered a school-day program.

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

19 (19) From the amount allocated in subsection (2), there is
20 allocated for 2022-2023 an amount not to exceed \$10,000,000.00 **and**
21 **there is allocated for 2023-2024 an amount not to exceed**
22 **\$10,000,000.00** for reimbursement of transportation costs for
23 children attending great start readiness programs funded under this
24 section. To receive reimbursement under this subsection, not later
25 than November 1 of each year, a program funded under this section
26 that provides transportation shall submit to the intermediate
27 district that is the fiscal agent for the program a projected
28 transportation budget. The amount of the reimbursement for
29 transportation under this subsection is no more than the projected



1 transportation budget or \$300.00 multiplied by the number of
2 children funded for the program under this section. If the amount
3 allocated under this subsection is insufficient to fully reimburse
4 the transportation costs for all programs that provide
5 transportation and submit the required information, the department
6 shall prorate the reimbursement in an equal amount per child
7 funded. The department shall make payments to the intermediate
8 district that is the fiscal agent for each program, and the
9 intermediate district shall then reimburse the program provider for
10 transportation costs as prescribed under this subsection.

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

19 (a) The names of families provided with transportation support
20 along with a documented reason for the need for transportation
21 support and the type of transportation provided.

22 (b) Financial documentation of actual transportation costs
23 incurred by the program, including, but not limited to, receipts
24 and mileage reports, as determined by the department.

25 (c) Any other documentation or information determined
26 necessary by the department.

27 (21) The department shall implement a process to review and
28 approve age-appropriate comprehensive classroom level quality
29 assessments for GSRP grantees that support the early childhood



1 standards of quality for prekindergarten children adopted by the
2 state board. The department shall make available to intermediate
3 districts at least 2 classroom level quality assessments that were
4 approved in 2018.

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

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

19 (24) From the funds allocated under subsection (1), there is
20 allocated for 2022-2023 an amount not to exceed \$2,000,000.00 **and**
21 **there is allocated for 2023-2024 an amount not to exceed**
22 **\$2,000,000.00** for payments to intermediate districts or consortia
23 of intermediate districts for professional development and training
24 materials for educators in programs implementing new curricula or
25 child assessment tools approved for use in the great start
26 readiness program.

27 (25) A great start readiness program or a GSRP/Head Start
28 blended program funded under this section is permitted to utilize
29 AmeriCorps Pre-K Reading Corps members in classrooms implementing



1 research-based early literacy intervention strategies.

2 (26) From the funds allocated under subsection (1), there is
3 allocated for 2023-2024 an amount not to exceed \$5,000,000.00 for
4 incentive payments to intermediate districts or consortia of
5 intermediate districts who submit evidence to the department of
6 their progress on the following priorities:

7 (a) Expanding the number of days and weeks that great start
8 readiness programs are offered.

9 (b) Contracting more than 30% of their total allocation to
10 eligible community-based providers.

11 (27) The department will distribute incentive payments under
12 subsection (26) in July of each year to eligible intermediate
13 districts or consortia based on evidence submitted under subsection
14 (26) and will report to the legislature and post on a publicly
15 available website a list of incentive payments made to intermediate
16 districts or consortia by intermediate district or consortium with
17 the baseline and progress data reported for each priority.

18 Sec. 32e. A district that operates a district pre-K program
19 under this section qualifies for the special membership counting
20 provisions of section 6(4) (mm) if the program meets all of the
21 following:

22 (a) Is offered at no cost on the same days and for the same
23 number of hours as grade 1 instruction that is offered to pupils
24 enrolled in the district and that is a compensatory classroom
25 program designed to improve the readiness and subsequent
26 achievement of the children enrolled.

27 (b) Except as otherwise provided in this subdivision, enrolls
28 only children who are at least 4, but less than 5, years of age as
29 of September 1 of the school year in which the program is offered.



1 A child who is not 4 years of age as of September 1, but who will
2 be 4 years of age not later than December 1, may be enrolled in the
3 program if the child's parent or legal guardian seeks a waiver from
4 the September 1 eligibility date described in this subdivision by
5 submitting a request for enrollment in a program to the district.

6 (c) Includes a collaborative recruitment and enrollment
7 process to assure that each child is enrolled in the program
8 offerings most appropriate to the child's needs and to maximize the
9 use of funds under this act allocated for the program.

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

14 (e) Includes nutritional services for all program participants
15 supported by federal, state, and local resources, as applicable.

16 (f) Includes physical and dental health and developmental
17 screening services for all program participants.

18 (g) Includes referral services for families of program
19 participants to community social service agencies, including mental
20 health services, as appropriate.

21 (h) Includes active and continuous involvement of the parents
22 and legal guardians of the program participants.

23 (i) Includes a plan to conduct and report annual program
24 evaluations and continuous improvement plans using criteria
25 approved by the department.

26 (j) Includes ongoing articulation of the kindergarten and
27 grade 1 programs offered by the program.

28 (k) Includes participation in this state's great start to
29 quality process with a rating of at least enhancing quality level.



1 (l) Ensures that it uses only qualified personnel for the
2 program, as follows:

3 (i) Teachers possessing proper training. A lead teacher must
4 have a valid Michigan teaching certificate with an early childhood
5 or lower elementary endorsement or a bachelor's or higher degree in
6 child development or early childhood education with specialization
7 in preschool teaching. However, except as otherwise provided in
8 this subparagraph, if the program demonstrates to the department
9 that it is unable to fully comply with this subparagraph after
10 making reasonable efforts to comply, teachers or paraprofessionals
11 with at least 5 years of experience as a paraprofessional in a
12 great start readiness program, Head Start, or licensed child care
13 center classroom who have significant but incomplete training in
14 early childhood education or child development may be used if the
15 applicant provides to the department, and the department approves,
16 a plan for each teacher to come into compliance with the standards
17 in this subparagraph. Individuals may qualify with at least 3 years
18 of experience based on the recommendation of the intermediate
19 district after a classroom observation. A teacher's compliance plan
20 must be completed within 3 years of the date of employment.
21 Progress toward completion of the compliance plan consists of at
22 least 2 courses per calendar year.

23 (ii) Paraprofessionals possessing proper training in early
24 childhood education, including an associate degree in early
25 childhood education or child development or the equivalent, or a
26 child development associate (CDA) credential. However, if an
27 applicant demonstrates to the department that the applicant is
28 unable to fully comply with this subparagraph after making
29 reasonable efforts to comply, the applicant may use



1 paraprofessionals who have completed at least 1 course that earns
 2 college credit in early childhood education or child development or
 3 enrolls in a child development associate credential with at least 6
 4 months of verified experience in early education and care if the
 5 applicant provides to the department, and the department approves,
 6 a plan for each paraprofessional to come into compliance with the
 7 standards in this subparagraph. A paraprofessional's compliance
 8 plan must be completed within 3 years of the date of employment.
 9 Progress toward completion of the compliance plan consists of at
 10 least 2 courses, 60 clock hours, or an equivalent of training per
 11 calendar year.

12 (m) The program has not received any funding under section 32d
 13 or 39 related to a child enrolled in the program.

14 (n) The program enrolls all children who apply for
 15 participation in the program if those children meet all of the
 16 other eligibility criteria under this section.

17 Sec. 32m. (1) From the state school aid fund money
 18 appropriated under section 11, there is allocated for 2023-2024 an
 19 amount not to exceed \$49,500,000.00, and from the general fund
 20 money appropriated under section 11, there is allocated for 2023-
 21 2024 an amount not to exceed \$500,000.00 as provided under this
 22 section.

23 (2) From the state school aid fund money allocated in
 24 subsection (1), \$49,500,000.00 must be paid to an intermediate
 25 district or consortium of intermediate districts as directed by the
 26 MOST Council.

27 (3) From the general fund money allocated under subsection
 28 (1), \$300,000.00 must be utilized by the department to support the
 29 administration of the MOST Council and \$200,000.00 must be provided



1 to the Michigan Association of United Ways for the Michigan
2 Afterschool Partnership to administer quality supports, workforce
3 participation, and evaluation, and to ensure family, youth, and
4 parent or legal guardian engagement.

5 (4) The Michigan Out-of-School-Time Council is created within
6 the department. All of the following apply with regard to the MOST
7 Council:

8 (a) The MOST Council shall develop and adopt a statewide
9 strategy and annually shall review and make recommendations
10 concerning changes to the strategy to the governor, the
11 legislature, and the department concerning the delivery of OST
12 programs to K to 12 pupils.

13 (b) The MOST Council shall meet in public at least 4 times
14 annually.

15 (c) The MOST Council shall include, at least, all of the
16 following members, appointed by the governor:

17 (i) An intermediate district or district administrator.

18 (ii) An individual representing a statewide community-based
19 organization that provides an OST program.

20 (iii) Two members representing a local or regional community-
21 based organization that provides OST programs.

22 (iv) An individual representing a regional intermediary for OST
23 programs.

24 (v) A parent or legal guardian of a child in an OST program.

25 (vi) A youth participant or former participant in an OST
26 program.

27 (vii) An individual representing the business community.

28 (viii) An individual representing a philanthropic organization
29 who is investing in OST programs.



1 (ix) A representative of the child care licensing bureau at the
2 department of licensing and regulatory affairs.

3 (x) A representative of the MiSTEM Network or of the
4 department of labor and economic opportunity.

5 (xi) A representative of the department of health and human
6 services.

7 (xii) A representative of the Michigan Economic Development
8 Corporation or the Michigan Future Talent Council.

9 (xiii) The superintendent of public instruction or the
10 superintendent's designee.

11 (xiv) The director of the Michigan After School Partnership
12 (MASP) or the director's designee.

13 (xv) Two members of the house of representatives, recommended
14 by the speaker of the house of representatives and the minority
15 leader of the house of representatives, who will serve as ex-
16 officio members without voting privileges.

17 (xvi) Two members of the senate, recommended by the majority
18 and minority leaders of the senate, who will serve as ex-officio
19 members without voting privileges.

20 (xvii) The governor or the governor's designee, who will serve
21 as ex-officio members without voting privileges.

22 (d) Subject to subsection (6), the MOST Council shall make
23 funding recommendations for the funds allocated under subsection
24 (1) by December 1 of each fiscal year. Each funding recommendation
25 must be for a program approved by the MOST Council.

26 (e) The MOST Council shall work with the Michigan After School
27 Partnership (MASP) to develop locally and regionally developed
28 programs and professional learning experiences for the programs
29 approved as described in subdivision (d).



1 (f) The MOST Council shall work with the department to
2 implement the statewide strategy adopted by the MOST Council.

3 (5) If the MOST Council is unable to make funding
4 recommendations by December 1 of a fiscal year as described in
5 subsection (4) (d), the department shall work with the intermediate
6 district identified in subsection (2) to allocate funds under
7 subsection (1) on a competitive grant basis that at least follows
8 the statewide strategy described in subsection (4). Each grant must
9 provide for OST programs for pupils.

10 (6) The statewide strategy described in subsection (4) must
11 include at least the following criteria:

12 (a) The development and annual updating of a statewide
13 strategy for moving the state to universal access and equitable
14 participation by youth in OST programs, including funding and
15 statutory recommendations necessary to aid such efforts.

16 (b) The development of a process related to funding to be used
17 for competitive grants, including creating an application process,
18 setting funding priorities, determining criteria and a review
19 process for evaluating applications and for awarding grants, and
20 approving grant awards. For 2023-2024 only, the process described
21 in this subdivision must include the following criteria:

22 (i) Establishing competitive grant criteria for eligible
23 applicants to expand access to quality, affordable programming
24 before and after the school day, and during the summer for young
25 people. The grant criteria must require that an applicant meet, at
26 a minimum, all of the following criteria:

27 (A) Serve children in any of grades K to 12.

28 (B) Be a community-based organization that is exempt from
29 federal income tax under section 501(c) (3) of the internal revenue



1 code, 26 USC 501, or a district, intermediate district, or
2 partnership of districts or intermediate districts with a
3 community-based organization or organizations, a statewide or
4 regional intermediary entity, an institution of higher education, a
5 community or adult education program, a public library, or a local
6 government.

7 (C) Provide before-school, after-school, summer programming,
8 or before-and-after-school and summer programming to children
9 described in sub-subparagraph (A). These programs must be used to
10 support expanded learning opportunities, including, but not limited
11 to, mentoring, leadership, community engagement, agriculture, art,
12 music, literacy, science, technology, engineering, mathematics,
13 health, and recreation programming.

14 (ii) The process must be posted publicly at least 30 days
15 before the opening of the grant application period and must include
16 the form and manner for applying for the grants and the criteria
17 that will be used for application review. The application must
18 include a request for information on the applicant's outreach to
19 children, youth, and families who qualify for free- or reduced-
20 price lunch. The application must be open for at least 30 calendar
21 days. The criteria for evaluating applications as described in this
22 subparagraph must include, but are not limited to, priorities
23 described in subparagraph (iv).

24 (iii) The process must provide that, in determining award
25 amounts under this section, the MOST Council shall, to the extent
26 practicable, ensure that eligible grant recipients in all
27 geographic regions of this state are represented in the
28 distribution of grant funding under this section.

29 (iv) The process must provide that the MOST Council shall



1 prioritize the distribution of grant funding under this section
2 based on, at a minimum, the following:

3 (A) An applicant's demonstrated need.

4 (B) The percentage of low-income families in the geographic
5 area being served. Prioritization under this sub-subparagraph must
6 be determined by the average percentage of pupils in the district
7 where eligible entities will provide before-and-after-school or
8 summer programs who are eligible for free- and reduced-priced meals
9 as determined under the Richard B. Russell national school lunch
10 act, 42 USC 1751 to 1769j.

11 (C) Whether the application provides services for the full
12 school year.

13 (D) The applicant's track record for providing quality,
14 affordable before-and-after-school or summer services.

15 (v) The process must provide that an eligible grant recipient
16 that receives grant funding under this section shall use the
17 funding only to provide before-school, after-school, or before-and-
18 after-school programming, or summer programming to children
19 described in subparagraph (i) (A). The programming offered under this
20 subparagraph must meet all of the following:

21 (A) Be provided to children in a manner in which the children
22 are physically present at a building or location designated by the
23 eligible entity.

24 (B) Provide educational programming in core subject areas,
25 including, but not limited to, mathematics, reading, and science.

26 (C) Provide data to evaluate the program in a form and manner
27 as prescribed by the MOST Council.

28 (vi) The process must provide that the MOST Council shall
29 ensure at least 60% of the funding is awarded to OST programs



1 operated by community-based organizations.

2 (vii) The process must provide that, notwithstanding section
3 17b, the intermediate district under subsection (2) shall make
4 payments under this section in full, upon grant award, including
5 reimbursing for pre-award expenses beginning October 1 of the
6 fiscal year in which funding under this section is allocated.
7 Grantees that do not comply with reporting requirements, fail to
8 provide the services proposed in their grant application, or close
9 during the grant period may be required to repay the funding they
10 received under this section to the department.

11 (viii) The process must provide that the intermediate district
12 described in subsection (2) may use no more than \$150,000.00 for
13 program administration.

14 (ix) The process must provide that payment must be made in full
15 to the intermediate district under subsection (2), must be made in
16 a manner determined by the department, and must be distributed by
17 not later than November 30 of the fiscal year in which funding
18 under this section is allocated.

19 (c) Annual reporting of programs that received funding and the
20 MOST Council's activities.

21 (d) With the department, monitoring the administration of
22 funding usage and ensuring the implementation of funding is
23 consistent with the terms of acceptance.

24 (4) As used in this section:

25 (a) "MOST Council" means the Michigan Out-of-School-Time
26 Council created in subsection (4).

27 (b) "OST" means the out-of-school-time programs.

28 Sec. 32n. (1) From the federal funding appropriated under
29 section 11, there is allocated for 2022-2023 only an amount not to



1 exceed \$25,000,000.00 from the federal funding awarded to this
2 state from the coronavirus state fiscal recovery fund under the
3 American rescue plan act of 2021, title IX, subtitle M of Public
4 Law 117-2, for the purposes of this section. The department shall
5 develop a competitive grant program to distribute this funding to
6 eligible entities, as described in subsection (2), as prescribed
7 under this section.

8 (2) The department shall establish competitive grant criteria
9 for the grant program described in subsection (1) for eligible
10 applicants to expand access to quality, affordable programming
11 before and after the school day or during the summer for young
12 people. To be eligible for a grant under this section, the
13 applicant must meet, at a minimum, all of the following criteria:

14 (a) Serve children in any of grades K to 12.

15 (b) Be a community-based organization that is exempt from
16 federal income tax under section 501(c)(3) of the internal revenue
17 code, 26 USC 501, an institution of higher education, a community
18 or adult education program, a public library, a local government,
19 or an intermediate district.

20 (c) Provide before-school, after-school, before-and-after-
21 school, or summer school programming to children described in
22 subdivision (a). These programs must be used to support expanded
23 learning opportunities, including, but not limited to, mentoring,
24 leadership, community engagement, agriculture, art, music,
25 literacy, science, technology, engineering, mathematics, health,
26 and recreation programming.

27 (d) Address measurable goals, including, but not limited to,
28 improved school attendance, academic outcomes, positive behaviors,
29 and skill acquisition, and include activities linked to research or



1 quality practices.

2 (3) The department shall establish a competitive grant process
3 for awarding funding under this section. The process must be posted
4 publicly at least 30 days prior to the grant application period.
5 The department shall develop the form and manner for applying for
6 the grants. The application must include a request for information
7 on the applicant's outreach to children, youth, and families who
8 are eligible for free or reduced-price meals under the Richard B.
9 Russell national school lunch act, 42 USC 1751 to 1769j. The
10 application must be open for not less than 30 calendar days. At
11 least 30 days before the application is opened, the department must
12 publish on its public website the criteria that will be used in
13 evaluating the application that must include, but are not limited
14 to, priorities under subsection (5).

15 (4) Subject to subsection (8), in determining award amounts
16 under this subsection, the department shall, to the extent
17 practicable, ensure that eligible entities in all geographic
18 regions of this state are represented in the distribution of grant
19 funding under this section.

20 (5) Subject to subsection (8), the department shall prioritize
21 the distribution of grant funding under this section based on, at a
22 minimum, the following:

23 (a) An applicant's demonstrated need.

24 (b) The percentage of low-income families in the geographic
25 area being served. Prioritization must be determined by the average
26 percentage of pupils in the district who are eligible for free and
27 reduced-priced meals as determined under the Richard B. Russell
28 national school lunch act, 42 USC 1751 to 1769j, where eligible
29 entities will provide before-and-after-school or summer school



1 programs.

2 (c) Whether the application provides services for the full
3 school year.

4 (d) The applicant's track record for providing quality,
5 affordable before-and-after-school or summer school services.

6 (e) Whether an applicant serving children in any of grades K
7 through 8 is licensed or is in the process of becoming licensed or
8 has implemented the ~~Michigan State Board of Education~~ Michigan Out-
9 of-School Time Standards of Quality **issued by the state board of**
10 **education**. This does not preclude a nonlicensed entity from
11 applying for funding under this section and being funded under this
12 section.

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

19 (a) Be provided to children in a manner in which the children
20 are physically present at a building or location designated by the
21 eligible entity.

22 (b) Provide educational programming in core subject areas,
23 including, but not limited to, mathematics, reading, and science.

24 (c) Provide data to evaluate the program in a form and manner
25 as prescribed by the department.

26 (7) Subject to subsections (2), (4), and (5), up to 2% of
27 funding allocated under this section must be allocated to a
28 nonprofit entity with experience serving youth-serving
29 organizations to provide start-up grants and capacity building,



1 professional development, and technical assistance for
 2 implementation of high-quality, evidence-based out-of-school time
 3 learning opportunities.

4 (8) The department shall award no less than 60% of the funding
 5 under this section to community-based organizations.

6 (9) Notwithstanding section 17b, the department shall make
 7 payments under this section in full upon grant award. Grantees that
 8 do not comply with reporting requirements, fail to provide the
 9 services proposed in their grant application, or close during the
 10 grant period may be required to repay the funding they received
 11 under this section to the department.

12 (10) The federal funding allocated under this section is
 13 intended to respond to the COVID-19 public health emergency and its
 14 negative impacts.

15 Sec. 32p. (1) From the state school aid fund money
 16 appropriated in section 11, there is allocated an amount not to
 17 exceed \$13,400,000.00 to intermediate districts for ~~2022-2023-2023-~~
 18 **2024** for the purpose of providing early childhood funding to
 19 intermediate districts to support the goals and outcomes under
 20 ~~subsection-subsections~~ (2) and ~~subsection-(4)~~, **at the discretion of**
 21 **the intermediate district**, and to provide supports for early
 22 childhood programs for children from birth through age 8. The
 23 funding provided to each intermediate district under this section
 24 is determined by the distribution formula established by the
 25 department's office of great start to provide equitable funding
 26 statewide. In order to receive funding under this section, each
 27 intermediate district must provide an application to the office of
 28 great start not later than September 15 of the immediately
 29 preceding fiscal year indicating the strategies planned to be



1 provided.

2 (2) Each intermediate district or consortium of intermediate
3 districts that receives funding under this section shall convene a
4 local great start collaborative and a ~~parent~~**family** coalition that
5 includes an active partnership with at least 1 community-based
6 organization. The goal of each great start collaborative and ~~parent~~
7 **family** coalition is to ensure the coordination and expansion of
8 local early childhood systems and programs that allow every child
9 in the community to achieve the following outcomes:

10 (a) Children born healthy.

11 (b) Children healthy, thriving, and developmentally on track
12 from birth to grade 3.

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

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

17 (3) Each local great start collaborative and ~~parent~~**family**
18 coalition shall convene workgroups to make recommendations about
19 community services designed to achieve the outcomes described in
20 subsection (2) and to ensure that its local great start system
21 includes the following supports for children from birth through age
22 8:

23 (a) Physical **and social-emotional** health.

24 ~~(b) Social-emotional health.~~

25 **(b)** ~~(e)~~ Family supports, including, but not limited to, the
26 provision of basic needs and economic self-sufficiency.

27 **(c)** ~~(d)~~ Parent leadership and family engagement.

28 **(d)** ~~(e)~~ Early education, including the child's development of
29 skills linked to success in foundational literacy, and care.



1 **(e) Community infrastructure.**

2 (4) From the funds allocated in subsection (1), at least
 3 \$2,500,000.00 must be used for the purpose of providing home visits
 4 to at-risk children and their families. The home visits must be
 5 conducted as part of a locally coordinated, family-centered,
 6 evidence-based, data-driven home visit strategic plan that is
 7 approved by the department. The goals of the home visits funded
 8 under this subsection are to improve school readiness using
 9 evidence-based methods, including a focus on developmentally
 10 appropriate outcomes for early literacy, to improve positive
 11 parenting practices, and to improve family economic self-
 12 sufficiency while reducing the impact of high-risk factors through
 13 community resources and referrals. The department shall coordinate
 14 the goals of the home visit strategic plans approved under this
 15 subsection with other state agency home visit programs in a way
 16 that strengthens Michigan's home visiting infrastructure and
 17 maximizes federal funds available for the purposes of at-risk
 18 family home visits. The coordination among departments and agencies
 19 is intended to avoid duplication of state services and spending,
 20 and should emphasize efficient service delivery of home visiting
 21 programs.

22 (5) Not later than December 1 of each year, each intermediate
 23 district shall provide a report to the department detailing the
 24 strategies actually implemented during the immediately preceding
 25 school year and the families and children actually served. At a
 26 minimum, the report must include an evaluation of the services
 27 provided with additional funding under subsection (4) for home
 28 visits, using the goals identified in subsection (4) as the basis
 29 for the evaluation, including the degree to which school readiness



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

8 (6) An intermediate district or consortium of intermediate
 9 districts that receives funding under this section may carry over
 10 any unexpended funds received under this section into the next
 11 fiscal year and may expend those unused funds through June 30 of
 12 the next fiscal year. However, an intermediate district or
 13 consortium of intermediate districts that receives funding for the
 14 purposes described in subsection (2) in fiscal year ~~2022-2023-2023-~~
 15 **2024** shall not carry over into the next fiscal year any amount
 16 exceeding 15% of the amount awarded to the intermediate district or
 17 consortium in the ~~2022-2023-2023-2024~~ fiscal year. A recipient of a
 18 grant shall return any unexpended grant funds to the department in
 19 the manner prescribed by the department not later than September 30
 20 of the next fiscal year after the fiscal year in which the funds
 21 are received.

22 Sec. 32t. **(1)** From the state school aid fund money
 23 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 24 **2024** only an amount not to exceed ~~\$2,200,000.00~~ **\$12,000,000.00** to
 25 Clinton County RESA (CCRESA) for the ~~Strong Beginnings Program~~ **a 3-**
 26 **year-old preschool pilot program** to provide services to children
 27 who meet the eligibility criteria for the great start readiness
 28 program, but do not meet the age eligibility criteria for the great
 29 start readiness program. These services must be designed for



1 children who are age 3 and must be similar to the services provided
2 through the great start readiness program. The program described in
3 this section must be administered by CCRESA Strong Beginnings
4 Implementation Team under the direction of the department, office
5 of great start, with assessment, data, and collection analysis for
6 the program being provided by Michigan State University.

7 (2) CCRESA shall utilize the funding received under this
8 section over a period of 2 years. The department shall determine
9 the amount to be used in each year.

10 (3) This section is intended to provide funding to serve at
11 least 600 children over the next 2 school years, evaluate outcomes,
12 and create a scalable 3-year-old preschool model. At least 300 of
13 these children must participate in an eligible Head Start or
14 community-based provider classroom setting as defined in section
15 32d(13). At the end of the pilot, CCRESA shall provide a report to
16 the department detailing all of the following:

- 17 (a) How the pilot was conducted.
18 (b) Demographics of the children served.
19 (c) Outcomes achieved.
20 (d) Challenges the pilot faced and how the implementation team
21 responded.
22 (e) A model this state could use to scale the program
23 statewide, if funding were available.

24 (4) The funds allocated under this section for 2023-2024 are a
25 work project appropriation, and any unexpended funds for 2023-2024
26 are carried forward into 2024-2025. The purpose of the work project
27 is to pilot a 3-year-old preschool program as provided under this
28 section. The estimated completion date of the work project is
29 September, 30, 2025.



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

4 Sec. 33. (1) From the state school aid fund money appropriated
5 in section 11, there is allocated an amount not to exceed
6 \$15,000,000.00 for 2023-2024 only for grants to eligible districts
7 for the purposes described in this section.

8 (2) To receive a grant under this section, a district must
9 apply for the grant in a form and manner prescribed by the
10 department by not later than December 1, 2023.

11 (3) A district that meets both of the following is an eligible
12 district under this section:

13 (a) The district must enroll students in grades K to 5, and
14 must not currently have a music education program for grades K
15 through 5.

16 (b) The district must, in its application described in
17 subsection (2), pledge to do all of the following:

18 (i) Provide for all pupils in grades K to 5 at least 90 minutes
19 per week of instruction in music, taught by a certificated teacher
20 with a JX or JQ endorsement issued by the department.

21 (ii) Maintain staffing that includes at least 1 certificated
22 teacher with a JX or JQ endorsement issued by the department for
23 every 400 pupils enrolled in grades K to 5.

24 (iii) Adopt and implement specific curricula for music.

25 (iv) Maintain in each elementary school at least 1 space that
26 is designated for music instruction and that allows for effective
27 implementation of the music curriculum, with consideration given to
28 the physical materials and tools needed for music instruction.

29 (v) Establish and maintain a separate dedicated budget for



1 music instruction in grades K to 5.

2 (4) Grants awarded under this section must be awarded for the
3 coverage of costs for 1 year of additional costs, including 1-time
4 costs, for the district to implement a music program.

5 (5) All grants under this section must be awarded by not later
6 than February 1, 2024.

7 (6) If the total funding allocated under this section is not
8 sufficient to fully fund payments to all eligible districts under
9 this section, the department shall prorate payments to all eligible
10 districts on an equal percentage basis.

11 Sec. 35a. (1) From the appropriations in section 11, there is
12 allocated for ~~2022-2023~~**2023-2024** for the purposes of this section
13 an amount not to exceed ~~\$67,400,000.00~~**\$92,400,000.00** from the
14 state school aid fund and there is allocated for ~~2022-2023~~**2023-**
15 **2024** for the purposes of subsection (8) an amount not to exceed
16 \$5,000,000.00 from the general fund. Excluding staff or contracted
17 employees funded under subsection (8), the superintendent shall
18 designate staff or contracted employees funded under this section
19 as critical shortage. Programs funded under this section are
20 intended to ensure that this state will be a top 10 state in grade
21 4 reading proficiency by 2025 according to the National Assessment
22 of Educational Progress (NAEP). By December 31 of each fiscal year
23 in which funding is allocated under this section, the
24 superintendent of public instruction shall do both of the
25 following:

26 (a) Report in person to the house and senate appropriations
27 subcommittees on school aid regarding progress on the goal
28 described in this subsection and be available for questioning as
29 prescribed through a process developed by the chairs of the house



1 and senate appropriations subcommittees on school aid.

2 (b) Submit a written report to the house and senate
3 appropriations subcommittees on school aid regarding progress on
4 the goal described in this subsection.

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

14 (3) A district that receives funds under subsection (5) may
15 use up to 5% of those funds to administer department-approved
16 screening and diagnostic tools to monitor the development of early
17 literacy and early reading skills, and risk factors for word-level
18 reading difficulties of pupils in grades pre-K to 3 and to support
19 evidence-based professional learning described in subsection (11)
20 for educators in administering and using screening, progress
21 monitoring, and diagnostic assessment data to inform instruction
22 through prevention and intervention in a multi-tiered system of
23 supports framework. A department-approved screening and diagnostic
24 tool administered by a district using funding under this section
25 must include all of the following components: phonemic awareness,
26 phonics, fluency, rapid automatized naming (RAN), and
27 comprehension. Further, all of the following sub-skills must be
28 assessed within each of these components:

29 (a) Phonemic awareness - segmentation, blending, and sound



1 manipulation (deletion and substitution).

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

3 (c) Fluency.

4 (d) Comprehension - making meaning of text.

5 (4) From the allocation under subsection (1), there is
6 allocated an amount not to exceed ~~\$31,500,000.00~~ **\$42,000,000.00** for
7 ~~2022-2023~~ **2023-2024** for the purpose of providing early literacy
8 coaches at intermediate districts to assist teachers in developing
9 and implementing instructional strategies for pupils in grades pre-
10 K to 3 so that pupils are reading at grade level by the end of
11 grade 3. **It is the intent of the legislature that, for 2024-2025,**
12 **the allocation from the state school aid fund money appropriated in**
13 **section 11 for purposes described in this subsection will be**
14 **\$31,500,000.00.** All of the following apply to funding under this
15 subsection:

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

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

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

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



1 grade level.

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

6 (i) The department shall award each intermediate district grant
7 funding to support the cost of ~~1-2~~ early literacy ~~each~~-**coaches** in
8 an equal amount per early literacy coach, not to exceed
9 ~~\$112,500.00~~-**\$125,000.00**.

10 (ii) After distribution of the grant funding under subparagraph
11 (i), the department shall distribute the remainder of grant funding
12 for additional early literacy coaches in an amount not to exceed
13 ~~\$112,500.00~~-**\$125,000.00** per early literacy coach. The number of
14 funded early literacy coaches for each intermediate district is
15 based on the percentage of the total statewide number of pupils in
16 grades K to 3 who meet the income eligibility standards for the
17 federal free and reduced-price lunch programs who are enrolled in
18 districts in the intermediate district.

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

24 (5) From the allocation under subsection (1), there is
25 allocated an amount not to exceed ~~\$19,900,000.00~~-**\$34,400,000.00** for
26 ~~2022-2023~~-**2023-2024** to districts that provide additional
27 instructional time to those pupils in grades pre-K to 3 who have
28 been identified by using department-approved screening and
29 diagnostic tools as needing additional supports and interventions



1 in order to be reading at grade level by the end of grade 3. **It is**
2 **the intent of the legislature that, for 2024-2025, the allocation**
3 **from the state school aid fund money appropriated in section 11 for**
4 **purposes described in this subsection will be \$19,900,000.00.**

5 Additional instructional time may be provided before, during, and
6 after regular school hours or as part of a year-round balanced
7 school calendar. All of the following apply to funding under this
8 subsection:

9 (a) In order to be eligible to receive funding, a district
10 must demonstrate to the satisfaction of the department that the
11 district has done all of the following:

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

19 (A) Team-based leadership.

20 (B) A tiered delivery system.

21 (C) Selection and implementation of instruction,
22 interventions, and supports.

23 (D) A comprehensive screening and assessment system.

24 (E) Continuous data-based decision making.

25 (ii) Used department-approved research-based diagnostic tools
26 to identify individual pupils in need of additional instructional
27 time.

28 (iii) Used a reading instruction method that focuses on the 5
29 fundamental building blocks of reading: phonics, phonemic



1 awareness, fluency, vocabulary, and comprehension and content
2 knowledge.

3 (iv) Provided teachers of pupils in grades pre-K to 3 with
4 research-based professional development in diagnostic data
5 interpretation.

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

8 (b) The department shall distribute funding allocated under
9 this subsection to eligible districts on an equal per-first-grade-
10 pupil basis.

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

15 (6) Not later than September 1 of each year, a district that
16 receives funding under subsection (5) in conjunction with the
17 Michigan student data system, if possible, shall provide to the
18 department a report that includes at least both of the following,
19 in a form and manner prescribed by the department:

20 (a) For pupils in grades pre-K to 3, the teachers, pupils,
21 schools, and grades served with funds under this section and the
22 categories of services provided.

23 (b) For pupils in grades pre-K to 3, pupil proficiency and
24 growth data that allows analysis both in the aggregate and by each
25 of the following subgroups, as applicable:

- 26 (i) School.
27 (ii) Grade level.
28 (iii) Gender.
29 (iv) Race.



1 (v) Ethnicity.

2 (vi) Economically disadvantaged status.

3 (vii) Disability.

4 (viii) Pupils identified as having reading deficiencies.

5 (7) From the allocation under subsection (1), there is
 6 allocated an amount not to exceed \$6,000,000.00 for ~~2022-2023~~**2023-**
 7 **2024** to an intermediate district in which the combined total number
 8 of pupils in membership of all of its constituent districts is the
 9 fewest among all intermediate districts. All of the following apply
 10 to the funding under this subsection:

11 (a) Funding under this subsection must be used by the
 12 intermediate district, in partnership with an association that
 13 represents intermediate district administrators in this state, to
 14 implement all of the following:

15 (i) Literacy essentials teacher and principal training modules.

16 (ii) Face-to-face and online professional learning of literacy
 17 essentials teacher and principal training modules for literacy
 18 coaches, principals, and teachers.

19 (iii) The placement of regional lead literacy coaches to
 20 facilitate professional learning for early literacy coaches. These
 21 regional lead literacy coaches shall provide support for new
 22 literacy coaches, building teachers, and administrators and shall
 23 facilitate regional data collection to evaluate the effectiveness
 24 of statewide literacy coaches funded under this section.

25 (iv) Provide \$500,000.00 from this subsection for literacy
 26 training, modeling, coaching, and feedback for district principals
 27 or chief administrators, as applicable. The training described in
 28 this subparagraph must use the pre-K and K to 3 essential
 29 instructional practices in literacy created by the general



1 education leadership network as the framework for all training
2 provided under this subparagraph.

3 (v) Job-embedded professional learning opportunities for
4 mathematics teachers through mathematics instructional coaching.
5 Funding must be used for professional learning for coaches,
6 professional developers, administrators, and teachers; coaching for
7 early mathematics educators; the development of statewide and
8 regional professional learning networks in mathematics
9 instructions; and the development and support of digital
10 professional learning modules.

11 (b) Not later than September 1 of each year, the intermediate
12 district described in this subsection, in consultation with grant
13 recipients, shall submit a report to the chairs of the senate and
14 house appropriations subcommittees on school aid, the chairs of the
15 senate and house standing committees responsible for education
16 legislation, the house and senate fiscal agencies, and the state
17 budget director. The report described under this subdivision must
18 include student achievement results in English language arts and
19 mathematics and survey results with feedback from parents and
20 teachers regarding the initiatives implemented under this
21 subsection.

22 (c) Up to 2% of funds allocated under this subsection may be
23 used by the association representing intermediate district
24 administrators that is in partnership with the intermediate
25 district specified in this subsection to administer this
26 subsection.

27 (8) From the general fund money allocated in subsection (1),
28 the department shall allocate the amount of \$5,000,000.00 for ~~2022-~~
29 ~~2023-2024~~ only to the Michigan Education Corps for the PreK



1 Reading Corps, the K3 Reading Corps, and the Math Corps. All of the
2 following apply to funding under this subsection:

3 (a) By September 1 of the current fiscal year, the Michigan
4 Education Corps shall provide a report concerning its use of the
5 funding to the senate and house appropriations subcommittees on
6 school aid, the senate and house fiscal agencies, and the senate
7 and house caucus policy offices on outcomes and performance
8 measures of the Michigan Education Corps, including, but not
9 limited to, the degree to which the Michigan Education Corps'
10 replication of the PreK Reading Corps, the K3 Reading Corps, and
11 the Math Corps programs is demonstrating sufficient efficacy and
12 impact. The report must include data pertaining to at least all of
13 the following:

14 (i) The current impact of the programs on this state in terms
15 of numbers of children and schools receiving support. This portion
16 of the report must specify the number of children tutored,
17 including dosage and completion, and the demographics of those
18 children.

19 (ii) Whether the assessments and interventions are implemented
20 with fidelity. This portion of the report must include details on
21 the total number of assessments and interventions completed and the
22 range, mean, and standard deviation.

23 (iii) Whether the literacy or math improvement of children
24 participating in the programs is consistent with expectations. This
25 portion of the report must detail at least all of the following:

26 (A) Growth rate by grade or age level, in comparison to
27 targeted growth rate.

28 (B) Average linear growth rates.

29 (C) Exit rates.



1 (D) Percentage of children who exit who also meet or exceed
2 spring benchmarks.

3 (iv) The impact of the programs on organizations and
4 stakeholders, including, but not limited to, school administrators,
5 internal coaches, and AmeriCorps members.

6 (b) If the department determines that the Michigan Education
7 Corps has misused the funds allocated under this subsection, the
8 Michigan Education Corps shall reimburse this state for the amount
9 of state funding misused.

10 (c) The department may not reserve any portion of the
11 allocation provided under this subsection for an evaluation of the
12 Michigan Education Corps, the Michigan Education Corps' funding, or
13 the Michigan Education Corps' programming unless agreed to in
14 writing by the Michigan Education Corps. The department shall award
15 the entire ~~\$5,000,000.00~~ **amount** allocated under this subsection to
16 the Michigan Education Corps and shall not condition the awarding
17 of this funding on the implementation of an independent evaluation.

18 (9) If a district or intermediate district expends any funding
19 received under subsection (4) or (5) for professional development
20 in research-based effective reading instruction, the district or
21 intermediate district shall select a professional development
22 program from the list described under subdivision (a). All of the
23 following apply to the requirement under this subsection:

24 (a) The department shall issue a request for proposals for
25 professional development programs in research-based effective
26 reading instruction to develop an initial approved list of
27 professional development programs in research-based effective
28 reading instruction. The department shall make the initial approved
29 list public and shall determine if it will, on a rolling basis,



1 approve any new proposals submitted for addition to its initial
2 approved list.

3 (b) To be included as an approved professional development
4 program in research-based effective reading instruction under
5 subdivision (a), an applicant must demonstrate to the department in
6 writing the program's competency in all of the following topics:

7 (i) Understanding of phonemic awareness, phonics, fluency,
8 vocabulary, and comprehension.

9 (ii) Appropriate use of assessments and differentiated
10 instruction.

11 (iii) Selection of appropriate instructional materials.

12 (iv) Application of research-based instructional practices.

13 (c) As used in this subsection, "effective reading
14 instruction" means reading instruction scientifically proven to
15 result in improvement in pupil reading skills.

16 (10) From the allocation under subsection (1), there is
17 allocated an amount not to exceed \$10,000,000.00 for ~~2022-2023~~
18 **2023-2024** only for the provision of professional learning by the
19 approved provider described in subsection (11), first to educators
20 in pre-K, kindergarten, and grade 1 next to educators in grade 2
21 and grade 3; and then to additional elementary school educators and
22 pre-K to grade 12 certificated special education personnel with
23 endorsements in learning disabilities, emotional impairments, or
24 speech and language impairments. For purposes of this subsection,
25 the department must establish and manage professional learning
26 opportunities that are open to all school personnel described in
27 this subsection as follows:

28 (a) The department must first open voluntary enrollment for
29 any pre-K through grade 3 teacher on a first-come, first-served



1 basis, with voluntary enrollment prioritized for pre-K,
2 kindergarten, and grade 1 teachers. The department shall then open
3 voluntary enrollment for the remaining school personnel described
4 in this subsection.

5 (b) The department must maintain open enrollment until all
6 funds are expended.

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

11 (a) Be offered through a system of training that provides
12 educators with the knowledge base to effectively implement any
13 class-wide, supplemental, or intervention reading approach and to
14 determine why some students struggle with reading, writing,
15 spelling, and language.

16 (b) Provide training activities that direct educators to
17 implement effective reading and spelling instruction supported by
18 scientifically based research and foster a direct explicit
19 instructional sequence that uses techniques to support teachers'
20 independence in using their newly-learned skills with students in
21 the classroom.

22 (c) Include integrated components for educators and
23 administrators in pre-K to grade 3 with embedded evaluation or
24 assessment of knowledge. Evaluation or assessment of knowledge
25 under this subdivision must incorporate evaluations of learning
26 throughout each unit and include a summative assessment that must
27 be completed to demonstrate successful course completion.

28 (d) Build teacher content knowledge and pedagogical knowledge
29 of the critical components of literacy including how the brain



1 learns to read, phonological and phonemic awareness; letter
2 knowledge; phonics; advanced phonics; vocabulary and oral language;
3 fluency; comprehension; spelling and writing; and the organization
4 of language.

5 (e) Support educators in understanding how to effectively use
6 screening, progress monitoring, and diagnostic assessment data to
7 improve literacy outcomes through prevention and intervention for
8 reading difficulties in a multi-tiered system of supports. The
9 multi-tiered system of supports must include at least all of the
10 following essential components:

11 (i) Team-based leadership.

12 (ii) A tiered delivery system.

13 (iii) Selection and implementation of instruction,
14 interventions, and supports.

15 (iv) A comprehensive screening and assessment system.

16 (v) Continuous data-based decision making.

17 (12) Notwithstanding section 17b, the department shall make
18 payments made under subsections (7) and (8) on a schedule
19 determined by the department.

20 (13) As used in this section:

21 (a) "Dyslexia" means both of the following:

22 (i) A specific learning disorder that is neurobiological in
23 origin and characterized by difficulties with accurate or fluent
24 word recognition and by poor spelling and decoding abilities that
25 typically result from a deficit in the phonological component of
26 language that is often unexpected in relation to other cognitive
27 abilities and the provision of effective classroom instruction.

28 (ii) A specific learning disorder that may include secondary
29 consequences, such as problems in reading comprehension and a



1 reduced reading experience that can impede the growth of vocabulary
2 and background knowledge and lead to social, emotional, and
3 behavioral difficulties.

4 (b) "Evidence-based" means an activity, program, process,
5 service, strategy, or intervention that demonstrates statistically
6 significant effects on improving pupil outcomes or other relevant
7 outcomes and that meets at least both of the following:

8 (i) At least 1 of the following:

9 (A) Is based on strong evidence from at least 1 well-designed
10 and well-implemented experimental study.

11 (B) Is based on moderate evidence from at least 1 well-
12 designed and well-implemented quasi-experimental study.

13 (C) Is based on promising evidence from at least 1 well-
14 designed and well-implemented correlational study with statistical
15 controls for selection bias.

16 (D) Demonstrates a rationale based on high-quality research
17 findings or positive evaluation that the activity, program,
18 process, service, strategy, or intervention is likely to improve
19 pupil outcomes or other relevant outcomes.

20 (ii) Includes ongoing efforts to examine the effects of the
21 activity, program, process, service, strategy, or intervention.

22 (c) "Explicit" means direct and deliberate instruction through
23 continuous pupil-teacher interaction that includes teacher
24 modeling, guided practice, and independent practice.

25 (d) "Fluency" means the ability to read with speed, accuracy,
26 and proper expression.

27 (e) "Multi-tiered system of supports" means a comprehensive
28 framework that includes 3 distinct tiers of instructional support
29 and is composed of a collection of evidence-based strategies



1 designed to meet the individual needs and assets of a whole pupil
2 at all achievement levels.

3 (f) "Phonemic awareness" means the conscious awareness of all
4 of the following:

5 (i) Individual speech sounds, including, but not limited to,
6 consonants and vowels, in spoken syllables.

7 (ii) The ability to consciously manipulate through, including,
8 but not limited to, matching, blending, segmenting, deleting, or
9 substituting, individual speech sounds described in subparagraph
10 (i).

11 (iii) All levels of the speech sound system, including, but not
12 limited to, word boundaries, rhyme recognition, stress patterns,
13 syllables, onset-rime units, and phonemes.

14 (g) "Phonological" means relating to the system of contrastive
15 relationships among the speech sounds that constitute the
16 fundamental components of a language.

17 (h) "Progress monitoring" means the assessing of students'
18 academic performance, quantifying students' rates of improvement or
19 progress toward goals, and determining how students are responding
20 to instruction.

21 (i) "Rapid automatized naming (RAN)" means a task that
22 measures how quickly individuals can name objects; pictures;
23 colors; or symbols, including letters and digits, aloud, which can
24 predict later reading abilities for preliterate children.

25 **Sec. 35k. (1) From the school aid fund money appropriated**
26 **under section 11, there is allocated for 2023-2024 only an amount**
27 **not to exceed \$5,000,000.00 to an intermediate district or a**
28 **consortium of intermediate districts for the purposes of this**
29 **section. The intermediate district or consortium of intermediate**



1 districts will provide funding to community-based organizations as
2 directed by the department under subsection (2). An intermediate
3 district or a consortium of intermediate districts shall pay 50% of
4 the funding under this section to the Detroit Parent Network, with
5 the remainder paid to other community-based organizations. To
6 receive funding under this section, an eligible entity must apply
7 for funding in a form and manner determined by the department.

8 (2) The department shall establish a competitive grant process
9 for awarding funding to community-based organizations under this
10 section. The process must be posted publicly at least 30 days
11 before the grant application period. The department shall develop
12 the form and manner for applying for the grants. At least 30 days
13 before the application period is opened, the department must
14 publish on its public website the criteria that will be used in
15 evaluating the application that must include, but are not limited
16 to, priorities under subsection (3). The application period must be
17 open for not less than 30 calendar days.

18 (3) An intermediate district or a consortium of intermediate
19 districts shall ensure that funds paid under this section are used
20 to expand capacity to provide parental training programs, parental
21 support groups, early literacy and family education programs,
22 programs that support healthy families, and programs that support
23 civic engagement and community advocacy.

24 (4) An intermediate district or consortium of intermediate
25 districts may retain up to \$100,000.00 of the funds in this section
26 for the costs of administering the program or group under
27 subsection (3).

28 (5) The funds allocated under this section for 2023-2024 are a
29 work project appropriation, and any unexpended funds for 2023-2024



1 are carried forward into 2024-2025. The purpose of the work project
2 is to support the academic, social, behavioral, and physical well-
3 being of children, parents, and families. The estimated completion
4 date of the work project is September 30, 2027.

5 Sec. 35l. From the state school aid fund money appropriated in
6 section 11, there is allocated \$1,000,000.00 for 2023-2024 only to
7 Lake Shore Public Schools to support the construction of an early
8 childhood community center.

9 Sec. 35m. From the state school aid fund money appropriated in
10 section 11, there is allocated \$100,000.00 for 2023-2024 only to
11 Lake Shore Public Schools for transportation costs to transport
12 students to and from career and technical programs.

13 Sec. 39. (1) An eligible applicant receiving funds under
14 section 32d shall submit an application, in a form and manner
15 prescribed by the department, by a date specified by the department
16 in the immediately preceding fiscal year. An eligible applicant is
17 not required to amend the applicant's current accounting cycle or
18 adopt this state's fiscal year accounting cycle in accounting for
19 financial transactions under this section. The application must
20 include all of the following:

21 (a) The estimated total number of children in the community
22 who meet the criteria of section 32d **and the total number of age-**
23 **eligible children in the community**, as provided to the applicant by
24 the department utilizing the most recent population data available
25 from the American Community Survey conducted by the United States
26 Census Bureau. The department shall ensure that it provides updated
27 American Community Survey population data at least once every 3
28 years.

29 (b) The estimated number of children in the community who meet



1 the criteria of section 32d and are being served exclusively by
2 Head Start programs operating in the community.

3 (c) The number of children whom the applicant has the capacity
4 to serve who meet the criteria of section 32d including a
5 verification of physical facility and staff resources capacity.

6 (2) After notification of funding allocations, an applicant
7 receiving funds under section 32d shall also submit an
8 implementation plan for approval, in a form and manner prescribed
9 by the department, by a date specified by the department, that
10 details how the applicant complies with the program components
11 established by the department under section 32d.

12 (3) The initial allocation to each eligible applicant under
13 section 32d is the lesser of the following:

14 (a) The sum of the number of children served in a school-day
15 program in the preceding school year multiplied by ~~\$9,150.00~~
16 **\$9,700.00** and the number of children served in a GSRP/Head Start
17 blended program or a part-day program in the preceding school year
18 multiplied by ~~\$4,575.00~~ **\$4,850.00**.

19 (b) The sum of the number of children the applicant has the
20 capacity to serve in the current school year in a school-day
21 program multiplied by ~~\$9,150.00~~ **\$9,700.00** and the number of
22 children served in a GSRP/Head Start blended program or a part-day
23 program the applicant has the capacity to serve in the current
24 school year multiplied by ~~\$4,575.00~~ **\$4,850.00**.

25 (4) If funds remain after the allocations under subsection
26 (3), the department shall distribute the remaining funds to each
27 intermediate district or consortium of intermediate districts that
28 serves less than the state percentage benchmark determined under
29 subsection (5). The department shall distribute these remaining



1 funds to each eligible applicant based upon each applicant's
2 proportionate share of the remaining unserved children necessary to
3 meet the statewide percentage benchmark in intermediate districts
4 or consortia of intermediate districts serving less than the
5 statewide percentage benchmark. When all applicants have been given
6 the opportunity to reach the statewide percentage benchmark, the
7 statewide percentage benchmark may be reset, as determined by the
8 department, until greater equity of opportunity to serve eligible
9 children across all intermediate school districts has been
10 achieved.

11 (5) For the purposes of subsection (4), the department shall
12 calculate a percentage of children served by each intermediate
13 district or consortium of intermediate districts by adding the
14 number of children served in the immediately preceding year by that
15 intermediate district or consortium with the number of eligible
16 children under section 32d served exclusively by ~~head start,~~ **Head**
17 **Start**, as reported in a form and manner prescribed by the
18 department, within the intermediate district or consortia service
19 area and dividing that total by the total number of children within
20 the intermediate district or consortium of intermediate districts
21 who meet the criteria of section 32d as determined by the
22 department utilizing the most recent population data available from
23 the American Community Survey conducted by the United States Census
24 Bureau. The department shall compare the resulting percentage of
25 eligible children served to a statewide percentage benchmark to
26 determine if the intermediate district or consortium is eligible
27 for additional funds under subsection (4). The statewide percentage
28 benchmark is 100%.

29 (6) If, taking into account the total amount to be allocated



1 to the applicant as calculated under this section, an applicant
 2 determines that it is able to include additional eligible children
 3 in the great start readiness program without additional funds under
 4 section 32d, the applicant may include additional eligible children
 5 but does not receive additional funding under section 32d for those
 6 children.

7 (7) The department shall review the program components under
 8 section 32d and under this section at least biennially. The
 9 department also shall convene a committee of internal and external
 10 stakeholders at least once every 5 years to ensure that the funding
 11 structure under this section reflects current system needs under
 12 section 32d.

13 (8) As used in this section, "GSRP/Head Start blended
 14 program", "part-day program", and "school-day program" mean those
 15 terms as defined in section 32d.

16 Sec. 39a. (1) From the federal funds appropriated in section
 17 11, there is allocated for 2022-2023 to districts, intermediate
 18 districts, and other eligible entities all available federal
 19 funding, estimated at ~~\$780,200,000.00, \$782,600,000.00, and there~~
 20 **is allocated for 2023-2024 to districts, intermediate districts,**
 21 **and other eligible entities all available federal funding,**
 22 **estimated at \$754,700,000.00,** for the federal programs under the no
 23 child left behind act of 2001, Public Law 107-110, or the every
 24 student succeeds act, Public Law 114-95. These funds are allocated
 25 as follows:

26 (a) An amount estimated at \$1,200,000.00 for 2022-2023 **and**
 27 **\$1,200,000.00 for 2023-2024** to provide students with drug- and
 28 violence-prevention programs and to implement strategies to improve
 29 school safety, funded from DED-OESE, drug-free schools and



1 communities funds.

2 (b) An amount estimated at \$100,000,000.00 for 2022-2023 **and**
3 **\$100,000,000.00 for 2023-2024** for the purpose of preparing,
4 training, and recruiting high-quality teachers and class size
5 reduction, funded from DED-OESE, improving teacher quality funds.

6 (c) An amount estimated at \$13,000,000.00 for 2022-2023 **and**
7 **\$13,000,000.00 for 2023-2024** for programs to teach English to
8 limited English proficient (LEP) children, funded from DED-OESE,
9 language acquisition state grant funds.

10 (d) An amount estimated at \$2,800,000.00 for 2022-2023 **and**
11 **\$2,800,000.00 for 2023-2024** for rural and low-income schools,
12 funded from DED-OESE, rural and low income school funds.

13 (e) An amount estimated at \$535,000,000.00 for 2022-2023 **and**
14 **\$535,000,000.00 for 2023-2024** to provide supplemental programs to
15 enable educationally disadvantaged children to meet challenging
16 academic standards, funded from DED-OESE, title I, disadvantaged
17 children funds.

18 (f) An amount estimated at \$9,200,000.00 for 2022-2023 **and**
19 **\$9,200,000.00 for 2023-2024** for the purpose of identifying and
20 serving migrant children, funded from DED-OESE, title I, migrant
21 education funds.

22 (g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for
23 2022-2023 **and \$40,400,000.00 for 2023-2024** for the purpose of
24 providing high-quality extended learning opportunities, after
25 school and during the summer, for children in low-performing
26 schools, funded from DED-OESE, twenty-first century community
27 learning center funds.

28 (h) An amount estimated at \$14,000,000.00 for 2022-2023 **and**
29 **\$14,000,000.00 for 2023-2024** to help support local school



1 improvement efforts, funded from DED-OESE, title I, local school
2 improvement grants.

3 (i) An amount estimated at \$35,000,000.00 for 2022-2023 **and**
4 **\$35,000,000.00 for 2023-2024** to improve the academic achievement of
5 students, funded from DED-OESE, title IV, student support and
6 academic enrichment grants.

7 (j) An amount estimated at \$3,100,000.00 for 2022-2023 **and**
8 **\$3,100,000.00 for 2023-2024** for literacy programs that advance
9 literacy skills for students from birth through grade 12,
10 including, but not limited to, English-proficient students and
11 students with disabilities, funded from DED-OESE, striving readers
12 comprehensive literacy program.

13 (k) An amount estimated at \$27,900,000.00 for 2022-2023 **only**
14 to establish safer and healthier learning environments, and to
15 prevent and respond to acts of bullying, violence, and hate that
16 impact school communities at individual and systemic levels, funded
17 from DED-OESE, stronger connections grant program.

18 (l) **An amount estimated at \$1,000,000.00 for 2022-2023 and an**
19 **amount estimated at \$1,000,000.00 for 2023-2024 for grants to**
20 **support and demonstrate innovative partnerships to train school-**
21 **based mental health service providers, funded from DED-OESE, mental**
22 **health service professional demonstration grant program.**

23 (2) From the federal funds appropriated in section 11, there
24 is allocated to districts, intermediate districts, and other
25 eligible entities all available federal funding, estimated at
26 ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 **and estimated at**
27 **\$60,500,000.00 for 2023-2024** for the following programs that are
28 funded by federal grants:

29 (a) An amount estimated at \$3,000,000.00 for 2022-2023 **and**



1 **\$3,000,000.00 for 2023-2024** to provide services to homeless
2 children and youth, funded from DED-OVAE, homeless children and
3 youth funds.

4 (b) An amount estimated at \$24,000,000.00 for 2022-2023 **and**
5 **\$24,000,000.00 for 2023-2024** for providing career and technical
6 education services to pupils, funded from DED-OVAE, basic grants to
7 states.

8 (c) An amount estimated at \$14,000,000.00 for 2022-2023 **and**
9 **\$14,000,000.00 for 2023-2024** for the Michigan charter school
10 subgrant program, funded from DED-OII, public charter schools
11 program funds.

12 (d) An amount estimated at \$14,000,000.00 for 2022-2023 **and**
13 **\$18,000,000.00 for 2023-2024** for the purpose of promoting and
14 expanding high-quality preschool services, funded from HHS-OCC,
15 preschool development funds.

16 (e) An amount estimated at \$1,500,000.00 for 2022-2023 **and**
17 **\$1,500,000.00 for 2023-2024** for the purpose of addressing priority
18 substance abuse treatment, prevention, and mental health needs,
19 funded from HHS-SAMHSA.

20 (3) The department shall distribute all federal funds
21 allocated under this section in accordance with federal law and
22 with flexibility provisions outlined in Public Law 107-116, and in
23 the education flexibility partnership act of 1999, Public Law 106-
24 25. Notwithstanding section 17b, the department shall make payments
25 of federal funds to districts, intermediate districts, and other
26 eligible entities under this section on a schedule determined by
27 the department.

28 (4) For the purposes of applying for federal grants
29 appropriated under this article, the department shall allow an



1 intermediate district to submit a consortium application on behalf
2 of 2 or more districts with the agreement of those districts as
3 appropriate according to federal rules and guidelines.

4 (5) For the purposes of funding federal title I grants under
5 this article, in addition to any other federal grants for which the
6 strict discipline academy is eligible, the department shall
7 allocate to a strict discipline academy out of title I, part A an
8 amount equal to what the strict discipline academy would have
9 received if included and calculated under title I, part D, or what
10 it would receive under the formula allocation under title I, part
11 A, whichever is greater.

12 (6) As used in this section:

13 (a) "DED" means the United States Department of Education.

14 (b) "DED-OESE" means the DED Office of Elementary and
15 Secondary Education.

16 (c) "DED-OII" means the DED Office of Innovation and
17 Improvement.

18 (d) "DED-OVAE" means the DED Office of Vocational and Adult
19 Education.

20 (e) "HHS" means the United States Department of Health and
21 Human Services.

22 (f) "HHS-OCC" means the HHS Office of Child Care.

23 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental
24 Health Services Project.

25 Sec. 41. (1) For a district to be eligible to receive funding
26 under this section, the district must administer to English
27 language learners the English language proficiency assessment known
28 as the "WIDA ACCESS for English language learners" or the "WIDA
29 Alternate ACCESS". From the state school aid fund money



1 appropriated in section 11, there is allocated an amount not to
2 exceed ~~\$26,511,000.00~~ **\$53,022,000.00** for ~~2022-2023~~ **2023-2024** for
3 payments to eligible districts for services for English language
4 learners who have been administered the WIDA ACCESS for English
5 language learners.

6 (2) The department shall distribute funding allocated under
7 subsection (1) to eligible districts based on the number of full-
8 time equivalent English language learners as follows:

9 (a) ~~\$984.00~~ **\$1,968.00** per full-time equivalent English
10 language learner who has been assessed under the WIDA ACCESS for
11 English language learners or the WIDA Alternate ACCESS with a WIDA
12 ACCESS or WIDA Alternate ACCESS composite score between 1.0 and
13 1.9, or less, as applicable to each assessment.

14 (b) ~~\$679.00~~ **\$1,358.00** per full-time equivalent English
15 language learner who has been assessed under the WIDA ACCESS for
16 English language learners or the WIDA Alternate ACCESS with a WIDA
17 ACCESS or WIDA Alternate ACCESS composite score between 2.0 and
18 2.9, or less, as applicable to each assessment.

19 (c) ~~\$111.00~~ **\$222.00** per full-time equivalent English language
20 learner who has been assessed under the WIDA ACCESS for English
21 language learners or the WIDA Alternate ACCESS with a WIDA ACCESS
22 or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or
23 less, as applicable to each assessment.

24 (3) If funds allocated under subsection (1) are insufficient
25 to fully fund the payments as prescribed under subsection (2), the
26 department shall prorate payments on an equal percentage basis,
27 with the same percentage proration applied to all funding
28 categories.

29 (4) Each district receiving funds under subsection (1) shall



1 submit to the department by July 15 of each fiscal year a report,
 2 not to exceed 10 pages, on the usage by the district of funds under
 3 subsection (1) in a form and manner determined by the department,
 4 including a brief description of each program conducted or services
 5 performed by the district using funds under subsection (1) and the
 6 amount of funds under subsection (1) allocated to each of those
 7 programs or services. If a district does not comply with this
 8 subsection, the department shall withhold an amount equal to the
 9 August payment due under this section until the district complies
 10 with this subsection. If the district does not comply with this
 11 subsection by the end of the fiscal year, the withheld funds are
 12 forfeited to the state school aid fund.

13 (5) In order to receive funds under subsection (1), a district
 14 must allow access for the department or the department's designee
 15 to audit all records related to the program for which it receives
 16 those funds. The district shall reimburse this state for all
 17 disallowances found in the audit.

18 (6) Beginning July 1, 2020, and every 3 years thereafter, the
 19 department shall review the per-pupil distribution under subsection
 20 (2), to ensure that funding levels are appropriate and make
 21 recommendations for adjustments to the members of the senate and
 22 house subcommittees on K-12 school aid appropriations.

23 Sec. 41b. From the state school aid fund money appropriated in
 24 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an
 25 amount not to exceed ~~\$1,250,000.00~~**\$1,500,000.00** for KEYS Grace
 26 Academy to, in partnership with Kalasho Education and Youth
 27 Services, provide English-as-a-second-language services, provide
 28 early childhood learning, improve progress toward high school
 29 graduation attainment, and provide K to 12 education-support



1 services to legal immigrants, including, but not limited to, those
 2 individuals who recently arrived to the United States from
 3 Afghanistan with an application before the United States Department
 4 of Homeland Security for temporary protected status or federal
 5 humanitarian parole.

6 Sec. 51a. (1) From the state school aid fund money in section
 7 11, there is allocated an amount not to exceed ~~\$1,134,196,100.00~~
 8 **\$1,573,096,100.00** for ~~2021-2022-2022-2023~~ and there is allocated an
 9 amount not to exceed ~~\$1,460,503,100.00~~ **\$1,783,996,100.00** for ~~2022-~~
 10 ~~2023-2023-2024~~ from state sources and all available federal funding
 11 under sections 1411 to 1419 of part B of the individuals with
 12 disabilities education act, 20 USC 1411 to 1419, estimated at
 13 ~~\$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022-2022-2023~~ and
 14 \$390,000,000.00 for ~~2022-2023,~~ **2023-2024**, plus any carryover
 15 federal funds from previous year appropriations. The allocations
 16 under this subsection are for the purpose of reimbursing districts
 17 and intermediate districts for special education programs,
 18 services, and special education personnel as prescribed in article
 19 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition
 20 payments made by intermediate districts to the Michigan Schools for
 21 the Deaf and Blind; and special education programs and services for
 22 pupils who are eligible for special education programs and services
 23 according to statute or rule. For meeting the costs of special
 24 education programs and services not reimbursed under this article,
 25 a district or intermediate district may use money in general funds
 26 or special education funds, not otherwise restricted, or
 27 contributions from districts to intermediate districts, tuition
 28 payments, gifts and contributions from individuals or other
 29 entities, or federal funds that may be available for this purpose,



1 as determined by the intermediate district plan prepared under
2 article 3 of the revised school code, MCL 380.1701 to 380.1761.
3 Notwithstanding section 17b, the department shall make payments of
4 federal funds to districts, intermediate districts, and other
5 eligible entities under this section on a schedule determined by
6 the department.

7 (2) From the funds allocated under subsection (1), there is
8 allocated the amount necessary, estimated at ~~\$324,000,000.00~~
9 **\$350,500,000.00** for ~~2021-2022-2022-2023~~ and estimated at
10 ~~\$323,300,000.00~~ **\$368,000,000.00** for ~~2022-2023, 2023-2024~~, for
11 payments toward reimbursing districts and intermediate districts
12 for 28.6138% of total approved costs of special education,
13 excluding costs reimbursed under section 53a, and 70.4165% of total
14 approved costs of special education transportation. Allocations
15 under this subsection are made as follows:

16 ~~(a) For 2021-2022, the department shall calculate the initial~~
17 ~~amount allocated to a district under this subsection toward~~
18 ~~fulfilling the specified percentages by multiplying the district's~~
19 ~~special education pupil membership, excluding pupils described in~~
20 ~~subsection (11), times the foundation allowance under section 20 of~~
21 ~~the pupil's district of residence, plus the amount of the~~
22 ~~district's per pupil allocation under section 20m, not to exceed~~
23 ~~the target foundation allowance for the current fiscal year, or,~~
24 ~~for a special education pupil in membership in a district that is a~~
25 ~~public school academy, times an amount equal to the amount per~~
26 ~~membership pupil calculated under section 20(6). For an~~
27 ~~intermediate district, the amount allocated under this subdivision~~
28 ~~toward fulfilling the specified percentages is an amount per~~
29 ~~special education membership pupil, excluding pupils described in~~



1 ~~subsection (11), and is calculated in the same manner as for a~~
2 ~~district, using the foundation allowance under section 20 of the~~
3 ~~pupil's district of residence, not to exceed the target foundation~~
4 ~~allowance for the current fiscal year, and that district's per-~~
5 ~~pupil allocation under section 20m.~~

6 ~~(b) For 2022-2023, the department shall calculate the initial~~
7 ~~amount allocated to a district under this subsection toward~~
8 ~~fulfilling the specified percentages by multiplying the district's~~
9 ~~special education pupil membership, excluding pupils described in~~
10 ~~subsection (11), times 25% of the foundation allowance under~~
11 ~~section 20 of the pupil's district of residence, plus 25% of the~~
12 ~~amount of the district's per-pupil allocation under section 20m,~~
13 ~~not to exceed 25% of the target foundation allowance for the~~
14 ~~current fiscal year, or, for a special education pupil in~~
15 ~~membership in a district that is a public school academy, times an~~
16 ~~amount equal to 25% of the amount per membership pupil calculated~~
17 ~~under section 20(6). For an intermediate district, the amount~~
18 ~~allocated under this subdivision toward fulfilling the specified~~
19 ~~percentages is an amount per special education membership pupil,~~
20 ~~excluding pupils described in subsection (11), and is calculated in~~
21 ~~the same manner as for a district, using 25% of the foundation~~
22 ~~allowance under section 20 of the pupil's district of residence,~~
23 ~~not to exceed 25% of the target foundation allowance for the~~
24 ~~current fiscal year, and that district's per-pupil allocation under~~
25 ~~section 20m.~~

26 ~~(c) After the allocations under subdivision (a) or (b), as~~
27 ~~applicable, the department shall pay a district or intermediate~~
28 ~~district for which the payments calculated under subdivision (a) or~~
29 ~~(b), as applicable, do not fulfill the specified percentages the~~



1 ~~amount necessary to achieve the specified percentages for the~~
2 ~~district or intermediate district.~~

3 (a) For 2022-2023, the department shall calculate the initial
4 amount allocated to a district under this subsection toward
5 fulfilling the specified percentages by multiplying the district's
6 special education pupil membership, excluding pupils described in
7 subsection (11), times 25% of the foundation allowance under
8 section 20 of the pupil's district of residence, plus 25% of the
9 amount of the district's per-pupil allocation under section 20m,
10 not to exceed 25% of the target foundation allowance for the
11 current fiscal year, or, for a special education pupil in
12 membership in a district that is a public school academy, times an
13 amount equal to 25% of the amount per membership pupil calculated
14 under section 20(6). For an intermediate district, the amount
15 allocated under this subdivision toward fulfilling the specified
16 percentages is an amount per special education membership pupil,
17 excluding pupils described in subsection (11), and is calculated in
18 the same manner as for a district, using 25% of the foundation
19 allowance under section 20 of the pupil's district of residence,
20 not to exceed 25% of the target foundation allowance for the
21 current fiscal year, and that district's per-pupil allocation under
22 section 20m.

23 (b) For 2022-2023, after the allocation under subdivision (a),
24 the department shall pay a district or intermediate district for
25 which the payments calculated under subdivision (a) do not fulfill
26 the specified percentages the amount necessary to achieve the
27 specified percentages for the district or intermediate district.

28 (c) Beginning in 2023-2024, subdivisions (a) and (b) no longer
29 apply.



1 (3) From the funds allocated under subsection (1), there is
2 allocated for ~~2021-2022-2022-2023~~ an amount not to exceed
3 \$1,000,000.00 and there is allocated for ~~2022-2023-2023-2024~~ an
4 amount not to exceed \$1,000,000.00 to make payments to districts
5 and intermediate districts under this subsection. If the amount
6 allocated to a district or intermediate district for the fiscal
7 year under subsection ~~(2)(e)-(2)~~ is less than the sum of the
8 amounts allocated to the district or intermediate district for
9 1996-97 under sections 52 and 58, there is allocated to the
10 district or intermediate district for the fiscal year an amount
11 equal to that difference, adjusted by applying the same proration
12 factor that was used in the distribution of funds under section 52
13 in 1996-97 as adjusted to the district's or intermediate district's
14 necessary costs of special education used in calculations for the
15 fiscal year. This adjustment is to reflect reductions in special
16 education program operations or services between 1996-97 and
17 subsequent fiscal years. The department shall make adjustments for
18 reductions in special education program operations or services in a
19 manner determined by the department and shall include adjustments
20 for program or service shifts.

21 (4) If the department determines that the sum of the amounts
22 allocated for a fiscal year to a district or intermediate district
23 under subsection (2) is not sufficient to fulfill the specified
24 percentages in subsection (2), then the department shall pay the
25 shortfall to the district or intermediate district during the
26 fiscal year beginning on the October 1 following the determination
27 and shall adjust payments under subsection (3) as necessary. If the
28 department determines that the sum of the amounts allocated for a
29 fiscal year to a district or intermediate district under subsection



1 (2) exceeds the sum of the amount necessary to fulfill the
 2 specified percentages in subsection (2), then the department shall
 3 deduct the amount of the excess from the district's or intermediate
 4 district's payments under this article for the fiscal year
 5 beginning on the October 1 following the determination and shall
 6 adjust payments under subsection (3) as necessary. ~~However, for~~
 7 ~~2021-2022 only, if the amount allocated under subsection (2) (a) in~~
 8 ~~itself exceeds the amount necessary to fulfill the specified~~
 9 ~~percentages in subsection (2), there is no deduction under this~~
 10 ~~subsection. Beginning in 2022-2023, if the amount allocated under~~
 11 ~~subsection (2) (b) in itself exceeds the amount necessary to fulfill~~
 12 ~~the specified percentages in subsection (2), there is no deduction~~
 13 ~~under this subsection.~~**For 2022-2023, if the amount allocated under**
 14 **subsection (2) (a) in itself exceeds the amount necessary to fulfill**
 15 **the specified percentages in subsection (2), there is no deduction**
 16 **under this subsection.**

17 (5) State funds are allocated on a total approved cost basis.
 18 Federal funds are allocated under applicable federal requirements.

19 (6) From the amount allocated in subsection (1), there is
 20 allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022-2022-~~
 21 **2023** and there is allocated an amount not to exceed \$2,200,000.00
 22 for ~~2022-2023-2023-2024~~ to reimburse 100% of the net increase in
 23 necessary costs incurred by a district or intermediate district in
 24 implementing the revisions in the administrative rules for special
 25 education that became effective on July 1, 1987. As used in this
 26 subsection, "net increase in necessary costs" means the necessary
 27 additional costs incurred solely because of new or revised
 28 requirements in the administrative rules minus cost savings
 29 permitted in implementing the revised rules. The department shall



1 determine net increase in necessary costs in a manner specified by
2 the department.

3 (7) For purposes of this section and sections 51b to 58, all
4 of the following apply:

5 (a) "Total approved costs of special education" are determined
6 in a manner specified by the department and may include indirect
7 costs, but must not exceed 115% of approved direct costs for
8 section 52 and section 53a programs. The total approved costs
9 include salary and other compensation for all approved special
10 education personnel for the program, including payments for Social
11 Security and Medicare and public school employee retirement system
12 contributions. The total approved costs do not include salaries or
13 other compensation paid to administrative personnel who are not
14 special education personnel as that term is defined in section 6 of
15 the revised school code, MCL 380.6. Costs reimbursed by federal
16 funds, other than those federal funds included in the allocation
17 made under this article, are not included. Special education
18 approved personnel not utilized full time in the evaluation of
19 students or in the delivery of special education programs,
20 ancillary, and other related services are reimbursed under this
21 section only for that portion of time actually spent providing
22 these programs and services, with the exception of special
23 education programs and services provided to youth placed in child
24 caring institutions or juvenile detention programs approved by the
25 department to provide an on-grounds education program.

26 (b) A district or intermediate district that employed special
27 education support services staff to provide special education
28 support services in 2003-2004 or in a subsequent fiscal year and
29 that in a fiscal year after 2003-2004 receives the same type of



1 support services from another district or intermediate district
2 shall report the cost of those support services for special
3 education reimbursement purposes under this article. This
4 subdivision does not prohibit the transfer of special education
5 classroom teachers and special education classroom aides if the
6 pupils counted in membership associated with those special
7 education classroom teachers and special education classroom aides
8 are transferred and counted in membership in the other district or
9 intermediate district in conjunction with the transfer of those
10 teachers and aides.

11 (c) If the department determines before bookclosing for a
12 fiscal year that the amounts allocated for that fiscal year under
13 subsections (2), (3), (6), and (11) and sections 53a, 54, and 56
14 will exceed expenditures for that fiscal year under subsections
15 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a
16 district or intermediate district whose reimbursement for that
17 fiscal year would otherwise be affected by subdivision (b),
18 subdivision (b) does not apply to the calculation of the
19 reimbursement for that district or intermediate district and the
20 department shall calculate reimbursement for that district or
21 intermediate district in the same manner as it was for 2003-2004.
22 If the amount of the excess allocations under subsections (2), (3),
23 (6), and (11) and sections 53a, 54, and 56 is not sufficient to
24 fully fund the calculation of reimbursement to those districts and
25 intermediate districts under this subdivision, then the department
26 shall prorate calculations and resulting reimbursement under this
27 subdivision on an equal percentage basis. The amount of
28 reimbursement under this subdivision for a fiscal year must not
29 exceed \$2,000,000.00 for any district or intermediate district.



1 (d) Reimbursement for ancillary and other related services, as
2 that term is defined by R 340.1701c of the Michigan Administrative
3 Code, is not provided when those services are covered by and
4 available through private group health insurance carriers or
5 federal reimbursed program sources unless the department and
6 district or intermediate district agree otherwise and that
7 agreement is approved by the state budget director. Expenses, other
8 than the incidental expense of filing, must not be borne by the
9 parent. In addition, the filing of claims must not delay the
10 education of a pupil. A district or intermediate district is
11 responsible for payment of a deductible amount and for an advance
12 payment required until the time a claim is paid.

13 (e) If an intermediate district purchases a special education
14 pupil transportation service from a constituent district that was
15 previously purchased from a private entity; if the purchase from
16 the constituent district is at a lower cost, adjusted for changes
17 in fuel costs; and if the cost shift from the intermediate district
18 to the constituent does not result in any net change in the revenue
19 the constituent district receives from payments under sections 22b
20 and 51c, then upon application by the intermediate district, the
21 department shall direct the intermediate district to continue to
22 report the cost associated with the specific identified special
23 education pupil transportation service and shall adjust the costs
24 reported by the constituent district to remove the cost associated
25 with that specific service.

26 (8) A pupil who is enrolled in a full-time special education
27 program conducted or administered by an intermediate district or a
28 pupil who is enrolled in the Michigan Schools for the Deaf and
29 Blind is not included in the membership count of a district, but is



1 counted in membership in the intermediate district of residence.

2 (9) Special education personnel transferred from 1 district to
3 another to implement the revised school code are entitled to the
4 rights, benefits, and tenure to which the individual would
5 otherwise be entitled had that individual been employed by the
6 receiving district originally.

7 (10) If a district or intermediate district uses money
8 received under this section for a purpose other than the purpose or
9 purposes for which the money is allocated, the department may
10 require the district or intermediate district to refund the amount
11 of money received. The department shall deposit money that is
12 refunded in the state treasury to the credit of the state school
13 aid fund.

14 (11) From the funds allocated in subsection (1), there is
15 allocated the amount necessary, estimated at ~~\$1,600,000.00~~
16 **\$1,700,000.00** for ~~2021-2022-2022-2023~~ and estimated at
17 ~~\$1,500,000.00~~ **\$1,700,000.00** for ~~2022-2023,~~ **2023-2024**, to pay the
18 foundation allowances for pupils described in this subsection. The
19 department shall calculate the allocation to a district under this
20 subsection by multiplying the number of pupils described in this
21 subsection who are counted in membership in the district times the
22 sum of the foundation allowance under section 20 of the pupil's
23 district of residence, plus the amount of the district's per-pupil
24 allocation under section 20m, not to exceed the target foundation
25 allowance for the current fiscal year, or, for a pupil described in
26 this subsection who is counted in membership in a district that is
27 a public school academy, times an amount equal to the amount per
28 membership pupil under section 20(6). The department shall
29 calculate the allocation to an intermediate district under this



1 subsection in the same manner as for a district, using the
2 foundation allowance under section 20 of the pupil's district of
3 residence not to exceed the target foundation allowance for the
4 current fiscal year and that district's per-pupil allocation under
5 section 20m. This subsection applies to all of the following
6 pupils:

7 (a) Pupils described in section 53a.

8 (b) Pupils counted in membership in an intermediate district
9 who are not special education pupils and are served by the
10 intermediate district in a juvenile detention or child caring
11 facility.

12 (c) Pupils with an emotional impairment counted in membership
13 by an intermediate district and provided educational services by
14 the department of health and human services.

15 (12) If it is determined that funds allocated under subsection
16 (2) or (11) or under section 51c will not be expended, funds up to
17 the amount necessary and available may be used to supplement the
18 allocations under subsection (2) or (11) or under section 51c in
19 order to fully fund those allocations. After payments under
20 subsections (2) and (11) and section 51c, the department shall
21 expend the remaining funds from the allocation in subsection (1) in
22 the following order:

23 (a) One hundred percent of the reimbursement required under
24 section 53a.

25 (b) One hundred percent of the reimbursement required under
26 subsection (6).

27 (c) One hundred percent of the payment required under section
28 54.

29 (d) One hundred percent of the payment required under



1 subsection (3).

2 (e) One hundred percent of the payments under section 56.

3 (13) The allocations under subsections (2), (3), and (11) are
4 allocations to intermediate districts only and are not allocations
5 to districts, but instead are calculations used only to determine
6 the state payments under section 22b.

7 (14) If a public school academy that is not a cyber school, as
8 that term is defined in section 551 of the revised school code, MCL
9 380.551, enrolls under this section a pupil who resides outside of
10 the intermediate district in which the public school academy is
11 located and who is eligible for special education programs and
12 services according to statute or rule, or who is a child with a
13 disability, as that term is defined under the individuals with
14 disabilities education act, Public Law 108-446, the intermediate
15 district in which the public school academy is located and the
16 public school academy shall enter into a written agreement with the
17 intermediate district in which the pupil resides for the purpose of
18 providing the pupil with a free appropriate public education, and
19 the written agreement must include at least an agreement on the
20 responsibility for the payment of the added costs of special
21 education programs and services for the pupil. If the public school
22 academy that enrolls the pupil does not enter into an agreement
23 under this subsection, the public school academy shall not charge
24 the pupil's resident intermediate district or the intermediate
25 district in which the public school academy is located the added
26 costs of special education programs and services for the pupil, and
27 the public school academy is not eligible for any payouts based on
28 the funding formula outlined in the resident or nonresident
29 intermediate district's plan. If a pupil is not enrolled in a



1 public school academy under this subsection, the provision of
2 special education programs and services and the payment of the
3 added costs of special education programs and services for a pupil
4 described in this subsection are the responsibility of the district
5 and intermediate district in which the pupil resides.

6 (15) For the purpose of receiving its federal allocation under
7 part B of the individuals with disabilities education act, Public
8 Law 108-446, a public school academy that is a cyber school, as
9 that term is defined in section 551 of the revised school code, MCL
10 380.551, and is in compliance with section 553a of the revised
11 school code, MCL 380.553a, directly receives the federal allocation
12 under part B of the individuals with disabilities education act,
13 Public Law 108-446, from the intermediate district in which the
14 cyber school is located, as the subrecipient. If the intermediate
15 district does not distribute the funds described in this subsection
16 to the cyber school by the part B application due date of July 1,
17 the department may distribute the funds described in this
18 subsection directly to the cyber school according to the formula
19 prescribed in 34 CFR 300.705 and 34 CFR 300.816. Beginning July 1,
20 2021, this subsection is subject to section 8c. It is the intent of
21 the legislature that the immediately preceding sentence apply
22 retroactively and is effective July 1, 2021.

23 (16) For a public school academy that is a cyber school, as
24 that term is defined in section 551 of the revised school code, MCL
25 380.551, and is in compliance with section 553a of the revised
26 school code, MCL 380.553a, that enrolls a pupil under this section,
27 the intermediate district in which the cyber school is located
28 shall ensure that the cyber school complies with sections 1701a,
29 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code,



1 MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756,
 2 and 380.1757; applicable rules; and the individuals with
 3 disabilities education act, Public Law 108-446. Beginning July 1,
 4 2021, this subsection is subject to section 8c. It is the intent of
 5 the legislature that the immediately preceding sentence apply
 6 retroactively and is effective July 1, 2021.

7 (17) For the purposes of this section, the department or the
 8 center shall only require a district or intermediate district to
 9 report information that is not already available from the financial
 10 information database maintained by the center.

11 Sec. 51c. As required by the court in the consolidated cases
 12 known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the
 13 allocation under section 51a(1), there is allocated for ~~2021-2022~~
 14 **2022-2023** and for ~~2022-2023, 2023-2024~~, the amount necessary,
 15 estimated at ~~\$719,000,000.00~~ **\$779,600,000.00** for ~~2021-2022-2022-~~
 16 **2023** and ~~\$709,900,000.00~~ **\$819,200,000.00** for ~~2022-2023, 2023-2024~~,
 17 for payments to reimburse districts for 28.6138% of total approved
 18 costs of special education excluding costs reimbursed under section
 19 53a, and 70.4165% of total approved costs of special education
 20 transportation. Funds allocated under this section that are not
 21 expended in the fiscal year for which they were allocated, as
 22 determined by the department, may be used to supplement the
 23 allocations under sections 22a and 22b to fully fund those
 24 allocations for the same fiscal year. ~~For each fund transfer as~~
 25 ~~described in the immediately preceding sentence that occurs, the~~
 26 ~~state budget director shall send notification of the transfer to~~
 27 ~~the house and senate appropriations subcommittees on state school~~
 28 ~~aid and the house and senate fiscal agencies by not later than 14~~
 29 ~~calendar days after the transfer occurs.~~



1 Sec. 51d. (1) From the federal funds appropriated in section
 2 11, there is allocated for ~~2022-2023-2023-2024~~ all available
 3 federal funding, estimated at \$71,000,000.00, for special education
 4 programs and services that are funded by federal grants. The
 5 department shall distribute all federal funds allocated under this
 6 section in accordance with federal law. Notwithstanding section
 7 17b, the department shall make payments of federal funds to
 8 districts, intermediate districts, and other eligible entities
 9 under this section on a schedule determined by the department.

10 (2) From the federal funds allocated under subsection (1), the
 11 following amounts are allocated:

12 (a) For ~~2022-2023,~~ **2023-2024**, an amount estimated at
 13 \$14,000,000.00 for handicapped infants and toddlers, funded from
 14 DED-OSERS, handicapped infants and toddlers funds.

15 (b) For ~~2022-2023,~~ **2023-2024**, an amount estimated at
 16 \$14,000,000.00 for preschool grants under Public Law 94-142, funded
 17 from DED-OSERS, handicapped preschool incentive funds.

18 (c) For ~~2022-2023,~~ **2023-2024**, an amount estimated at
 19 \$43,000,000.00 for special education programs funded by DED-OSERS,
 20 handicapped program, individuals with disabilities act funds.

21 (3) As used in this section, "DED-OSERS" means the United
 22 States Department of Education Office of Special Education and
 23 Rehabilitative Services.

24 Sec. 51e. (1) From the allocation under section 51a(1), there
 25 is allocated for 2022-2023 the amount necessary, estimated at
 26 ~~\$336,207,000.00~~ **\$351,700,000.00** for 2022-2023 **and there is**
 27 **allocated for 2023-2024 the amount necessary, estimated at**
 28 **\$499,500,000.00 for 2023-2024**, for payments to districts and
 29 intermediate districts for ~~75%~~ **100%** of foundation allowance costs



1 associated with special education pupils.

2 (2) For 2022-2023, the department shall calculate the amount
 3 allocated to a district under this section by multiplying the
 4 district's special education pupil membership, excluding pupils
 5 described in section 51a(11), times 75% of the foundation allowance
 6 under section 20 of the pupil's district of residence, plus 75% of
 7 the amount of the district's per-pupil allocation under section
 8 20m, not to exceed 75% of the target foundation allowance for the
 9 current fiscal year, or, for a special education pupil in
 10 membership in a district that is a public school academy, times an
 11 amount equal to 75% of the amount per membership pupil calculated
 12 under section 20(6). For an intermediate district, the amount
 13 allocated under this subsection is an amount per special education
 14 membership pupil, excluding pupils described in section 51a(11),
 15 and is calculated in the same manner as for a district, using 75%
 16 of the foundation allowance under section 20 of the pupil's
 17 district of residence, not to exceed 75% of the target foundation
 18 allowance for the current fiscal year, and 75% of that district's
 19 per-pupil allocation under section 20m.

20 (3) ~~(2) The~~ Beginning in 2023-2024, the department shall
 21 calculate the amount allocated to a district under this section by
 22 multiplying the district's special education pupil membership,
 23 excluding pupils described in section 51a(11), times ~~75%~~100% of
 24 the foundation allowance under section 20 of the pupil's district
 25 of residence, plus ~~75%~~100% of the amount of the district's per-
 26 pupil allocation under section 20m, not to exceed ~~75%~~100% of the
 27 target foundation allowance for the current fiscal year, or, for a
 28 special education pupil in membership in a district that is a
 29 public school academy, times an amount equal to ~~75%~~100% of the



1 amount per membership pupil calculated under section 20(6). For an
 2 intermediate district, the amount allocated under this subsection
 3 is an amount per special education membership pupil, excluding
 4 pupils described in section 51a(11), and is calculated in the same
 5 manner as for a district, using ~~75%~~**100%** of the foundation
 6 allowance under section 20 of the pupil's district of residence,
 7 not to exceed ~~75%~~**100%** of the target foundation allowance for the
 8 current fiscal year, and ~~75%~~**100%** of that district's per-pupil
 9 allocation under section 20m.

10 ~~(3) In addition to the amount calculated in subsection (2),~~
 11 ~~there is allocated the difference between the amount received under~~
 12 ~~section 51f in the 2021-2022 fiscal year and the amount calculated~~
 13 ~~under subsection (2). If the calculated amount under subsection (2)~~
 14 ~~exceeds the amount received by the district or intermediate~~
 15 ~~district under section 51f for the 2021-2022 fiscal year, there is~~
 16 ~~no payment calculated under this subsection.~~

17 Sec. 51g. From the general fund money appropriated in section
 18 11, \$3,000,000.00 is allocated for ~~2022-2023~~**2023-2024** to an
 19 association for administrators of special education services to
 20 develop content for use by special education students, teachers,
 21 and others. Any content that is developed as described in this
 22 section must be accessible throughout this state. Funds received by
 23 an association under this section may be used to support the
 24 development of assessment tools to measure the needs of students
 25 with special education needs in remote learning environments and
 26 the effectiveness of various educational methods and tools, in
 27 collaboration with the department. Funds under this section may
 28 also be utilized to identify any available federal funds for
 29 research related to special education in remote learning.



1 Sec. 53a. (1) For districts, reimbursement for pupils
2 described in subsection (2) is 100% of the total approved costs of
3 operating special education programs and services approved by the
4 department and included in the intermediate district plan adopted
5 under article 3 of the revised school code, MCL 380.1701 to
6 380.1761, minus the district's foundation allowance calculated
7 under section 20 and minus the district's per-pupil allocation
8 under section 20m. For intermediate districts, the department shall
9 calculate reimbursement for pupils described in subsection (2) in
10 the same manner as for a district, using the foundation allowance
11 under section 20 of the pupil's district of residence, not to
12 exceed the target foundation allowance under section 20 for the
13 current fiscal year plus the amount of the district's per-pupil
14 allocation under section 20m.

15 (2) Reimbursement under subsection (1) is for the following
16 special education pupils:

17 (a) Pupils assigned to a district or intermediate district
18 through the community placement program of the courts or a state
19 agency, if the pupil was a resident of another intermediate
20 district at the time the pupil came under the jurisdiction of the
21 court or a state agency.

22 (b) Pupils who are residents of institutions operated by the
23 department of health and human services.

24 (c) Pupils who are former residents of department of community
25 health institutions for the developmentally disabled who are placed
26 in community settings other than the pupil's home.

27 (d) Pupils enrolled in a department-approved on-grounds
28 educational program longer than 180 days, but not longer than 233
29 days, at a residential child care institution, if the child care



1 institution offered in 1991-92 an on-grounds educational program
2 longer than 180 days but not longer than 233 days.

3 (e) Pupils placed in a district by a parent for the purpose of
4 seeking a suitable home, if the parent does not reside in the same
5 intermediate district as the district in which the pupil is placed.

6 (3) Only those costs that are clearly and directly
7 attributable to educational programs for pupils described in
8 subsection (2), and that would not have been incurred if the pupils
9 were not being educated in a district or intermediate district, are
10 reimbursable under this section.

11 (4) The costs of transportation are funded under this section
12 and are not reimbursed under section 58.

13 (5) ~~The department shall not allocate more than \$10,500,000.00~~
14 ~~of the allocation for 2021-2022 in section 51a(1) under this~~
15 ~~section.~~ The department shall not allocate more than \$10,500,000.00
16 of the allocation for ~~2022-2023~~ **2023-2024** in section 51a(1) under
17 this section.

18 Sec. 54. Each intermediate district receives an amount per
19 pupil for each pupil in attendance at the Michigan Schools for the
20 Deaf and Blind. The amount is proportionate to the total
21 instructional cost at each school. ~~The department shall not~~
22 ~~allocate more than \$1,688,000.00 of the allocation for 2021-2022 in~~
23 ~~section 51a(1) under this section.~~ The department shall not
24 allocate more than \$1,688,000.00 of the allocation for ~~2022-2023~~
25 **2023-2024** in section 51a(1) under this section.

26 Sec. 54b. (1) From the general fund money appropriated in
27 section 11, there is allocated an amount not to exceed
28 \$1,600,000.00 for ~~2022-2023~~ **2023-2024** to continue the
29 implementation of the recommendations of the special education



1 reform task force published in January 2016.

2 (2) The department shall use funds allocated under this
3 section for the purpose of piloting statewide implementation of the
4 MiMTSS Center, a nationally recognized program that includes
5 positive behavioral intervention and supports and provides a
6 statewide structure to support local initiatives for an integrated
7 behavior and reading program. With the assistance of the
8 intermediate districts involved in the MiMTSS Center, the
9 department shall identify a number of intermediate districts to
10 participate in the pilot that is sufficient to ensure that the
11 MiMTSS Center can be implemented statewide with fidelity and
12 sustainability. In addition, the department shall identify an
13 intermediate district to act as a fiscal agent for these funds.

14 (3) As used in this section, "MiMTSS Center" means the
15 Michigan Multi-Tiered System of Supports Center.

16 Sec. 54d. (1) From the state school aid fund money
17 appropriated in section 11, there is allocated an amount not to
18 exceed ~~\$21,250,000.00~~ **\$22,525,000.00** for ~~2022-2023~~ **2023-2024** to
19 intermediate districts for the purpose of providing state early on
20 services programs for children from birth to 3 years of age with a
21 developmental delay or a disability, or both, and their families,
22 as described in the early on Michigan state plan, as approved by
23 the department.

24 (2) To be eligible to receive grant funding under this
25 section, each intermediate district must apply in a form and manner
26 determined by the department.

27 (3) The grant funding allocated under this section must be
28 used to increase early on services and resources available to
29 children that demonstrate developmental delays to help prepare them



1 for success as they enter school. State early on services include
2 evaluating and providing early intervention services for eligible
3 infants and toddlers and their families to address developmental
4 delays, including those affecting physical, cognitive,
5 communication, adaptive, social, or emotional development. Grant
6 funds must not be used to supplant existing services that are
7 currently being provided.

8 (4) The department shall distribute the funds allocated under
9 subsection (1) to intermediate districts according to the
10 department's early on funding formula utilized to distribute the
11 federal award to Michigan under part C of the individuals with
12 disabilities education act, Public Law 108-446. Funds received
13 under this section must not supplant existing funds or resources
14 allocated for early on early intervention services. An intermediate
15 district receiving funds under this section shall maximize the
16 capture of Medicaid funds to support early on early intervention
17 services to the extent possible.

18 (5) Each intermediate district that receives funds under this
19 section shall report data and other information to the department
20 in a form, manner, and frequency prescribed by the department to
21 allow for monitoring and evaluation of the program and to ensure
22 that the children described in subsection (1) received appropriate
23 levels and types of services delivered by qualified personnel,
24 based on the individual needs of the children and their families.

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

28 (7) Grant funds awarded and allocated to an intermediate
29 district under this section must be expended by the grant recipient



1 before June 30 of the fiscal year immediately following the fiscal
2 year in which the funds were received.

3 Sec. 55. (1) From the general fund money appropriated in
4 section 11, there is allocated an amount not to exceed \$300,000.00
5 for ~~2022-2023~~**2023-2024** only to the Conductive Learning Center
6 operating in cooperation with Aquinas College. This funding must be
7 used to support the operational costs of the conductive education
8 model taught at the Conductive Learning Center to maximize the
9 independence and mobility of children and adults with neuromotor
10 disabilities. The conductive education model funded under this
11 section must be based on the concept of neuroplasticity and the
12 ability of people to learn and improve when they are motivated,
13 regardless of the severity of their disability.

14 (2) Notwithstanding section 17b, the department shall
15 distribute the funding allocated under this section to the
16 Conductive Learning Center not later than December 1, of each
17 fiscal year for which funding is allocated under this section.

18 Sec. 56. (1) For the purposes of this section:

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

25 (b) "Millage levied" means the millage levied for special
26 education under part 30 of the revised school code, MCL 380.1711 to
27 380.1741, including a levy for debt service obligations.

28 (c) "Taxable value" means the total taxable value of the
29 districts constituent to an intermediate district, except that if a



1 district has elected not to come under part 30 of the revised
2 school code, MCL 380.1711 to 380.1741, taxable value of the
3 district is not included in the taxable value of the intermediate
4 district.

5 (2) From the allocation under section 51a(1), there is
6 allocated an amount not to exceed ~~\$40,008,100.00 for 2021-2022 and~~
7 ~~an amount not to exceed \$40,008,100.00 for 2022-2023~~ **2023-2024** to
8 reimburse intermediate districts levying millages for special
9 education under part 30 of the revised school code, MCL 380.1711 to
10 380.1741. The purpose, use, and expenditure of the reimbursement
11 are limited as if the funds were generated by these millages and
12 governed by the intermediate district plan adopted under article 3
13 of the revised school code, MCL 380.1701 to 380.1761. As a
14 condition of receiving funds under this section, an intermediate
15 district distributing any portion of special education millage
16 funds to its constituent districts must submit for departmental
17 approval and implement a distribution plan.

18 ~~(3) Except as otherwise provided in this subsection,~~
19 ~~reimbursement for those millages levied in 2020-2021 is made in~~
20 ~~2021-2022 at an amount per 2020-2021 membership pupil computed by~~
21 ~~subtracting from \$218,200.00 the 2020-2021 taxable value behind~~
22 ~~each membership pupil and multiplying the resulting difference by~~
23 ~~the 2020-2021 millage levied, and then subtracting from that amount~~
24 ~~the 2020-2021 local community stabilization share revenue for~~
25 ~~special education purposes behind each membership pupil for~~
26 ~~reimbursement of personal property exemption loss under the local~~
27 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to~~
28 ~~123.1362. Reimbursement in 2021-2022 for an intermediate district~~
29 ~~whose 2017-2018 allocation was affected by the operation of~~



1 ~~subsection (5) is an amount equal to 102.5% of the 2017-2018~~
2 ~~allocation to that intermediate district.~~

3 **(3)** ~~(4)~~ Except as otherwise provided in this subsection,
4 reimbursement for those millages levied in ~~2021-2022-2022-2023~~ is
5 made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022-2022-2023~~
6 membership pupil computed by subtracting from \$~~229,600.00~~
7 **\$241,100.00** the ~~2021-2022-2022-2023~~ taxable value behind each
8 membership pupil and multiplying the resulting difference by the
9 ~~2021-2022-2022-2023~~ millage levied, and then subtracting from that
10 amount the ~~2021-2022-2022-2023~~ local community stabilization share
11 revenue for special education purposes and ~~2021-2022-2022-2023~~ tax
12 increment revenues captured by a brownfield redevelopment authority
13 created under the brownfield redevelopment financing act, 1996 PA
14 381, MCL 125.2651 to 125.2670, behind each membership pupil for
15 reimbursement of personal property exemption loss under the local
16 community stabilization authority act, 2014 PA 86, MCL 123.1341 to
17 123.1362, and reimbursements paid under section 26d for tax
18 increment revenues captured by a brownfield redevelopment authority
19 under the brownfield redevelopment financing act, 1996 PA 381, MCL
20 125.2651 to 125.2670. Reimbursement in ~~2022-2023-2023-2024~~ for an
21 intermediate district whose 2017-2018 allocation was affected by
22 the operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5% of
23 the 2017-2018 allocation to that intermediate district.

24 **(4)** ~~(5)~~ The department shall ensure that the amount paid to a
25 single intermediate district under subsection (2) does not exceed
26 62.9% of the total amount allocated under subsection (2).

27 **(5) From the allocation under section 51a(1), there is**
28 **allocated an amount not to exceed \$6,000,000.00 to an intermediate**
29 **district in which the combined total number of pupils in membership**



1 of all of its constituent districts is the greatest among all
2 intermediate districts.

3 (6) The department shall ensure that the amount paid to a
4 single intermediate district under subsection (2) is not less than
5 75% of the amount allocated to the intermediate district under
6 subsection (2) for the immediately preceding fiscal year.

7 (7) From the allocation under section 51a(1), there is
8 allocated an amount not to exceed \$34,200,000.00 for ~~2021-2022~~ and
9 ~~an amount not to exceed \$34,200,000.00 for 2022-2023,~~ **2023-2024** to
10 provide payments to intermediate districts levying millages for
11 special education under part 30 of the revised school code, MCL
12 380.1711 to 380.1741. The purpose, use, and expenditure of the
13 payments under this subsection are limited as if the funds were
14 generated by these millages and governed by the intermediate
15 district plan adopted under article 3 of the revised school code,
16 MCL 380.1701 to 380.1761. The department shall provide a payment
17 under this subsection to each intermediate district described in
18 this subsection as follows:

19 (a) ~~For 2021-2022, except as otherwise provided in this~~
20 ~~subsection, for an intermediate district with a 3-year average~~
21 ~~special education millage revenue per pupil in the immediately~~
22 ~~preceding fiscal year that is less than \$251.00 and that is levying~~
23 ~~at least 46.2% but less than 60.0% of its maximum millage rate~~
24 ~~allowed under section 1724a of the revised school code, MCL~~
25 ~~380.1724a, an amount computed by subtracting from \$251.00 the 3-~~
26 ~~year average special education millage revenue per pupil in the~~
27 ~~immediately preceding fiscal year and, only if the millage levied~~
28 ~~by the intermediate district is less than 1, multiplying that~~
29 ~~amount by the number of mills levied divided by 1, and then~~



1 ~~multiplying that amount by the 3-year average membership in the~~
 2 ~~immediately preceding fiscal year, and then subtracting from that~~
 3 ~~amount the amount allocated under subsection (2) for the current~~
 4 ~~fiscal year. If the calculation under this subdivision results in~~
 5 ~~an amount below zero, there is no payment under this subdivision.~~

6 ~~(b) For 2021-2022, except as otherwise provided in this~~
 7 ~~subsection, for an intermediate district with a 3-year average~~
 8 ~~special education millage revenue per pupil in the immediately~~
 9 ~~preceding fiscal year that is less than \$281.00 and that is levying~~
 10 ~~at least 60.0% of its maximum millage rate allowed under section~~
 11 ~~1724a of the revised school code, MCL 380.1724a, an amount computed~~
 12 ~~by subtracting from \$281.00 the 3-year average special education~~
 13 ~~millage revenue per pupil in the immediately preceding fiscal year,~~
 14 ~~and, only if the millage levied by the intermediate district is~~
 15 ~~less than 1, multiplying that amount by the number of mills levied~~
 16 ~~divided by 1, and then multiplying that amount by the 3-year~~
 17 ~~average membership in the immediately preceding fiscal year, and~~
 18 ~~then subtracting from that amount the amount allocated under~~
 19 ~~subsection (2) for the current fiscal year. If the calculation~~
 20 ~~under this subdivision results in an amount below zero, there is no~~
 21 ~~payment under this subdivision.~~

22 ~~(a) (e) For 2022-2023, **2023-2024**, except as otherwise provided~~
 23 ~~in this subsection, for an intermediate district with a 3-year~~
 24 ~~average special education millage revenue per pupil in the~~
 25 ~~immediately preceding fiscal year that is less than \$251.00 and~~
 26 ~~that is levying at least 46.2% but less than 60.0% of its maximum~~
 27 ~~millage rate allowed under section 1724a of the revised school~~
 28 ~~code, MCL 380.1724a, an amount computed by subtracting from \$251.00~~
 29 ~~the 3-year average special education millage revenue per pupil in~~



1 the immediately preceding fiscal year and, only if the millage
 2 levied by the intermediate district is less than 1, multiplying
 3 that amount by the number of mills levied divided by 1, and then
 4 multiplying that amount by the 3-year average membership in the
 5 immediately preceding fiscal year, and then subtracting from that
 6 amount the amount allocated under subsection (2) for the current
 7 fiscal year. If the calculation under this subdivision results in
 8 an amount below zero, there is no payment under this subdivision.

9 **(b)** ~~(d)~~ For ~~2022-2023, 2023-2024~~, except as otherwise provided
 10 in this subsection, for an intermediate district with a 3-year
 11 average special education millage revenue per pupil in the
 12 immediately preceding fiscal year that is less than \$296.00 and
 13 that is levying at least 60.0% of its maximum millage rate allowed
 14 under section 1724a of the revised school code, MCL 380.1724a, an
 15 amount computed by subtracting from \$296.00 the 3-year average
 16 special education millage revenue per pupil in the immediately
 17 preceding fiscal year, and, only if the millage levied by the
 18 intermediate district is less than 1, multiplying that amount by
 19 the number of mills levied divided by 1, and then multiplying that
 20 amount by the 3-year average membership in the immediately
 21 preceding fiscal year, and then subtracting from that amount the
 22 amount allocated under subsection (2) for the current fiscal year.
 23 If the calculation under this subdivision results in an amount
 24 below zero, there is no payment under this subdivision.

25 **(8) After making allocations to eligible intermediate**
 26 **districts under subsections (3) and (7), if funds remain**
 27 **unallocated from the allocations under subsections (2) and (7), the**
 28 **department must allocate remaining funds to intermediate districts**
 29 **proportional to the amounts allocated to intermediate districts**



1 under subsection (3).

2 (9) ~~(8)~~—As used in subsection (7):

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

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

10 Sec. 61a. (1) From the state school aid fund money
11 appropriated in section 11, there is allocated an amount not to
12 exceed ~~\$47,611,300.00~~ **\$37,611,300.00** for ~~2022-2023~~ **2023-2024** only
13 to reimburse on an added cost basis districts, except for a
14 district that served as the fiscal agent for a vocational education
15 consortium in the 1993-94 school year and that has a foundation
16 allowance as calculated under section 20 greater than the target
17 foundation allowance under that section, and secondary area
18 vocational-technical education centers for secondary-level career
19 and technical education programs according to rules approved by the
20 superintendent. ~~It is the intent of the legislature that, for 2023-~~
21 ~~2024, the allocation from the state school aid fund money~~
22 ~~appropriated in section 11 for purposes described in this~~
23 ~~subsection will be \$37,611,300.00.~~ Applications for participation
24 in the programs must be submitted in the form prescribed by the
25 department. The department shall determine the added cost for each
26 career and technical education program area. The department shall
27 prioritize the allocation of added cost funds based on the capital
28 and program expenditures needed to operate the career and technical
29 education programs provided; the number of pupils enrolled; the



1 advancement of pupils through the instructional program; the
2 existence of an articulation agreement with at least 1
3 postsecondary institution that provides pupils with opportunities
4 to earn postsecondary credit during the pupil's participation in
5 the career and technical education program and transfers those
6 credits to the postsecondary institution upon completion of the
7 career and technical education program; and the program rank in
8 student placement, job openings, and wages, and shall ensure that
9 the allocation does not exceed 75% of the added cost of any
10 program. Notwithstanding any rule or department determination to
11 the contrary, when determining a district's allocation or the
12 formula for making allocations under this section, the department
13 shall include the participation of pupils in grade 9 in all of
14 those determinations and in all portions of the formula. With the
15 approval of the department, the board of a district maintaining a
16 secondary career and technical education program may offer the
17 program for the period from the close of the school year until
18 September 1. The program shall use existing facilities and must be
19 operated as prescribed by rules promulgated by the superintendent.

20 (2) Except for a district that served as the fiscal agent for
21 a vocational education consortium in the 1993-94 school year, the
22 department shall reimburse districts and intermediate districts for
23 local career and technical education administration, shared time
24 career and technical education administration, and career education
25 planning district career and technical education administration.
26 The superintendent shall adopt guidelines for the definition of
27 what constitutes administration and shall make reimbursement
28 pursuant to those guidelines. The department shall not distribute
29 more than \$800,000.00 of the allocation in subsection (1) under



1 this subsection.

2 (3) A career and technical education program funded under this
3 section may provide an opportunity for participants who are
4 eligible to be funded under section 107 to enroll in the career and
5 technical education program funded under this section if the
6 participation does not occur during regular school hours.

7 Sec. 61b. (1) From the state school aid fund money
8 appropriated under section 11, there is allocated for ~~2022-2023~~
9 **2023-2024** an amount not to exceed \$8,000,000.00 for CTE early
10 middle college and CTE dual enrollment programs authorized under
11 this section and for planning grants for the development or
12 expansion of CTE early middle college programs. The purpose of
13 these programs is to increase the number of Michigan residents with
14 high-quality degrees or credentials, and to increase the number of
15 students who are college and career ready upon high school
16 graduation.

17 (2) From the funds allocated under subsection (1), the
18 department shall allocate an amount as determined under this
19 subsection to each intermediate district serving as a fiscal agent
20 for state-approved CTE early middle college and CTE dual enrollment
21 programs in each of the career education planning districts
22 identified by the department. An intermediate district shall not
23 use more than 5% of the funds allocated under this subsection for
24 administrative costs for serving as the fiscal agent.

25 (3) To be an eligible fiscal agent, an intermediate district
26 must agree to do all of the following in a form and manner
27 determined by the department:

28 (a) Distribute funds to eligible CTE early middle college and
29 CTE dual enrollment programs in a career education planning



1 district as described in this section.

2 (b) Collaborate with the career and educational advisory
3 council in the workforce development board service delivery area to
4 develop 1 regional strategic plan under subsection (4) that aligns
5 CTE programs and services into an efficient and effective delivery
6 system for high school students. The department will align career
7 education planning districts, workforce development board service
8 delivery areas, and intermediate districts for the purpose of
9 creating 1 regional strategic plan for each workforce development
10 board service delivery area.

11 (c) Implement a regional process to rank career clusters in
12 the workforce development board service delivery area as described
13 under subsection (4). Regional processes must be approved by the
14 department before the ranking of career clusters.

15 (d) Report CTE early middle college and CTE dual enrollment
16 program and student data and information as prescribed by the
17 department and the center.

18 (e) The local education agency responsible for student
19 reporting in the Michigan student data system (MSDS) will report
20 the total number of college credits the student earned, at the time
21 of high school graduation, as determined by the department and the
22 center.

23 (f) The local education agency will report each award outcome
24 in the Michigan student data system (MSDS) that the CTE early
25 middle college student attained. For purposes of this subsection,
26 an on-track CTE early middle college graduate is a graduate who
27 obtained their high school diploma and at least 1 of the following:

28 (i) An associate's degree.

29 (ii) 60 transferrable college credits.



1 (iii) Professional certification.

2 (iv) A Michigan Early Middle College Association certificate.

3 (v) Participation in a registered apprenticeship.

4 (4) A regional strategic plan must be approved by the career
5 and educational advisory council before submission to the
6 department. A regional strategic plan must include, but is not
7 limited to, the following:

8 (a) An identification of regional employer need based on a
9 ranking of all career clusters in the workforce development board
10 service delivery area ranked by 10-year projections of annual job
11 openings and median wage for each standard occupational code in
12 each career cluster as obtained from the United States Bureau of
13 Labor Statistics. Standard occupational codes within high-ranking
14 clusters also may be further ranked by median wage and annual job
15 openings. The career and educational advisory council located in
16 the workforce development board service delivery area shall review
17 the rankings and modify them if necessary to accurately reflect
18 employer demand for talent in the workforce development board
19 service delivery area. A career and educational advisory council
20 shall document that it has conducted this review and certify that
21 it is accurate. These career cluster rankings must be determined
22 and updated once every 4 years.

23 (b) An identification of educational entities in the workforce
24 development board service delivery area that will provide eligible
25 CTE early middle college and CTE dual enrollment programs including
26 districts, intermediate districts, postsecondary institutions, and
27 noncredit occupational training programs leading to an industry-
28 recognized credential.

29 (c) A strategy to inform parents and students of CTE early



1 middle college and CTE dual enrollment programs in the workforce
2 development board service delivery area.

3 (d) Any other requirements as defined by the department.

4 (5) An eligible CTE program is a program that meets all of the
5 following:

6 (a) Has been identified in the highest 5 career cluster
7 rankings in any of the 16 workforce development board service
8 delivery area strategic plans jointly approved by the department of
9 labor and economic opportunity and the department.

10 (b) Has a coherent sequence of courses in a specific career
11 cluster that will allow a student to earn a high school diploma and
12 achieve at least 1 of the following:

13 (i) For CTE early middle college, outcomes as defined in
14 subsection (3)(f).

15 (ii) For CTE dual enrollment, 1 of the following:

16 (A) An associate degree.

17 (B) An industry-recognized technical certification approved by
18 the department of labor and economic opportunity.

19 (C) Up to 60 transferable college credits.

20 (D) Participation in a registered apprenticeship, pre-
21 apprenticeship, or apprentice readiness program.

22 (c) Is aligned with the Michigan merit curriculum.

23 (d) Has an articulation or a college credit agreement with at
24 least 1 postsecondary institution that provides students with
25 opportunities to receive postsecondary credits during the student's
26 participation in the CTE early middle college or CTE dual
27 enrollment program and transfers those credits to the postsecondary
28 institution upon completion of the CTE early middle college or CTE
29 dual enrollment program.



1 (e) Provides instruction that is supervised, directed, or
2 coordinated by an appropriately certificated CTE teacher or, for
3 concurrent enrollment courses, a postsecondary faculty member.

4 (f) Provides for highly integrated student support services
5 that include at least the following:

6 (i) Teachers as academic advisors.

7 (ii) Supervised course selection.

8 (iii) Monitoring of student progress and completion.

9 (iv) Career planning services provided by a local one-stop
10 service center as described in the Michigan works one-stop service
11 center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a
12 high school counselor or advisor.

13 (g) Has courses that are taught on a college campus, are
14 college courses offered at the high school and taught by college
15 faculty, or are courses taught in combination with online
16 instruction.

17 (6) The department shall distribute funds to eligible CTE
18 early middle college and CTE dual enrollment programs as follows:

19 (a) The department shall determine statewide average CTE costs
20 per pupil for each CIP code program by calculating statewide
21 average costs for each CIP code program for the 3 most recent
22 fiscal years.

23 (b) The distribution to each eligible CTE early middle college
24 or CTE dual enrollment program is the product of 50% of CTE costs
25 per pupil times the pupil enrollment of each eligible CTE early
26 middle college or CTE dual enrollment program in the immediately
27 preceding school year.

28 (7) In order to receive funds under this section, a CTE early
29 middle college or CTE dual enrollment program shall furnish to the



1 intermediate district that is the fiscal agent identified in
2 subsection (2), in a form and manner determined by the department,
3 all information needed to administer this program and meet federal
4 reporting requirements; shall allow the department or the
5 department's designee to review all records related to the program
6 for which it receives funds; and shall reimburse the state for all
7 disallowances found in the review, as determined by the department.

8 (8) There is allocated for ~~2022-2023~~**2023-2024** from the funds
9 under subsection (1) an amount not to exceed \$500,000.00 from the
10 state school aid fund allocation for grants to intermediate
11 districts or consortia of intermediate districts for the purpose of
12 planning for new or expanded early middle college programs.
13 Applications for grants must be submitted in a form and manner
14 determined by the department. The amount of a grant under this
15 subsection must not exceed \$50,000.00. To be eligible for a grant
16 under this subsection, an intermediate district or consortia of
17 intermediate districts must provide matching funds equal to the
18 grant received under this subsection. Notwithstanding section 17b,
19 the department shall make payments under this subsection in the
20 manner determined by the department.

21 (9) Funds distributed under this section may be used to fund
22 program expenditures that would otherwise be paid from foundation
23 allowances. A program receiving funding under section 61a may
24 receive funding under this section for allowable costs that exceed
25 the reimbursement the program received under section 61a. The
26 combined payments received by a program under section 61a and this
27 section must not exceed the total allowable costs of the program. A
28 program provider shall not use more than 5% of the funds allocated
29 under this section to the program for administrative costs.



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

5 (11) If pupils enrolled in a career cluster in an eligible CTE
6 early middle college or CTE dual enrollment program qualify to be
7 reimbursed under this section, those pupils continue to qualify for
8 reimbursement until graduation, even if the career cluster is no
9 longer identified as being in the highest 5 career cluster
10 rankings.

11 (12) As used in this section:

12 (a) "Allowable costs" means those costs directly attributable
13 to the program as jointly determined by the department of labor and
14 economic opportunity and the department.

15 (b) "Career and educational advisory council" means an
16 advisory council to the local workforce development boards located
17 in a workforce development board service delivery area consisting
18 of educational, employer, labor, and parent representatives.

19 (c) "CIP" means classification of instructional programs.

20 (d) "CTE" means career and technical education programs.

21 (e) "CTE dual enrollment program" means a 4-year high school
22 program of postsecondary courses offered by eligible postsecondary
23 educational institutions that leads to an industry-recognized
24 certification or degree.

25 (f) "Early middle college program" means a 5-year high school
26 program.

27 (g) "Eligible postsecondary educational institution" means
28 that term as defined in section 3 of the career and technical
29 preparation act, 2000 PA 258, MCL 388.1903.



1 Sec. 61c. (1) From the state school aid fund money
2 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
3 **2024** only an amount not to exceed ~~\$7,500,000.00-\$15,000,000.00~~ to
4 eligible career education planning districts for the purposes
5 described in this section. To be eligible to receive funding under
6 this section, at least 50% of the area served by a CEPD must be
7 located in an intermediate district that did not levy a vocational
8 education millage in ~~2022-2023~~.

9 (2) To receive funding under subsection (1), each eligible
10 CEPD must apply in a form and manner prescribed by the department.
11 Funding to each eligible CEPD must be equal to the quotient of the
12 allocation under subsection (1) and the sum of the number of career
13 education planning districts applying for funding under subsection
14 (1) that are located in an intermediate district that did not levy
15 a vocational education millage in ~~2022-2023~~.

16 (3) At least 50% of the funding allocated to each eligible
17 CEPD must be used to update equipment in current CTE programs that
18 have been identified in the highest 5 career cluster rankings in
19 the most recent CEPD regional strategic plans jointly approved by
20 the Michigan talent investment agency in the department of labor
21 and economic opportunity and the department, for training on new
22 equipment, for professional development relating to computer
23 science or coding, or for new and emerging certified CTE programs
24 to allow CEPD administrators to provide programming in communities
25 that will enhance economic development. The funding for equipment
26 should be used to support and enhance community areas that have
27 sustained job growth, and act as a commitment to build a more
28 qualified and skilled workforce. In addition, each CEPD is
29 encouraged to explore the option of leasing equipment from local



1 private industry to encourage the use of the most advanced
2 equipment.

3 (4) The allocation of funds at the local level must be
4 determined by CEPD administrators using data from the state,
5 region, and local sources to make well-informed decisions on
6 program equipment improvements. Grants awarded by CEPD
7 administrators for capital infrastructure must be used to ensure
8 that CTE programs can deliver educational programs in high-wage,
9 high-skill, and high-demand occupations. Each CEPD shall continue
10 to ensure that program advisory boards make recommendations on
11 needed improvements for equipment that support job growth and job
12 skill development and retention for both the present and the
13 future.

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

21 (6) As used in this section:

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

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

25 Sec. 61d. (1) From the appropriation in section 11, there is
26 allocated for ~~2022-2023~~ **2023-2024** an amount not to exceed
27 \$5,000,000.00 from the state school aid fund for additional
28 payments to districts for career and technical education programs
29 for the purpose of increasing the number of Michigan residents with



1 high-quality degrees or credentials, and to increase the number of
2 pupils who are college- and career-ready upon high school
3 graduation.

4 (2) The department shall calculate payments to districts under
5 this section in the following manner:

6 (a) A payment of \$35.00 multiplied by the number of pupils in
7 grades 9 to 12 who are counted in membership in the district and
8 are enrolled in at least 1 career and technical education program.

9 (b) An additional payment of \$35.00 multiplied by the number
10 of pupils in grades 9 to 12 who are counted in membership in the
11 district and are enrolled in at least 1 career and technical
12 education program that provides instruction in critical skills and
13 high-demand career fields.

14 (3) If the allocation under subsection (1) is insufficient to
15 fully fund payments under subsection (2), the department shall
16 prorate payments under this section on an equal per-pupil basis.

17 ~~(4) If a student attends a career and technical education~~
18 ~~program at an intermediate district, the payment under subsection~~
19 ~~(2) attributable to that student must be split equally between the~~
20 ~~intermediate district providing the program and the district that~~
21 ~~counts the student in membership.~~

22 (4) ~~(5)~~As used in this section:

23 (a) "Career and technical education program" means a state-
24 approved career and technical education program, as determined by
25 the department.

26 (b) "Career and technical education program that provides
27 instruction in critical skills and high-demand career field" means
28 a career and technical education program classified under any of
29 the following 2-digit classification of instructional programs



1 (CIP) codes:

2 (i) 01, which refers to "agriculture, agriculture operations,
3 and related sciences".

4 (ii) 03, which refers to "natural resources and conservation".

5 (iii) 10 through 11, which refers to "communications
6 technologies/technicians and support services" and "computer and
7 information sciences and support services".

8 (iv) 14 through 15, which refers to "engineering" and
9 "engineering technologies and engineering-related fields".

10 (v) 26, which refers to "biological and biomedical sciences".

11 (vi) 46 through 48, which refers to "construction trades",
12 "mechanic and repair technologies/technicians", and "precision
13 production".

14 (vii) 51, which refers to "health professions and related
15 programs".

16 **Sec. 61j. From the state school aid fund money appropriated in**
17 **section 11, \$15,000,000.00 is allocated for 2023-2024 only to Huron**
18 **School District to support the Downriver Career and Technical**
19 **Education Consortium.**

20 **Sec. 61k. From the state school aid fund money appropriated in**
21 **section 11, \$2,800,000.00 is allocated for 2023-2024 only to Mott**
22 **Community College to renovate a building in the city of Flint for**
23 **the purpose of creating a bilingual early childhood education**
24 **center. For purposes of this section, Mott Community College may**
25 **partner with a community-based organization to complete the**
26 **renovation.**

27 **Sec. 61l. From the state school aid fund money appropriated in**
28 **section 11, \$1,200,000.00 is allocated for 2023-2024 only to**
29 **Schoolcraft College to expand its early middle college program, SC**



1 **Edge.**

2 **Sec. 61m. From the state school aid fund money appropriated in**
 3 **section 11, there is allocated \$2,000,000.00 for 2023-2024 only to**
 4 **Beecher Community School District to match philanthropic funding**
 5 **that is donated to the district. The funding allocated under this**
 6 **section must be used to build a new high school for Beecher**
 7 **Community School District.**

8 Sec. 62. (1) For the purposes of this section:

9 (a) "Membership" means for a particular fiscal year the total
 10 membership of the intermediate district and the districts
 11 constituent to the intermediate district or the total membership of
 12 the area vocational-technical program, except that if a district
 13 has elected not to come under sections 681 to 690 of the revised
 14 school code, MCL 380.681 to 380.690, the membership of that
 15 district are not included in the membership of the intermediate
 16 district. However, the membership of a district that has elected
 17 not to come under sections 681 to 690 of the revised school code,
 18 MCL 380.681 to 380.690, is included in the membership of the
 19 intermediate district if the district meets both of the following:

20 (i) The district operates the area vocational-technical
 21 education program pursuant to a contract with the intermediate
 22 district.

23 (ii) The district contributes an annual amount to the operation
 24 of the program that is commensurate with the revenue that would
 25 have been raised for operation of the program if millage were
 26 levied in the district for the program under sections 681 to 690 of
 27 the revised school code, MCL 380.681 to 380.690.

28 (b) "Millage levied" means the millage levied for area
 29 vocational-technical education under sections 681 to 690 of the



1 revised school code, MCL 380.681 to 380.690, including a levy for
 2 debt service obligations incurred as the result of borrowing for
 3 capital outlay projects and in meeting capital projects fund
 4 requirements of area vocational-technical education.

5 (c) "Taxable value" means the total taxable value of the
 6 districts constituent to an intermediate district or area
 7 vocational-technical education program, except that if a district
 8 has elected not to come under sections 681 to 690 of the revised
 9 school code, MCL 380.681 to 380.690, the taxable value of that
 10 district is not included in the taxable value of the intermediate
 11 district. However, the taxable value of a district that has elected
 12 not to come under sections 681 to 690 of the revised school code,
 13 MCL 380.681 to 380.690, is included in the taxable value of the
 14 intermediate district if the district meets both of the following:

15 (i) The district operates the area vocational-technical
 16 education program pursuant to a contract with the intermediate
 17 district.

18 (ii) The district contributes an annual amount to the operation
 19 of the program that is commensurate with the revenue that would
 20 have been raised for operation of the program if millage were
 21 levied in the district for the program under sections 681 to 690 of
 22 the revised school code, MCL 380.681 to 380.690.

23 (2) From the appropriation in section 11, there is allocated
 24 an amount not to exceed \$9,190,000.00 each fiscal year for ~~2021-~~
 25 ~~2022-2022-2023~~ and for ~~2022-2023-2023-2024~~ to reimburse
 26 intermediate districts and area vocational-technical education
 27 programs established under section 690(3) of the revised school
 28 code, MCL 380.690, levying millages for area vocational-technical
 29 education under sections 681 to 690 of the revised school code, MCL



1 380.681 to 380.690. The purpose, use, and expenditure of the
 2 reimbursement are limited as if the funds were generated by those
 3 millages.

4 (3) Reimbursement for those millages levied in ~~2020-2021-2021-~~
 5 ~~2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021~~
 6 ~~2021-2022~~ membership pupil computed by subtracting from \$227,300.00
 7 the ~~2020-2021-2021-2022~~ taxable value behind each membership pupil
 8 and multiplying the resulting difference by the ~~2020-2021-2021-2022~~
 9 millage levied, and then subtracting from that amount the ~~2020-2021~~
 10 ~~2021-2022~~ local community stabilization share revenue for area
 11 vocational technical education **and 2021-2022 tax increment revenues**
 12 **captured by a brownfield redevelopment authority created under the**
 13 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651**
 14 **to 125.2670**, behind each membership pupil for reimbursement of
 15 personal property exemption loss under the local community
 16 stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362,
 17 **and reimbursements paid under section 26d for tax increment**
 18 **revenues captured by a brownfield redevelopment authority under the**
 19 **brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651**
 20 **to 125.2670.**

21 (4) Reimbursement for those millages levied in ~~2021-2022-2022-~~
 22 ~~2023~~ is made in ~~2022-2023-2023-2024~~ at an amount per ~~2021-2022~~
 23 ~~2022-2023~~ membership pupil computed by subtracting from \$237,500.00
 24 the ~~2021-2022-2022-2023~~ taxable value behind each membership pupil
 25 and multiplying the resulting difference by the ~~2021-2022-2022-2023~~
 26 millage levied, and then subtracting from that amount the ~~2021-2022~~
 27 ~~2022-2023~~ local community stabilization share revenue for area
 28 vocational technical education and ~~2021-2022-2022-2023~~ tax
 29 increment revenues captured by a brownfield redevelopment authority



1 created under the brownfield redevelopment financing act, 1996 PA
 2 381, MCL 125.2651 to 125.2670, 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, and reimbursements paid under section 26d for tax
 6 increment revenues captured by a brownfield redevelopment authority
 7 under the brownfield redevelopment financing act, 1996 PA 381, MCL
 8 125.2651 to 125.2670.

9 (5) The department shall ensure that the amount paid to a
 10 single intermediate district under this section does not exceed
 11 38.4% 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. 65. (1) From the appropriation under section 11, there is
 17 allocated an amount not to exceed \$900,000.00 for ~~2022-2023-2023-~~
 18 **2024** only for a pre-college engineering K-12 educational program
 19 that is focused on the development of a diverse future Michigan
 20 workforce, that serves multiple communities within southeast
 21 Michigan, that enrolls pupils from multiple districts, and that
 22 received funds appropriated for this purpose in the appropriations
 23 act that provided the Michigan strategic fund budget for 2014-2015.
 24 ~~It is the intent of the legislature that, for 2023-2024, the~~
 25 ~~allocation from the state school aid fund money appropriated in~~
 26 ~~section 11 for purposes described in this section will be~~
 27 ~~\$400,000.00.~~ **It is the intent of the legislature that, for 2024-**
 28 **2025, the allocation from the state school aid fund money**
 29 **appropriated in section 11 for purposes described in this section**



1 **will be \$400,000.00.**

2 (2) To be eligible for funding under this section, a program
3 must have the ability to expose pupils to, and motivate and prepare
4 pupils for, science, technology, engineering, and mathematics
5 careers and postsecondary education with special attention given to
6 groups of pupils who are at-risk and underrepresented in technical
7 professions and careers.

8 Sec. 67. (1) From the general fund money appropriated in
9 section 11, there is allocated an amount not to exceed
10 ~~\$3,000,000.00~~ **\$5,000,000.00** for ~~2022-2023~~ **2023-2024** for college
11 access programs. **It is the intent of the legislature that, for**
12 **2024-2025, the allocation from the general fund money appropriated**
13 **in section 11 for purposes described in this section will be**
14 **\$3,000,000.00.** The programs funded under this section are intended
15 to inform students of college and career options and to provide
16 resources intended to increase the number of pupils who are
17 adequately prepared with the information needed to make informed
18 decisions on college and career. The funds appropriated under this
19 section are intended to be used to increase the number of Michigan
20 residents with high-quality degrees or credentials. Funds
21 appropriated under this section must not be used to supplant
22 funding for counselors already funded by districts.

23 (2) The department of labor and economic opportunity shall
24 administer funds allocated under this section in collaboration with
25 the Michigan college access network. These funds may be used for
26 any of the following purposes:

27 (a) Michigan college access network operations, programming,
28 and services to local college access networks.

29 (b) Local college access networks, which are community-based



1 college access/success partnerships committed to increasing the
2 college participation and completion rates within geographically
3 defined communities through a coordinated strategy.

4 (c) The Michigan college advising program, a program intended
5 to place trained, recently graduated college advisors in high
6 schools that serve significant numbers of low-income and first-
7 generation college-going pupils. State funds used for this purpose
8 may not exceed 33% of the total funds available under this
9 subsection.

10 (d) Subgrants of up to \$5,000.00 to districts with
11 comprehensive high schools that establish a college access team and
12 implement specific strategies to create a college-going culture in
13 a high school in a form and manner approved by the Michigan college
14 access network and the department of labor and economic
15 opportunity.

16 (e) The Michigan college access portal, an online one-stop
17 portal to help pupils and families plan and apply for college.

18 (f) Public awareness and outreach campaigns to encourage low-
19 income and first-generation college-going pupils to take necessary
20 steps toward college and to assist pupils and families in
21 completing a timely and accurate free application for federal
22 student aid.

23 (g) Subgrants to postsecondary institutions to recruit, hire,
24 and train college student mentors and college advisors to assist
25 high school pupils in navigating the postsecondary planning and
26 enrollment process.

27 (3) For the purposes of this section, "college" means any
28 postsecondary educational opportunity that leads to a career,
29 including, but not limited to, a postsecondary degree, industry-



1 recognized technical certification, or registered apprenticeship.

2 Sec. 67a. (1) From the general fund money appropriated under
3 section 11, there is allocated an amount not to exceed \$50,000.00
4 for ~~2022-2023~~**2023-2024** only for a grant to be distributed by the
5 department to an organization to provide industrial and
6 technological education and workforce preparation for students and
7 professional development opportunities and support for teachers.

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

11 Sec. 67d. (1) From the general fund money appropriated in
12 section 11, there is allocated for ~~2022-2023~~**2023-2024** only an
13 amount not to exceed ~~\$2,500,000.00~~**\$500,000.00** to, through a grant
14 program administered by the department, an eligible state-approved
15 501(c)(3) organization to teach or train restaurant management,
16 culinary arts or hospitality, and tourism management as part of
17 career and professional development.

18 (2) As used in this section, "eligible state-approved
19 501(c)(3) organization" means an organization that is exempt from
20 taxation under section 501(c)(3) of the internal revenue code of
21 1986, 26 USC 501, that provides either the ProStart or Hospitality
22 Tourism Management curriculum and training to state-approved career
23 and technical education programs with classification of
24 instructional programs (CIP) codes in the 12.05xx or 52.09xx and
25 that administers national certification for the purposes of
26 restaurant management, culinary arts or hospitality, or tourism
27 management in becoming a hospitality and tourism specialist as part
28 of career and professional development.

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



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

3 **Sec. 67f. From the state school aid fund money appropriated in**
4 **section 11, there is allocated \$100.00 for 2023-2024 only to**
5 **districts to reimburse costs for students who enrolled in the**
6 **district to simultaneously enroll in postsecondary classes.**
7 **Eligible expenses for purposes of this section do not include any**
8 **expenses that are already paid for with federal funding or funding**
9 **appropriated or allocated under other state laws.**

10 Sec. 74. (1) From the state school aid fund money appropriated
11 in section 11, there is allocated an amount not to exceed
12 ~~\$3,964,800.00~~ **\$3,842,700.00** for ~~2021-2022~~ and there is allocated an
13 ~~amount not to exceed \$3,844,200.00 for 2022-2023~~ **2023-2024** for the
14 purposes of this section.

15 (2) From the allocation in subsection (1), there is allocated
16 for ~~2021-2022~~ and for ~~2022-2023~~ **2023-2024** the amount necessary for
17 payments to state supported colleges or universities and
18 intermediate districts providing school bus driver safety
19 instruction under section 51 of the pupil transportation act, 1990
20 PA 187, MCL 257.1851. The department shall make payments in an
21 amount determined by the department not to exceed the actual cost
22 of instruction and driver compensation for each public or nonpublic
23 school bus driver attending a course of instruction. For the
24 purpose of computing compensation, the hourly rate allowed each
25 school bus driver must not exceed the hourly rate received for
26 driving a school bus. The department shall make reimbursement
27 compensating the driver during the course of instruction to the
28 college or university or intermediate district providing the course
29 of instruction.



1 (3) From the allocation in subsection (1), there is allocated
2 for ~~2021-2022 and for 2022-2023~~ **2023-2024** the amount necessary to
3 pay the reasonable costs of nonspecial education auxiliary services
4 transportation provided under section 1323 of the revised school
5 code, MCL 380.1323. Districts funded under this subsection do not
6 receive funding under any other section of this article for
7 nonspecial education auxiliary services transportation.

8 (4) From the funds allocated in subsection (1), there is
9 allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,817,700.00** for
10 ~~2021-2022 and there is allocated an amount not to exceed~~
11 ~~\$1,819,200.00 for 2022-2023~~ **2023-2024** for reimbursement to
12 districts and intermediate districts for costs associated with the
13 inspection of school buses and pupil transportation vehicles by the
14 department of state police as required under section 715a of the
15 Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of
16 the pupil transportation act, 1990 PA 187, MCL 257.1839. The
17 department of state police shall prepare a statement of costs
18 attributable to each district for which bus inspections are
19 provided and submit it to the department and to an intermediate
20 district serving as fiduciary in a time and manner determined
21 jointly by the department and the department of state police. Upon
22 review and approval of the statement of cost, the department shall
23 forward to the designated intermediate district serving as
24 fiduciary the amount of the reimbursement on behalf of each
25 district and intermediate district for costs detailed on the
26 statement within 45 days after receipt of the statement. The
27 designated intermediate district shall make payment in the amount
28 specified on the statement to the department of state police within
29 45 days after receipt of the statement. The total reimbursement of



1 costs under this subsection must not exceed the amount allocated
2 under this subsection. Notwithstanding section 17b, the department
3 shall make payments to eligible entities under this subsection on a
4 schedule prescribed by the department.

5 **Sec. 74b. (1) From the state school aid fund money**
6 **appropriated in section 11, there is allocated for 2023-2024 only**
7 **an amount not to exceed \$75,000,000.00 for grants under the clean**
8 **school bus grant program. Funds under this section must be**
9 **administered through the department, to be distributed to districts**
10 **and intermediate districts using guidelines from the department of**
11 **environment, Great Lakes, and energy's clean fleet initiative that**
12 **supports the conversion of vehicular fleets to low- or no-**
13 **greenhouse gas emissions operations as determined by the department**
14 **of environment, Great Lakes, and energy.**

15 **(2) Qualified recipients must apply for funding in a form and**
16 **manner determined by the department. Qualified recipients must**
17 **agree to be responsive to legitimate and reasonable requests from**
18 **this state to support the promotion, education, and operation of**
19 **electric vehicle school buses, including participating in and**
20 **offering ride events for the public and drive events for other**
21 **school bus drivers as allowable by insurance.**

22 **(3) The department shall award funding under this section on a**
23 **prioritization basis, with funds covering 90% of the cost for**
24 **prioritized qualified recipients and 70% of costs for**
25 **nonprioritized qualified recipients. The department may cap total**
26 **funding amounts per qualified recipient. Funding under this section**
27 **may be used for maintenance or operational costs of new or existing**
28 **vehicles.**

29 **(4) The department, in cooperation with the department of**



1 environment, Great Lakes, and energy, shall establish eligibility
2 standards for replacement and new bus purchases, including
3 eligibility standards for which types of buses are eligible for
4 purchase with funds under this section.

5 (5) The department shall create and publicly post selection
6 criteria and prioritization of qualified recipients. The department
7 shall utilize federal Justice40 parameters for this process. The
8 criteria under this subsection must give preference to school
9 districts in any of the following:

10 (a) National Ambient Air Quality Standards (NAAQS)
11 nonattainment zones.

12 (b) Environmental justice communities as identified by this
13 state's MiEJScreen Environmental Justice Screening Tool.

14 (c) Small Area Income and Poverty Estimates (SAIPE) Program
15 areas.

16 (d) Rural areas as defined by locale codes "43-Rural: Remote"
17 and "42-Rural: Distant" by the National Center for Education
18 Statistics.

19 (e) Communities with high free and reduced lunch participation
20 rates.

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

24 (7) The funds allocated under this section for 2023-2024 are a
25 work project appropriation, and any unexpended funds for 2023-2024
26 are carried forward into 2024-2025. The purpose of the work project
27 is to provide support for qualified recipients to transition to
28 environmentally friendly transportation vehicles. The estimated
29 completion date of the work project is September 30, 2027.



1 (8) As used in this section:

2 (a) "Operational cost" means any cost of operating an electric
3 bus, including, but not limited to, the purchase and installation
4 of charging stations and hubs.

5 (b) "Qualified recipient" means a district or an intermediate
6 district.

7 Sec. 81. (1) From the state school aid fund money appropriated
8 in section 11, there is allocated for ~~2022-2023~~**2023-2024** to the
9 intermediate districts the sum necessary, but not to exceed
10 ~~\$75,642,600.00~~**\$80,181,200.00** to provide state aid to intermediate
11 districts under this section.

12 (2) The amount allocated under this section for ~~2022-2023~~
13 **2023-2024** to each intermediate district is an amount equal to
14 ~~105.2%~~**106.0%** of the amount allocated to the intermediate district
15 under this section for ~~2021-2022~~**2022-2023**. An intermediate
16 district shall use funding provided under this section to comply
17 with requirements of this article and the revised school code that
18 are applicable to intermediate districts, and for which funding is
19 not provided elsewhere in this article, and to provide technical
20 assistance to districts as authorized by the intermediate school
21 board.

22 (3) Intermediate districts receiving funds under this section
23 shall collaborate with the department to develop expanded
24 professional development opportunities for teachers to update and
25 expand their knowledge and skills needed to support the Michigan
26 merit curriculum.

27 (4) From the allocation in subsection (1), there is allocated
28 to an intermediate district, formed by the consolidation or
29 annexation of 2 or more intermediate districts or the attachment of



1 a total intermediate district to another intermediate district or
2 the annexation of all of the constituent K-12 districts of a
3 previously existing intermediate district which has disorganized,
4 an additional allotment of \$3,500.00 each fiscal year for each
5 intermediate district included in the new intermediate district for
6 3 years following consolidation, annexation, or attachment.

7 (5) In order to receive funding under this section, an
8 intermediate district shall do all of the following:

9 (a) Demonstrate to the satisfaction of the department that the
10 intermediate district employs at least 1 person who is trained in
11 pupil accounting and auditing procedures, rules, and regulations.

12 (b) Demonstrate to the satisfaction of the department that the
13 intermediate district employs at least 1 person who is trained in
14 rules, regulations, and district reporting procedures for the
15 individual-level student data that serves as the basis for the
16 calculation of the district and high school graduation and dropout
17 rates.

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

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

25 ~~(f) Provide advice, guidance, and leadership to assist all~~
26 ~~districts located within its geographic boundaries to assist in the~~
27 ~~preparedness and response efforts toward addressing COVID-19. At a~~
28 ~~minimum, this must include the coordination and collaboration with~~
29 ~~any local public health agency that has jurisdiction within the~~



1 ~~intermediate district's geographic boundaries and may include the~~
 2 ~~coordination of bulk purchasing of personal protective equipment,~~
 3 ~~technology, or other products or services necessary for students to~~
 4 ~~return to school.~~

5 ~~(g) Ensure that all districts located within its geographic~~
 6 ~~boundaries have equitable access to the intermediate district's~~
 7 ~~coordination activities and services, intermediate district-wide or~~
 8 ~~regional meetings, regularly scheduled superintendent meetings,~~
 9 ~~programming, events, email distribution lists, listservs, or other~~
 10 ~~coordination or collaboration activities organized by or hosted at~~
 11 ~~the intermediate district. In ensuring that all districts located~~
 12 ~~within the geographic boundaries of the intermediate district have~~
 13 ~~equitable access to services, meetings, programming, events, email~~
 14 ~~distribution lists, listservs, or activities as described in the~~
 15 ~~immediately preceding sentence, the intermediate district shall~~
 16 ~~ensure that districts that are public school academies that are~~
 17 ~~located within its geographic boundaries are not excluded from said~~
 18 ~~services, meetings, programming, events, email distribution lists,~~
 19 ~~listservs, or activities organized by or hosted at the intermediate~~
 20 ~~district if districts that are not public school academies that are~~
 21 ~~located within the geographic boundaries of the intermediate~~
 22 ~~district are not excluded.~~

23 Sec. 94. (1) From the general fund money appropriated in
 24 section 11, there is allocated to the department for 2022-2023
 25 **2023-2024** an amount not to exceed \$1,200,000.00 ~~\$1,700,000.00~~ for
 26 efforts to increase the number of pupils who participate and
 27 succeed in advanced placement and international baccalaureate
 28 programs, and to support the college-level examination program
 29 (CLEP).



1 (2) From the funds allocated under this section, the
2 department shall award funds to cover all or part of the costs of
3 advanced placement test fees or international baccalaureate test
4 fees and international baccalaureate registration fees for low-
5 income pupils who take an advanced placement or an international
6 baccalaureate test and CLEP fees for low-income pupils who take a
7 CLEP test.

8 (3) The department shall only award funds under this section
9 if the department determines that all of the following criteria are
10 met:

11 (a) Each pupil for whom payment is made meets eligibility
12 requirements of the federal advanced placement test fee program
13 under the no child left behind act of 2001, Public Law 107-110, or
14 the every student succeeds act, Public Law 114-95, as applicable.

15 (b) The tests are administered by the college board, the
16 international baccalaureate organization, or another test provider
17 approved by the department.

18 (c) The pupil for whom payment is made pays at least \$5.00
19 toward the cost of each test for which payment is made.

20 (4) The department shall establish procedures for awarding
21 funds under this section.

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

25 Sec. 94a. (1) There is created within the state budget office
26 in the department of technology, management, and budget the center
27 for educational performance and information. The center shall do
28 all of the following:

29 (a) Coordinate the collection of all data required by state



1 and federal law from districts, intermediate districts, and
2 postsecondary institutions.

3 (b) Create, maintain, and enhance this state's P-20
4 longitudinal data system and ensure that it meets the requirements
5 of subsection (4).

6 (c) Collect data in the most efficient manner possible in
7 order to reduce the administrative burden on reporting entities,
8 including, but not limited to, electronic transcript services.

9 (d) Create, maintain, and enhance this state's web-based
10 educational portal to provide information to school leaders,
11 teachers, researchers, and the public in compliance with all
12 federal and state privacy laws. Data must include, but are not
13 limited to, all of the following:

14 (i) Data sets that link teachers to student information,
15 allowing districts to assess individual teacher impact on student
16 performance and consider student growth factors in teacher and
17 principal evaluation systems.

18 (ii) Data access or, if practical, data sets, provided for
19 regional data hubs that, in combination with local data, can
20 improve teaching and learning in the classroom.

21 (iii) Research-ready data sets for researchers to perform
22 research that advances this state's educational performance.

23 (e) Provide data in a useful manner to allow state and local
24 policymakers to make informed policy decisions.

25 (f) Provide public reports to the residents of this state to
26 allow them to assess allocation of resources and the return on
27 their investment in the education system of this state.

28 (g) Other functions as assigned by the state budget director.

29 (2) Each state department, officer, or agency that collects



1 information from districts, intermediate districts, or
2 postsecondary institutions as required under state or federal law
3 shall make arrangements with the center to ensure that the state
4 department, officer, or agency is in compliance with subsection
5 (1). This subsection does not apply to information collected by the
6 department of treasury under the uniform budgeting and accounting
7 act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal
8 finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond
9 qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to
10 388.1939; or section 1351a of the revised school code, MCL
11 380.1351a.

12 (3) The center may enter into any interlocal agreements
13 necessary to fulfill its functions.

14 (4) The center shall ensure that the P-20 longitudinal data
15 system required under subsection (1)(b) meets all of the following:

16 (a) Includes data at the individual student level from
17 preschool through postsecondary education and into the workforce.

18 (b) Supports interoperability by using standard data
19 structures, data formats, and data definitions to ensure linkage
20 and connectivity in a manner that facilitates the exchange of data
21 among agencies and institutions within the state and between
22 states.

23 (c) Enables the matching of individual teacher and student
24 records so that an individual student may be matched with those
25 teachers providing instruction to that student.

26 (d) Enables the matching of individual teachers with
27 information about their certification and the institutions that
28 prepared and recommended those teachers for state certification.

29 (e) Enables data to be easily generated for continuous



1 improvement and decision-making, including timely reporting to
2 parents, teachers, and school leaders on student achievement.

3 (f) Ensures the reasonable quality, validity, and reliability
4 of data contained in the system.

5 (g) Provides this state with the ability to meet federal and
6 state reporting requirements.

7 (h) For data elements related to preschool through grade 12
8 and postsecondary, meets all of the following:

9 (i) Contains a unique statewide student identifier that does
10 not permit a student to be individually identified by users of the
11 system, except as allowed by federal and state law.

12 (ii) Contains student-level enrollment, demographic, and
13 program participation information, **including data associated with**
14 **students who have been identified as having an affiliation to 1 or**
15 **more federally recognized Indian tribes and student participation**
16 **in federal programs funded under 20 USC 7401 to 7546 and**
17 **participation in federal programs funded under the Johnson-O'Malley**
18 **Supplemental Indian Education Program Modernization Act, Public Law**
19 **115-404.**

20 (iii) Contains student-level information about the points at
21 which students exit, transfer in, transfer out, drop out, or
22 complete education programs.

23 (iv) Has the capacity to communicate with higher education data
24 systems.

25 (i) For data elements related to preschool through grade 12
26 only, meets all of the following:

27 (i) Contains yearly test records of individual students for
28 assessments approved by DED-OESE for accountability purposes under
29 section 1111(b) of the elementary and secondary education act of



1 1965, 20 USC 6311, including information on individual students not
2 tested, by grade and subject.

3 (ii) Contains student-level transcript information, including
4 information on courses completed and grades earned.

5 (iii) Contains student-level college readiness test scores.

6 (j) For data elements related to postsecondary education only:

7 (i) Contains data that provide information regarding the extent
8 to which individual students transition successfully from secondary
9 school to postsecondary education, including, but not limited to,
10 all of the following:

11 (A) Enrollment in remedial coursework.

12 (B) Completion of 1 year's worth of college credit applicable
13 to a degree within 2 years of enrollment.

14 (ii) Contains data that provide other information determined
15 necessary to address alignment and adequate preparation for success
16 in postsecondary education.

17 (5) From the general fund money appropriated in section 11,
18 there is allocated an amount not to exceed ~~\$19,032,300.00~~
19 **\$18,988,600.00** for ~~2022-2023-2023-2024~~ to the department of
20 technology, management, and budget to support the operations of the
21 center. In addition, from the federal funds appropriated in section
22 11, there is allocated for ~~2022-2023-2023-2024~~ the amount
23 necessary, estimated at \$193,500.00, to support the operations of
24 the center and to establish a P-20 longitudinal data system
25 necessary for state and federal reporting purposes. The center
26 shall cooperate with the department to ensure that this state is in
27 compliance with federal law and is maximizing opportunities for
28 increased federal funding to improve education in this state.

29 (6) From the funds allocated in subsection (5), the center may



1 use an amount determined by the center for competitive grants for
2 ~~2022-2023~~**2023-2024** to support collaborative efforts on the P-20
3 longitudinal data system. All of the following apply to grants
4 awarded under this subsection:

5 (a) The center shall award competitive grants to eligible
6 intermediate districts or a consortium of intermediate districts
7 based on criteria established by the center.

8 (b) Activities funded under the grant must support the P-20
9 longitudinal data system portal and may include portal hosting,
10 hardware and software acquisition, maintenance, enhancements, user
11 support and related materials, and professional learning tools and
12 activities aimed at improving the utility of the P-20 longitudinal
13 data system.

14 (c) An applicant that received a grant under this subsection
15 for the immediately preceding fiscal year has priority for funding
16 under this section. However, after 3 fiscal years of continuous
17 funding, an applicant is required to compete openly with new
18 applicants.

19 (7) Funds allocated under this section that are not expended
20 in the fiscal year in which they were allocated may be carried
21 forward to a subsequent fiscal year and are appropriated for the
22 purposes for which the funds were originally allocated.

23 (8) The center may bill departments as necessary in order to
24 fulfill reporting requirements of state and federal law. The center
25 may also enter into agreements to supply custom data, analysis, and
26 reporting to other principal executive departments, state agencies,
27 local units of government, and other individuals and organizations.
28 The center may receive and expend funds in addition to those
29 authorized in subsection (5) to cover the costs associated with



1 salaries, benefits, supplies, materials, and equipment necessary to
2 provide such data, analysis, and reporting services.

3 (9) As used in this section, "DED-OESE" means the United
4 States Department of Education Office of Elementary and Secondary
5 Education.

6 Sec. 95b. (1) From the general fund money appropriated under
7 section 11, there is allocated an amount not to exceed
8 ~~\$2,000,000.00~~ **\$100.00** for ~~2022-2023~~ **2023-2024** only for the model
9 value-added growth and projection analytics system. The department
10 shall continue the model value-added growth and projection
11 analytics system and incorporate that model into its reporting
12 requirements under the every student succeeds act, Public Law 114-
13 95. The model described in this subsection must do at least all of
14 the following:

15 (a) Utilize existing assessments and any future assessments
16 that are suitable for measuring student growth.

17 (b) Report student growth measures at the district, school,
18 teacher, and subgroup levels.

19 (c) Recognize the growth of tested students, including those
20 who may have missing assessment data.

21 (d) Include all available prior standardized assessment data
22 that meet inclusion criteria across grades, subjects, and state and
23 local assessments.

24 (e) Allow student growth results to be disaggregated.

25 (f) Provide individual student projections showing the
26 probability of a student reaching specific performance levels on
27 future assessments. Given school closures and extended
28 cancellations related to COVID-19, the data under this subdivision
29 may be used to inform decisions about student placement or students



1 that could benefit from additional supports or interventions.

2 (g) Demonstrate any prior success with this state's
3 assessments through the Michigan council of educator effectiveness
4 teacher evaluation pilot.

5 (h) Demonstrate prior statewide implementation in at least 2
6 other states for at least 10 years.

7 (i) Have a native roster verification system built into the
8 value-added reporting platform that has been implemented statewide
9 in at least 2 other states.

10 (j) Have a "help/contact us" ticketing system built into the
11 value-added reporting platform.

12 (k) Given school closures that have occurred pursuant to an
13 executive order issued by the governor, the value-added reporting
14 platform must provide continued hosting and delivery of reporting
15 and offer the department additional supports in the areas of
16 research, analysis, web reporting, and training.

17 (l) The department and the platform vendor shall provide
18 statewide training for educators to understand the reporting that
19 details the impact to student learning and growth.

20 (2) The department shall provide internet-based electronic
21 student growth and projection reporting based on the model under
22 subsection (1) to educators at the school, district, and state
23 levels. The model must include role-based permissions that allow
24 educators to access information about the performance of the
25 students within their immediate responsibility in accordance with
26 applicable privacy laws.

27 (3) The model under subsection (1) must not be a mandatory
28 part of teacher evaluation or educator pay-for-performance systems.

29 (4) The model under subsection (1) must be a model that



1 received funding under this section in 2018-2019.

2 (5) By March 31 of each fiscal year for which funding is
3 allocated under this section, the department shall work with the
4 center to make data publicly available on an external website that
5 provides student growth metrics provided by the value-added
6 reporting platform at the district and school level by grade and
7 subject.

8 Sec. 97a. From the general fund money appropriated in section
9 11, there is allocated an amount not to exceed ~~\$1,947,000.00~~
10 **\$4,000,000.00** for ~~2022-2023-2023-2024~~ only for Michigan Virtual
11 University to support Navigate 360. **Funding may be used to support**
12 **the MichiganCares, PBIS Rewards, and Intervention programs.**

13 **Sec. 97g. From the state school aid fund money appropriated in**
14 **section 11, there is allocated \$100,000.00 for 2023-2024 only to a**
15 **district to utilize on the Student Advocacy Center of Michigan to**
16 **support its statewide helpline for families in educational crisis.**

17 Sec. 98. (1) From the general fund money appropriated in
18 section 11, there is allocated an amount not to exceed
19 ~~\$8,000,000.00~~ **\$9,300,000.00** for ~~2022-2023-2023-2024~~ for the
20 purposes described in this section. It is the intent of the
21 legislature that, for ~~2023-2024, 2024-2025~~, the allocation from the
22 general fund money appropriated in section 11 for purposes
23 described in this section will be \$7,500,000.00. The Michigan
24 Virtual University shall provide a report to the legislature not
25 later than November 1 of each fiscal year for which funding is
26 allocated under this section that includes its mission, its plans,
27 and proposed benchmarks it must meet, including a plan to achieve
28 the organizational priorities identified in this section, in order
29 to receive full funding for the next fiscal year for which funding



1 is allocated under this section. Not later than March 1 of each
2 fiscal year for which funding is allocated under this section, the
3 Michigan Virtual University shall provide an update to the house
4 and senate appropriations subcommittees on school aid to show the
5 progress being made to meet the benchmarks identified.

6 (2) The Michigan Virtual University shall operate the Michigan
7 Virtual Learning Research Institute. The Michigan Virtual Learning
8 Research Institute shall do all of the following:

9 (a) Support and accelerate innovation in education through the
10 following activities:

11 (i) Test, evaluate, and recommend as appropriate new
12 technology-based instructional tools and resources.

13 (ii) Research, design, and recommend virtual education delivery
14 models for use by pupils and teachers that include age-appropriate
15 multimedia instructional content.

16 (iii) Research, develop, and recommend annually to the
17 department criteria by which cyber schools and virtual course
18 providers should be monitored and evaluated to ensure a quality
19 education for their pupils.

20 (iv) Based on pupil completion and performance data reported to
21 the department or the center from cyber schools and other virtual
22 course providers operating in this state, analyze the effectiveness
23 of virtual learning delivery models in preparing pupils to be
24 college- and career-ready and publish a report that highlights
25 enrollment totals, completion rates, and the overall impact on
26 pupils. The Michigan Virtual Learning Research Institute shall
27 submit the report to the house and senate appropriations
28 subcommittees on school aid, the state budget director, the house
29 and senate fiscal agencies, the department, districts, and



1 intermediate districts not later than March 31 of each fiscal year
2 for which funding is allocated under this section.

3 (v) Provide an extensive professional development program to
4 at least 30,000 educational personnel, including teachers, school
5 administrators, and school board members, that focuses on the
6 effective integration of virtual learning into curricula and
7 instruction. The Michigan Virtual Learning Research Institute is
8 encouraged to work with the MiSTEM council described in section 99s
9 to coordinate professional development of teachers in applicable
10 fields. In addition, the Michigan Virtual Learning Research
11 Institute and external stakeholders are encouraged to coordinate
12 with the department for professional development in this state,
13 **including, but not limited to, professional development for**
14 **employees in child care facilities, early childhood facilities, and**
15 **after-school programs.** Not later than December 1 of each fiscal
16 year for which funding is allocated under this section, the
17 Michigan Virtual Learning Research Institute shall submit a report
18 to the house and senate appropriations subcommittees on school aid,
19 the state budget director, the house and senate fiscal agencies,
20 and the department on the number of teachers, school
21 administrators, and school board members who have received
22 professional development services from the Michigan Virtual
23 University. The report must also include both of the following:

24 (A) The identification of barriers and other opportunities to
25 encourage the adoption of virtual learning in the public education
26 system.

27 (B) A link to, and explanation of, the Michigan Virtual
28 University's online course standards for professional development
29 programming. The standards described in this sub-subparagraph must



1 inform learners how to file a complaint about course content and
 2 detail the steps that will be taken for the review and resolution
 3 of complaints.

4 (vi) Identify and share best practices for planning,
 5 implementing, and evaluating virtual and blended education delivery
 6 models with intermediate districts, districts, and public school
 7 academies to accelerate the adoption of innovative education
 8 delivery models statewide.

9 (b) Provide leadership for this state's system of virtual
 10 learning education by doing the following activities:

11 (i) Develop and report policy recommendations to the governor
 12 and the legislature that accelerate the expansion of effective
 13 virtual learning in this state's schools.

14 (ii) Provide a clearinghouse for research reports, academic
 15 studies, evaluations, and other information related to virtual
 16 learning.

17 (iii) Promote and distribute the most current instructional
 18 design standards and guidelines for virtual teaching.

19 (iv) In collaboration with the department and interested
 20 colleges and universities in this state, support implementation and
 21 improvements related to effective virtual learning instruction.

22 (v) Pursue public/private partnerships that include districts
 23 to study and implement competency-based technology-rich virtual
 24 learning models.

25 (vi) Create a statewide network of school-based mentors serving
 26 as liaisons between pupils, virtual instructors, parents, and
 27 school staff, as provided by the department or the center, and
 28 provide mentors with research-based training and technical
 29 assistance designed to help more pupils be successful virtual



1 learners.

2 (vii) Convene focus groups and conduct annual surveys of
3 teachers, administrators, pupils, parents, and others to identify
4 barriers and opportunities related to virtual learning.

5 (viii) Produce an annual consumer awareness report for schools
6 and parents about effective virtual education providers and
7 education delivery models, performance data, cost structures, and
8 research trends.

9 (ix) Provide an internet-based platform that educators can use
10 to create student-centric learning tools and resources for sharing
11 in the state's open educational resource repository and facilitate
12 a user network that assists educators in using the content creation
13 platform and state repository for open educational resources. As
14 part of this initiative, the Michigan Virtual University shall work
15 collaboratively with districts and intermediate districts to
16 establish a plan to make available virtual resources that align to
17 Michigan's K-12 curriculum standards for use by students,
18 educators, and parents.

19 (x) Create and maintain a public statewide catalog of virtual
20 learning courses being offered by all public schools and community
21 colleges in this state. The Michigan Virtual Learning Research
22 Institute shall identify and develop a list of nationally
23 recognized best practices for virtual learning and use this list to
24 support reviews of virtual course vendors, courses, and
25 instructional practices. The Michigan Virtual Learning Research
26 Institute shall also provide a mechanism for intermediate districts
27 to use the identified best practices to review content offered by
28 constituent districts. The Michigan Virtual Learning Research
29 Institute shall review the virtual course offerings of the Michigan



1 Virtual University, and make the results from these reviews
2 available to the public as part of the statewide catalog. The
3 Michigan Virtual Learning Research Institute shall ensure that the
4 statewide catalog is made available to the public on the Michigan
5 Virtual University website and shall allow the ability to link it
6 to each district's website as provided for in section 21f. The
7 statewide catalog must also contain all of the following:

8 (A) The number of enrollments in each virtual course in the
9 immediately preceding school year.

10 (B) The number of enrollments that earned 60% or more of the
11 total course points for each virtual course in the immediately
12 preceding school year.

13 (C) The pass rate for each virtual course.

14 (xi) Support registration, payment services, and transcript
15 functionality for the statewide catalog and train key stakeholders
16 on how to use new features.

17 (xii) Collaborate with key stakeholders to examine district
18 level accountability and teacher effectiveness issues related to
19 virtual learning under section 21f and make findings and
20 recommendations publicly available.

21 (xiii) Provide a report on the activities of the Michigan
22 Virtual Learning Research Institute.

23 (3) To further enhance its expertise and leadership in virtual
24 learning, the Michigan Virtual University shall continue to operate
25 the Michigan Virtual School as a statewide laboratory and quality
26 model of instruction by implementing virtual and blended learning
27 solutions for Michigan schools in accordance with the following
28 parameters:

29 (a) The Michigan Virtual School must maintain its



1 accreditation status from recognized national and international
2 accrediting entities.

3 (b) The Michigan Virtual University shall use no more than
4 \$1,000,000.00 of the amount allocated under this section to
5 subsidize the cost paid by districts for virtual courses.

6 (c) In providing educators responsible for the teaching of
7 virtual courses as provided for in this section, the Michigan
8 Virtual School shall follow the requirements to request and assess,
9 and the department of state police shall provide, a criminal
10 history check and criminal records check under sections 1230 and
11 1230a of the revised school code, MCL 380.1230 and 380.1230a, in
12 the same manner as if the Michigan Virtual School were a school
13 district under those sections.

14 (4) From the funds allocated under subsection (1), the
15 Michigan Virtual University shall allocate up to \$500,000.00 to
16 support the expansion of new online and blended educator
17 professional development programs.

18 (5) If the course offerings are included in the statewide
19 catalog of virtual courses under subsection (2)(b)(x), the Michigan
20 Virtual School operated by the Michigan Virtual University may
21 offer virtual course offerings, including, but not limited to, all
22 of the following:

23 (a) Information technology courses.

24 (b) College level equivalent courses, as that term is defined
25 in section 1471 of the revised school code, MCL 380.1471.

26 (c) Courses and dual enrollment opportunities.

27 (d) Programs and services for at-risk pupils.

28 (e) High school equivalency test preparation courses for
29 adjudicated youth.



1 (f) Special interest courses.

2 (g) Professional development programs for teachers, school
3 administrators, other school employees, and school board members.

4 (6) If a home-schooled or nonpublic school student is a
5 resident of a district that subscribes to services provided by the
6 Michigan Virtual School, the student may use the services provided
7 by the Michigan Virtual School to the district without charge to
8 the student beyond what is charged to a district pupil using the
9 same services.

10 (7) Not later than December 1 of each fiscal year for which
11 funding is allocated under this section, the Michigan Virtual
12 University shall provide a report to the house and senate
13 appropriations subcommittees on school aid, the state budget
14 director, the house and senate fiscal agencies, and the department
15 that includes at least all of the following information related to
16 the Michigan Virtual School for the preceding fiscal year:

17 (a) A list of the districts served by the Michigan Virtual
18 School.

19 (b) A list of virtual course titles available to districts.

20 (c) The total number of virtual course enrollments and
21 information on registrations and completions by course.

22 (d) The overall course completion rate percentage.

23 (8) In addition to the information listed in subsection (7),
24 the report under subsection (7) must also include a plan to serve
25 at least 600 schools with courses from the Michigan Virtual School
26 or with content available through the internet-based platform
27 identified in subsection (2) (b) (ix).

28 (9) The governor may appoint an advisory group for the
29 Michigan Virtual Learning Research Institute established under



1 subsection (2). The members of the advisory group serve at the
2 pleasure of the governor and without compensation. The purpose of
3 the advisory group is to make recommendations to the governor, the
4 legislature, and the president and board of the Michigan Virtual
5 University that will accelerate innovation in this state's
6 education system in a manner that will prepare elementary and
7 secondary students to be career and college ready and that will
8 promote the goal of increasing the percentage of residents of this
9 state with high-quality degrees and credentials to at least 60% by
10 2025.

11 (10) Not later than November 1 of each fiscal year for which
12 funding is allocated under this section, the Michigan Virtual
13 University shall submit to the house and senate appropriations
14 subcommittees on school aid, the state budget director, and the
15 house and senate fiscal agencies a detailed budget for that fiscal
16 year that includes a breakdown on its projected costs to deliver
17 virtual educational services to districts and a summary of the
18 anticipated fees to be paid by districts for those services. Not
19 later than March 1 each fiscal year for which funding is allocated
20 under this section, the Michigan Virtual University shall submit to
21 the house and senate appropriations subcommittees on school aid,
22 the state budget director, and the house and senate fiscal agencies
23 a breakdown on its actual costs to deliver virtual educational
24 services to districts and a summary of the actual fees paid by
25 districts for those services based on audited financial statements
26 for the immediately preceding fiscal year.

27 (11) As used in this section:

28 (a) "Blended learning" means a hybrid instructional delivery
29 model where pupils are provided content, instruction, and



1 assessment, in part at a supervised educational facility away from
 2 home where the pupil and a teacher with a valid Michigan teaching
 3 certificate are in the same physical location and in part through
 4 internet-connected learning environments with some degree of pupil
 5 control over time, location, and pace of instruction.

6 (b) "Cyber school" means a full-time instructional program of
 7 virtual courses for pupils that may or may not require attendance
 8 at a physical school location.

9 (c) "Virtual course" means a course of study that is capable
 10 of generating a credit or a grade and that is provided in an
 11 interactive learning environment in which the majority of the
 12 curriculum is delivered using the internet and in which pupils are
 13 separated from their instructor or teacher of record by time or
 14 location, or both.

15 **Sec. 98d. (1) From the state school aid fund money**
 16 **appropriated under section 11, there is allocated for 2023-2024**
 17 **only an amount not to exceed \$5,000,000.00 to Northern Michigan**
 18 **University to support the MLC as described in this section.**
 19 **Northern Michigan University shall not retain any portion of the**
 20 **funding received under this section for administrative purposes and**
 21 **shall provide funding to support the MLC. All of the following**
 22 **apply to the MLC:**

23 (a) The MLC must expand literacy programming over the air,
 24 online, and in communities that is aligned with this state's pre-K
 25 to 12 educational standards.

26 (b) The MLC shall provide over the air broadcasts 24 hours
 27 each day for 7 days each week of quality instructional content that
 28 is aligned with this state's pre-K to 12 educational standards.
 29 Over-the-air broadcasts as described in this subdivision must be



1 streamed live and must be archived for on-demand viewing on a
2 companion website, along with additional learning materials
3 relevant to lessons.

4 (c) The MLC must be managed and operated by DPTV, and DPTV
5 shall assume all risk, liability, and responsibility for the MLC in
6 accordance with regulations by the United States Federal
7 Communications Commission, PBS broadcast standards, and standard
8 nonprofit business standards. DPTV shall serve as the fiduciary
9 agent and service manager for the MLC. The MLC shall originate from
10 a central operations center that is responsible for providing the
11 infrastructure, content, and engagement of the MLC in partnership
12 with this state's educational leadership organizations.

13 (d) The MLC shall require that DPTV provide technology,
14 funding, staff training, and central management of the MLC to
15 station partners to insert additional channels into each station's
16 broadcast streams and to support staffing and engagement as
17 outlined in a memorandum of understanding among the stations.

18 (e) The MLC shall require that DPTV partner with at least 5
19 other Michigan public television stations, including, but not
20 limited to, WKAR, WGVU, WDCQ, WCMU, and WNMU, to deliver the over-
21 the-air MLC broadcasts described in this section and to support
22 engagement with local educators. Stations described in this
23 subdivision must be able to use the infrastructure provided by the
24 MLC to develop their own local content that best serves their
25 communities.

26 (f) The MLC shall not use the funds received from Northern
27 Michigan University under this section in support of the MLC for
28 any purposes fully funded by the governor's emergency education
29 relief fund grant.



1 (2) Not later than February 1, 2024, the MLC shall provide a
2 report to the house and senate appropriations subcommittees
3 responsible for school aid, the house and senate fiscal agencies,
4 and the state budget director detailing the MLC's compliance with
5 ensuring that conditions listed under subsection (1) were met.

6 (3) Notwithstanding section 17b, the department shall make
7 payments under this section not later than December 1, 2023.

8 (4) As used in this section:

9 (a) "DPTV" means Detroit Public Television.

10 (b) "MLC" means the Michigan Learning Channel.

11 Sec. 99a. From the general fund money appropriated in section
12 11, \$1,000,000.00 is allocated for 2023-2024 to Heroes Circle to
13 expand programming to aid children with social-emotional learning.

14 Sec. 99b. (1) From the state school aid fund money
15 appropriated in section 11, there is allocated an amount not to
16 exceed \$4,000,000.00 for 2023-2024 only to a district to develop
17 and implement teacher professional development programs for
18 computer science and computational thinking courses and content.

19 (2) Funding received under subsection (1) may be used only for
20 the following purposes:

21 (a) High-quality professional learning for K to 12 computer
22 science content. The costs associated with professional learning as
23 described in this subdivision include, but are not limited to,
24 travel to workshops. As used in this subdivision, "high-quality
25 profession learning" means learning that is sustained, intensive,
26 collaborative, job embedded, data driven, and classroom focused.

27 (b) Supports for K to 12 computer science professional
28 learning, including, but not limited to, mentoring and coaching.

29 (c) Creation of resources to support implementation.



1 (d) Professional learning offerings that identify strategies
2 to include underrepresented groups.

3 (e) Participation in the Strategic CSforALL Resource and
4 Implementation Planning Tool (SCRIPT) process with a trained
5 facilitator of this state.

6 (3) To be eligible to receive funding under this section, a
7 district must apply for funding in a form and manner prescribed by
8 the department. The application must, at a minimum, address how the
9 district will do all of the following:

10 (a) Reach new and existing teachers with little to no computer
11 science background.

12 (b) Use research- or evidence-based practices for high-quality
13 professional development.

14 (c) Focus the professional learning on the mastery of all
15 areas of computer science standards as approved by the state board
16 of education in 2019.

17 (d) Reach and support marginalized racial and ethnic groups
18 underrepresented in computer science.

19 (e) Provide teachers with concrete experience with hands-on,
20 inquiry-based practices.

21 (f) Accommodate the particular teacher and student needs in
22 each district and school.

23 (g) Ensure that participating districts shall begin offering
24 the courses or content within the same or next school year after
25 the teacher receives the professional learning.

26 (h) Commit to completing the SCRIPT process.

27 (4) The funds allocated under this section for 2023-2024 are a
28 work project appropriation, and any unexpended funds for 2023-2024
29 are carried forward into 2024-2025. The purpose of the work project



1 is to continue to support computer science implementation. The
2 estimated completion date of the work project is September 30,
3 2025.

4 (5) A district that receives funding under this section shall
5 submit a report to the department by June 30, 2024. The report must
6 include all of the following:

7 (a) The number of teachers prepared.

8 (b) Students reached, including the number and percentage of
9 students reached disaggregated by gender, race, ethnicity, and
10 socioeconomic status.

11 (c) The number and percentage of students with passing AP exam
12 scores for high school AP courses, by gender, race, and ethnicity,
13 once that data is available.

14 (d) The number of teachers that started implementing computer
15 science compared to the number of prepared teachers that attended
16 professional learning.

17 (e) The number of elementary students who are provided
18 integrated computer science opportunities.

19 (f) Progress in building a systematic K-12 computer science
20 plan using the SCRIPT rubric.

21 (g) Any agreements to provide preassessments and
22 postassessments of teacher readiness for teaching computational
23 thinking and computer science and any data related to those
24 assessments.

25 (6) The department shall make the report submitted under
26 subsection (5) available on a publicly accessible website.

27 Sec. 99c. From the general fund money appropriated in section
28 11, \$1,000,000.00 is allocated for 2023-2024 only to the Autism
29 Alliance of Michigan to support the Special Education Coalition, as



1 organized by the Autism Alliance of Michigan, through the promotion
2 of pertinent legislative action, the fostering of inclusive
3 community services, and the encouragement of inter- and intra-
4 agency collaboration to improve access to educational
5 opportunities, experiences, and outcomes for students in this
6 state.

7 Sec. 99d. From the state school aid fund money appropriated in
8 section 11, there is allocated \$10,000,000.00 for 2023-2024 only to
9 districts to do both of the following:

10 (a) Develop and implement plans for professional learning
11 concerning the teaching of the fullness of American history,
12 including, but not limited to, the teaching of the history of
13 communities of color and other marginalized communities and
14 teaching cultural competency.

15 (b) Purchase books and other educational resources for
16 educators and students to support the goal of teaching every middle
17 school and high school student American history that reflects the
18 diversity of this state, including, but not limited to, the
19 teaching of the history of communities of color and other
20 marginalized communities.

21 Sec. 99e. (1) From the state school aid fund money
22 appropriated in section 11, there is allocated \$2,000,000.00 for
23 2023-2024 only for districts to partner with an eligible nonprofit
24 organization to support delivery of high-dosage neighborhood-based
25 tutoring and direct noninstructional services for at-risk pupils
26 who are 3 to 12 years of age. Funding under this section is
27 intended to ensure all of the following:

28 (a) That pupils are proficient in English language arts by the
29 end of grade 3.



1 (b) That pupils are proficient in mathematics by the end of
2 grade 8.

3 (c) That all participants are kindergarten ready, and that
4 pupils are prepared to attend school regularly.

5 (2) Funding under this section is intended to support
6 communities in meeting service gaps for children who are unable to
7 access 21st Century Community Learning Centers programs due to
8 transportation barriers.

9 (3) Recipients under this section must forward an amount equal
10 to the amount awarded under this section to contract with an
11 eligible nonprofit organization. A nonprofit organization is
12 eligible under this section if it meets all of the following:

13 (a) It operates in Detroit.

14 (b) It employs a community model that includes all of the
15 following:

16 (i) Evaluation of a kid success-ready neighborhood.

17 (ii) Invitation of community input.

18 (iii) Renovation of a house in the neighborhood.

19 (iv) Holding goal-setting meetings with the family of each
20 participating child.

21 (v) Partnership with organizations to collect data and
22 facilitate a rigorous evaluation.

23 (c) It has the capacity to show evidence of improvements.

24 (d) It has systems to support early learning and K-3 school
25 referrals.

26 (e) It has an understanding of assessments and growth measures
27 used in this state.

28 (3) Funding under this section must be spent on staffing to
29 support delivery of support and wraparound services. Funding must



1 not supplant early learning or K-3 program staff.

2 (4) As used in this section, "at-risk pupil" means that term
3 as defined under section 31a.

4 Sec. 99f. (1) From the state school aid fund money
5 appropriated in section 11, there is allocated for 2023-2024 only
6 an amount not to exceed \$4,000,000.00 to compensate an eligible
7 district for residual costs associated with the collapse of a high
8 school roof.

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

12 (3) As used in this section, "eligible district" means a
13 district that demonstrates to the department that a roof collapsed
14 in June of 2019 at a high school operated by the district.

15 Sec. 99g. (1) From the state school aid fund money
16 appropriated in section 11, there is allocated \$1,000,000.00 to
17 districts for the purposes under this section.

18 (2) The department shall award funding under this section to
19 districts in urban, suburban, and rural areas in this state and
20 shall award funding as follows:

21 (a) To at least 3 districts that are located in Wayne County
22 that must include Detroit Public School Community District, 1
23 suburban district, and 1 rural district.

24 (b) To at least 1 district located in Eaton County.

25 (c) To at least 1 district located in Grand Traverse County.

26 (d) To at least 1 district located in Kent County.

27 (e) To at least 1 district located in Macomb County.

28 (f) To at least 1 district located in Marquette County.

29 (g) After the awards under subdivisions (a) to (f), to



1 districts across this state to achieve a representative
2 distribution of urban, suburban, and rural districts.

3 (3) A district that receives funding under this section shall
4 use the funding to provide, upon request from eligible students,
5 feminine hygiene products at no cost to eligible students enrolled
6 in the district. From the funding allocated under this section,
7 each eligible student must receive, at a minimum, 20 tampons or
8 menstrual pads each month for the school year.

9 (4) As used in this section:

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

11 (b) "Eligible student" means a student who is an at-risk
12 pupil.

13 Sec. 99h. (1) From the state school aid fund money
14 appropriated in section 11, there is allocated an amount not to
15 exceed ~~\$5,223,200.00~~ **\$6,000,000.00** for ~~2022-2023~~ **2023-2024** for
16 competitive grants to districts and intermediate districts, and
17 from the general fund money appropriated in section 11, there is
18 allocated ~~\$600,000.00~~ **\$600,000.00** for ~~2022-2023~~ **2023-2024** for competitive
19 grants to nonpublic schools, that provide pupils in grades pre-K to
20 12 with expanded opportunities to improve mathematics, science, and
21 technology skills by participating in competitions hosted by a
22 science and technology development program known as FIRST (for
23 inspiration and recognition of science and technology) Robotics,
24 including JR FIRST Lego League, FIRST Lego League, FIRST Tech
25 challenge, and FIRST Robotics competition, or other competitive
26 robotics programs or equipment vendors, including VEX, Square One,
27 and those hosted by the Robotics Education and Competition (REC)
28 Foundation. ~~It is the intent of the legislature that, for 2023-~~
29 ~~2024, the allocation from the state school aid fund money~~



1 ~~appropriated in section 11 for purposes described in this section~~
 2 ~~will be \$4,723,200.00.~~ Programs funded under this section are
 3 intended to increase the number of pupils demonstrating proficiency
 4 in science and mathematics on the state assessments and to increase
 5 the number of pupils who are college- and career-ready upon high
 6 school graduation. Notwithstanding section 17b, the department
 7 shall make grant payments to districts, nonpublic schools, and
 8 intermediate districts under this section on a schedule determined
 9 by the department. The department shall set maximum grant awards
 10 for each different level of programming and competition in a manner
 11 that both maximizes the number of teams that will be able to
 12 receive funds and expands the geographical distribution of teams.
 13 **Districts and intermediate districts that receive funds under this**
 14 **section must provide relevant student participation information, as**
 15 **determined by the department, to program and competition providers**
 16 **described in this section. For a district or intermediate district**
 17 **to count a program competition provider for purposes of payments**
 18 **under this section, the program and competition providers must**
 19 **agree to aggregate data received by districts and intermediate**
 20 **districts and provide this information to the department in a form**
 21 **and manner determined by the department.**

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

24 (a) Both of the following by not later than 60 days after the
 25 K to 12 appropriations bill for the current fiscal year is enacted
 26 into law or October 1 of the current fiscal year, whichever is
 27 later:

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



1 (ii) Publish a list of approved programs and vendors for
2 purposes of this section in a manner that is accessible to all
3 applicants. To obtain approval under this subparagraph, a program
4 or vendor must do both of the following:

5 (A) Submit to the department registration information,
6 including any fees; pledge that it will post this information on
7 its website; and, by not later than January 1 ~~, 2023, and January 1~~
8 ~~each year thereafter,~~ **of the current fiscal year**, submit this
9 information to the department for publication on the department's
10 website.

11 (B) Pledge that it will not require a payment of any team
12 described in this section, including, but not limited to,
13 registration fees, if the team does not receive a grant under this
14 section.

15 (b) By not later than 30 days after applications are opened as
16 described in subdivision (a), close applications under this
17 section.

18 (c) By not later than 60 days after applications are closed as
19 described in subdivision (b), make all determinations concerning
20 funding under this section.

21 (d) By not later than July 1 ~~, 2023, and by not later than~~
22 ~~July 1 each year thereafter,~~ **of the current fiscal year**, publish a
23 document listing the requirements for becoming an approved program
24 or vendor under subdivision (a).

25 (3) Except as otherwise provided under this subsection, if
26 funding under this section is insufficient to fulfill all funding
27 requests by qualified applicants under this section, the department
28 shall prorate the total funding allocated under this section
29 equally among all qualified applicants. However, for funding under



1 this section toward grants under subsection (5) (b), in its
 2 proration under this subsection, the department shall ensure that
 3 each district is paid in an amount equal to the percentage the
 4 department would have paid the district in grant funding under
 5 subsection (5) (b), but for proration under this subsection, with no
 6 district receiving a grant under subsection (5) (b) in an amount
 7 that is greater than the district's total accrued costs under
 8 subsection (5) (b).

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

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

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

25 (b) Grants to districts, nonpublic schools, or intermediate
 26 districts for event registrations, materials, travel costs, and
 27 other expenses associated with the preparation for and attendance
 28 at robotics events and competitions. **Expenses are allowable for up
 29 to 10 teams per building.**



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

5 ~~(6) The funds allocated under this section for 2022-2023 are a~~
 6 ~~work project appropriation, and any unexpended funds for 2022-2023~~
 7 ~~are carried forward into 2023-2024. The purpose of the work project~~
 8 ~~is to continue support of programs under this section. The~~
 9 ~~estimated completion date of the work project is September 30,~~
 10 ~~2024.~~

11 (6) ~~(7)~~—A nonpublic school that receives a grant under this
 12 section may use the funds for either robotics or Science Olympiad
 13 programs.

14 (7) ~~(8)~~—To be eligible to receive funds under this section, a
 15 nonpublic school must be a nonpublic school registered with the
 16 department and must meet all applicable state reporting
 17 requirements for nonpublic schools.

18 (8) ~~(9)~~—For purposes of this section, an approved program or
 19 vendor under this section that provides a program under this
 20 section shall not work with the department to set prices or
 21 policies for the program.

22 (9) ~~(10)~~—As used in this section, "current fiscal year" means
 23 the fiscal year for which an allocation is made under this section.

24 **Sec. 99n. (1) From the state school aid fund money**
 25 **appropriated in section 11, there is allocated for 2023-2024 only**
 26 **an amount not to exceed \$6,000,000.00 to Ingham County Intermediate**
 27 **School District to support the construction of a career technical**
 28 **education center for students enrolled in the constituent**
 29 **districts.**



1 **(2) As used in this section, "constituent district" means that**
 2 **term as defined in section 3 revised school code, MCL 380.3.**

3 Sec. 99s. (1) From state school aid fund money appropriated
 4 under section 11, there is allocated for ~~2022-2023~~**2023-2024** an
 5 amount not to exceed \$7,634,300.00 for Michigan science,
 6 technology, engineering, and mathematics (MiSTEM) programs. The
 7 MiSTEM network may receive funds from private sources. If the
 8 MiSTEM network receives funds from private sources, the MiSTEM
 9 network shall expend those funds in alignment with the statewide
 10 STEM strategy. Programs funded under this section are intended to
 11 increase the number of pupils demonstrating proficiency in science
 12 and mathematics on the state assessments, to increase the number of
 13 pupils who are college- and career-ready upon high school
 14 graduation, and to promote certificate and degree attainment in
 15 STEM fields. Notwithstanding section 17b, the department shall make
 16 payments under this section on a schedule determined by the
 17 department.

18 (2) The MiSTEM council annually shall review and make
 19 recommendations to the governor, the legislature, and the
 20 department concerning changes to the statewide strategy adopted by
 21 the council for delivering STEM education-related opportunities to
 22 pupils. The MiSTEM council shall use funds received under this
 23 subsection to ensure that its members or their designees are
 24 trained in the Change the Equation STEMworks rating system program
 25 for the purpose of rating STEM programs.

26 (3) The MiSTEM council shall make specific funding
 27 recommendations for the funds allocated under subsection (4) by
 28 December 15 of each fiscal year. Each specific funding
 29 recommendation must be for a program approved by the MiSTEM



1 council. All of the following apply:

2 (a) To be eligible for MiSTEM council approval as described in
3 this subsection, a program must satisfy all of the following:

4 (i) Align with this state's academic standards.

5 (ii) Have STEMworks certification.

6 (iii) Provide project-based experiential learning, student
7 programming, or educator professional learning experiences.

8 (iv) Focus predominantly on classroom-based STEM experiences or
9 professional learning experiences.

10 (b) The MiSTEM council shall approve programs that represent
11 all network regions and include a diverse array of options for
12 students and educators and at least 1 program in each of the
13 following areas:

14 (i) Robotics.

15 (ii) Computer science or coding.

16 (iii) Engineering or bioscience.

17 (c) The MiSTEM council is encouraged to work with the MiSTEM
18 network to develop locally and regionally developed programs and
19 professional learning experiences for the programs on the list of
20 approved programs.

21 (d) If the MiSTEM council is unable to make specific funding
22 recommendations by December 15 of a fiscal year, the department
23 shall award and distribute the funds allocated under subsection (4)
24 on a competitive grant basis that at least follows the statewide
25 STEM strategy plan and rating system recommended by the MiSTEM
26 council. Each grant must provide STEM education-related
27 opportunities for pupils.

28 (e) The MiSTEM council shall work with the department of labor
29 and economic opportunity to implement the statewide STEM strategy



1 adopted by the MiSTEM council.

2 (4) From the state school aid fund money allocated under
3 subsection (1), there is allocated for ~~2022-2023~~**2023-2024** an
4 amount not to exceed \$3,050,000.00 for the purpose of funding
5 programs under this section for ~~2022-2023~~**2023-2024** as recommended
6 by the MiSTEM council.

7 (5) From the state school aid fund money allocated under
8 subsection (1), there is allocated an amount not to exceed
9 \$3,834,300.00 for ~~2022-2023~~**2023-2024** to support the activities and
10 programs of the MiSTEM network regions. From the money allocated
11 under this subsection, the department shall award the fiscal agent
12 for each MiSTEM network region \$200,000.00 for the base operations
13 of each region. The department shall distribute the remaining funds
14 to each fiscal agent in an equal amount per pupil, based on the
15 number of K to 12 pupils enrolled in districts within each region
16 in the immediately preceding fiscal year.

17 (6) A MiSTEM network region shall do all of the following:

18 (a) Collaborate with the career and educational advisory
19 council that is located in the MiSTEM region to develop a regional
20 strategic plan for STEM education that creates a robust regional
21 STEM culture, that empowers STEM teachers, that integrates business
22 and education into the STEM network, and that ensures high-quality
23 STEM experiences for pupils. At a minimum, a regional STEM
24 strategic plan should do all of the following:

25 (i) Identify regional employer need for STEM.

26 (ii) Identify processes for regional employers and educators to
27 create guided pathways for STEM careers that include internships or
28 externships, apprenticeships, and other experiential engagements
29 for pupils.



1 (iii) Identify educator professional learning opportunities,
 2 including internships or externships and apprenticeships, that
 3 integrate this state's science standards into high-quality STEM
 4 experiences that engage pupils.

5 (b) Facilitate regional STEM events such as educator and
 6 employer networking and STEM career fairs to raise STEM awareness.

7 (c) Contribute to the MiSTEM website and engage in other
 8 MiSTEM network functions to further the mission of STEM in this
 9 state in coordination with the MiSTEM council and the department of
 10 labor and economic opportunity.

11 (d) Facilitate application and implementation of state and
 12 federal funds under this subsection and any other grants or funds
 13 for the MiSTEM network region.

14 (e) Work with districts to provide STEM programming and
 15 professional learning.

16 (f) Coordinate recurring discussions and work with the career
 17 and educational advisory council to ensure that feedback and best
 18 practices are being shared, including funding, program,
 19 professional learning opportunities, and regional strategic plans.

20 (7) From the state school aid fund money allocated under
 21 subsection (1), the department shall distribute for ~~2022-2023-2023-~~
 22 **2024** an amount not to exceed \$750,000.00, in a form and manner
 23 determined by the department, to those network regions able to
 24 further the statewide STEM strategy recommended by the MiSTEM
 25 council.

26 (8) In order to receive state or federal funds under
 27 subsection (5) or (7), or to receive funds from private sources as
 28 authorized under subsection (1), a grant recipient must allow
 29 access for the department or the department's designee to audit all



1 records related to the program for which it receives those funds.
 2 The grant recipient shall reimburse the state for all disallowances
 3 found in the audit.

4 (9) In order to receive state funds under subsection (5) or
 5 (7), a grant recipient must provide at least a 10% local match from
 6 local public or private resources for the funds received under this
 7 subsection.

8 (10) Not later than July 1 of each fiscal year for which
 9 funding is allocated under this section, a MiSTEM network region
 10 that receives funds under subsection (5) shall report to the
 11 executive director of the MiSTEM network in a form and manner
 12 prescribed by the executive director on performance measures
 13 developed by the MiSTEM network regions and approved by the
 14 executive director. The performance measures must be designed to
 15 ensure that the activities of the MiSTEM network are improving
 16 student academic outcomes.

17 (11) Not more than 5% of a MiSTEM network region grant under
 18 subsection (5) or (7) may be retained by a fiscal agent for serving
 19 as the fiscal agent of a MiSTEM network region.

20 (12) As used in this section:

21 (a) "Career and educational advisory council" means an
 22 advisory council to the local workforce development boards located
 23 in a prosperity region consisting of educational, employer, labor,
 24 and parent representatives.

25 (b) "DED" means the United States Department of Education.

26 (c) "DED-OESE" means the DED Office of Elementary and
 27 Secondary Education.

28 (d) "MiSTEM Council" means the Michigan Science, Technology,
 29 Engineering, and Mathematics Education Advisory Council created as



1 an advisory body within the department of labor and economic
 2 opportunity by Executive Reorganization Order No. 2019-3, MCL
 3 125.1998.

4 (e) "STEM" means science, technology, engineering, and
 5 mathematics delivered in an integrated fashion using cross-
 6 disciplinary learning experiences that can include language arts,
 7 performing and fine arts, and career and technical education.

8 Sec. 99t. (1) From the general fund appropriation under
 9 section 11, there is allocated an amount not to exceed
 10 ~~\$3,000,000.00~~ **\$100.00** for ~~2022-2023~~ **2023-2024** only to purchase
 11 statewide access to an online algebra tool that meets all of the
 12 following:

13 (a) Provides students statewide with complete access to videos
 14 aligned with state standards including study guides and workbooks
 15 that are aligned with the videos.

16 (b) Provides students statewide with access to a personalized
 17 online algebra learning tool including adaptive diagnostics.

18 (c) Provides students statewide with dynamic algebra practice
 19 assessments that emulate the state assessment with immediate
 20 feedback and help solving problems.

21 (d) Provides students statewide with online access to algebra
 22 help 24 hours a day and 7 days a week from study experts, teachers,
 23 and peers on a moderated social networking platform.

24 (e) Provides an online algebra professional development
 25 network for teachers.

26 (f) Is already provided under a statewide contract in at least
 27 1 other state that has a population of at least 18,000,000 but not
 28 more than 19,000,000 according to the most recent decennial census
 29 and is offered in that state in partnership with a public



1 university.

2 (2) The department shall purchase the online algebra tool that
3 was chosen under this section in 2016-2017.

4 (3) A grantee receiving funding under this section shall
5 comply with the requirements of section 19b.

6 Sec. 99u. (1) From the general fund money appropriated under
7 section 11, there is allocated for ~~2022-2023~~ **2023-2024** only an
8 amount not to exceed ~~\$6,000,000.00~~ **\$100.00** to a provider that is a
9 provider of both of the following:

10 (a) An online mathematics tool that meets all of the
11 following:

12 (i) Provides students statewide with complete access to
13 mathematics support aligned with state standards through a program
14 that has all of the following elements:

15 (A) Student motivation.

16 (B) Valid and reliable assessments.

17 (C) Personalized learning pathways.

18 (D) Highly qualified, live teachers available all day and all
19 year.

20 (E) Twenty-four-hour reporting.

21 (F) Content built for rigorous mathematics.

22 (ii) Has a record of improving student mathematics scores in at
23 least 5 other states.

24 (iii) Received funding under this section in 2017-2018.

25 (b) A program that provides explicit, targeted literacy
26 instruction within an individualized learning path that continually
27 adjusts to a pupil's needs. A program described in this subdivision
28 that is funded under this subsection must be funded through a grant
29 to a provider described in this subsection that also promotes



1 literacy through the teaching of critical language and literacy
 2 concepts, such as reading and listening comprehension, basic
 3 vocabulary, academic language, grammar, phonological awareness,
 4 phonics, and fluency.

5 (2) A grantee that receives funding under this section shall
 6 comply with the requirements of section 19b.

7 (3) Notwithstanding section 17b, the department shall make
 8 payments under this section by not later than December 1 of each
 9 fiscal year for which funding is allocated under this section.

10 Sec. 99x. (1) From the ~~federal funding~~ **general fund money**
 11 appropriated under section 11, there is allocated for ~~2022-2023~~
 12 **2023-2024** only an amount not to exceed ~~\$20,000,000.00 from the~~
 13 ~~federal funding awarded to this state from the coronavirus state~~
 14 ~~fiscal recovery fund under the American rescue plan act of 2021,~~
 15 ~~title IX, subtitle M of Public Law 117-2, \$1,000,000.00 for,~~
 16 subject to subsection (2), Teach for America to lead and support
 17 teacher recruitment, training, development, and retention efforts
 18 for high-performing educators in at-risk schools in this state,
 19 which includes, but is not limited to, the operation of educator
 20 fellowship programs in at least 3 regions in this state, including
 21 rural regions; the provision of support to educator-led innovation
 22 in this state; and investment in a broad educator workforce
 23 campaign to recruit and retain high-performing educators and
 24 educator candidates in this state.

25 (2) Teach for America must have recruited or invested in the
 26 retention and development of 100 teachers in this state in
 27 fulfilling the purposes under subsection (1) since December 15,
 28 2021 to be eligible for the first \$10,000,000.00 of the funding
 29 allocated under this section. Teach for America must have recruited



1 or invested in the retention and development of a total of 450
2 teachers in this state in fulfilling the purposes under subsection
3 (1) since December 15, 2021 to be eligible for the remaining
4 \$10,000,000.00 of the funding allocated under this section.

5 (3) Teach for America shall engage with an external evaluator
6 and produce semi-annual reports to the legislature that provide
7 information concerning the recruitment, development, and retention
8 of high-performing educators that can be scaled or shared with
9 other similar programs.

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

13 (5) The department shall not make payments under this section
14 on a reimbursement basis.

15 (6) The funds allocated under this section for 2022-2023 are a
16 work project appropriation, and any unexpended funds for 2022-2023
17 are carried forward into 2023-2024. The purpose of the work project
18 is to continue to provide support to Teach for America as
19 prescribed in this section. The estimated completion date of the
20 work project is December 31, 2026.

21 ~~(7) The federal funding allocated under this section is~~
22 ~~intended to respond to the COVID-19 public health emergency and its~~
23 ~~negative impacts.~~

24 Sec. 99ee. (1) From the ~~general-state school aid~~ fund money
25 appropriated in section 11, there is allocated an amount not to
26 exceed ~~\$1,500,000.00~~ **\$6,500,000.00** for ~~2022-2023~~ **2023-2024** only to
27 **districts** for **the provision of** programming, ~~at~~ **in partnership with**
28 a nonprofit **organization** that ~~teaches, mentors, and supports~~
29 ~~academically ambitious first-generation Hispanic high school and~~



1 ~~college students in under-resourced Hispanic communities in this~~
 2 ~~state. Is tax-exempt under section 501(c) (3) of the internal~~
 3 ~~revenue code of 1986, 26 USC 501, and that provides academic and~~
 4 ~~career support programs and services, to help more Hispanic~~
 5 ~~students to graduate from college. A recipient of district that~~
 6 ~~receives~~ funds under this section must ~~have contract with a~~
 7 ~~nonprofit organization for purposes of this section that~~ received
 8 state funds for ~~this purpose~~ **purposes described in this section** in
 9 the immediately preceding fiscal year.

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

13 **Sec. 99ff. (1) From the state school aid fund money**
 14 **appropriated in section 11, \$6,200,000.00 is allocated for 2023-**
 15 **2024 only to Wayne State University Law School's Levin Center for**
 16 **Oversight and Democracy for the provision of advocacy for**
 17 **bipartisan oversight and the teaching of critical thinking and ways**
 18 **in which students can engage with individuals with whom they**
 19 **disagree.**

20 (2) The funds allocated under this section for 2023-2024 are a
 21 work project appropriation, and any unexpended funds for 2023-2024
 22 are carried forward into 2024-2025. The purpose of the work project
 23 is to continue supporting the Levin Center for Oversight and
 24 Democracy as described in this section. The estimated completion
 25 date of the work project is September 30, 2028.

26 **Sec. 99gg. From the state school aid fund money appropriated**
 27 **in section 11, there is allocated \$15,000,000.00 for 2023-2024 only**
 28 **to Wayne RESA as provided in this section. With the funding**
 29 **allocated under this section, Wayne RESA shall partner with 1**



1 community-based organization that provides before- and after-school
2 programs for children in southeast Michigan to expand locations
3 where that organization can offer programming.

4 Sec. 99hh. From the state school aid fund money appropriated
5 in section 11, \$500,000.00 is allocated to Eastpointe Community
6 Schools for the construction of a swimming pool.

7 Sec. 99ii. (1) From the state school aid fund money
8 appropriated in section 11, there is allocated for 2023-2024 only
9 \$300,000.00 to Wayne-Westland Community School District for the
10 purposes under this section.

11 (2) Wayne-Westland Community School District shall establish a
12 pilot grant program for K to 12 eligible students to attend
13 driver's training programs. The department shall establish and
14 provide to Wayne-Westland Community School District guidelines
15 concerning the pilot grant program described in this section.

16 (3) Wayne-Westland Community School District shall issue a
17 report to the department, on an annual basis, that provides the
18 number of students eligible for a grant under this section, how
19 many students have attended and successfully completed a driver's
20 training program described in this section, and the average cost,
21 per student, of participation in a driver's training program
22 described in this section.

23 (4) The department shall create a report that summarizes the
24 success of the program established under subsection (2) and publish
25 that report on its public website.

26 (5) The funds allocated under this section for 2023-2024 are a
27 work project appropriation, and any unexpended funds for 2023-2024
28 are carried forward into 2024-2025. The purpose of the work project
29 is to support the pilot program described in this section for the



1 provision of grants to students to attend driver's training
 2 programs. The estimated completion date of the work project is
 3 September 30, 2026.

4 (6) As used in this section, "eligible student" means a
 5 student to whom both of the following apply:

6 (a) Lives in a household that has an income at or below 180%
 7 of the federal poverty guidelines. As used in this subdivision,
 8 "federal poverty guidelines" means that term as used in section
 9 32d.

10 (b) Is enrolled in either of the following districts:

11 (i) Wayne-Westland Community School District.

12 (ii) A district contiguous to Wayne-Westland Community School
 13 District.

14 Sec. 101. (1) To be eligible to receive state aid under this
 15 article, not later than the fifth Wednesday after the pupil
 16 membership count day and not later than the fifth Wednesday after
 17 the supplemental count day, each district superintendent shall
 18 submit and certify to the center and the intermediate
 19 superintendent, in the form and manner prescribed by the center,
 20 the number of pupils enrolled and in regular daily attendance,
 21 including identification of tuition-paying pupils, in the district
 22 as of the pupil membership count day and as of the supplemental
 23 count day, as applicable, for the current school year. In addition,
 24 a district maintaining school during the entire year shall submit
 25 and certify to the center and the intermediate superintendent, in
 26 the form and manner prescribed by the center, the number of pupils
 27 enrolled and in regular daily attendance in the district for the
 28 current school year pursuant to rules promulgated by the
 29 superintendent. Not later than the sixth Wednesday after the pupil



1 membership count day and not later than the sixth Wednesday after
 2 the supplemental count day, the district shall resolve any pupil
 3 membership conflicts with another district, correct any data
 4 issues, and recertify the data in a form and manner prescribed by
 5 the center and file the certified data with the intermediate
 6 superintendent. If a district fails to submit and certify the
 7 attendance data, as required under this subsection, the center
 8 shall notify the department and the department shall withhold state
 9 aid due to be distributed under this article from the defaulting
 10 district immediately, beginning with the next payment after the
 11 failure and continuing with each payment until the district
 12 complies with this subsection. If a district does not comply with
 13 this subsection by the end of the fiscal year, the district
 14 forfeits the amount withheld. A person who willfully falsifies a
 15 figure or statement in the certified and sworn copy of enrollment
 16 is subject to penalty as prescribed by section 161.

17 (2) To be eligible to receive state aid under this article,
 18 not later than the twenty-fourth Wednesday after the pupil
 19 membership count day and not later than the twenty-fourth Wednesday
 20 after the supplemental count day, an intermediate district shall
 21 submit to the center, in a form and manner prescribed by the
 22 center, the audited enrollment and attendance data as described in
 23 subsection (1) for the pupils of its constituent districts and of
 24 the intermediate district. If an intermediate district fails to
 25 submit the audited data as required under this subsection, the
 26 department shall withhold state aid due to be distributed under
 27 this article from the defaulting intermediate district immediately,
 28 beginning with the next payment after the failure and continuing
 29 with each payment until the intermediate district complies with



1 this subsection. If an intermediate district does not comply with
 2 this subsection by the end of the fiscal year, the intermediate
 3 district forfeits the amount withheld.

4 (3) Except as otherwise provided in subsections (11) and (12)
 5 all of the following apply to the provision of pupil instruction:

6 (a) Except as otherwise provided in this section, each
 7 district shall provide at least 1,098 hours and 180 days of pupil
 8 instruction. If a collective bargaining agreement that provides a
 9 complete school calendar was in effect for employees of a district
 10 as of June 24, 2014, and if that school calendar is not in
 11 compliance with this subdivision, then this subdivision does not
 12 apply to that district until after the expiration of that
 13 collective bargaining agreement. A district may apply for a waiver
 14 under subsection (9) from the requirements of this subdivision.

15 (b) Except as otherwise provided in this article, a district
 16 failing to comply with the required minimum hours and days of pupil
 17 instruction under this subsection forfeits from its total state aid
 18 allocation an amount determined by applying a ratio of the number
 19 of hours or days the district was in noncompliance in relation to
 20 the required minimum number of hours and days under this
 21 subsection. Not later than the first business day in August, the
 22 board of each district shall either certify to the department that
 23 the district was in full compliance with this section regarding the
 24 number of hours and days of pupil instruction in the previous
 25 school year, or report to the department, in a form and manner
 26 prescribed by the center, each instance of noncompliance. If the
 27 district did not provide at least the required minimum number of
 28 hours and days of pupil instruction under this subsection, the
 29 department shall make the deduction of state aid in the following



1 fiscal year from the first payment of state school aid. A district
2 is not subject to forfeiture of funds under this subsection for a
3 fiscal year in which a forfeiture was already imposed under
4 subsection (6).

5 (c) Hours or days lost because of strikes or teachers'
6 conferences are not counted as hours or days of pupil instruction.

7 (d) Except as otherwise provided in subdivisions (e) and (f),
8 if a district does not have at least 75% of the district's
9 membership in attendance on any day of pupil instruction, the
10 department shall pay the district state aid in that proportion of
11 $1/180$ that the actual percent of attendance bears to 75%.

12 (e) If a district adds 1 or more days of pupil instruction to
13 the end of its instructional calendar for a school year to comply
14 with subdivision (a) because the district otherwise would fail to
15 provide the required minimum number of days of pupil instruction
16 even after the operation of subsection (4) due to conditions not
17 within the control of school authorities, then subdivision (d) does
18 not apply for any day of pupil instruction that is added to the end
19 of the instructional calendar. Instead, for any of those days, if
20 the district does not have at least 60% of the district's
21 membership in attendance on that day, the department shall pay the
22 district state aid in that proportion of $1/180$ that the actual
23 percentage of attendance bears to 60%. For any day of pupil
24 instruction added to the instructional calendar as described in
25 this subdivision, the district shall report to the department the
26 percentage of the district's membership that is in attendance, in
27 the form and manner prescribed by the department.

28 (f) At the request of a district that operates a department-
29 approved alternative education program and that does not provide



1 instruction for pupils in all of grades K to 12, the superintendent
 2 shall grant a waiver from the requirements of subdivision (d). The
 3 waiver must provide that an eligible district is subject to the
 4 proration provisions of subdivision (d) only if the district does
 5 not have at least 50% of the district's membership in attendance on
 6 any day of pupil instruction. In order to be eligible for this
 7 waiver, a district must maintain records to substantiate its
 8 compliance with the following requirements:

9 (i) The district offers the minimum hours of pupil instruction
 10 as required under this section.

11 (ii) For each enrolled pupil, the district uses appropriate
 12 academic assessments to develop an individual education plan that
 13 leads to a high school diploma.

14 (iii) The district tests each pupil to determine academic
 15 progress at regular intervals and records the results of those
 16 tests in that pupil's individual education plan.

17 (g) All of the following apply to a waiver granted under
 18 subdivision (f):

19 (i) If the waiver is for a blended model of delivery, a waiver
 20 that is granted for the 2011-2012 fiscal year or a subsequent
 21 fiscal year remains in effect unless it is revoked by the
 22 superintendent.

23 (ii) If the waiver is for a 100% online model of delivery and
 24 the educational program for which the waiver is granted makes
 25 educational services available to pupils for a minimum of at least
 26 1,098 hours during a school year and ensures that each pupil
 27 participates in the educational program for at least 1,098 hours
 28 during a school year, a waiver that is granted for the 2011-2012
 29 fiscal year or a subsequent fiscal year remains in effect unless it



1 is revoked by the superintendent.

2 (iii) A waiver that is not a waiver described in subparagraph
3 (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the
4 superintendent, and must be renewed at the end of the 3-year period
5 to remain in effect.

6 (h) The superintendent shall promulgate rules for the
7 implementation of this subsection.

8 (4) **All of the following apply to the counting of days and**
9 **hours of pupil instruction under this section:**

10 (a) Except as otherwise provided in this subsection, the first
11 6 days or the equivalent number of hours for which pupil
12 instruction is not provided because of conditions not within the
13 control of school authorities, such as severe storms, fires,
14 epidemics, utility power unavailability, water or sewer failure, or
15 health conditions as defined by the city, county, or state health
16 authorities, are counted as hours and days of pupil instruction.

17 (b) With the approval of the superintendent of public
18 instruction, the department shall count as hours and days of pupil
19 instruction for a fiscal year not more than 3 additional days or
20 the equivalent number of additional hours for which pupil
21 instruction is not provided in a district due to unusual and
22 extenuating occurrences resulting from conditions not within the
23 control of school authorities such as those conditions described in
24 this subsection. ~~Subsequent such hours or days are not counted as~~
25 ~~hours or days of pupil instruction.~~

26 (c) **A district that counts hours or days of professional**
27 **development for teachers as hours or days of pupil instruction, as**
28 **provided under subsection (10), is eligible to have additional**
29 **hours or days counted as hours and days of pupil instruction as**



1 provided under subdivision (b) to the same extent as a district
 2 that does not count hours or days of professional development for
 3 teachers as hours or days of pupil instruction.

4 (d) In deciding whether or not to approve the counting of
 5 additional hours or days of pupil instruction under subdivision (b)
 6 for a district, the superintendent of public instruction shall not
 7 take into account whether or not the district counts hours or days
 8 of professional development for teachers as hours or days of pupil
 9 instruction, as provided under subsection (10).

10 (e) Subsequent hours or days beyond those described in
 11 subdivisions (a) and (b) are not counted as hours or days of pupil
 12 instruction.

13 (5) A district does not forfeit part of its state aid
 14 appropriation because it adopts or has in existence an alternative
 15 scheduling program for pupils in kindergarten if the program
 16 provides at least the number of hours required under subsection (3)
 17 for a full-time equated membership for a pupil in kindergarten as
 18 provided under section 6(4).

19 (6) In addition to any other penalty or forfeiture under this
 20 section, if at any time the department determines that 1 or more of
 21 the following have occurred in a district, the district forfeits in
 22 the current fiscal year beginning in the next payment to be
 23 calculated by the department a proportion of the funds due to the
 24 district under this article that is equal to the proportion below
 25 the required minimum number of hours and days of pupil instruction
 26 under subsection (3), as specified in the following:

27 (a) The district fails to operate its schools for at least the
 28 required minimum number of hours and days of pupil instruction
 29 under subsection (3) in a school year, including hours and days



1 counted under subsection (4).

2 (b) The board of the district takes formal action not to
3 operate its schools for at least the required minimum number of
4 hours and days of pupil instruction under subsection (3) in a
5 school year, including hours and days counted under subsection (4).

6 (7) In providing the minimum number of hours and days of pupil
7 instruction required under subsection (3), a district shall use the
8 following guidelines, and a district shall maintain records to
9 substantiate its compliance with the following guidelines:

10 (a) Except as otherwise provided in this subsection, a pupil
11 must be scheduled for at least the required minimum number of hours
12 of instruction, excluding study halls, or at least the sum of 90
13 hours plus the required minimum number of hours of instruction,
14 including up to 2 study halls.

15 (b) The time a pupil is assigned to any tutorial activity in a
16 block schedule may be considered instructional time, unless that
17 time is determined in an audit to be a study hall period.

18 (c) Except as otherwise provided in this subdivision, a pupil
19 in grades 9 to 12 for whom a reduced schedule is determined to be
20 in the individual pupil's best educational interest must be
21 scheduled for a number of hours equal to at least 80% of the
22 required minimum number of hours of pupil instruction to be
23 considered a full-time equivalent pupil. A pupil in grades 9 to 12
24 who is scheduled in a 4-block schedule may receive a reduced
25 schedule under this subsection if the pupil is scheduled for a
26 number of hours equal to at least 75% of the required minimum
27 number of hours of pupil instruction to be considered a full-time
28 equivalent pupil.

29 (d) If a pupil in grades 9 to 12 who is enrolled in a



1 cooperative education program or a special education pupil cannot
2 receive the required minimum number of hours of pupil instruction
3 solely because of travel time between instructional sites during
4 the school day, that travel time, up to a maximum of 3 hours per
5 school week, is considered to be pupil instruction time for the
6 purpose of determining whether the pupil is receiving the required
7 minimum number of hours of pupil instruction. However, if a
8 district demonstrates to the satisfaction of the department that
9 the travel time limitation under this subdivision would create
10 undue costs or hardship to the district, the department may
11 consider more travel time to be pupil instruction time for this
12 purpose.

13 (e) In grades 7 through 12, instructional time that is part of
14 a Junior Reserve Officer Training Corps (JROTC) program is
15 considered to be pupil instruction time regardless of whether the
16 instructor is a certificated teacher if all of the following are
17 met:

18 (i) The instructor has met all of the requirements established
19 by the United States Department of Defense and the applicable
20 branch of the armed services for serving as an instructor in the
21 Junior Reserve Officer Training Corps program.

22 (ii) The board of the district or intermediate district
23 employing or assigning the instructor complies with the
24 requirements of sections 1230 and 1230a of the revised school code,
25 MCL 380.1230 and 380.1230a, with respect to the instructor to the
26 same extent as if employing the instructor as a regular classroom
27 teacher.

28 (8) Except as otherwise provided in subsections (11) and (12),
29 the department shall apply the guidelines under subsection (7) in



1 calculating the full-time equivalency of pupils.

2 (9) Upon application by the district for a particular fiscal
3 year, the superintendent shall waive for a district the minimum
4 number of hours and days of pupil instruction requirement of
5 subsection (3) for a department-approved alternative education
6 program or another innovative program approved by the department,
7 including a 4-day school week. If a district applies for and
8 receives a waiver under this subsection and complies with the terms
9 of the waiver, the district is not subject to forfeiture under this
10 section for the specific program covered by the waiver. If the
11 district does not comply with the terms of the waiver, the amount
12 of the forfeiture is calculated based upon a comparison of the
13 number of hours and days of pupil instruction actually provided to
14 the minimum number of hours and days of pupil instruction required
15 under subsection (3). A district shall report pupils enrolled in a
16 department-approved alternative education program under this
17 subsection to the center in a form and manner determined by the
18 center. All of the following apply to a waiver granted under this
19 subsection:

20 (a) If the waiver is for a blended model of delivery, a waiver
21 that is granted for the 2011-2012 fiscal year or a subsequent
22 fiscal year remains in effect unless it is revoked by the
23 superintendent.

24 (b) If the waiver is for a 100% online model of delivery and
25 the educational program for which the waiver is granted makes
26 educational services available to pupils for a minimum of at least
27 1,098 hours during a school year and ensures that each pupil is on
28 track for course completion at proficiency level, a waiver that is
29 granted for the 2011-2012 fiscal year or a subsequent fiscal year



1 remains in effect unless it is revoked by the superintendent.

2 (c) A waiver that is not a waiver described in subdivision (a)
3 or (b) is valid for 3 fiscal years, unless it is revoked by the
4 superintendent, and must be renewed at the end of the 3-year period
5 to remain in effect.

6 (10) A district may count up to 38 hours of professional
7 development for teachers as hours of pupil instruction. All of the
8 following apply to the counting of professional development as
9 pupil instruction under this subsection:

10 (a) If the professional development exceeds 5 hours in a
11 single day, that day may be counted as a day of pupil instruction.

12 (b) At least 8 hours of the professional development counted
13 as hours of pupil instruction under this subsection must be
14 recommended by a districtwide professional development advisory
15 committee appointed by the district board. The advisory committee
16 must be composed of teachers employed by the district who represent
17 a variety of grades and subject matter specializations, including
18 special education; nonteaching staff; parents; and administrators.
19 The majority membership of the committee must be composed of
20 teaching staff.

21 (c) Professional development provided online is allowable and
22 encouraged, as long as the instruction has been approved by the
23 district. The department shall issue a list of approved online
24 professional development providers that must include the Michigan
25 Virtual School.

26 (d) Professional development may only be counted as hours of
27 pupil instruction under this subsection for the pupils of those
28 teachers scheduled to participate in the professional development.

29 (e) The professional development must meet all of the



1 following to be counted as pupil instruction under this subsection:

2 (i) Be aligned to the school or district improvement plan for
3 the school or district in which the professional development is
4 being provided.

5 (ii) Be linked to 1 or more criteria in the evaluation tool
6 developed or adopted by the district or intermediate district under
7 section 1249 of the revised school code, MCL 380.1249.

8 (iii) Has been approved by the department as counting for state
9 continuing education clock hours. The number of hours of
10 professional development counted as hours of pupil instruction
11 under this subsection may not exceed the number of state continuing
12 education clock hours for which the professional development was
13 approved.

14 (iv) Not more than a combined total of 10 hours of the
15 professional development takes place before the first scheduled day
16 of school for the school year ending in the fiscal year and after
17 the last scheduled day of school for that school year.

18 (v) Not more than 10 hours of the professional development
19 takes place in a single month.

20 (vi) At least 75% of teachers scheduled to participate in the
21 professional development are in attendance.

22 (11) Subsections (3) and (8) do not apply to a school of
23 excellence that is a cyber school, as that term is defined in
24 section 551 of the revised school code, MCL 380.551, and is in
25 compliance with section 553a of the revised school code, MCL
26 380.553a. Beginning July 1, 2021, this subsection is subject to
27 section 8c. It is the intent of the legislature that the
28 immediately preceding sentence apply retroactively and is effective
29 July 1, 2021.



1 (12) Subsections (3) and (8) do not apply to eligible pupils
 2 enrolled in a dropout recovery program that meets the requirements
 3 of section 23a. As used in this subsection, "eligible pupil" means
 4 that term as defined in section 23a.

5 (13) At least every 2 years the superintendent shall review
 6 the waiver standards set forth in the pupil accounting and auditing
 7 manuals to ensure that the waiver standards and waiver process
 8 continue to be appropriate and responsive to changing trends in
 9 online learning. The superintendent shall solicit and consider
 10 input from stakeholders as part of this review.

11 Sec. 104. (1) In order to receive state aid under this
 12 article, a district shall comply with sections 1249, 1278a, 1278b,
 13 1279g, and 1280b of the revised school code, MCL 380.1249,
 14 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL
 15 388.1081 to 388.1086. Subject to subsection (2), from the state
 16 school aid fund money appropriated in section 11, there is
 17 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
 18 \$37,509,400.00 for payments on behalf of districts for costs
 19 associated with complying with those provisions of law. In
 20 addition, from the federal funds appropriated in section 11, there
 21 is allocated for ~~2022-2023~~**2023-2024** an amount estimated at
 22 \$6,250,000.00 funded from DED-OESE, title VI, state assessment
 23 funds, and from DED-OSERS, part B of the individuals with
 24 disabilities education act, 20 USC 1411 to 1419, plus any carryover
 25 federal funds from previous year appropriations, for the purposes
 26 of complying with the every student succeeds act, Public Law 114-
 27 95.

28 (2) The results of each test administered as part of the
 29 Michigan student test of educational progress (M-STEP), including



1 tests administered to high school students, must include an item
 2 analysis that lists all items that are counted for individual pupil
 3 scores and the percentage of pupils choosing each possible
 4 response. The department shall work with the center to identify the
 5 number of students enrolled at the time assessments are given by
 6 each district. In calculating the percentage of pupils assessed for
 7 a district's scorecard, the department shall use only the number of
 8 pupils enrolled in the district at the time the district
 9 administers the assessments and shall exclude pupils who enroll in
 10 the district after the district administers the assessments.

11 (3) The department shall distribute federal funds allocated
 12 under this section in accordance with federal law and with
 13 flexibility provisions outlined in Public Law 107-116, and in the
 14 education flexibility partnership act of 1999, Public Law 106-25.

15 (4) The department may recommend, but may not require,
 16 districts to allow pupils to use an external keyboard with tablet
 17 devices for online M-STEP testing, including, but not limited to,
 18 open-ended test items such as constructed response or equation
 19 builder items.

20 (5) Notwithstanding section 17b, the department shall make
 21 payments on behalf of districts, intermediate districts, and other
 22 eligible entities under this section on a schedule determined by
 23 the department.

24 (6) From the allocation in subsection (1), there is allocated
 25 an amount not to exceed \$500,000.00 for ~~2022-2023~~**2023-2024** for the
 26 operation of an online reporting tool to provide student-level
 27 assessment data in a secure environment to educators, parents, and
 28 pupils immediately after assessments are scored. The department and
 29 the center shall ensure that any data collected by the online



1 reporting tool do not provide individually identifiable student
2 data to the federal government.

3 (7) As used in this section:

4 (a) "DED" means the United States Department of Education.

5 (b) "DED-OESE" means the DED Office of Elementary and
6 Secondary Education.

7 (c) "DED-OSERS" means the DED Office of Special Education and
8 Rehabilitative Services.

9 Sec. 104f. (1) From the state school aid fund money
10 appropriated under section 11, there is allocated an amount not to
11 exceed ~~\$150,000.00~~ **\$1,200,000.00** to a district for the
12 implementation of an assessment digital literacy preparation
13 program for pupils enrolled in grades K to 8 for ~~2022-2023~~ **2023-**
14 **2024** only. The department shall ensure that a program funded under
15 this subsection satisfies all of the following:

16 (a) Is available to districts in the ~~2022-2023~~ **2023-2024**
17 school year.

18 (b) Focuses on ensuring pupils have the necessary skills
19 required for state online assessments by assessing pupil digital
20 literacy skill levels and providing teachers with a digital
21 curriculum targeted at areas of determined weakness.

22 (c) Allows pupils to engage with the digital curriculum in an
23 independent or teacher-facilitated modality.

24 (d) Includes training and professional development for
25 teachers.

26 ~~Is implemented in at least 50 districts that operate~~
27 ~~grades K to 8 and that represent a diverse geography and socio-~~
28 ~~economic demographic.~~ **Subject to subdivision (f), gives priority to**
29 **any district serving pupils in grades K to 8 with a free or reduced**



1 lunch index of 85% or greater.

2 (f) Allows districts that participated in 2022-2023 to access
3 funding even if the district does not meet the criteria under
4 subsection (e).

5 (2) Funding under subsection (1) must be allocated to a
6 district that operates at least grades K to 8 and has a partnership
7 with a third party that is experienced in the assessment of digital
8 literacy and the preparation of digital literacy skills and has
9 demonstrable experience serving districts in this state and local
10 education agencies in 10 other states. The district, along with its
11 third-party partner, shall provide a report to the house and senate
12 appropriations subcommittees on school aid and the house and senate
13 fiscal agencies on the efficacy and usefulness of the assessment
14 digital literacy preparation program no later than July 1 of each
15 fiscal year for which funding is allocated under this section.

16 (3) Notwithstanding section 17b, the department shall make
17 payments under subsection (1) by not later than December 1 of each
18 fiscal year for which funding is allocated under this section.

19 Sec. 104h. (1) From the state school aid fund money
20 appropriated under section 11, there is allocated for ~~2021-2022~~
21 **2023-2024** an amount not to exceed \$11,500,000.00 to districts to
22 begin implementation of a benchmark assessment system for the ~~2022-~~
23 ~~2023-2024-2025~~ school year. All of the following apply to the
24 benchmark assessment system described in this subsection:

25 (a) The system must provide for all of the following:

26 (i) That, within the first 9 weeks of the ~~2022-2023-2024-2025~~
27 school year, the district shall administer 1 or more benchmark
28 assessments provided by a provider approved under subsection (6),
29 benchmark assessments described in subdivision (b), or local



1 benchmark assessments, or any combination thereof, to all pupils in
2 grades K to 8 to measure proficiency in reading and mathematics.

3 (ii) That, in addition to the benchmark assessment or benchmark
4 assessments administered under subparagraph (i), by not later than
5 the last day of the ~~2022-2023~~**2024-2025** school year, the district
6 shall administer ~~1 or more benchmark assessments provided by a~~
7 ~~provider approved under subsection (6), benchmark assessments~~
8 ~~described in subdivision (b), or local benchmark assessments, or~~
9 ~~any combination thereof,~~ **the benchmark assessment or assessments**
10 **administered under subparagraph (i)** to all pupils in grades K to 8
11 to measure proficiency in reading and mathematics. **To support fall**
12 **to spring growth calculations, the same benchmark assessment that**
13 **is administered in the fall must be administered in the spring.**

14 (b) ~~A~~ **Except as otherwise provided in this section, a** district
15 may administer 1 or more of the following benchmark assessments
16 toward meeting the requirements under subdivision (a):

17 (i) A benchmark assessment in reading for students in grades K
18 to 9 that contains progress monitoring tools and enhanced
19 diagnostic assessments.

20 (ii) A benchmark assessment in math for students in grades K to
21 8 that contains progress monitoring tools.

22 (c) The system must provide that, to the extent practicable,
23 if a district administers a benchmark assessment or benchmark
24 assessments under this section, the district shall administer the
25 same benchmark assessment or benchmark assessments provided by a
26 provider approved under subsection (6), benchmark assessment or
27 benchmark assessments described in subdivision (b), or local
28 benchmark assessment or local benchmark assessments that it
29 administered to pupils in previous school years, as applicable.



1 (d) The system must provide that, if a district administers a
 2 benchmark assessment or benchmark assessments under this section,
 3 the district shall provide each pupil's data from the benchmark
 4 assessment or benchmark assessments, as available, to the pupil's
 5 parent or legal guardian within 30 days of administering the
 6 benchmark assessment or benchmark assessments.

7 (e) The system must provide that, if a local benchmark
 8 assessment or local benchmark assessments are administered under
 9 subdivision (a), the district shall report to the department and
 10 the center, in a form and manner prescribed by the center, the
 11 local benchmark assessment or local benchmark assessments that were
 12 administered and how that assessment or those assessments measure
 13 changes, including any losses, as applicable, in learning, and the
 14 district's plan for addressing any losses in learning.

15 (f) The system must provide that, by not later than 30 days
 16 after a benchmark assessment or benchmark assessments are
 17 administered under subdivision (a) (ii), or within a time frame
 18 specified by the department, the district shall send benchmark
 19 assessment data, including grade level, student demographics, and
 20 mode of instruction, to the department in a form and manner
 21 prescribed by the department, from all benchmark assessments
 22 administered in the ~~2022-2023~~**2024-2025** school year, excluding data
 23 from a local benchmark assessment, as applicable. If available, the
 24 data described in this subdivision must include information
 25 concerning pupil growth from fall ~~2022~~**2024** to spring ~~2023~~**2025**.

26 (2) To receive funding under this section, a district must
 27 ~~apply~~**do all of the following:**

28 (a) **Apply** for the funding in a form and manner prescribed by
 29 the department.



1 (b) Pledge to administer 1 or more of the benchmark
 2 assessments described in subsection (6), excluding the benchmark
 3 assessment described in subsection (4).

4 (c) Pledge to administer the same benchmark assessment or
 5 assessments in both the fall and spring, as required under this
 6 section.

7 (d) Pledge to meet all reporting requirements pertaining to
 8 assessment and mode-of-instruction data outlined in this section.

9 (3) ~~The Subject to subsection (2),~~ the department shall pay an
 10 amount equal to ~~\$12.50~~ amount per membership pupil in grades K to 8
 11 in the district to each district that applies for funding under
 12 this section.

13 (4) The department shall make 1 of the benchmark assessments
 14 provided by a provider approved under subsection (6) available to
 15 districts at no cost to the districts for purposes of meeting the
 16 requirements under this section. The benchmark assessment described
 17 in this subsection must meet all of the following:

18 (a) Be aligned to the content standards of this state.

19 (b) Complement the state's summative assessment system.

20 (c) Be internet-delivered and include a standards-based
 21 assessment.

22 (d) Provide information on pupil achievement with regard to
 23 learning content required in a given year or grade span.

24 (e) Provide timely feedback to pupils and teachers.

25 (f) Be nationally normed.

26 (g) Provide information to educators about student growth and
 27 allow for multiple testing opportunities.

28 (5) By not later than ~~September 30, 2023,~~ **November 15, 2025,**
 29 the department shall submit a report to the house and senate



1 appropriations committees, the house and senate appropriations
 2 subcommittees on school aid, and the house and senate fiscal
 3 agencies regarding the benchmark assessment data received under
 4 this section, disaggregated by grade level and demographic subgroup
 5 for each district. If information concerning pupil growth is
 6 included in the data described in this subsection, it must be
 7 incorporated in the report described in this subsection.

8 (6) The department shall approve at least 4 but not more than
 9 6 providers of benchmark assessments for the purposes of this
 10 section. The department shall inform districts of all of the
 11 providers approved under this subsection in an equitable manner.
 12 The benchmark assessments, with the exclusion of the benchmark
 13 assessment described in subsection (4), provided by approved
 14 providers under 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 remote, in-person, or both remote and in-person assessment using a
 19 computer-adaptive model to target the instructional level of each
 20 pupil.
- 21 (d) Provide information on pupil achievement with regard to
 22 learning content required in a given year or grade span.
- 23 (e) Provide immediate feedback to pupils and teachers.
- 24 (f) Be nationally normed.
- 25 (g) Provide multiple measures of growth and provide for
 26 multiple testing opportunities.

27 Sec. 107. (1) From the **state school aid fund** appropriation in
 28 section 11, there is allocated an amount not to exceed
 29 ~~\$30,000,000.00~~ **\$45,000,000.00** for ~~2022-2023~~ **2023-2024** for adult



1 education programs authorized under this section. **It is the intent**
 2 **of the legislature that, for 2024-2025, the allocation from the**
 3 **state school aid fund money appropriated in section 11 for purposes**
 4 **described in this section will be \$30,000,000.00.** Except as
 5 otherwise provided under subsections (14) and (15), funds allocated
 6 under this section are restricted for adult education programs as
 7 authorized under this section only. A recipient of funds under this
 8 section shall not use those funds for any other purpose.

9 (2) To be eligible for funding under this section, an eligible
 10 adult education provider shall employ certificated teachers and
 11 qualified administrative staff and shall offer continuing education
 12 opportunities for teachers to allow them to maintain certification.

13 (3) To be eligible to be a participant funded under this
 14 section, an individual must be enrolled in an adult basic education
 15 program, an adult secondary education program, an adult English as
 16 a second language program, a high school equivalency test
 17 preparation program, or a high school completion program, that
 18 meets the requirements of this section, and for which instruction
 19 is provided, and the individual must be at least 18 years of age by
 20 July 1 of the program year and the individual's graduating class
 21 must have graduated.

22 (4) By April 1 of each fiscal year for which funding is
 23 allocated under this section, the intermediate districts within a
 24 prosperity region or subregion shall determine which intermediate
 25 district will serve as the prosperity region's or subregion's
 26 fiscal agent for the next fiscal year and shall notify the
 27 department in a form and manner determined by the department. The
 28 department shall approve or disapprove of the prosperity region's
 29 or subregion's selected fiscal agent. From the funds allocated



1 under subsection (1), an amount as determined under this subsection
2 is allocated to each intermediate district serving as a fiscal
3 agent for adult education programs in each of the prosperity
4 regions or subregions identified by the department. An intermediate
5 district shall not use more than 5% of the funds allocated under
6 this subsection for administration costs for serving as the fiscal
7 agent. The allocation provided to each intermediate district
8 serving as a fiscal agent must be calculated as follows:

9 (a) Sixty percent of this portion of the funding must be
10 distributed based upon the proportion of the state population of
11 individuals between the ages of 18 and 24 that are not high school
12 graduates that resides in each of the prosperity regions or
13 subregions located within the intermediate district, as reported by
14 the most recent 5-year estimates from the American Community Survey
15 (ACS) from the United States Census Bureau.

16 (b) Thirty-five percent of this portion of the funding must be
17 distributed based upon the proportion of the state population of
18 individuals age 25 or older who are not high school graduates that
19 resides in each of the prosperity regions or subregions located
20 within the intermediate district, as reported by the most recent 5-
21 year estimates from the ACS from the United States Census Bureau.

22 (c) Five percent of this portion of the funding must be
23 distributed based upon the proportion of the state population of
24 individuals age 18 or older who lack basic English language
25 proficiency that resides in each of the prosperity regions or
26 subregions located within the intermediate district, as reported by
27 the most recent 5-year estimates from the ACS from the United
28 States Census Bureau.

29 (5) To be an eligible fiscal agent, an intermediate district



1 must agree to do the following in a form and manner determined by
2 the department:

3 (a) Distribute funds to adult education programs in a
4 prosperity region or subregion as described in this section.

5 (b) Collaborate with the career and educational advisory
6 council, which is an advisory council of the workforce development
7 boards located in the prosperity region or subregion, or its
8 successor, to develop a regional strategy that aligns adult
9 education programs and services into an efficient and effective
10 delivery system for adult education learners, with special
11 consideration for providing contextualized learning and career
12 pathways and addressing barriers to education and employment.

13 (c) Collaborate with the career and educational advisory
14 council, which is an advisory council of the workforce development
15 boards located in the prosperity region or subregion, or its
16 successor, to create a local process and criteria that will
17 identify eligible adult education providers to receive funds
18 allocated under this section based on location, demand for
19 services, past performance, quality indicators as identified by the
20 department, and cost to provide instructional services. The fiscal
21 agent shall determine all local processes, criteria, and provider
22 determinations. However, the local processes, criteria, and
23 provider services must be approved by the department before funds
24 may be distributed to the fiscal agent.

25 (d) Provide oversight to its adult education providers
26 throughout the program year to ensure compliance with the
27 requirements of this section.

28 (e) Report adult education program and participant data and
29 information as prescribed by the department.



1 (6) An adult basic education program, an adult secondary
 2 education program, or an adult English as a second language program
 3 operated on a year-round or school year basis may be funded under
 4 this section, subject to all of the following:

5 (a) The program enrolls adults who are determined by a
 6 department-approved assessment, in a form and manner prescribed by
 7 the department, to be below twelfth grade level in reading or
 8 mathematics, or both, or to lack basic English proficiency.

9 (b) The program tests individuals for eligibility under
 10 subdivision (a) before enrollment and upon completion of the
 11 program in compliance with the state-approved assessment policy.

12 (c) A participant in an adult basic education program is
 13 eligible for reimbursement until 1 of the following occurs:

14 (i) The participant's reading and mathematics proficiency are
 15 assessed at or above the ninth grade level.

16 (ii) The participant fails to show progress on 2 successive
 17 assessments after having completed at least 450 hours of
 18 instruction.

19 (d) A participant in an adult secondary education program is
 20 eligible for reimbursement until 1 of the following occurs:

21 (i) The participant's reading and mathematics proficiency are
 22 assessed above the twelfth grade level.

23 (ii) The participant fails to show progress on 2 successive
 24 assessments after having at least 450 hours of instruction.

25 (e) A funding recipient enrolling a participant in an English
 26 as a second language program is eligible for funding according to
 27 subsection (9) until the participant meets 1 of the following:

28 (i) The participant is assessed as having attained basic
 29 English proficiency as determined by a department-approved



1 assessment.

2 (ii) The participant fails to show progress on 2 successive
3 department-approved assessments after having completed at least 450
4 hours of instruction. The department shall provide information to a
5 funding recipient regarding appropriate assessment instruments for
6 this program.

7 (7) A high school equivalency test preparation program
8 operated on a year-round or school year basis may be funded under
9 this section, subject to all of the following:

10 (a) The program enrolls adults who do not have a high school
11 diploma or a high school equivalency certificate.

12 (b) The program administers a pre-test approved by the
13 department before enrolling an individual to determine the
14 individual's literacy levels, administers a high school equivalency
15 practice test to determine the individual's potential for success
16 on the high school equivalency test, and administers a post-test
17 upon completion of the program in compliance with the state-
18 approved assessment policy.

19 (c) A funding recipient receives funding according to
20 subsection (9) for a participant, and a participant may be enrolled
21 in the program until 1 of the following occurs:

22 (i) The participant achieves a high school equivalency
23 certificate.

24 (ii) The participant fails to show progress on 2 successive
25 department-approved assessments used to determine readiness to take
26 a high school equivalency test after having completed at least 450
27 hours of instruction.

28 (8) A high school completion program operated on a year-round
29 or school year basis may be funded under this section, subject to



1 all of the following:

2 (a) The program enrolls adults who do not have a high school
3 diploma.

4 (b) The program tests participants described in subdivision
5 (a) before enrollment and upon completion of the program in
6 compliance with the state-approved assessment policy.

7 (c) A funding recipient receives funding according to
8 subsection (9) for a participant in a course offered under this
9 subsection until 1 of the following occurs:

10 (i) The participant passes the course and earns a high school
11 diploma.

12 (ii) The participant fails to earn credit in 2 successive
13 semesters or terms in which the participant is enrolled after
14 having completed at least 900 hours of instruction.

15 (9) The department shall make payments to a funding recipient
16 under this section in accordance with all of the following:

17 (a) Statewide allocation criteria, including 3-year average
18 enrollments, census data, and local needs.

19 (b) Participant completion of the adult basic education
20 objectives by achieving an educational gain as determined by the
21 national reporting system levels; for achieving basic English
22 proficiency, as determined by the department; for achieving a high
23 school equivalency certificate or passage of 1 or more individual
24 high school equivalency tests; for attainment of a high school
25 diploma or passage of a course required for a participant to attain
26 a high school diploma; for enrollment in a postsecondary
27 institution, or for entry into or retention of employment, as
28 applicable.

29 (c) Participant completion of core indicators as identified in



1 the innovation and opportunity act.

2 (d) Allowable expenditures.

3 (10) An individual who is not eligible to be a participant
4 funded under this section may receive adult education services upon
5 the payment of tuition. In addition, an individual who is not
6 eligible to be served in a program under this section due to the
7 program limitations specified in subsection (6), (7), or (8) may
8 continue to receive adult education services in that program upon
9 the payment of tuition. The local or intermediate district
10 conducting the program shall determine the tuition amount.

11 (11) An individual who is an inmate in a state correctional
12 facility is not counted as a participant under this section.

13 (12) A funding recipient shall not commingle money received
14 under this section or from another source for adult education
15 purposes with any other funds and shall establish a separate ledger
16 account for funds received under this section. This subsection does
17 not prohibit a district from using general funds of the district to
18 support an adult education or community education program.

19 (13) A funding recipient receiving funds under this section
20 may establish a sliding scale of tuition rates based upon a
21 participant's family income. A funding recipient may charge a
22 participant tuition to receive adult education services under this
23 section from that sliding scale of tuition rates on a uniform
24 basis. The amount of tuition charged per participant must not
25 exceed the actual operating cost per participant minus any funds
26 received under this section per participant. A funding recipient
27 may not charge a participant tuition under this section if the
28 participant's income is at or below 200% of the federal poverty
29 guidelines published by the United States Department of Health and



1 Human Services.

2 (14) In order to receive funds under this section, a funding
 3 recipient shall furnish to the department, in a form and manner
 4 determined by the department, all information needed to administer
 5 this program and meet federal reporting requirements; shall allow
 6 the department or the department's designee to review all records
 7 related to the program for which it receives funds; and shall
 8 reimburse the state for all disallowances found in the review, as
 9 determined by the department. In addition, a funding recipient
 10 shall agree to pay to a career and technical education program
 11 under section 61a the amount of funding received under this section
 12 in the proportion of career and technical education coursework used
 13 to satisfy adult basic education programming, as billed to the
 14 funding recipient by programs operating under section 61a. In
 15 addition to the funding allocated under subsection (1), there is
 16 allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
 17 \$500,000.00 to reimburse funding recipients for administrative and
 18 instructional expenses associated with commingling programming
 19 under this section and section 61a. The department shall make
 20 payments under this subsection to each funding recipient in the
 21 same proportion as funding calculated and allocated under
 22 subsection (4).

23 (15) From the amount appropriated in subsection (1), an amount
 24 not to exceed \$4,000,000.00 is allocated for ~~2022-2023~~**2023-2024**
 25 for grants to adult education or state-approved career technical
 26 center programs that connect adult education participants with
 27 employers as provided under this subsection. The department shall
 28 determine the amount of the grant to each program under this
 29 subsection, not to exceed \$350,000.00. To be eligible for funding



1 under this subsection, a program must provide a collaboration
 2 linking adult education programs within the county, the area career
 3 technical center, and local employers. To receive funding under
 4 this subsection, an eligible program must satisfy all of the
 5 following:

6 (a) Connect adult education participants directly with
 7 employers by linking adult education, career and technical skills,
 8 and workforce development.

9 (b) Require adult education staff to work with Michigan Works!
 10 agency to identify a cohort of participants who are most prepared
 11 to successfully enter the workforce. Except as otherwise provided
 12 under this subdivision, participants identified under this
 13 subsection must be dually enrolled in adult education programming
 14 and in at least 1 state-approved technical course at the area
 15 career and technical center. A program that links participants
 16 identified under this subsection with adult education programming
 17 and commercial driver license courses does not need to enroll the
 18 participants in at least 1 state-approved technical course at the
 19 area career and technical center to be considered an eligible
 20 program under this subsection.

21 (c) Employ an individual staffed as an adult education
 22 navigator who will serve as a caseworker for each participant
 23 identified under subdivision (b). The navigator shall work with
 24 adult education staff and potential employers to design an
 25 educational program best suited to the personal and employment
 26 needs of the participant and shall work with human service agencies
 27 or other entities to address any barrier in the way of participant
 28 access.

29 (16) Each program funded under subsection (15) will receive



1 funding for 3 years. After 3 years of operations and funding, a
2 program must reapply for funding.

3 (17) Not later than December 1 of each year, a program funded
4 under subsection (15) shall provide a report to the senate and
5 house appropriations subcommittees on school aid, to the senate and
6 house fiscal agencies, and to the state budget director identifying
7 the number of participants, graduation rates, and a measure of
8 transition to employment.

9 (18) Except as otherwise provided in this subsection,
10 participants under subsection (15) must be concurrently enrolled
11 and actively working toward obtaining a high school diploma or a
12 high school equivalency certificate. Concurrent enrollment is not
13 required under this subsection for a participant that was enrolled
14 in adult education during the same program year and obtained a high
15 school diploma or a high school equivalency certificate prior to
16 enrollment in an eligible career and technical skills program under
17 subsection (15). Up to ~~15%~~ 10% of adult education participants
18 served under subsection (15) may already have a high school diploma
19 or a high school equivalency certificate at the time of enrollment
20 in an eligible career and technical skills program under subsection
21 (15) and receive remediation services. It is intended that the cap
22 described in the immediately preceding sentence is continually
23 lowered on an annual basis until it eventually is 0%.

24 (19) The department shall approve at least ~~3~~ 2 high school
25 equivalency tests and determine whether a high school equivalency
26 certificate meets the requisite standards for high school
27 equivalency in this state.

28 (20) As used in this section:

29 (a) "Career and educational advisory council" means an



1 advisory council to the local workforce development boards located
2 in a prosperity region consisting of educational, employer, labor,
3 and parent representatives.

4 (b) "Career pathway" means a combination of rigorous and high-
5 quality education, training, and other services that comply with
6 all of the following:

7 (i) Aligns with the skill needs of industries in the economy of
8 this state or in the regional economy involved.

9 (ii) Prepares an individual to be successful in any of a full
10 range of secondary or postsecondary education options, including
11 apprenticeships registered under the act of August 16, 1937,
12 commonly referred to as the national apprenticeship act, 29 USC 50
13 et seq.

14 (iii) Includes counseling to support an individual in achieving
15 the individual's education and career goals.

16 (iv) Includes, as appropriate, education offered concurrently
17 with and in the same context as workforce preparation activities
18 and training for a specific occupation or occupational cluster.

19 (v) Organizes education, training, and other services to meet
20 the particular needs of an individual in a manner that accelerates
21 the educational and career advancement of the individual to the
22 extent practicable.

23 (vi) Enables an individual to attain a secondary school diploma
24 or its recognized equivalent, and at least 1 recognized
25 postsecondary credential.

26 (vii) Helps an individual enter or advance within a specific
27 occupation or occupational cluster.

28 (c) "Department" means the department of labor and economic
29 opportunity.



1 (d) "Eligible adult education provider" means a district,
 2 intermediate district, a consortium of districts, a consortium of
 3 intermediate districts, or a consortium of districts and
 4 intermediate districts that is identified as part of the local
 5 process described in subsection (5) (c) and approved by the
 6 department.

7 Sec. 121. (1) The valuation of a whole or fractional district
 8 ~~shall~~**must** be the total taxable value of the property contained in
 9 the whole or fractional district as last determined by the state
 10 tax commission and placed on the ad valorem tax roll. For purposes
 11 of computations made under this act, except as provided in section
 12 26, the taxable value of a district or intermediate district ~~shall~~
 13 **must** include the value of property used to calculate the tax
 14 imposed on lessees or users of tax-exempt property under 1953 PA
 15 189, MCL 211.181 to 211.182, and the value of property used to
 16 calculate the state payment in lieu of taxes on state purchased
 17 property under section 2153 of the natural resources and
 18 environmental protection act, 1994 PA 451, MCL 324.2153.
 19 Adjustments to this taxable value ~~shall~~**must** be made for all of the
 20 following:

21 (a) State tax tribunal decisions.

22 (b) Court decisions.

23 (c) Local board of review adjustments made after the state tax
 24 commission determination.

25 (d) Lands deeded to the state for jurisdictions without
 26 delinquent tax revolving funds or for jurisdictions that have
 27 required repayment to the delinquent tax revolving funds.

28 (e) The requirements of this act.

29 (2) ~~Adjustments under subsection (1) shall not be made for~~



1 ~~more than the 6 state fiscal years immediately preceding the state~~
 2 ~~fiscal year in which the adjustment is made, except that an An~~
 3 adjustment pursuant to a state tax tribunal decision or court
 4 decision shall ~~must~~ be made for the tax years involved in the
 5 decision and any subsequent years affected by the decision.

6 Sec. 147. (1) The allocation for ~~2022-2023-2023-2024~~ for the
 7 public school employees' retirement system pursuant to the public
 8 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
 9 to 38.1437, is made using the individual projected benefit entry
 10 age normal cost method of valuation and risk assumptions adopted by
 11 the public school employees retirement board and the department of
 12 technology, management, and budget.

13 (2) The annual level percentage of payroll contribution rates
 14 for the ~~2022-2023-2023-2024~~ fiscal year, as determined by the
 15 retirement system, are estimated as follows:

16 (a) For public school employees who first worked for a public
 17 school reporting unit before July 1, 2010 and who are enrolled in
 18 the health premium subsidy, the annual level percentage of payroll
 19 contribution rate is estimated at ~~44.88%-48.23%~~ with ~~28.23%-31.34%~~
 20 paid directly by the employer.

21 (b) For public school employees who first worked for a public
 22 school reporting unit on or after July 1, 2010 and who are enrolled
 23 in the health premium subsidy, the annual level percentage of
 24 payroll contribution rate is estimated at ~~41.96%-44.37%~~ with ~~25.31%-~~
 25 ~~27.48%~~ paid directly by the employer.

26 (c) For public school employees who first worked for a public
 27 school reporting unit on or after July 1, 2010 and who participate
 28 in the personal healthcare fund, the annual level percentage of
 29 payroll contribution rate is estimated at ~~41.10%-43.12%~~ with ~~24.45%~~



1 **26.23%** paid directly by the employer.

2 (d) For public school employees who first worked for a public
3 school reporting unit on or after September 4, 2012, who elect
4 defined contribution, and who participate in the personal
5 healthcare fund, the annual level percentage of payroll
6 contribution rate is estimated at ~~37.61%~~ **37.85%** with 20.96% paid
7 directly by the employer.

8 (e) For public school employees who first worked for a public
9 school reporting unit before July 1, 2010, who elect defined
10 contribution, and who are enrolled in the health premium subsidy,
11 the annual level percentage of payroll contribution rate is
12 estimated at ~~38.47%~~ **39.10%** with ~~21.82%~~ **22.21%** paid directly by the
13 employer.

14 (f) For public school employees who first worked for a public
15 school reporting unit before July 1, 2010, who elect defined
16 contribution, and who participate in the personal healthcare fund,
17 the annual level percentage of payroll contribution rate is
18 estimated at ~~37.61%~~ **37.85%** with 20.96% paid directly by the
19 employer.

20 (g) For public school employees who first worked for a public
21 school reporting unit before July 1, 2010 and who participate in
22 the personal healthcare fund, the annual level percentage of
23 payroll contribution rate is estimated at ~~44.02%~~ **46.98%** with ~~27.37%~~
24 **30.09%** paid directly by the employer.

25 (h) For public school employees who first worked for a public
26 school reporting unit after January 31, 2018 and who elect to
27 become members of the MPSERS plan, the annual level percentage of
28 payroll contribution rate is estimated at ~~43.81%~~ **44.05%** with 27.16%
29 paid directly by the employer.



1 (3) In addition to the employer payments described in
 2 subsection (2), the employer shall pay the applicable contributions
 3 to the Tier 2 plan, as determined by the public school employees
 4 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

5 (4) The contribution rates in subsection (2) reflect an
 6 amortization period of ~~16-15~~ years for ~~2022-2023-2023-2024~~. The
 7 public school employees' retirement system board shall notify each
 8 district and intermediate district by February 28 of each fiscal
 9 year of the estimated contribution rate for the next fiscal year.

10 Sec. 147a. (1) From the state school aid fund money
 11 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~
 12 ~~2024~~ an amount not to exceed ~~\$100,000,000.00~~ and for ~~2022-2023~~ an
 13 ~~amount not to exceed \$100,000,000.00 for payments to participating~~
 14 ~~districts.~~ **\$111,939,000.00 for payments to participating entities.**

15 A participating ~~district~~ **entity** that receives money under this
 16 subsection shall use that money solely for the purpose of
 17 offsetting a portion of the retirement contributions owed by the
 18 ~~district~~ **entity** for the fiscal year in which it is received. The
 19 amount allocated to each participating ~~district~~ **entity** under this
 20 subsection is ~~based on each participating district's percentage of~~
 21 ~~the total statewide payroll for all participating districts for the~~
 22 ~~immediately preceding fiscal year. As used in this subsection,~~
 23 ~~"participating district" means a district that is a reporting unit~~
 24 ~~of the Michigan public school employees' retirement system under~~
 25 ~~the public school employees retirement act of 1979, 1980 PA 300,~~
 26 ~~MCL 38.1301 to 38.1437, and that reports employees to the Michigan~~
 27 ~~public school employees' retirement system for the applicable~~
 28 ~~fiscal year.~~ **calculated as follows:**

29 (a) **For each participating district, \$100,000,000.00**



1 multiplied by each participating district's percentage of the total
2 statewide payroll for all participating districts.

3 (b) For each participating intermediate district,
4 \$11,912,000.00 multiplied by each participating intermediate
5 district's percentage of the total statewide payroll for all
6 participating intermediate districts.

7 (c) For each participating district library, \$27,000.00
8 multiplied by each participating district library's percentage of
9 the total statewide payroll for all participating district
10 libraries.

11 (2) In addition to the allocation under subsection (1), from
12 the state school aid fund money appropriated under section 11,
13 there is allocated an amount not to exceed ~~\$197,000,000.00~~
14 **\$357,700,000.00** for ~~2021-2022~~ and an amount not to exceed
15 ~~\$191,700,000.00 for 2022-2023~~ **2023-2024** for payments to
16 participating districts and intermediate districts and from the
17 general fund money appropriated under section 11, there is
18 allocated an amount not to exceed ~~\$60,000.00~~ **\$100,000.00** for ~~2021-~~
19 ~~2022~~ and an amount not to exceed ~~\$50,000.00 for 2022-2023~~ **2023-2024**
20 for payments to participating district libraries. The amount
21 allocated to each participating entity under this subsection is
22 based on each participating entity's reported quarterly payroll for
23 members that became tier 1 prior to February 1, 2018 for the
24 current fiscal year. A participating entity that receives money
25 under this subsection shall use that money solely for the purpose
26 of offsetting a portion of the normal cost contribution rate. As
27 used in this subsection:

28 (a) "District library" means a district library established
29 under the district library establishment act, 1989 PA 24, MCL



1 397.171 to 397.196.

2 (b) "Participating entity" means a district, intermediate
3 district, or district library that is a reporting unit of the
4 Michigan public school employees' retirement system under the
5 public school employees retirement act of 1979, 1980 PA 300, MCL
6 38.1301 to 38.1437, and that reports employees to the Michigan
7 public school employees' retirement system for the applicable
8 fiscal year.

9 Sec. 147b. (1) The MPSEERS retirement obligation reform reserve
10 fund is created as a separate account within the state school aid
11 fund.

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

19 (3) Money available in the MPSEERS retirement obligation reform
20 reserve fund must not be expended without a specific appropriation.

21 (4) Money in the MPSEERS retirement obligation reform reserve
22 fund at the close of the fiscal year remains in the MPSEERS
23 retirement obligation reform reserve fund and does not lapse to the
24 state school aid fund or to the general fund. The department of
25 treasury is the administrator of the MPSEERS retirement obligation
26 reform reserve fund for auditing purposes.

27 (5) For 2022-2023, \$425,000,000.00 from the state school aid
28 fund is deposited into the MPSEERS retirement obligation reform
29 reserve fund. **For 2023-2024, \$500,000,000.00 from the state school**



1 **aid fund is deposited into the MPSERS retirement obligation reform**
 2 **reserve fund.** It is the intent of the legislature that funds
 3 deposited under this subsection **for 2022-2023** are used to offset
 4 costs associated with accelerating the reduction of the payroll
 5 growth assumption for reporting units that are not university
 6 reporting units until that rate is zero by October 1, 2026.

7 Sec. 147c. (1) From the state school aid fund money
 8 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 9 **2024** an amount not to exceed ~~\$1,478,000,000.00,~~ **\$1,849,200,000.00,**
 10 and from the MPSERS retirement obligation reform reserve fund money
 11 appropriated in section 11, there is allocated for ~~2022-2023-2023-~~
 12 **2024** only an amount needed, estimated at ~~\$140,400,000.00,~~
 13 **\$202,000,000.00,** for payments to districts and intermediate
 14 districts that are participating entities of the Michigan public
 15 school employees' retirement system. In addition, from the general
 16 fund money appropriated in section 11, there is allocated for ~~2022-~~
 17 ~~2023-2023-2024~~ an amount not to exceed \$500,000.00 for payments to
 18 district libraries that are participating entities of the Michigan
 19 public school employees' retirement system. It is the intent of the
 20 legislature that money allocated from the MPSERS retirement
 21 obligation reform reserve fund under this subsection for ~~2022-2023~~
 22 **2023-2024** represents the amount necessary to reduce the payroll
 23 growth assumption to ~~1.75%-~~ **0.75%**. All of the following apply to
 24 funding under this subsection:

25 (a) Except as otherwise provided in this subdivision, for
 26 ~~2022-2023,~~ **2023-2024,** the amounts allocated under this subsection
 27 are estimated to provide an average MPSERS rate cap per pupil
 28 amount of ~~\$1,042.00-~~ **\$1,157.00** and are estimated to provide a rate
 29 cap per pupil for districts ranging between ~~\$5.00-~~ **\$4.00** and



1 ~~\$3,700.00. For 2022-2023, if the retirement system determines the~~
 2 ~~average MPERS rate cap per pupil amount and rate cap per pupil for~~
 3 ~~districts estimated in the immediately preceding sentence need to~~
 4 ~~be adjusted, the estimated average MPERS rate cap per pupil amount~~
 5 ~~and estimated rate cap per pupil for districts under this~~
 6 ~~subdivision are the estimations determined by the retirement~~
 7 ~~system. If the retirement system makes a determination as described~~
 8 ~~in the immediately preceding sentence, it shall issue its~~
 9 ~~estimations publicly and describe the need for the adjustment~~
 10 ~~described in the immediately preceding sentence. \$5,020.00.~~

11 (b) Payments made under this subsection are equal to the
 12 difference between the unfunded actuarial accrued liability
 13 contribution rate as calculated under section 41 of the public
 14 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
 15 as calculated without taking into account the maximum employer rate
 16 of 20.96% included in section 41 of the public school employees
 17 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum
 18 employer rate of 20.96% included in section 41 of the public school
 19 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

20 (c) The amount allocated to each participating entity under
 21 this subsection is based on each participating entity's proportion
 22 of the total covered payroll for the immediately preceding fiscal
 23 year for the same type of participating entities. A participating
 24 entity that receives funds under this subsection shall use the
 25 funds solely for the purpose of retirement contributions as
 26 specified in subdivision (d).

27 (d) Each participating entity receiving funds under this
 28 subsection shall forward an amount equal to the amount allocated
 29 under subdivision (c) to the retirement system in a form, manner,



1 and time frame determined by the retirement system.

2 (e) Funds allocated under this subsection should be considered
3 when comparing a district's growth in total state aid funding from
4 1 fiscal year to the next.

5 (f) Not later than December 20 of each fiscal year for which
6 funding is allocated under this subsection, the department shall
7 publish and post on its website an estimated MPERS rate cap per
8 pupil for each district.

9 (g) The office of retirement services shall first apply funds
10 allocated under this subsection to pension contributions and, if
11 any funds remain after that payment, shall apply those remaining
12 funds to other postemployment benefit contributions.

13 ~~(2) In addition to the funds allocated under subsection (1),~~
14 ~~from the state school aid fund money appropriated in section 11,~~
15 ~~there is allocated for 2022-2023 only \$1,000,000,000.00 for~~
16 ~~payments to participating entities of the Michigan public school~~
17 ~~employees' retirement system. The amount allocated to each~~
18 ~~participating entity under this subsection must be based on each~~
19 ~~participating entity's proportion of the total covered payroll for~~
20 ~~the immediately preceding fiscal year. A participating entity that~~
21 ~~receives funds under this subsection shall use the funds solely for~~
22 ~~purposes of this subsection. Each participating entity receiving~~
23 ~~funds under this subsection shall forward an amount equal to the~~
24 ~~amount allocated under this subsection to the retirement system in~~
25 ~~a form, manner, and time frame determined by the retirement system.~~
26 ~~The retirement system shall recognize funds received under this~~
27 ~~subsection as additional assets being contributed to the system and~~
28 ~~shall not categorize them as unfunded actuarial liability~~
29 ~~contributions or normal cost contributions.~~



1 (2) ~~(3)~~—As used in this section:

2 (a) "Community college" means a community college created
3 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
4 389.195.

5 (b) "District library" means a district library established
6 under the district library establishment act, 1989 PA 24, MCL
7 397.171 to 397.196.

8 (c) "MPSEERS rate cap per pupil" means an amount equal to the
9 quotient of the district's payment under this section divided by
10 the district's pupils in membership.

11 (d) "Participating entity" means:

12 (i) As used in subsection (1) only, a district, intermediate
13 district, or district library 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 (ii) As used in subsection (2) only, a district, intermediate
20 district, community college, or district library that is a
21 reporting unit of the Michigan public school employees' retirement
22 system under the public school employees retirement act of 1979,
23 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to
24 the Michigan public school employees' retirement system for the
25 applicable fiscal year.

26 (e) "Retirement system" means the Michigan public school
27 employees' retirement system under the public school employees
28 retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

29 Sec. 147e. (1) From the state school aid fund money



1 appropriated in section 11, there is allocated for ~~2021-2022-2023-~~
 2 **2024** an amount not to exceed ~~\$50,000,000.00~~ and there is allocated
 3 for ~~2022-2023~~ an amount not to exceed ~~\$54,000,000.00~~ **\$82,400,000.00**
 4 for payments to participating entities.

5 (2) The payment to each participating entity under this
 6 section is the sum of the amounts under this subsection as follows:

7 (a) An amount equal to the contributions made by a
 8 participating entity for the additional contribution made to a
 9 qualified participant's Tier 2 account in an amount equal to the
 10 contribution made by the qualified participant not to exceed 3% of
 11 the qualified participant's compensation as provided for under
 12 section 131(6) of the public school employees retirement act of
 13 1979, 1980 PA 300, MCL 38.1431.

14 (b) Beginning October 1, 2017, an amount equal to the
 15 contributions made by a participating entity for a qualified
 16 participant who is only a Tier 2 qualified participant under
 17 section 81d of the public school employees retirement act of 1979,
 18 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning
 19 February 1, 2018, not to exceed 1%, of the qualified participant's
 20 compensation.

21 (c) An amount equal to the increase in employer normal cost
 22 contributions under section 41b(2) of the public school employees
 23 retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member
 24 that was hired after February 1, 2018 and chose to participate in
 25 Tier 1, compared to the employer normal cost contribution for a
 26 member under section 41b(1) of the public school employees
 27 retirement act of 1979, 1980 PA 300, MCL 38.1341b.

28 (3) As used in this section:

29 (a) "Member" means that term as defined under the public



1 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301
2 to 38.1437.

3 (b) "Participating entity" means a district, intermediate
4 district, or community college that is a reporting unit of the
5 Michigan public school employees' retirement system under the
6 public school employees retirement act of 1979, 1980 PA 300, MCL
7 38.1301 to 38.1437, and that reports employees to the Michigan
8 public school employees' retirement system for the applicable
9 fiscal year.

10 (c) "Qualified participant" means that term as defined under
11 section 124 of the public school employees retirement act of 1979,
12 1980 PA 300, MCL 38.1424.

13 Sec. 152a. (1) As required by the court in the consolidated
14 cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from
15 the state school aid fund money appropriated in section 11, there
16 is allocated for ~~2022-2023~~**2023-2024** an amount not to exceed
17 ~~\$38,000,500.00~~**\$41,000,500.00** to be used solely for the purpose of
18 paying necessary costs related to the state-mandated collection,
19 maintenance, and reporting of data to this state. **From this**
20 **allocation, \$3,000,000.00 is allocated for costs associated with**
21 **collecting data necessary to provide reporting to tribal**
22 **governments on the status of students affiliated with their**
23 **particular tribe and data necessary to determine student**
24 **participation in federal programs funded under 20 USC 7401 to 7546**
25 **and participation in federal programs funded under the Johnson-**
26 **O'Malley Supplemental Indian Education Program Modernization Act,**
27 **Public Law 115-404.**

28 (2) From the allocation in subsection (1), the department
29 shall make payments to districts and intermediate districts in an



1 equal amount per pupil based on the total number of pupils in
2 membership in each district and intermediate district. The
3 department shall not make any adjustment to these payments after
4 the final installment payment under section 17b is made.

5 Sec. 152b. (1) From the general fund money appropriated under
6 section 11, there is allocated an amount not to exceed
7 \$1,000,000.00 for ~~2022-2023~~**2023-2024** to reimburse actual costs
8 incurred by nonpublic schools in complying with a health, safety,
9 or welfare requirement mandated by a law or administrative rule of
10 this state.

11 (2) By January 1 of each applicable fiscal year, the
12 department shall publish a form for reporting actual costs incurred
13 by a nonpublic school in complying with a health, safety, or
14 welfare requirement mandated under state law containing each
15 health, safety, or welfare requirement mandated by a law or
16 administrative rule of this state applicable to a nonpublic school
17 and with a reference to each relevant provision of law or
18 administrative rule for the requirement. The form must be posted on
19 the department's website in electronic form.

20 (3) By June 30 of each applicable fiscal year, a nonpublic
21 school seeking reimbursement for actual costs incurred in complying
22 with a health, safety, or welfare requirement under a law or
23 administrative rule of this state during each applicable school
24 year must submit a completed form described in subsection (2) to
25 the department. This section does not require a nonpublic school to
26 submit a form described in subsection (2). A nonpublic school is
27 not eligible for reimbursement under this section if the nonpublic
28 school does not submit the form described in subsection (2) in a
29 timely manner.



1 (4) By August 15 of each applicable fiscal year, the
2 department shall distribute funds to each nonpublic school that
3 submits a completed form described under subsection (2) in a timely
4 manner. The superintendent shall determine the amount of funds to
5 be paid to each nonpublic school in an amount that does not exceed
6 the nonpublic school's actual costs in complying with a health,
7 safety, or welfare requirement under a law or administrative rule
8 of this state. The superintendent shall calculate a nonpublic
9 school's actual cost in accordance with this section.

10 (5) If the funds allocated under this section are insufficient
11 to fully fund payments as otherwise calculated under this section,
12 the department shall distribute funds under this section on a
13 prorated or other equitable basis as determined by the
14 superintendent.

15 (6) The department may review the records of a nonpublic
16 school submitting a form described in subsection (2) only for the
17 limited purpose of verifying the nonpublic school's compliance with
18 this section. If a nonpublic school does not allow the department
19 to review records under this subsection, the nonpublic school is
20 not eligible for reimbursement under this section.

21 (7) The funds appropriated under this section are for purposes
22 that are incidental to teaching and the provision of educational
23 services to nonpublic school students; that are noninstructional in
24 nature; that do not constitute a primary function or element
25 necessary for a nonpublic school's existence, operation, and
26 survival; that do not involve or result in excessive religious
27 entanglement; and that are intended for the public purpose of
28 ensuring the health, safety, and welfare of the children in
29 nonpublic schools and to reimburse nonpublic schools for costs



1 described in this section.

2 (8) Funds allocated under this section are not intended to aid
3 or maintain any nonpublic school, support the attendance of any
4 student at a nonpublic school, employ any person at a nonpublic
5 school, support the attendance of any student at any location where
6 instruction is offered to a nonpublic school student, or support
7 the employment of any person at any location where instruction is
8 offered to a nonpublic school student.

9 (9) For purposes of this section, "actual cost" means the
10 hourly wage for the employee or employees performing a task or
11 tasks required to comply with a health, safety, or welfare
12 requirement under a law or administrative rule of this state
13 identified by the department under subsection (2) and is to be
14 calculated in accordance with the form published by the department
15 under subsection (2), which must include a detailed itemization of
16 costs. The nonpublic school shall not charge more than the hourly
17 wage of its lowest-paid employee capable of performing a specific
18 task regardless of whether that individual is available and
19 regardless of who actually performs a specific task. Labor costs
20 under this subsection must be estimated and charged in increments
21 of 15 minutes or more, with all partial time increments rounded
22 down. When calculating costs under subsection (4), fee components
23 must be itemized in a manner that expresses both the hourly wage
24 and the number of hours charged. The nonpublic school may not
25 charge any applicable labor charge amount to cover or partially
26 cover the cost of health or fringe benefits. A nonpublic school
27 shall not charge any overtime wages in the calculation of labor
28 costs.

29 (10) Training fees, inspection fees, and criminal background



1 check fees are considered actual costs in complying with a health,
2 safety, or welfare requirement under a law or administrative rule
3 of this state.

4 ~~(11) The funds allocated under this section for 2021-2022 are~~
5 ~~a work project appropriation, and any unexpended funds for 2021-~~
6 ~~2022 are carried forward into 2022-2023. The purpose of the work~~
7 ~~project is to continue to reimburse nonpublic schools for actual~~
8 ~~costs incurred in complying with a health, safety, or welfare~~
9 ~~requirement mandated by a law or administrative rule of this state.~~
10 ~~The estimated completion date of the work project is September 30,~~
11 ~~2023.~~

12 **(11)** ~~(12)~~The funds allocated under this section for 2022-2023
13 are a work project appropriation, and any unexpended funds for
14 2022-2023 are carried forward into 2023-2024. The purpose of the
15 work project is to continue to reimburse nonpublic schools for
16 actual costs incurred in complying with a health, safety, or
17 welfare requirement mandated by a law or administrative rule of
18 this state. The estimated completion date of the work project is
19 September 30, 2024.

20 **(12) The funds allocated under this section for 2023-2024 are**
21 **a work project appropriation, and any unexpended funds for 2023-**
22 **2024 are carried forward into 2024-2025. The purpose of the work**
23 **project is to continue to reimburse nonpublic schools for actual**
24 **costs incurred in complying with a health, safety, or welfare**
25 **requirement mandated by a law or administrative rule of this state.**
26 **The estimated completion date of the work project is September 30,**
27 **2025.**

28 (13) The department shall reimburse nonpublic schools for
29 actual costs incurred in complying with health, safety, or welfare



1 requirements under a law or administrative rule of this state from
 2 2017-2018 through ~~2021-2022~~**2022-2023** using work project funds or,
 3 if those funds are insufficient to fund reimbursements under this
 4 subsection, from the allocation under subsection (1).

5 Sec. 163. (1) Except as otherwise provided in the revised
 6 school code, the board of a district or intermediate district shall
 7 not permit any of the following:

8 (a) An individual who is not appropriately placed under a
 9 valid certificate, valid substitute permit, authorization, or
 10 approval issued under rules promulgated by the department to teach
 11 in an elementary or secondary school.

12 (b) An individual who does not satisfy the requirements of
 13 section 1233 of the revised school code, MCL 380.1233, and rules
 14 promulgated by the department to provide school counselor services
 15 to pupils in an elementary or secondary school.

16 (c) An individual who does not satisfy the requirements of
 17 section 1246 of the revised school code, MCL 380.1246, ~~or who is~~
 18 ~~not~~**and rules promulgated by the department to be employed as a**
 19 **superintendent, principal, or assistant principal, or as an**
 20 **individual whose primary responsibility is to administer**
 21 **instructional programs in an elementary or secondary school or in a**
 22 **district or intermediate district, unless the individual is** working
 23 under a valid substitute permit issued under rules promulgated by
 24 the department. ~~, to be employed as a superintendent, principal, or~~
 25 ~~assistant principal, or as an individual whose primary~~
 26 ~~responsibility is to administer instructional programs in an~~
 27 ~~elementary or secondary school or in a district or intermediate~~
 28 ~~district.~~

29 (2) Except as otherwise provided in the revised school code,



1 this subsection, or subsection (4) or (7), a district or
2 intermediate district employing an individual in violation of this
3 section before July 1, 2021 must have deducted an amount equal to
4 the amount paid to the individual for the period of employment that
5 is in violation of this section. Except as otherwise provided under
6 subsection (4) or (7), a district or intermediate district
7 employing an individual in violation of this section on or after
8 July 1, 2021 must have deducted an amount equal to 50% of the
9 amount paid to the individual for the period of employment that is
10 in violation of this section. Except as otherwise provided under
11 subsection (4), beginning July 1, 2021, if a district or
12 intermediate district is notified by the department that it is
13 employing an individual in violation of this section and it
14 continues to employ the individual in violation of this section 10
15 business days after receiving the notification, both of the
16 following apply:

17 (a) The district or intermediate district must have deducted
18 an amount equal to 50% of the amount paid to the individual for the
19 period of employment that is in violation of this section that
20 occurs before the expiration of the 10-day period described in this
21 subsection.

22 (b) The district or intermediate district must have deducted
23 an amount equal to 100% of the amount paid to the individual for
24 the period of employment that is in violation of this section that
25 occurs after the 10-day period described in this subsection.

26 (3) For purposes of subsection (2), if a district or
27 intermediate district on behalf of an individual or an individual
28 successfully completes the credential application process through
29 the department, including the submission of an appropriate



1 application, required fees, and all required supporting
2 documentation, the individual's employment with the district or
3 intermediate district after this completion is not considered a
4 period of employment that is in violation of this section.

5 (4) A deduction under subsection (2) for employment in
6 violation of this section that occurs on or after July 1, 2021, may
7 be less than the amount required under that subsection if the
8 superintendent of public instruction finds that the district or
9 intermediate district was hindered in its ability to obtain a
10 substitute credential to enable the district or intermediate
11 district to employ the individual in compliance with this section
12 due to unusual and extenuating circumstances resulting from
13 conditions not within the control of school authorities, including,
14 but not limited to, a natural disaster, death or serious illness of
15 the individual or another employee, an emergency school closure,
16 fraud or other intentional wrongdoing of the individual or another
17 employee, or an emergency health condition as defined by city,
18 county, or state health authorities.

19 (5) For employment of an individual in violation of this
20 section that occurs on or after July 1, 2021, upon request by a
21 district or intermediate district, the department shall credit the
22 amount of an adjustment in payments under section 15 that is based
23 on the employment of the individual that gave rise to the deduction
24 under subsection (2) or (4) against the amount of the deduction
25 under subsection (2) or (4). The amount of the credit under this
26 subsection must not be in an amount that is greater than the
27 deduction assessed under subsection (2) or (4).

28 (6) If a school official is notified by the department that he
29 or she is employing an individual in violation of this section and



1 knowingly continues to employ that individual, the school official
 2 is guilty of a misdemeanor punishable by a fine of \$1,500.00 for
 3 each ~~incidence~~. **incident**. This penalty is in addition to all other
 4 financial penalties otherwise specified in this article.

5 (7) There must be no deduction under subsection (2) for a
 6 period of employment in violation of this section that occurs
 7 between July 1, 2020 and June 30, 2021.

8 Enacting section 1. In accordance with section 30 of article
 9 IX of the state constitution of 1963, total state spending on
 10 school aid under article I of the state school aid act of 1979,
 11 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2022 PA 144,
 12 2022 PA 212, 2023 PA 3, and by this amendatory act, from state
 13 sources for fiscal year 2022-2023 is estimated at
 14 \$17,623,565,900.00 and state appropriations for school aid to be
 15 paid to local units of government for fiscal year 2022-2023 are
 16 estimated at \$16,078,068,400.00. In accordance with section 30 of
 17 article IX of the state constitution of 1963, total state spending
 18 on 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 this amendatory
 20 act, from state sources for fiscal year 2023-2024 is estimated at
 21 \$18,561,237,500.00 and state appropriations for school aid to be
 22 paid to local units of government for fiscal year 2023-2024 are
 23 estimated at \$16,740,898,600.00.

24 Enacting section 2. Sections 23f, 27f, 30c, 31c, 31m, 31o,
 25 31q, 31bb, 31cc, 31dd, 31ee, 32u, 35d, 35f, 35g, 35h, 67c, 67e, 97,
 26 97b, 97c, 97d, 97e, 97f, 98a, 98b, 98c, 99i, 99j, 99aa, 99cc, 99dd,
 27 164g, 164h, 166, and 166a of the state school aid act of 1979, 1979
 28 PA 94, MCL 388.16.23f, 388.1627f, 388.1630c, 388.1631c, 388.1631m,
 29 388.1631o, 388.1631q, 388.1631bb, 388.1631cc, 388.1631dd,



1 388.1631ee, 388.1632u, 388.1635d, 388.1635f, 388.1635g, 388.1635h,
2 388.1667c, 388.1667e, 388.1697, 388.1697b, 388.1697c, 388.1697d,
3 388.1697e, 388.1697f, 388.1698a, 388.1698b, 388.1698c, 388.1699i,
4 388.1699j, 388.1699aa, 388.1699cc, 388.1699dd, 388.1764g,
5 388.1764h, 388.1766, and 388.1766a, are repealed effective October
6 1, 2023.

7 Enacting section 3. (1) Sections 4, 6, 11, 11m, 11x, 20, 22a,
8 22b, 26c, 27b, 31f, 31j, 31p, 32n, 39a, 51a, 51c, and 51e of the
9 state school aid act of 1979, 1979 PA 94, MCL 388.1604, 388.1606,
10 388.1611, 388.1611m, 388.1611x, 388.1620, 388.1622a, 388.1622b,
11 388.1626c, 388.1627b, 388.1631f, 388.1631j, 388.1631p, 388.1632n,
12 388.1639a, 388.1651a, 388.1651c, and 388.1651e, as amended and
13 sections 11v, 11z, 12a, 23g, 27g, 30d, 31k, 31l, and 32e of the
14 state school aid act of 1979, 1979 PA 94, as added by this
15 amendatory act, if granted immediate effect pursuant to section 27
16 of article IV of the state constitution of 1963, take effect on
17 enactment of this amendatory act.

18 (2) Except as otherwise provided for those sections listed in
19 subsection (1), the remaining sections of this amendatory act take
20 effect October 1, 2023.

