



STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

GRETCHEN WHITMER  
GOVERNOR

CHRISTOPHER M. HARKINS  
DIRECTOR

February 8, 2023

The Honorable Sarah Anthony, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Angela Witwer, Chair  
House Appropriations Committee  
Michigan House of Representatives  
State Capitol  
Lansing, Michigan 48909

Dear Legislators:

SUBJECT: Supplemental Request 2023-3

Attached please find supplemental recommendations for the fiscal year 2023 Education Omnibus totaling \$1.2 billion gross (\$180.2 million general fund and \$923 million school aid fund). School Aid adjustments include cost-driven changes related to pupils, special education, taxable value, and federal fund availability (\$86.3 million), additional funding for student academic supports (\$394.4 million), funding for school health and safety infrastructure needs (\$300 million), expansions to early childhood education opportunities (\$185.2 million), and educator workforce supports (\$25 million). In addition to these supplemental appropriations, this request deposits an additional \$500 million into the MPSERS reserve fund, \$500 million into the school consolidation and infrastructure fund, and \$25 million into the educator fellowship fund.

The supplemental also appropriates \$200 million to community colleges and universities for necessary improvements and deferred maintenance costs and \$55 million to support student mental health and wellness.

Adjustments to appropriated amounts are summarized by article below.

<u>Article</u>	<u>GF/GP</u>	<u>School Aid Fund</u>	<u>Gross</u>
School Aid	\$0	\$848,043,000	\$990,843,000
Community Colleges	\$0	\$74,871,200	\$74,871,200
Universities	\$180,128,800	\$0	\$180,128,800
<b>Total</b>	<b>\$180,128,800</b>	<b>\$922,914,200</b>	<b>\$1,245,843,000</b>

If you have any questions regarding this request, please contact my office at (517) 335-3420.

Sincerely,

Christopher M. Harkins  
State Budget Director

Attachment

Senator Sarah Anthony  
Representative Angela Witwer  
Page 2  
February 8, 2023

cc: Winnie Brinks, Senate Majority Leader  
Joe Tate, Speaker of the House  
Aric Nesbitt, Senate Minority Leader  
Matt Hall, House Minority Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency

Departments  
JoAnne Huls, Chief of Staff  
Tricia Foster, Chief Operating Officer  
Jen Flood, Deputy Chief of Staff  
Curtis Hertel Jr., Director of Legislative Affairs  
Kyle Guerrant, Deputy State Budget Director  
Heather Boyd, Office of Financial Management  
Internal State Budget Office

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Fiscal Year 2023  
Supplemental Request 2023-3  
Education Omnibus

"The state school aid act of 1979," by amending sections 11, 11m, 11x, 22a, 22b, 26c, 27d, 28, 31d, 31p, 32d, 39a, 51a, 51c, 51e, 56, 62, 147b, 201, 236, and 248 (MCL 388.1611, 388.1611m, 388.1611x, 388.1622a, 388.1622b, 388.1626c, 388.1627d, 388.1628, 388.1631d, 388.1631p, 388.1632d, 388.1639a, 388.1651a, 388.1651c, 388.1651e, 388.1656, 388.1662, 388.1747b, 388.1801, 388.1836, and 388.1848), section 11m, 22a, 22b, 26c, 28, 31d, 31p, 32d, 39a, 51c, 62, 147b, and 201 as amended and sections 11x, 27d, and 51e as added by 2022 PA 144, section 11, 51a, 56, and 236 as amended and section 248 as added by 2022 PA 212, and by adding sections 11v, 12a, 23g, 27g, 32v, 201f, 201g, 236m, and 236n; and to repeal acts and parts of acts.

The People of the State of Michigan Enact:

ARTICLE I

STATE AID TO PUBLIC SCHOOLS, EARLY CHILDHOOD, AND ADULT EDUCATION

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Sec. 11. (1) For the fiscal year ending September 30, 2023, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of ~~\$16,754,072,900.00~~ **\$17,602,115,900.00** from the state school aid fund, the sum of \$124,200,000.00 from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$140,400,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal year ending September 30, 2023.

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

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

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

**Sec. 11v. From the state school aid money appropriated in section 11, there is allocated for 2022-2023 only \$94,400,000.00 for a community district that was created under section 383 of the revised school code, 1976 PA 451, MCL 380.383. Funds allocated under this section are direct grant funds to a community district and are not subject to approval by the state board of education or the state superintendent of public instruction. The department of education shall pay funds allocated under this section for literacy-related programs and initiatives to a community district not later than September 30, 2023.**

Sec. 11x. (1) The school consolidation and infrastructure fund is created as a separate account within the state school aid fund for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and

1 creating a healthy and safe space for students in this state.

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

7 (3) Money in the school consolidation and infrastructure fund at the close of the  
8 fiscal year remains in the school consolidation and infrastructure fund and does not lapse  
9 to the state school aid fund or the general fund.

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

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

16 (6) From the state school aid fund money appropriated under section 11, there is  
17 allocated for 2022-2023 only an amount not to exceed \$5,000,000.00 for grants to ~~districts~~  
18 ~~and~~ intermediate districts to support the cost of a feasibility study or analysis of  
19 consolidation **of services** among 1 or more districts or among 1 or more intermediate  
20 districts. ~~Districts and intermediate districts~~ **An intermediate district** may apply to the  
21 **department** for a grant under this ~~section to the department on a first-come, first-serve~~  
22 ~~basis.~~ **subsection in the form and manner prescribed by the department no later than**  
23 **September 30, 2023.** The maximum amount of a grant to be distributed under this ~~section~~  
24 **subsection** may not exceed \$250,000.00. Notwithstanding section 17b, the department shall  
25 make payments under this subsection on a schedule determined by the department. **A district**  
26 **with more than 40,000 pupils in membership may apply to the department for a grant under**  
27 **this subsection on its own behalf and shall not be included in an intermediate district**  
28 **application.**

29 (7) **To be eligible for a grant under subsection (6), an intermediate district must**  
30 **demonstrate to the department, in the manner prescribed by the department, that the**  
31 **intermediate district will conduct a feasibility study or analysis and that all of the**  
32 **following will be met:**

1 (a) Within 30 days after completion of the study or analysis, the intermediate  
2 district will make the results available to all districts and intermediate districts  
3 included in the study or analysis. Within 60 days after the completion of the study or  
4 analysis, the intermediate district will make the results available on a publicly available  
5 website.

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

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

9 (A) Budgeting and staffing.

10 (B) Payroll.

11 (C) Employee benefits.

12 (D) State reporting.

13 (E) Software consolidation to achieve common software throughout the intermediate  
14 district.

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

16 (A) Onboarding.

17 (B) Title IX administration.

18 (C) Hiring.

19 (D) Software consolidation to achieve common software throughout the intermediate  
20 district.

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

22 (A) Software consolidation to achieve common software throughout the intermediate  
23 district.

24 (B) Fiber projects.

25 (C) Cybersecurity.

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

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

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

30 (B) Grant reporting.

31 (v) Cash management, which may include but is not limited to the following

32 opportunities for intermediate districts and districts to contract on cash flow management

1 to maximize interest earnings.

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

3 (A) Refunding opportunities.

4 (B) New bond issue analysis.

5 (C) The intermediate district will meet with its constituent districts located within  
6 the intermediate district to discuss the results of the study or analysis and to implement  
7 changes where feasible. The application must include a brief description of how the  
8 intermediate district will conduct these meetings.

9 (vii) School facility consolidation.

10 (8) The amount of the grant to each eligible intermediate district under subsection  
11 (6) is an equal amount per pupil based on the amount of funding available under subsection  
12 (6) and the combined total number of pupils in membership in the intermediate district and  
13 its constituent districts located within the intermediate district. However, as prescribed  
14 in subsection (6), the amount of the grant may not exceed \$250,000.00.

15 (9) ~~(7)~~ For the fiscal year ending September 30, 2022 only, \$475,000,000.00 from the  
16 state school aid fund must be deposited into the school consolidation and infrastructure  
17 fund.

18 (10) For the fiscal year ending September 30, 2023 only, \$500,000,000.00 from the  
19 state school aid fund must be deposited into the school consolidation and infrastructure  
20 fund.

21 (11) ~~(8)~~ To be eligible for the receipt of funds funding for infrastructure-related  
22 projects appropriated from the school consolidation and infrastructure fund created under  
23 this section, a district must allow for the facility condition assessments described in  
24 section 11y to be conducted in the district. It is intended that money in the school  
25 consolidation and infrastructure fund will not be appropriated for infrastructure projects  
26 until the completion of the facility condition assessments described in section 11y.

27 Sec. 12a. (1) From the state school aid fund money appropriated in section 11, there  
28 is allocated for 2022-2023 only an amount not to exceed \$300,000,000.00 for competitive  
29 grants to participating schools to lower energy costs and improve health outcomes at school  
30 facilities through the MI healthy schools grant program.

31 (2) Each participating school must apply for funding in a form and manner determined  
32 by the department, in collaboration with the department of environment, great lakes, and

1 energy; and the department of health and human services.

2 (3) The application for each participating school must be evaluated using the  
3 following scoring criteria:

4 (a) Utilizing Justice40 parameters.

5 (b) Prioritizing applicants from the national ambient air quality standards (NAAQS)  
6 non-attainment zones, high asthma burden areas, environmental justice areas, small area  
7 income and poverty estimates (SAIPE) program areas, rural areas (defined by locale codes  
8 "43-Rural: Remote" and "42-Rural: Distant" by the national center for education  
9 statistics), and communities with high free and reduced lunch participation rates.

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

12 (d) Prioritizing initial distribution of funds to participating schools that  
13 participated in the racial disparities task force initiative evaluating and analyzing  
14 opportunities to improve air quality in K-12 facilities in environmental justice  
15 communities.

16 (4) Funds awarded to participating schools must be used for any of the following:

17 (a) Indoor air quality improvements, including HVAC and air conditioning needs.

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

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

22 (d) Drinking water system upgrades, including the installation of hydration stations.

23 (5) Each participating school receiving funding must match at least 50% of funds  
24 received with other sources toward the completion of the project.

25 (6) The funds allocated under this section for 2022-2023 are a work project  
26 appropriation, and any unexpended funds for 2023-2023 are carried forward into 2023-2024.  
27 The purpose of the work project is to lower energy costs and improve health outcomes at  
28 school facilities. The estimated completion date of the work project is September 30, 2027.

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

31 (8) As used in this section, "participating school" means a district or intermediate  
32 district.



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

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

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

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

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

1 boundaries of the dissolved district under tax increment financing acts.

2 (3) For pupils in membership in a qualifying public school academy, there is  
3 allocated under this section to the authorizing body that is the fiscal agent for the  
4 qualifying public school academy for forwarding to the qualifying public school academy an  
5 amount equal to the 1994-95 per-pupil payment to the qualifying public school academy under  
6 section 20.

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

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

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

24 (7) As used in this section:

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

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

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

32 (d) "Current year hold harmless school operating taxes per pupil" means the per-pupil

1 revenue generated by multiplying a district's 1994-95 hold harmless millage by the  
2 district's current year taxable value per membership pupil. For a receiving district, if  
3 school operating taxes are to be levied on behalf of a dissolved district that has been  
4 attached in whole or in part to the receiving district to satisfy debt obligations of the  
5 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value  
6 per membership pupil does not include the taxable value of property within the geographic  
7 area of the dissolved district.

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

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

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

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

30 (i) "Principal residence", "qualified agricultural property", "qualified forest  
31 property", "supportive housing property", "industrial personal property", and "commercial  
32 personal property" mean those terms as defined in section 1211 of the revised school code,

1 MCL 380.1211.

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

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

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

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

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

14 (i) For the number of mills by which the exemption from the levy of school operating  
15 taxes on a principal residence, qualified agricultural property, qualified forest property,  
16 supportive housing property, industrial personal property, commercial personal property,  
17 and property occupied by a public school academy may be reduced as provided in section 1211  
18 of the revised school code, MCL 380.1211, the taxable value of principal residence,  
19 qualified agricultural property, qualified forest property, supportive housing property,  
20 industrial personal property, commercial personal property, and property occupied by a  
21 public school academy for the calendar year ending in the current fiscal year. For a  
22 receiving district, if school operating taxes are to be levied on behalf of a dissolved  
23 district that has been attached in whole or in part to the receiving district to satisfy  
24 debt obligations of the dissolved district under section 12 of the revised school code, MCL  
25 380.12, mills do not include mills within the geographic area of the dissolved district.

26 (ii) For the number of mills of school operating taxes that may be levied on all  
27 property as provided in section 1211(2) of the revised school code, MCL 380.1211, the  
28 taxable value of all property for the calendar year ending in the current fiscal year. For  
29 a receiving district, if school operating taxes are to be levied on behalf of a dissolved  
30 district that has been attached in whole or in part to the receiving district to satisfy  
31 debt obligations of the dissolved district under section 12 of the revised school code, MCL  
32 380.12, school operating taxes do not include school operating taxes levied within the

1 geographic area of the dissolved district.

2           Sec. 22b. (1) For discretionary nonmandated payments to districts under this section,  
3 there is allocated for ~~2021-2022 an amount not to exceed \$5,094,000,000.00 from the state~~  
4 ~~school aid fund and general fund appropriations in section 11 and an amount not to exceed~~  
5 ~~\$72,000,000.00 from the community district education trust fund appropriation in section~~  
6 ~~11, and there is allocated for 2022-2023 an amount not to exceed \$5,686,000,000.00~~  
7 **\$5,663,000,000.00** from the state school aid fund and general fund appropriations in section  
8 11 and an amount not to exceed \$72,000,000.00 from the community district education trust  
9 fund appropriation in section 11. ~~Of the funds allocated under this section for 2021-2022,~~  
10 ~~\$14,500,000.00 represents the amount of the general fund revenue deposited into the state~~  
11 ~~school aid fund to reimburse the state school aid fund for community district education~~  
12 ~~trust fund costs in excess of \$72,000,000.00. Of the funds allocated under this section for~~  
13 **For 2022-2023, \$19,500,000.00 represents the amount of \$22,500,000.00 must be deposited**  
14 **from** the general fund ~~revenue deposited~~ into the state school aid fund to reimburse the  
15 state school aid fund for community district education trust fund costs in excess of  
16 \$72,000,000.00 **as required under section 12 of the Michigan trust fund act, 2000 PA 489,**  
17 **MCL 12.262.** If the amount allocated under this subsection from the community district  
18 education trust fund appropriation under section 11 is insufficient to pay for an increase  
19 under this section, any amount exceeding that allocation may be paid from other allocations  
20 under this subsection. Except for money allocated under this section from the community  
21 district education trust fund appropriation in section 11, funds allocated under this  
22 section that are not expended in the fiscal year for which they were allocated, as  
23 determined by the department, may be used to supplement the allocations under sections 22a  
24 and 51c to fully fund those allocations for the same fiscal year. For each fund transfer as  
25 described in the immediately preceding sentence that occurs, the state budget director  
26 shall send notification of the transfer to the house and senate appropriations  
27 subcommittees on ~~state~~ school aid and the house and senate fiscal agencies by not later  
28 than 14 calendar days after the transfer occurs.

29           (2) Subject to subsection (3) and section 296, the allocation to a district under  
30 this section is an amount equal to the sum of the amounts calculated under sections 20,  
31 20m, 51a(2), 51a(3), and 51a(11), minus the sum of the allocations to the district under  
32 sections 22a and 51c. For a community district, the allocation as otherwise calculated

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

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

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

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

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

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

16 (e) Comply with section 21f.

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

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

23 (5) From the allocation in subsection (1), the department shall pay up to  
24 \$1,000,000.00 in litigation costs incurred by this state related to commercial or  
25 industrial property tax appeals, including, but not limited to, appeals of classification,  
26 that impact revenues dedicated to the state school aid fund.

27 (6) From the allocation in subsection (1), the department shall pay up to  
28 \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by  
29 1 or more districts or intermediate districts against this state. If the allocation under  
30 this section is insufficient to fully fund all payments required under this section, the  
31 payments under this subsection must be made in full before any proration of remaining  
32 payments under this section.

1 (7) It is the intent of the legislature that all constitutional obligations of this  
2 state have been fully funded under sections 22a, 31d, 51a, 51c, 51e, and 152a. If a claim  
3 is made by an entity receiving funds under this article that challenges the legislative  
4 determination of the adequacy of this funding or alleges that there exists an unfunded  
5 constitutional requirement, the state budget director may escrow or allocate from the  
6 discretionary funds for nonmandated payments under this section the amount as may be  
7 necessary to satisfy the claim before making any payments to districts under subsection  
8 (2). If funds are escrowed, the escrowed funds are a work project appropriation and the  
9 funds are carried forward into the following fiscal year. The purpose of the work project  
10 is to provide for any payments that may be awarded to districts as a result of litigation.  
11 The work project is completed upon resolution of the litigation.

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

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

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

29 (11) If a lawsuit challenging payments made to districts related to costs reimbursed  
30 by federal title XIX Medicaid funds is filed against this state, then, for the purpose of  
31 addressing potential liability under such a lawsuit, the state budget director may place  
32 funds allocated under this section in escrow or allocate money from the funds otherwise



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

10 **(12) From the allocation in subsection (1) the department may use the amount**  
11 **necessary, estimated at \$1,000,000.00, for payments to districts for state compliance with**  
12 **federal maintenance of equity requirements described in the American rescue plan act of**  
13 **2021, Public Law 117-2. The department shall make calculations and payments under this**  
14 **subsection in a form and manner determined by the department.**

15 **(13)—(12)** As used in this section:

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

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

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

26 **Sec. 23g. (1) From the state school aid fund money appropriated in section 11, there**  
27 **is allocated for 2022-2023 only an amount not to exceed \$300,000,000.00 for payments to**  
28 **eligible districts for implementing the MI Kids Back on Track program.**

29 **(2) The department shall pay an equal amount per membership pupil to each eligible**  
30 **district under this section. Districts must use funding received under this section for the**  
31 **MI Kids Back on Track program.**

32 **(3) To be eligible for funding under this section, a district must do all of the**

1 following:

2 (a) Apply for funding in a form and manner determined by the department.

3 (b) Post a MI Kids Back on Track plan to the homepage of the district's website that  
4 describes evidence-based actions the district is taking to respond to student needs related  
5 to unfinished learning and how these funds create or expand these efforts. The plan must:

6 (i) Reflect input from educators, parents, and community members.

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

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

10 (c) Implement and maintain functionality on the homepage of the district's website  
11 that allows parents, guardians, and students to request additional assistance through the  
12 MI Kids Back on Track program.

13 (d) Match at least 100% of the funding received under this section with funds from  
14 other sources and use those funds for the MI Kids Back on Track program.

15 (e) Provide transparency reporting on MI Kids Back on Track spending, including  
16 posting on the district's website an ESSER transparency dashboard, in a form and manner  
17 provided by the department.

18 (4) If a district does not match at least 100% of funding received under this section  
19 with other available funds, the district must return any unmatched funds to the department  
20 on a timeline determined by the department. The department may redistribute any returned  
21 funds to eligible districts on an equal per pupil basis. Districts receiving redistributed  
22 dollars must increase expenditures from other sources to match the amount of redistributed  
23 dollars received.

24 (5) Districts may use funds received under this section for staffing costs, high  
25 quality training, curriculum needs, student transportation needs, or other costs incurred  
26 as a result of providing services through the MI Kids Back on Track program.

27 (6) The state superintendent shall provide guidelines to school districts on  
28 evidence-based best practices and effective strategies a district may use to respond to  
29 unfinished learning and shall provide resources to assist districts in implementing  
30 evidence-based programs.

31 (7) As used in this section, the "MI Kids Back on Track program" means programs for  
32 students in any grades pre-K through 12 that are designed to address unfinished learning,

1 get students to grade-level academic standards, provide additional academic assistance to  
2 students at risk of falling behind their peers, and/or help high school students prepare  
3 for postsecondary education. Programs may be provided before school, during school, or  
4 after school. Programs may be provided directly by the district or in partnership with  
5 community-based organizations.

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

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

12 Sec. 26c. (1) From the state school aid fund money appropriated under section 11,  
13 there is allocated an amount not to exceed ~~\$14,800,000.00 for 2021-2022 and there is~~  
14 ~~allocated an amount not to exceed \$14,800,000.00~~ **\$20,500,000.00** for 2022-2023 to the  
15 promise zone fund created in subsection (3). The funds allocated under this section reflect  
16 the amount of revenue from the collection of the state education tax captured under section  
17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

18 (2) Funds allocated to the promise zone fund under this section must be used solely  
19 for payments to eligible districts and intermediate districts, in accordance with section  
20 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677, that have a  
21 promise zone development plan approved by the department of treasury under section 7 of the  
22 Michigan promise zone authority act, 2008 PA 549, MCL 390.1667. Eligible districts and  
23 intermediate districts shall use payments made under this section for reimbursement for  
24 qualified educational expenses as that term is defined in section 3 of the Michigan promise  
25 zone authority act, 2008 PA 549, MCL 390.1663.

26 (3) The promise zone fund is created as a separate account within the state school  
27 aid fund to be used solely for the purposes of the Michigan promise zone authority act,  
28 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

29 (a) The state treasurer shall direct the investment of the promise zone fund. The  
30 state treasurer shall credit to the promise zone fund interest and earnings from fund  
31 investments.

32 (b) Money in the promise zone fund at the close of a fiscal year remains in the

1 promise zone fund and does not lapse to the general fund.

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

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

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

12 (2) The state treasurer may receive money or other assets from any source for deposit  
13 into the educator fellowship public provider fund. The state treasurer shall direct the  
14 investment of the educator fellowship public provider fund. The state treasurer shall  
15 credit to the educator fellowship public provider fund interest and earnings from educator  
16 fellowship public provider fund investments.

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

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

22 (5) The department of treasury shall expend money from the educator fellowship public  
23 provider fund, upon appropriation, for the purposes described in section 27a(10) for  
24 students admitted to public educator preparation programs.

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

27 **(7) For the fiscal year ending September 30, 2023 only, \$25,000,000.00 from the state**  
28 **school aid fund is deposited into the educator fellowship public programs fund.**

29 **Sec. 27g. (1) From the state school aid fund money appropriated in section 11, there**  
30 **is allocated for 2022-2023 only an amount not to exceed \$25,000,000.00 to the department to**  
31 **make payments to intermediate districts and consortia of intermediate districts based on**  
32 **the number of pupils in membership in constituent districts of the intermediate district or**

1 consortia of intermediate districts to support the Talent Together coalition.

2 (2) Intermediate districts and consortia of intermediate districts must use the money  
3 received under this section to partner with one eligible non-profit to provide funding,  
4 programs, and technical assistance for the following activities:

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

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

9 (c) Provide school leader development programs to increase educator retention and  
10 efficacy.

11 (d) Serve as a convener and hub for innovation and conversation to support  
12 collaboration and coordination among Michigan's educator talent efforts.

13 (e) Promote research so that Michigan can learn from its investments and innovations  
14 and become a top state for educators.

15 (3) As used in this section "eligible non-profit means" an entity that meets all of  
16 the following criteria, as determined by the department:

17 (a) Is Michigan based.

18 (b) Operates statewide.

19 (c) Is a non-higher education institution 501(c)(3).

20 (d) Has formal partnerships with more than 35 intermediate districts in Michigan.

21 (e) Has launched a statewide Grow Your Own program in partnership with intermediate  
22 districts.

23 (f) Has staff experienced in implementing researched-based programs in all of the  
24 following areas:

25 (i) Teacher recruitment.

26 (ii) Teacher development.

27 (iii) Teacher retention.

28 (iv) Teacher certification.

29 (v) School leader development.

30 (vi) School leader retention.

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

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

3           Sec. 28. (1) To recognize differentiated instructional costs for different types of  
4 pupils in 2022-2023, the following sections provide a weighted foundation allocation or an  
5 additional payment of some type in the following amounts, as allocated under those  
6 sections:

7           (a) Section 22d, isolated and rural districts, \$8,858,000.00.

8           (b) Section 31a, at risk, \$747,500,000.00.

9           (c) Section 41, bilingual education for English language learners, \$26,511,000.00.

10           (d) Section 51c, special education, mandated percentages, ~~\$709,900,000.00.~~

11 **\$779,600,000.00**

12           (e) Section 61a, career and technical education, standard reimbursement,  
13 \$47,611,300.00.

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

15           (2) The funding described in subsection (1) is not a separate allocation of any  
16 funding but is instead a listing of funding allocated in the sections listed in subsection  
17 (1).

18           Sec. 31d. (1) From the state school aid fund money appropriated in section 11, there  
19 is allocated an amount not to exceed ~~\$24,553,400.00 for 2021-2022 and there is allocated an~~  
20 ~~amount not to exceed~~ \$24,553,400.00 for 2022-2023 for the purpose of making payments to  
21 districts and other eligible entities under this section.

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

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

31           (4) The payments made under this section to districts and other eligible entities  
32 that are not required under section 1272a of the revised school code, MCL 380.1272a, to

1 provide a lunch program must be in an amount not to exceed \$10.00 per eligible pupil plus 5  
2 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined  
3 by the department.

4 (5) From the federal funds appropriated in section 11, there is allocated for ~~2021-~~  
5 ~~2022 all available federal funding, estimated at \$900,000,000.00, and there is allocated~~  
6 ~~for 2022-2023 all available federal funding, estimated at \$900,000,000.00, \$901,400,000.00~~  
7 for child nutrition programs and, for ~~2021-2022, all available federal funding, estimated~~  
8 ~~at \$30,700,000.00, and, for 2022-2023, all available federal funding, estimated at~~  
9 \$15,000,000.00, for food distribution programs.

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

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

16 Sec. 31p. (1) From the federal funding appropriated under section 11, there is  
17 allocated for 2022-2023 only an amount not to exceed \$50,000,000.00 from the federal  
18 funding awarded to this state from the coronavirus state fiscal recovery fund under the  
19 American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for grants to  
20 intermediate districts to implement a TRAILS program as described in subsection (2).

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

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

28 (4) The department shall award, in an equal amount, grants under this section to each  
29 intermediate district that has an approved grant application for funding under this  
30 section. Intermediate districts must ~~use funds received under this section for a direct~~  
31 ~~partnership with the TRAILS program described in subsection (2).~~ **forward an amount equal to**  
32 **the amount awarded to the intermediate district under this subsection to the TRAILS**

1 **programs. The TRAILS program must use funding received from intermediate districts to**  
2 **provide services described in this section statewide.**

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

5 (6) The funds allocated under this section for 2022-2023 are a work project  
6 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.  
7 The purpose of the work project is to continue support for the TRAILS program. The  
8 estimated completion date of the work project is December 31, 2026.

9 (7) The federal funding allocated under this section is intended to respond to the  
10 COVID-19 public health emergency and its negative impacts.

11 Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there  
12 is allocated to eligible intermediate districts and consortia of intermediate districts for  
13 great start readiness programs an amount not to exceed \$369,120,000.00 for 2022-2023. In  
14 addition, from the federal funding appropriated in section 11, there is allocated for 2022-  
15 2023 an amount not to exceed \$83,000,000.00 from the federal funding awarded to this state  
16 from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021,  
17 title IX, subtitle M of Public Law 117-2, to eligible intermediate districts and consortia  
18 of intermediate districts for great start readiness programs. An intermediate district or  
19 consortium shall use funds allocated under this section for great start readiness programs  
20 to provide part-day, school-day, or GSRP/Head Start blended comprehensive free compensatory  
21 classroom programs designed to improve the readiness and subsequent achievement of  
22 educationally disadvantaged children who meet the participant eligibility and  
23 prioritization guidelines as defined by the department. For a child to be eligible to  
24 participate in a program under this section, the child must be at least 4, but less than 5,  
25 years of age as of September 1 of the school year in which the program is offered and must  
26 meet those eligibility and prioritization guidelines. A child who is not 4 years of age as  
27 of September 1, but who will be 4 years of age not later than December 1, is eligible to  
28 participate if the child's parent or legal guardian seeks a waiver from the September 1  
29 eligibility date by submitting a request for enrollment in a program to the responsible  
30 intermediate district, if the program has capacity on or after September 1 of the school  
31 year, and if the child meets eligibility and prioritization guidelines.

32 (2) From the state school aid fund money allocated under subsection (1), an amount



1 not to exceed \$367,120,000.00 and from the federal funds allocated under subsection (1), an  
2 amount not to exceed \$83,000,000.00 is allocated to intermediate districts or consortia of  
3 intermediate districts based on the formula in section 39. An intermediate district or  
4 consortium of intermediate districts receiving funding under this section shall act as the  
5 fiduciary for the great start readiness programs. An intermediate district or consortium of  
6 intermediate districts receiving funding under this section may collaborate with local  
7 governments to identify children eligible for programs funded under this section and may  
8 contract with local governments to provide services. In order to be eligible to receive  
9 funds allocated under this subsection from an intermediate district or consortium of  
10 intermediate districts, a district, a consortium of districts, a local government, or a  
11 public or private for-profit or nonprofit legal entity or agency must comply with this  
12 section and section 39. ~~The funds allocated under this subsection for 2022-2023 are a work~~  
13 ~~project appropriation, and any unexpended funds for 2022-2023 are carried forward into~~  
14 ~~2023-2024. The purpose of the work project is to continue to improve access to preschool~~  
15 ~~programming for economically disadvantaged children. The estimated completion date of the~~  
16 ~~work project described in the immediately preceding sentence is September 30, 2024.~~

17 (3) In addition to the allocation under subsection (1), from the general fund money  
18 appropriated under section 11, there is allocated an amount not to exceed ~~\$350,000.00~~  
19 **\$500,000.00** for 2022-2023 for a competitive grant to continue a longitudinal evaluation of  
20 children who have participated in great start readiness programs.

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

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

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

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

1 (d) Physical and dental health and developmental screening services for all program  
2 participants.

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

5 (f) Active and continuous involvement of the parents or guardians of the program  
6 participants.

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

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

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

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

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

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

23 (b) Except as otherwise provided in this subdivision, ensure that at least 85% of the  
24 children participating in an eligible great start readiness program for whom the  
25 intermediate district is receiving funds under this section are children who live with  
26 families with a household income that is equal to or less than 250% of the federal poverty  
27 guidelines. If the intermediate district determines that all eligible children are being  
28 served and that there are no children on the waiting list who live with families with a  
29 household income that is equal to or less than 250% of the federal poverty guidelines, the  
30 intermediate district may then enroll children who live with families with a household  
31 income that is equal to or less than 300% of the federal poverty guidelines. The enrollment  
32 process must consider income and risk factors, such that children determined with higher

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

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

9 (i) Teachers possessing proper training. A lead teacher must have a valid Michigan  
10 teaching certificate with an early childhood or lower elementary endorsement or a  
11 bachelor's or higher degree in child development or early childhood education with  
12 specialization in preschool teaching. However, if an applicant demonstrates to the  
13 department that it is unable to fully comply with this subparagraph after making reasonable  
14 efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a  
15 paraprofessional in a great start readiness program classroom who have significant but  
16 incomplete training in early childhood education or child development may be used if the  
17 applicant provides to the department, and the department approves, a plan for each teacher  
18 to come into compliance with the standards in this subparagraph. A teacher's compliance  
19 plan must be completed within 3 years of the date of employment. Progress toward completion  
20 of the compliance plan consists of at least 2 courses per calendar year.

21 (ii) Paraprofessionals possessing proper training in early childhood education,  
22 including an associate degree in early childhood education or child development or the  
23 equivalent, or a child development associate (CDA) credential. However, if an applicant  
24 demonstrates to the department that it is unable to fully comply with this subparagraph  
25 after making reasonable efforts to comply, the applicant may use paraprofessionals who have  
26 completed at least 1 course that earns college credit in early childhood education or child  
27 development if the applicant provides to the department, and the department approves, a  
28 plan for each paraprofessional to come into compliance with the standards in this  
29 subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the  
30 date of employment. Progress toward completion of the compliance plan consists of at least  
31 2 courses or 60 clock hours of training per calendar year.

32 (d) Include a program budget that contains only those costs that are not reimbursed

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

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

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

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

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

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

30 (11) Each grant recipient shall enroll children identified under subsection (5) (b)  
31 according to how far the child's household income is below 250% of the federal poverty  
32 guidelines by ranking each applicant child's household income from lowest to highest and

1 dividing the applicant children into quintiles based on how far the child's household  
2 income is below 250% of the federal poverty guidelines, and then enrolling children in the  
3 quintile with the lowest household income before enrolling children in the quintile with  
4 the next lowest household income until slots are completely filled. If the grant recipient  
5 determines that all eligible children are being served and that there are no children on  
6 the waiting list who live with families with a household income that is equal to or less  
7 than 250% of the federal poverty guidelines, the grant recipient may then enroll children  
8 who live with families with a household income that is equal to or less than 300% of the  
9 federal poverty guidelines. The enrollment process must consider income and risk factors,  
10 such that children determined with higher need are enrolled before children with lesser  
11 need. For purposes of this subsection, all age-eligible children served in foster care or  
12 who are experiencing homelessness or who have individualized education programs  
13 recommending placement in an inclusive preschool setting are considered to live with  
14 families with household income equal to or less than 250% of the federal poverty guidelines  
15 regardless of actual family income and are prioritized for enrollment within the lowest  
16 quintile.

17 (12) An intermediate district or consortium of intermediate districts receiving a  
18 grant under this section shall allow parents of eligible children who are residents of the  
19 intermediate district or within the consortium to choose a program operated by or  
20 contracted with another intermediate district or consortium of intermediate districts and  
21 shall enter into a written agreement regarding payment, in a manner prescribed by the  
22 department.

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

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

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

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

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

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

1 allocation.

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

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

9 (b) Provide, or ensure that an organization with which the department contracts  
10 provides, a community-based provider with a validated great start to quality rating within  
11 90 days of the provider's having submitted a request and self-assessment.

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

18 (d) Not later than March 1 of each year, compile the results of the information  
19 reported by each intermediate district or consortium under subsection (13) and report to  
20 the legislature a list by intermediate district or consortium with the number and  
21 percentage of each intermediate district's or consortium's total allocation allocated to  
22 community-based providers by provider type, including private for-profit, private  
23 nonprofit, community college or university, Head Start grantee or delegate, and district or  
24 intermediate district.

25 (16) A recipient of funds under this section shall report to the center in a form and  
26 manner prescribed by the center the information necessary to derive the number of children  
27 participating in the program who meet the program eligibility criteria under subsection  
28 (5) (b), the number of eligible children not participating in the program and on a waitlist,  
29 and the total number of children participating in the program by various demographic groups  
30 and eligibility factors necessary to analyze equitable and priority access to services for  
31 the purposes of subsection (3).

32 (17) As used in this section:

1 (a) "GSRP/Head Start blended program" means a part-day program funded under this  
2 section and a Head Start program, which are combined for a school-day program.

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

6 (c) "Part-day program" means a program that operates at least 4 days per week, 30  
7 weeks per year, for at least 3 hours of teacher-child contact time per day but for fewer  
8 hours of teacher-child contact time per day than a school-day program.

9 (d) "School-day program" means a program that operates for at least the same length  
10 of day as a district's first grade program for a minimum of 4 days per week, 30 weeks per  
11 year. A classroom that offers a school-day program must enroll all children for the school  
12 day to be considered a school-day program.

13 (18) An intermediate district or consortium of intermediate districts receiving funds  
14 under this section shall establish and charge tuition according to a sliding scale of  
15 tuition rates based upon household income for children participating in an eligible great  
16 start readiness program who live with families with a household income that is more than  
17 250% of the federal poverty guidelines to be used by all of its providers, as approved by  
18 the department.

19 (19) From the amount allocated in subsection (2), there is allocated for 2022-2023 an  
20 amount not to exceed \$10,000,000.00 for reimbursement of transportation costs for children  
21 attending great start readiness programs funded under this section. To receive  
22 reimbursement under this subsection, not later than November 1 of each year, a program  
23 funded under this section that provides transportation shall submit to the intermediate  
24 district that is the fiscal agent for the program a projected transportation budget. The  
25 amount of the reimbursement for transportation under this subsection is no more than the  
26 projected transportation budget or \$300.00 multiplied by the number of children funded for  
27 the program under this section. If the amount allocated under this subsection is  
28 insufficient to fully reimburse the transportation costs for all programs that provide  
29 transportation and submit the required information, the department shall prorate the  
30 reimbursement in an equal amount per child funded. The department shall make payments to  
31 the intermediate district that is the fiscal agent for each program, and the intermediate  
32 district shall then reimburse the program provider for transportation costs as prescribed



1 under this subsection.

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

8 (a) The names of families provided with transportation support along with a  
9 documented reason for the need for transportation support and the type of transportation  
10 provided.

11 (b) Financial documentation of actual transportation costs incurred by the program,  
12 including, but not limited to, receipts and mileage reports, as determined by the  
13 department.

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

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

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

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

31 (24) From the funds allocated under subsection (1), there is allocated for 2022-2023  
32 an amount not to exceed \$2,000,000.00 for payments to intermediate districts or consortia

1 of intermediate districts for professional development and training materials for educators  
2 in programs implementing new curricula or child assessment tools approved for use in the  
3 great start readiness program.

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

7 (26) In addition to the allocation under subsection (1), from the state school aid  
8 fund money appropriated under section 11, there is allocated an amount not to exceed  
9 \$50,000,000.00 for 2022-2023 for classroom start up grants to intermediate districts and  
10 consortia of intermediate districts for new or expanding great start readiness classrooms.

11 (a) Intermediate districts and consortia of intermediate districts shall apply for  
12 funding under this subsection in a form and manner determined by the department.

13 (b) The department shall pay an amount not to exceed \$25,000.00 for each new or  
14 expanded classroom. If funding is not sufficient to fully fund all eligible applicants, the  
15 department must prorate the per classroom amount on an equal basis. If the allocation is  
16 not fully awarded in the current fiscal year, the department may award any remaining  
17 funding during fiscal year 2023-2024 for each new or expanded classroom at an equal amount  
18 per classroom, based on remaining available funds, not to exceed \$25,000.00 per classroom.

19 (c) Funds received under this subsection by intermediate districts and consortia of  
20 intermediate districts must be paid in full to the entity operating the classroom and may  
21 be used for any of the following purposes:

22 (i) Costs associated with attracting, recruiting, retaining, and licensing required  
23 classroom education personnel to staff new or expanded classrooms.

24 (ii) Supporting facility improvements or purchasing facility space necessary to  
25 provide a safe, high quality learning environment for children in each new or expanded  
26 classroom.

27 (iii) Outreach material necessary for public awareness that the great start readiness  
28 program has openings in the area and for costs associated with enrolling eligible children  
29 in new or expanded classrooms.

30 (iv) Supporting costs in each new or expanded classroom associated with improving a  
31 provider's great start to quality rating.

32 (d) The funds allocated under this subsection for 2022-2023 are a work project

1 appropriation, and any unexpended funds for 2022-2023 do not lapse to the state school aid  
2 fund and are carried forward into 2023-2024. The purpose of the work project is to continue  
3 support for new or expanded great start readiness classrooms. The estimated completion date  
4 of the work project is September 30, 2024.

5 (27) In addition to the funds allocated in subsection (1), from the federal funding  
6 appropriated under section 11, there is allocated for 2022-2023 only an amount not to  
7 exceed \$75,000,000.00 from the federal funding awarded to this state from the coronavirus  
8 state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M  
9 of Public Law 117-2, to expand the hours and weeks of great start readiness program  
10 teacher/child contact time beyond the school-day program levels described in subsection  
11 (17).

12 (a) Great start readiness program providers must apply for an expansion  
13 implementation grant in a form and manner determined by the department. Eligible applicants  
14 must increase the program week from 4 days to 5 days and add additional weeks to the  
15 program year and/or establish partnerships with the child development and care program to  
16 create full-day, full-year programming.

17 (b) For each eligible expanded program described in this subsection, the department  
18 shall pay a one-time expansion grant equal to \$75,000.00. If funding allocated in this  
19 subsection is not sufficient to fully fund all eligible applicants, the department shall  
20 prioritize funding towards programs in intermediate districts with the highest levels of  
21 poverty.

22 (c) The department must obligate funds received under this subsection before December  
23 31, 2024 and program providers must expend funds received under this section before  
24 December 31, 2026. The federal funds allocated under this section must be allocated and  
25 expended in a manner consistent with federal rules and regulations.

26 (d) Funds under this subsection are intended to respond to the COVID-19 public health  
27 emergency and its impact on early childhood education and participation in preschool  
28 programming.

29 (e) The funds allocated under this subsection for 2022-2023 are a work project  
30 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.  
31 The purpose of the work project is to expand participation in preschool programming. The  
32 estimated completion date of the work project is September 30, 2027.

1 (28) In addition to the funds allocated in subsection (1), there is allocated for  
2 2022-2023 only an amount not to exceed \$10,000,000.00 from the federal funding awarded to  
3 this state from the coronavirus state fiscal recovery fund under the American rescue plan  
4 act of 2021, title IX, subtitle M of Public Law 117-2, to implement a multi-year statewide  
5 campaign to raise awareness about the availability of services through the great start  
6 readiness program, and to develop systems to identify and reach out to eligible families.

7 (a) The department must partner with a consortium of intermediate districts and  
8 community-based organizations to use funding under this section for the following purposes:

9 (i) Implementing a statewide outreach campaign to make families aware of the  
10 availability of the great start readiness program.

11 (ii) Organizing community events and outreach activities to inform parents about the  
12 availability of the great start readiness program, the positive impacts of early childhood  
13 education, and additional early childhood programs available to families.

14 (iii) Developing and implementing a statewide website that allows providers to  
15 advertise available great start readiness slots and allows families to connect with  
16 providers to fill open slots. The website must include information about additional early  
17 childhood programs for families including, but not limited to, the child development and  
18 care program and Head Start.

19 (b) The department must obligate funds received under this subsection before December  
20 31, 2024 and must expend funds received under this section before December 31, 2026. The  
21 federal funds allocated under this section must be allocated and expended in a manner  
22 consistent with federal rules and regulations.

23 (c) Funds under this subsection are intended to respond to the COVID-19 public health  
24 emergency and its impact on early childhood education and participation in preschool  
25 programming.

26 (d) The funds allocated under this subsection for 2022-2023 are a work project  
27 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.  
28 The purpose of the work project is to raise awareness of and participation in great start  
29 readiness programming. The estimated completion date of the work project is September 30,  
30 2027.

31 (e) Notwithstanding section 17b, the department shall make payments under this  
32 subsection on a schedule determined by the department.

1 (29) The department may use up to 2.5% of the federal funds allocated in subsections  
2 (27) and (28) for the purposes of administering those subsections.

3 Sec. 32v. (1) From the federal funding appropriated under section 11, there is  
4 allocated for 2022-2023 only an amount not to exceed \$50,000,000.00 from the federal  
5 funding awarded to this state from the coronavirus state fiscal recovery fund under the  
6 American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to the  
7 department to implement an early childhood workforce project. This project is intended to  
8 respond to the COVID-19 public health emergency and its impact on the early learning and  
9 care workforce.

10 (2) With funds allocated in this section, the department, in collaboration with the  
11 department of licensing and regulatory affairs child care licensing bureau, and  
12 organizations with experience recruiting and training early childhood professionals, must  
13 do all of the following:

14 (a) Assess early childhood workforce needs, with a priority placed on professionals  
15 in child care, head start, and the great start readiness program settings, and support  
16 improvements in how data on the early learning and care workforce is collected, stored, and  
17 used for professional advancement.

18 (b) Update and promote clear career pathways for early learning and care roles.

19 (c) Ensure professional development, certificates, and degrees align to the career  
20 pathway and quality rating and improvement system.

21 (d) Develop and pilot alternative education and training programs, including, but not  
22 limited to, competency-based credentials and micro credentials for early learning and care  
23 professionals.

24 (e) Pilot projects that support the recruitment and retention of early learning and  
25 care professionals with a priority placed on professionals in child care and the great  
26 start readiness program settings.

27 (3) The department must obligate funds received under this section before December  
28 31, 2024 and must expend funds received under this section before December 31, 2026. The  
29 federal funds allocated under this section must be allocated and expended in a manner  
30 consistent with federal rules and regulations.

31 (4) The department may use an amount not to exceed 2.5% of the amount allocated in  
32 subsection (1) for the purpose of administering this section.

1 (5) Funds allocated under this section for 2022-2023 are a work project  
2 appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024.  
3 The purpose of the work project is to launch an early childhood workforce project to  
4 recruit, train, and retain professionals in all early learning settings, with a priority on  
5 child care and preschool settings. The estimated completion date of the work project is  
6 September 30, 2027.

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

9 Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated  
10 for 2022-2023 to districts, intermediate districts, and other eligible entities all  
11 available federal funding, estimated at ~~\$752,300,000.00~~, **\$754,700,000.00** for the federal  
12 programs under the no child left behind act of 2001, Public Law 107-110, or the every  
13 student succeeds act, Public Law 114-95. These funds are allocated as follows:

14 (a) An amount estimated at \$1,200,000.00 for 2022-2023 to provide students with drug-  
15 and violence-prevention programs and to implement strategies to improve school safety,  
16 funded from DED-OESE, drug-free schools and communities funds.

17 (b) An amount estimated at \$100,000,000.00 for 2022-2023 for the purpose of  
18 preparing, training, and recruiting high-quality teachers and class size reduction, funded  
19 from DED-OESE, improving teacher quality funds.

20 (c) An amount estimated at \$13,000,000.00 for 2022-2023 for programs to teach English  
21 to limited English proficient (LEP) children, funded from DED-OESE, language acquisition  
22 state grant funds.

23 (d) An amount estimated at \$2,800,000.00 for 2022-2023 for rural and low-income  
24 schools, funded from DED-OESE, rural and low income school funds.

25 (e) An amount estimated at \$535,000,000.00 for 2022-2023 to provide supplemental  
26 programs to enable educationally disadvantaged children to meet challenging academic  
27 standards, funded from DED-OESE, title I, disadvantaged children funds.

28 (f) An amount estimated at \$9,200,000.00 for 2022-2023 for the purpose of identifying  
29 and serving migrant children, funded from DED-OESE, title I, migrant education funds.

30 (g) An amount estimated at ~~\$39,000,000.00~~ **\$40,400,000.00** for 2022-2023 for the  
31 purpose of providing high-quality extended learning opportunities, after school and during  
32 the summer, for children in low-performing schools, funded from DED-OESE, twenty-first

1 century community learning center funds.

2 (h) An amount estimated at \$14,000,000.00 for 2022-2023 to help support local school  
3 improvement efforts, funded from DED-OESE, title I, local school improvement grants.

4 (i) An amount estimated at \$35,000,000.00 for 2022-2023 to improve the academic  
5 achievement of students, funded from DED-OESE, title IV, student support and academic  
6 enrichment grants.

7 (j) An amount estimated at \$3,100,000.00 for 2022-2023 for literacy programs that  
8 advance literacy skills for students from birth through grade 12, including, but not  
9 limited to, English-proficient students and students with disabilities, funded from DED-  
10 OESE, striving readers comprehensive literacy program.

11 **(k) An amount estimated at \$1,000,000.00 for 2022-2023 for grants to support and**  
12 **demonstrate innovative partnerships to train school-based mental health service providers,**  
13 **funded from DED-OESE, mental health service professional demonstration grant program.**

14 (2) From the federal funds appropriated in section 11, there is allocated to  
15 districts, intermediate districts, and other eligible entities all available federal  
16 funding, estimated at ~~\$56,500,000.00~~ **\$60,500,000.00** for 2022-2023 for the following  
17 programs that are funded by federal grants:

18 (a) An amount estimated at \$3,000,000.00 for 2022-2023 to provide services to  
19 homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

20 (b) An amount estimated at \$24,000,000.00 for 2022-2023 for providing career and  
21 technical education services to pupils, funded from DED-OVAE, basic grants to states.

22 (c) An amount estimated at \$14,000,000.00 for 2022-2023 for the Michigan charter  
23 school subgrant program, funded from DED-OII, public charter schools program funds.

24 (d) An amount estimated at ~~\$14,000,000.00~~ **\$18,000,000.00** for 2022-2023 for the  
25 purpose of promoting and expanding high-quality preschool services, funded from HHS-OCC,  
26 preschool development funds.

27 (e) An amount estimated at \$1,500,000.00 for 2022-2023 for the purpose of addressing  
28 priority substance abuse treatment, prevention, and mental health needs, funded from HHS-  
29 SAMHSA.

30 (3) The department shall distribute all federal funds allocated under this section in  
31 accordance with federal law and with flexibility provisions outlined in Public Law 107-116,  
32 and in the education flexibility partnership act of 1999, Public Law 106-25.

1 Notwithstanding section 17b, the department shall make payments of federal funds to  
2 districts, intermediate districts, and other eligible entities under this section on a  
3 schedule determined by the department.

4 (4) For the purposes of applying for federal grants appropriated under this article,  
5 the department shall allow an intermediate district to submit a consortium application on  
6 behalf of 2 or more districts with the agreement of those districts as appropriate  
7 according to federal rules and guidelines.

8 (5) For the purposes of funding federal title I grants under this article, in  
9 addition to any other federal grants for which the strict discipline academy is eligible,  
10 the department shall allocate to a strict discipline academy out of title I, part A an  
11 amount equal to what the strict discipline academy would have received if included and  
12 calculated under title I, part D, or what it would receive under the formula allocation  
13 under title I, part A, whichever is greater.

14 (6) As used in this section:

15 (a) "DED" means the United States Department of Education.

16 (b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

17 (c) "DED-OII" means the DED Office of Innovation and Improvement.

18 (d) "DED-OVAE" means the DED Office of Vocational and Adult Education.

19 (e) "HHS" means the United States Department of Health and Human Services.

20 (f) "HHS-OCC" means the HHS Office of Child Care.

21 (g) "HHS-SAMHSA" means the HHS Substance Abuse and Mental Health Services Project.

22 Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated  
23 an amount not to exceed ~~\$1,089,096,100.00 for 2021-2022 and there is allocated an amount~~  
24 ~~not to exceed \$1,460,503,100.00~~ **\$1,573,096,100.00** for 2022-2023 from state sources and all  
25 available federal funding under sections 1411 to 1419 of part B of the individuals with  
26 disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$380,000,000.00 for 2021-2022~~  
27 ~~and~~ \$390,000,000.00 for 2022-2023, plus any carryover federal funds from previous year  
28 appropriations. The allocations under this subsection are for the purpose of reimbursing  
29 districts and intermediate districts for special education programs, services, and special  
30 education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to  
31 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for  
32 the Deaf and Blind; and special education programs and services for pupils who are eligible



1 for special education programs and services according to statute or rule. For meeting the  
2 costs of special education programs and services not reimbursed under this article, a  
3 district or intermediate district may use money in general funds or special education  
4 funds, not otherwise restricted, or contributions from districts to intermediate districts,  
5 tuition payments, gifts and contributions from individuals or other entities, or federal  
6 funds that may be available for this purpose, as determined by the intermediate district  
7 plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761.  
8 Notwithstanding section 17b, the department shall make payments of federal funds to  
9 districts, intermediate districts, and other eligible entities under this section on a  
10 schedule determined by the department.

11 (2) From the funds allocated under subsection (1), there is allocated the amount  
12 necessary, estimated at ~~\$311,800,000.00 for 2021-2022 and estimated at \$323,300,000.00~~  
13 **\$350,500,000.00** for 2022-2023, for payments toward reimbursing districts and intermediate  
14 districts for 28.6138% of total approved costs of special education, excluding costs  
15 reimbursed under section 53a, and 70.4165% of total approved costs of special education  
16 transportation. Allocations under this subsection are made as follows:

17 ~~(a) For 2021-2022, the department shall calculate the initial amount allocated to a~~  
18 ~~district under this subsection toward fulfilling the specified percentages by multiplying~~  
19 ~~the district's special education pupil membership, excluding pupils described in subsection~~  
20 ~~(11), times the foundation allowance under section 20 of the pupil's district of residence,~~  
21 ~~plus the amount of the district's per-pupil allocation under section 20m, not to exceed the~~  
22 ~~target foundation allowance for the current fiscal year, or, for a special education pupil~~  
23 ~~in membership in a district that is a public school academy, times an amount equal to the~~  
24 ~~amount per membership pupil calculated under section 20(6). For an intermediate district,~~  
25 ~~the amount allocated under this subdivision toward fulfilling the specified percentages is~~  
26 ~~an amount per special education membership pupil, excluding pupils described in subsection~~  
27 ~~(11), and is calculated in the same manner as for a district, using the foundation~~  
28 ~~allowance under section 20 of the pupil's district of residence, not to exceed the target~~  
29 ~~foundation allowance for the current fiscal year, and that district's per-pupil allocation~~  
30 ~~under section 20m.~~

31 (a) ~~(b) For 2022-2023, the~~ **The** department shall calculate the initial amount  
32 allocated to a district under this subsection toward fulfilling the specified percentages

1 by multiplying the district's special education pupil membership, excluding pupils  
2 described in subsection (11), times 25% of the foundation allowance under section 20 of the  
3 pupil's district of residence, plus 25% of the amount of the district's per-pupil  
4 allocation under section 20m, not to exceed 25% of the target foundation allowance for the  
5 current fiscal year, or, for a special education pupil in membership in a district that is  
6 a public school academy, times an amount equal to 25% of the amount per membership pupil  
7 calculated under section 20(6). For an intermediate district, the amount allocated under  
8 this subdivision toward fulfilling the specified percentages is an amount per special  
9 education membership pupil, excluding pupils described in subsection (11), and is  
10 calculated in the same manner as for a district, using 25% of the foundation allowance  
11 under section 20 of the pupil's district of residence, not to exceed 25% of the target  
12 foundation allowance for the current fiscal year, and that district's per-pupil allocation  
13 under section 20m.

14 (b) ~~(c)~~ After the allocations under subdivision (a), ~~or (b), as applicable,~~ the  
15 department shall pay a district or intermediate district for which the payments calculated  
16 under subdivision (a) ~~or (b), as applicable,~~ do not fulfill the specified percentages the  
17 amount necessary to achieve the specified percentages for the district or intermediate  
18 district.

19 (3) From the funds allocated under subsection (1), there is allocated ~~for 2021-2022~~  
20 ~~an amount not to exceed \$1,000,000.00 and there is allocated for 2022-2023 an amount not to~~  
21 exceed \$1,000,000.00 to make payments to districts and intermediate districts under this  
22 subsection. If the amount allocated to a district or intermediate district for the fiscal  
23 year under subsection ~~(2)(c)~~ (2) (b) is less than the sum of the amounts allocated to the  
24 district or intermediate district for 1996-97 under sections 52 and 58, there is allocated  
25 to the district or intermediate district for the fiscal year an amount equal to that  
26 difference, adjusted by applying the same proration factor that was used in the  
27 distribution of funds under section 52 in 1996-97 as adjusted to the district's or  
28 intermediate district's necessary costs of special education used in calculations for the  
29 fiscal year. This adjustment is to reflect reductions in special education program  
30 operations or services between 1996-97 and subsequent fiscal years. The department shall  
31 make adjustments for reductions in special education program operations or services in a  
32 manner determined by the department and shall include adjustments for program or service

1 shifts.

2 (4) If the department determines that the sum of the amounts allocated for a fiscal  
3 year to a district or intermediate district under subsection (2) is not sufficient to  
4 fulfill the specified percentages in subsection (2), then the department shall pay the  
5 shortfall to the district or intermediate district during the fiscal year beginning on the  
6 October 1 following the determination and shall adjust payments under subsection (3) as  
7 necessary. If the department determines that the sum of the amounts allocated for a fiscal  
8 year to a district or intermediate district under subsection (2) exceeds the sum of the  
9 amount necessary to fulfill the specified percentages in subsection (2), then the  
10 department shall deduct the amount of the excess from the district's or intermediate  
11 district's payments under this article for the fiscal year beginning on the October 1  
12 following the determination and shall adjust payments under subsection (3) as necessary.  
13 ~~However, for 2021-2022 only, if the amount allocated under subsection (2)(a) in itself~~  
14 ~~exceeds the amount necessary to fulfill the specified percentages in subsection (2), there~~  
15 ~~is no deduction under this subsection. Beginning in 2022-2023, if~~ **If** the amount allocated  
16 under subsection ~~(2)(b)~~ **(2)(a)** in itself exceeds the amount necessary to fulfill the  
17 specified percentages in subsection (2), there is no deduction under this subsection.

18 (5) State funds are allocated on a total approved cost basis. Federal funds are  
19 allocated under applicable federal requirements.

20 (6) From the amount allocated in subsection (1), there is allocated an amount not to  
21 exceed ~~\$2,200,000.00 for 2021-2022 and there is allocated an amount not to exceed~~  
22 \$2,200,000.00 for 2022-2023 to reimburse 100% of the net increase in necessary costs  
23 incurred by a district or intermediate district in implementing the revisions in the  
24 administrative rules for special education that became effective on July 1, 1987. As used  
25 in this subsection, "net increase in necessary costs" means the necessary additional costs  
26 incurred solely because of new or revised requirements in the administrative rules minus  
27 cost savings permitted in implementing the revised rules. The department shall determine  
28 net increase in necessary costs in a manner specified by the department.

29 (7) For purposes of this section and sections 51b to 58, all of the following apply:

30 (a) "Total approved costs of special education" are determined in a manner specified  
31 by the department and may include indirect costs, but must not exceed 115% of approved  
32 direct costs for section 52 and section 53a programs. The total approved costs include

1 salary and other compensation for all approved special education personnel for the program,  
2 including payments for Social Security and Medicare and public school employee retirement  
3 system contributions. The total approved costs do not include salaries or other  
4 compensation paid to administrative personnel who are not special education personnel as  
5 that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed  
6 by federal funds, other than those federal funds included in the allocation made under this  
7 article, are not included. Special education approved personnel not utilized full time in  
8 the evaluation of students or in the delivery of special education programs, ancillary, and  
9 other related services are reimbursed under this section only for that portion of time  
10 actually spent providing these programs and services, with the exception of special  
11 education programs and services provided to youth placed in child caring institutions or  
12 juvenile detention programs approved by the department to provide an on-grounds education  
13 program.

14 (b) A district or intermediate district that employed special education support  
15 services staff to provide special education support services in 2003-2004 or in a  
16 subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of  
17 support services from another district or intermediate district shall report the cost of  
18 those support services for special education reimbursement purposes under this article.  
19 This subdivision does not prohibit the transfer of special education classroom teachers and  
20 special education classroom aides if the pupils counted in membership associated with those  
21 special education classroom teachers and special education classroom aides are transferred  
22 and counted in membership in the other district or intermediate district in conjunction  
23 with the transfer of those teachers and aides.

24 (c) If the department determines before bookclosing for a fiscal year that the  
25 amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and  
26 sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections  
27 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate  
28 district whose reimbursement for that fiscal year would otherwise be affected by  
29 subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for  
30 that district or intermediate district and the department shall calculate reimbursement for  
31 that district or intermediate district in the same manner as it was for 2003-2004. If the  
32 amount of the excess allocations under subsections (2), (3), (6), and (11) and sections

1 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those  
2 districts and intermediate districts under this subdivision, then the department shall  
3 prorate calculations and resulting reimbursement under this subdivision on an equal  
4 percentage basis. The amount of reimbursement under this subdivision for a fiscal year must  
5 not exceed \$2,000,000.00 for any district or intermediate district.

6 (d) Reimbursement for ancillary and other related services, as that term is defined  
7 by R 340.1701c of the Michigan Administrative Code, is not provided when those services are  
8 covered by and available through private group health insurance carriers or federal  
9 reimbursed program sources unless the department and district or intermediate district  
10 agree otherwise and that agreement is approved by the state budget director. Expenses,  
11 other than the incidental expense of filing, must not be borne by the parent. In addition,  
12 the filing of claims must not delay the education of a pupil. A district or intermediate  
13 district is responsible for payment of a deductible amount and for an advance payment  
14 required until the time a claim is paid.

15 (e) If an intermediate district purchases a special education pupil transportation  
16 service from a constituent district that was previously purchased from a private entity; if  
17 the purchase from the constituent district is at a lower cost, adjusted for changes in fuel  
18 costs; and if the cost shift from the intermediate district to the constituent does not  
19 result in any net change in the revenue the constituent district receives from payments  
20 under sections 22b and 51c, then upon application by the intermediate district, the  
21 department shall direct the intermediate district to continue to report the cost associated  
22 with the specific identified special education pupil transportation service and shall  
23 adjust the costs reported by the constituent district to remove the cost associated with  
24 that specific service.

25 (8) A pupil who is enrolled in a full-time special education program conducted or  
26 administered by an intermediate district or a pupil who is enrolled in the Michigan Schools  
27 for the Deaf and Blind is not included in the membership count of a district, but is  
28 counted in membership in the intermediate district of residence.

29 (9) Special education personnel transferred from 1 district to another to implement  
30 the revised school code are entitled to the rights, benefits, and tenure to which the  
31 individual would otherwise be entitled had that individual been employed by the receiving  
32 district originally.

1 (10) If a district or intermediate district uses money received under this section  
2 for a purpose other than the purpose or purposes for which the money is allocated, the  
3 department may require the district or intermediate district to refund the amount of money  
4 received. The department shall deposit money that is refunded in the state treasury to the  
5 credit of the state school aid fund.

6 (11) From the funds allocated in subsection (1), there is allocated the amount  
7 necessary, estimated at ~~\$1,500,000.00 for 2021-2022 and estimated at \$1,500,000.00~~  
8 **\$1,700,000.00** for 2022-2023, to pay the foundation allowances for pupils described in this  
9 subsection. The department shall calculate the allocation to a district under this  
10 subsection by multiplying the number of pupils described in this subsection who are counted  
11 in membership in the district times the sum of the foundation allowance under section 20 of  
12 the pupil's district of residence, plus the amount of the district's per-pupil allocation  
13 under section 20m, not to exceed the target foundation allowance for the current fiscal  
14 year, or, for a pupil described in this subsection who is counted in membership in a  
15 district that is a public school academy, times an amount equal to the amount per  
16 membership pupil under section 20(6). The department shall calculate the allocation to an  
17 intermediate district under this subsection in the same manner as for a district, using the  
18 foundation allowance under section 20 of the pupil's district of residence not to exceed  
19 the target foundation allowance for the current fiscal year and that district's per-pupil  
20 allocation under section 20m. This subsection applies to all of the following pupils:

21 (a) Pupils described in section 53a.

22 (b) Pupils counted in membership in an intermediate district who are not special  
23 education pupils and are served by the intermediate district in a juvenile detention or  
24 child caring facility.

25 (c) Pupils with an emotional impairment counted in membership by an intermediate  
26 district and provided educational services by the department of health and human services.

27 (12) If it is determined that funds allocated under subsection (2) or (11) or under  
28 section 51c will not be expended, funds up to the amount necessary and available may be  
29 used to supplement the allocations under subsection (2) or (11) or under section 51c in  
30 order to fully fund those allocations. After payments under subsections (2) and (11) and  
31 section 51c, the department shall expend the remaining funds from the allocation in  
32 subsection (1) in the following order:

1 (a) One hundred percent of the reimbursement required under section 53a.

2 (b) One hundred percent of the reimbursement required under subsection (6).

3 (c) One hundred percent of the payment required under section 54.

4 (d) One hundred percent of the payment required under subsection (3).

5 (e) One hundred percent of the payments under section 56.

6 (13) The allocations under subsections (2), (3), and (11) are allocations to  
7 intermediate districts only and are not allocations to districts, but instead are  
8 calculations used only to determine the state payments under section 22b.

9 (14) If a public school academy that is not a cyber school, as that term is defined  
10 in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil  
11 who resides outside of the intermediate district in which the public school academy is  
12 located and who is eligible for special education programs and services according to  
13 statute or rule, or who is a child with a disability, as that term is defined under the  
14 individuals with disabilities education act, Public Law 108-446, the intermediate district  
15 in which the public school academy is located and the public school academy shall enter  
16 into a written agreement with the intermediate district in which the pupil resides for the  
17 purpose of providing the pupil with a free appropriate public education, and the written  
18 agreement must include at least an agreement on the responsibility for the payment of the  
19 added costs of special education programs and services for the pupil. If the public school  
20 academy that enrolls the pupil does not enter into an agreement under this subsection, the  
21 public school academy shall not charge the pupil's resident intermediate district or the  
22 intermediate district in which the public school academy is located the added costs of  
23 special education programs and services for the pupil, and the public school academy is not  
24 eligible for any payouts based on the funding formula outlined in the resident or  
25 nonresident intermediate district's plan. If a pupil is not enrolled in a public school  
26 academy under this subsection, the provision of special education programs and services and  
27 the payment of the added costs of special education programs and services for a pupil  
28 described in this subsection are the responsibility of the district and intermediate  
29 district in which the pupil resides.

30 (15) For the purpose of receiving its federal allocation under part B of the  
31 individuals with disabilities education act, Public Law 108-446, a public school academy  
32 that is a cyber school, as that term is defined in section 551 of the revised school code,

1 MCL 380.551, and is in compliance with section 553a of the revised school code, MCL  
2 380.553a, directly receives the federal allocation under part B of the individuals with  
3 disabilities education act, Public Law 108-446, from the intermediate district in which the  
4 cyber school is located, as the subrecipient. If the intermediate district does not  
5 distribute the funds described in this subsection to the cyber school by the part B  
6 application due date of July 1, the department may distribute the funds described in this  
7 subsection directly to the cyber school according to the formula prescribed in 34 CFR  
8 300.705 and 34 CFR 300.816. Beginning July 1, 2021, this subsection is subject to section  
9 8c. It is the intent of the legislature that the immediately preceding sentence apply  
10 retroactively and is effective July 1, 2021.

11 (16) For a public school academy that is a cyber school, as that term is defined in  
12 section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a  
13 of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the  
14 intermediate district in which the cyber school is located shall ensure that the cyber  
15 school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised  
16 school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757;  
17 applicable rules; and the individuals with disabilities education act, Public Law 108-446.  
18 Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the  
19 legislature that the immediately preceding sentence apply retroactively and is effective  
20 July 1, 2021.

21 (17) For the purposes of this section, the department or the center shall only  
22 require a district or intermediate district to report information that is not already  
23 available from the financial information database maintained by the center.

24 Sec. 51c. As required by the court in the consolidated cases known as Durant v State  
25 of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1), there is  
26 allocated for ~~2021-2022 and for 2022-2023~~, the amount necessary, estimated at  
27 ~~\$686,200,000.00 for 2021-2022 and \$709,900,000.00~~ **\$779,600,000.00** for 2022-2023, for  
28 payments to reimburse districts for 28.6138% of total approved costs of special education  
29 excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of  
30 special education transportation. Funds allocated under this section that are not expended  
31 in the fiscal year for which they were allocated, as determined by the department, may be  
32 used to supplement the allocations under sections 22a and 22b to fully fund those



1 allocations for the same fiscal year. For each fund transfer as described in the  
2 immediately preceding sentence that occurs, the state budget director shall send  
3 notification of the transfer to the house and senate appropriations subcommittees on state  
4 school aid and the house and senate fiscal agencies by not later than 14 calendar days  
5 after the transfer occurs.

6 Sec. 51e. (1) From the allocation under section 51a(1), there is allocated for 2022-  
7 2023 the amount necessary, estimated at ~~\$336,207,000.00~~ **\$351,700,000.00** for 2022-2023 for  
8 payments to districts and intermediate districts for 75% of foundation allowance costs  
9 associated with special education pupils.

10 (2) The department shall calculate the amount allocated to a district under this  
11 section by multiplying the district's special education pupil membership, excluding pupils  
12 described in section 51a(11), times 75% of the foundation allowance under section 20 of the  
13 pupil's district of residence, plus 75% of the amount of the district's per-pupil  
14 allocation under section 20m, not to exceed 75% of the target foundation allowance for the  
15 current fiscal year, or, for a special education pupil in membership in a district that is  
16 a public school academy, times an amount equal to 75% of the amount per membership pupil  
17 calculated under section 20(6). For an intermediate district, the amount allocated under  
18 this subsection is an amount per special education membership pupil, excluding pupils  
19 described in section 51a(11), and is calculated in the same manner as for a district, using  
20 75% of the foundation allowance under section 20 of the pupil's district of residence, not  
21 to exceed 75% of the target foundation allowance for the current fiscal year, and 75% of  
22 that district's per-pupil allocation under section 20m.

23 (3) In addition to the amount calculated in subsection (2), there is allocated the  
24 difference between the amount received under section 51f in the 2021-2022 fiscal year and  
25 the amount calculated under subsection (2). If the calculated amount under subsection (2)  
26 exceeds the amount received by the district or intermediate district under section 51f for  
27 the 2021-2022 fiscal year, there is no payment calculated under this subsection.

28 Sec. 56. (1) For the purposes of this section:

29 (a) "Membership" means for a particular fiscal year the total membership of the  
30 intermediate district and the districts constituent to the intermediate district, except  
31 that if a district has elected not to come under part 30 of the revised school code, MCL  
32 380.1711 to 380.1741, membership of the district is not included in the membership of the

1 intermediate district.

2 (b) "Millage levied" means the millage levied for special education under part 30 of  
3 the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service  
4 obligations.

5 (c) "Taxable value" means the total taxable value of the districts constituent to an  
6 intermediate district, except that if a district has elected not to come under part 30 of  
7 the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not  
8 included in the taxable value of the intermediate district.

9 (2) From the allocation under section 51a(1), there is allocated an amount not to  
10 exceed \$40,008,100.00 for 2021-2022 and an amount not to exceed \$40,008,100.00 for 2022-  
11 2023 to reimburse intermediate districts levying millages for special education under part  
12 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure  
13 of the reimbursement are limited as if the funds were generated by these millages and  
14 governed by the intermediate district plan adopted under article 3 of the revised school  
15 code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this section, an  
16 intermediate district distributing any portion of special education millage funds to its  
17 constituent districts must submit for departmental approval and implement a distribution  
18 plan.

19 ~~(3) Except as otherwise provided in this subsection, reimbursement for those millages~~  
20 ~~levied in 2020-2021 is made in 2021-2022 at an amount per 2020-2021 membership pupil~~  
21 ~~computed by subtracting from \$218,200.00 the 2020-2021 taxable value behind each membership~~  
22 ~~pupil and multiplying the resulting difference by the 2020-2021 millage levied, and then~~  
23 ~~subtracting from that amount the 2020-2021 local community stabilization share revenue for~~  
24 ~~special education purposes behind each membership pupil for reimbursement of personal~~  
25 ~~property exemption loss under the local community stabilization authority act, 2014 PA 86,~~  
26 ~~MCL 123.1341 to 123.1362. Reimbursement in 2021-2022 for an intermediate district whose~~  
27 ~~2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to~~  
28 ~~102.5% of the 2017-2018 allocation to that intermediate district.~~

29 (3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those  
30 millages levied in 2021-2022 is made in 2022-2023 at an amount per 2021-2022 membership  
31 pupil computed by subtracting from ~~\$229,600.00~~ **\$230,000.00** the 2021-2022 taxable value  
32 behind each membership pupil and multiplying the resulting difference by the 2021-2022

1 millage levied, and then subtracting from that amount the 2021-2022 local community  
2 stabilization share revenue for special education purposes and 2021-2022 tax increment  
3 revenues captured by a brownfield redevelopment authority created under the brownfield  
4 redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, behind each membership  
5 pupil for reimbursement of personal property exemption loss under the local community  
6 stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, and reimbursements paid  
7 under section 26d for tax increment revenues captured by a brownfield redevelopment  
8 authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to  
9 125.2670. Reimbursement in 2022-2023 for an intermediate district whose 2017-2018  
10 allocation was affected by the operation of subsection ~~(5)~~ **(4)** is an amount equal to 102.5%  
11 of the 2017-2018 allocation to that intermediate district.

12 **(4)** ~~(5)~~—The department shall ensure that the amount paid to a single intermediate  
13 district under subsection (2) does not exceed 62.9% of the total amount allocated under  
14 subsection (2).

15 **(5)** ~~(6)~~—The department shall ensure that the amount paid to a single intermediate  
16 district under subsection (2) is not less than 75% of the amount allocated to the  
17 intermediate district under subsection (2) for the immediately preceding fiscal year.

18 **(6)** ~~(7)~~—From the allocation under section 51a(1), there is allocated an amount not to  
19 exceed \$34,200,000.00 for ~~2021-2022 and an amount not to exceed \$34,200,000.00 for~~ 2022-  
20 2023, to provide payments to intermediate districts levying millages for special education  
21 under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and  
22 expenditure of the payments under this subsection are limited as if the funds were  
23 generated by these millages and governed by the intermediate district plan adopted under  
24 article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall  
25 provide a payment under this subsection to each intermediate district described in this  
26 subsection as follows:

27 ~~(a) For 2021-2022, except as otherwise provided in this subsection, for an~~  
28 ~~intermediate district with a 3-year average special education millage revenue per pupil in~~  
29 ~~the immediately preceding fiscal year that is less than \$251.00 and that is levying at~~  
30 ~~least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of~~  
31 ~~the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the~~  
32 ~~3-year average special education millage revenue per pupil in the immediately preceding~~

1 ~~fiscal year and, only if the millage levied by the intermediate district is less than 1,~~  
2 ~~multiplying that amount by the number of mills levied divided by 1, and then multiplying~~  
3 ~~that amount by the 3-year average membership in the immediately preceding fiscal year, and~~  
4 ~~then subtracting from that amount the amount allocated under subsection (2) for the current~~  
5 ~~fiscal year. If the calculation under this subdivision results in an amount below zero,~~  
6 ~~there is no payment under this subdivision.~~

7 ~~(b) For 2021-2022, except as otherwise provided in this subsection, for an~~  
8 ~~intermediate district with a 3-year average special education millage revenue per pupil in~~  
9 ~~the immediately preceding fiscal year that is less than \$281.00 and that is levying at~~  
10 ~~least 60.0% of its maximum millage rate allowed under section 1724a of the revised school~~  
11 ~~code, MCL 380.1724a, an amount computed by subtracting from \$281.00 the 3-year average~~  
12 ~~special education millage revenue per pupil in the immediately preceding fiscal year, and,~~  
13 ~~only if the millage levied by the intermediate district is less than 1, multiplying that~~  
14 ~~amount by the number of mills levied divided by 1, and then multiplying that amount by the~~  
15 ~~3-year average membership in the immediately preceding fiscal year, and then subtracting~~  
16 ~~from that amount the amount allocated under subsection (2) for the current fiscal year. If~~  
17 ~~the calculation under this subdivision results in an amount below zero, there is no payment~~  
18 ~~under this subdivision.~~

19 ~~(a) (c)~~ For 2022-2023, except as otherwise provided in this subsection, for an  
20 intermediate district with a 3-year average special education millage revenue per pupil in  
21 the immediately preceding fiscal year that is less than \$251.00 and that is levying at  
22 least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of  
23 the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the  
24 3-year average special education millage revenue per pupil in the immediately preceding  
25 fiscal year and, only if the millage levied by the intermediate district is less than 1,  
26 multiplying that amount by the number of mills levied divided by 1, and then multiplying  
27 that amount by the 3-year average membership in the immediately preceding fiscal year, and  
28 then subtracting from that amount the amount allocated under subsection (2) for the current  
29 fiscal year. If the calculation under this subdivision results in an amount below zero,  
30 there is no payment under this subdivision.

31 ~~(b) (d)~~ For 2022-2023, except as otherwise provided in this subsection, for an  
32 intermediate district with a 3-year average special education millage revenue per pupil in

1 the immediately preceding fiscal year that is less than \$296.00 and that is levying at  
2 least 60.0% of its maximum millage rate allowed under section 1724a of the revised school  
3 code, MCL 380.1724a, an amount computed by subtracting from \$296.00 the 3-year average  
4 special education millage revenue per pupil in the immediately preceding fiscal year, and,  
5 only if the millage levied by the intermediate district is less than 1, multiplying that  
6 amount by the number of mills levied divided by 1, and then multiplying that amount by the  
7 3-year average membership in the immediately preceding fiscal year, and then subtracting  
8 from that amount the amount allocated under subsection (2) for the current fiscal year. If  
9 the calculation under this subdivision results in an amount below zero, there is no payment  
10 under this subdivision.

11 ~~(7) (8)~~—As used in subsection ~~(7)~~—(6)

12 (a) "3-year average membership" means the 3-year average pupil membership for each of  
13 the 3 most recent fiscal years.

14 (b) "3-year average special education millage revenue per pupil" means the 3-year  
15 average taxable value per mill levied behind each membership pupil for each of the 3 most  
16 recent fiscal years multiplied by the millage levied in the most recent fiscal year.

17 Sec. 62. (1) For the purposes of this section:

18 (a) "Membership" means for a particular fiscal year the total membership of the  
19 intermediate district and the districts constituent to the intermediate district or the  
20 total membership of the area vocational-technical program, except that if a district has  
21 elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to  
22 380.690, the membership of that district are not included in the membership of the  
23 intermediate district. However, the membership of a district that has elected not to come  
24 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included  
25 in the membership of the intermediate district if the district meets both of the following:

26 (i) The district operates the area vocational-technical education program pursuant to  
27 a contract with the intermediate district.

28 (ii) The district contributes an annual amount to the operation of the program that is  
29 commensurate with the revenue that would have been raised for operation of the program if  
30 millage were levied in the district for the program under sections 681 to 690 of the  
31 revised school code, MCL 380.681 to 380.690.

32 (b) "Millage levied" means the millage levied for area vocational-technical education

1 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a  
2 levy for debt service obligations incurred as the result of borrowing for capital outlay  
3 projects and in meeting capital projects fund requirements of area vocational-technical  
4 education.

5 (c) "Taxable value" means the total taxable value of the districts constituent to an  
6 intermediate district or area vocational-technical education program, except that if a  
7 district has elected not to come under sections 681 to 690 of the revised school code, MCL  
8 380.681 to 380.690, the taxable value of that district is not included in the taxable value  
9 of the intermediate district. However, the taxable value of a district that has elected not  
10 to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is  
11 included in the taxable value of the intermediate district if the district meets both of  
12 the following:

13 (i) The district operates the area vocational-technical education program pursuant to  
14 a contract with the intermediate district.

15 (ii) The district contributes an annual amount to the operation of the program that is  
16 commensurate with the revenue that would have been raised for operation of the program if  
17 millage were levied in the district for the program under sections 681 to 690 of the  
18 revised school code, MCL 380.681 to 380.690.

19 (2) From the appropriation in section 11, there is allocated an amount not to exceed  
20 \$9,190,000.00 ~~each fiscal year for 2021-2022 and for 2022-2023~~ to reimburse intermediate  
21 districts and area vocational-technical education programs established under section 690(3)  
22 of the revised school code, MCL 380.690, levying millages for area vocational-technical  
23 education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The  
24 purpose, use, and expenditure of the reimbursement are limited as if the funds were  
25 generated by those millages.

26 ~~(3) Reimbursement for those millages levied in 2020-2021 is made in 2021-2022 at an~~  
27 ~~amount per 2020-2021 membership pupil computed by subtracting from \$227,300.00 the 2020-~~  
28 ~~2021 taxable value behind each membership pupil and multiplying the resulting difference by~~  
29 ~~the 2020-2021 millage levied, and then subtracting from that amount the 2020-2021 local~~  
30 ~~community stabilization share revenue for area vocational technical education behind each~~  
31 ~~membership pupil for reimbursement of personal property exemption loss under the local~~  
32 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

1           **(3)** ~~(4)~~—Reimbursement for those millages levied in 2021-2022 is made in 2022-2023 at  
2 an amount per 2021-2022 membership pupil computed by subtracting from ~~\$237,500.00~~  
3 **\$238,000.00** the 2021-2022 taxable value behind each membership pupil and multiplying the  
4 resulting difference by the 2021-2022 millage levied, and then subtracting from that amount  
5 the 2021-2022 local community stabilization share revenue for area vocational technical  
6 education and 2021-2022 tax increment revenues captured by a brownfield redevelopment  
7 authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL  
8 125.2651 to 125.2670, behind each membership pupil for reimbursement of personal property  
9 exemption loss under the local community stabilization authority act, 2014 PA 86, MCL  
10 123.1341 to 123.1362, and reimbursements paid under section 26d for tax increment revenues  
11 captured by a brownfield redevelopment authority under the brownfield redevelopment  
12 financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

13           **(4)** ~~(5)~~ The department shall ensure that the amount paid to a single intermediate  
14 district under this section does not exceed 38.4% of the total amount allocated under  
15 subsection (2).

16           **(5)** ~~(6)~~ The department shall ensure that the amount paid to a single intermediate  
17 district under this section is not less than 75% of the amount allocated to the  
18 intermediate district under this section for the immediately preceding fiscal year.

19           Sec. 147b. (1) The MPSERS retirement obligation reform reserve fund is created as a  
20 separate account within the state school aid fund.

21           (2) The state treasurer may receive money or other assets from any source for deposit  
22 into the MPSERS retirement obligation reform reserve fund. The state treasurer shall direct  
23 the investment of the MPSERS retirement obligation reform reserve fund. The state treasurer  
24 shall credit to the MPSERS retirement obligation reform reserve fund interest and earnings  
25 from the MPSERS retirement obligation reform reserve fund.

26           (3) Money available in the MPSERS retirement obligation reform reserve fund must not  
27 be expended without a specific appropriation.

28           (4) Money in the MPSERS retirement obligation reform reserve fund at the close of the  
29 fiscal year remains in the MPSERS retirement obligation reform reserve fund and does not  
30 lapse to the state school aid fund or to the general fund. The department of treasury is  
31 the administrator of the MPSERS retirement obligation reform reserve fund for auditing  
32 purposes.

1           (5) For 2022-2023, ~~\$425,000,000.00~~ **\$925,000,000.00** from the state school aid fund is  
2 deposited into the MPSERS retirement obligation reform reserve fund. It is the intent of  
3 the legislature that **\$425,000,000.00 of the** funds deposited under this subsection are used  
4 to offset costs associated with accelerating the reduction of the payroll growth assumption  
5 for reporting units that are not university reporting units until that rate is zero by  
6 October 1, 2026.



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ARTICLE II

STATE AID TO COMMUNITY COLLEGES

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2023, from the funds indicated in this section. The following is a summary of the appropriations in this section, **section 201f, and section 201g:**

(a) The gross appropriation is ~~\$530,258,000.00.~~ **\$605,129,200.00** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$530,258,000.00.~~ **\$605,129,200.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$81,200,000.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$449,058,000.00.~~ **\$523,929,200.00.**

(v) State general fund/general purpose money, \$0.00.

(2) Subject to subsection (3), the amount appropriated for community college

1 operations is \$341,224,400.00, allocated as follows:

2 (a) The appropriation for Alpena Community College is \$6,040,500.00, \$5,753,300.00  
3 for operations, \$273,500.00 for performance funding, and \$13,700.00 for costs incurred  
4 under the North American Indian tuition waiver.

5 (b) The appropriation for Bay de Noc Community College is \$5,986,700.00,  
6 \$5,602,800.00 for operations, \$274,200.00 for performance funding, and \$109,700.00 for  
7 costs incurred under the North American Indian tuition waiver.

8 (c) The appropriation for Delta College is \$15,928,400.00, \$15,160,500.00 for  
9 operations, \$727,700.00 for performance funding, and \$40,200.00 for costs incurred under  
10 the North American Indian tuition waiver.

11 (d) The appropriation for Glen Oaks Community College is \$2,802,100.00, \$2,651,200.00  
12 for operations, \$150,900.00 for performance funding, and \$0.00 for costs incurred under the  
13 North American Indian tuition waiver.

14 (e) The appropriation for Gogebic Community College is \$5,145,800.00, \$4,873,700.00  
15 for operations, \$229,600.00 for performance funding, and \$42,500.00 for costs incurred  
16 under the North American Indian tuition waiver.

17 (f) The appropriation for Grand Rapids Community College is \$19,950,600.00,  
18 \$18,773,100.00 for operations, \$993,100.00 for performance funding, and \$184,400.00 for  
19 costs incurred under the North American Indian tuition waiver.

20 (g) The appropriation for Henry Ford College is \$23,731,400.00, \$22,533,100.00 for  
21 operations, \$1,167,000.00 for performance funding, and \$31,300.00 for costs incurred under  
22 the North American Indian tuition waiver.

23 (h) The appropriation for Jackson College is \$13,337,700.00, \$12,756,200.00 for  
24 operations, \$538,900.00 for performance funding, and \$42,600.00 for costs incurred under  
25 the North American Indian tuition waiver.

26 (i) The appropriation for Kalamazoo Valley Community College is \$13,832,700.00,  
27 \$13,099,900.00 for operations, \$676,200.00 for performance funding, and \$56,600.00 for  
28 costs incurred under the North American Indian tuition waiver.

29 (j) The appropriation for Kellogg Community College is \$10,781,400.00, \$10,267,100.00  
30 for operations, \$487,300.00 for performance funding, and \$27,000.00 for costs incurred  
31 under the North American Indian tuition waiver.

32 (k) The appropriation for Kirtland Community College is \$3,601,000.00, \$3,358,400.00

1 for operations, \$219,500.00 for performance funding, and \$23,100.00 for costs incurred  
2 under the North American Indian tuition waiver.

3 (l) The appropriation for Lake Michigan College is \$5,990,800.00, \$5,702,700.00 for  
4 operations, \$275,700.00 for performance funding, and \$12,400.00 for costs incurred under  
5 the North American Indian tuition waiver.

6 (m) The appropriation for Lansing Community College is \$34,339,200.00, \$32,852,000.00  
7 for operations, \$1,376,900.00 for performance funding, and \$110,300.00 for costs incurred  
8 under the North American Indian tuition waiver.

9 (n) The appropriation for Macomb Community College is \$35,950,400.00, \$34,276,100.00  
10 for operations, \$1,635,800.00 for performance funding, and \$38,500.00 for costs incurred  
11 under the North American Indian tuition waiver.

12 (o) The appropriation for Mid Michigan Community College is \$5,555,700.00,  
13 \$5,184,400.00 for operations, \$273,700.00 for performance funding, and \$97,600.00 for costs  
14 incurred under the North American Indian tuition waiver.

15 (p) The appropriation for Monroe County Community College is \$5,005,000.00,  
16 \$4,746,200.00 for operations, \$257,400.00 for performance funding, and \$1,400.00 for costs  
17 incurred under the North American Indian tuition waiver.

18 (q) The appropriation for Montcalm Community College is \$3,767,400.00, \$3,570,600.00  
19 for operations, \$188,300.00 for performance funding, and \$8,500.00 for costs incurred under  
20 the North American Indian tuition waiver.

21 (r) The appropriation for C.S. Mott Community College is \$17,127,100.00,  
22 \$16,440,000.00 for operations, \$658,300.00 for performance funding, and \$28,800.00 for  
23 costs incurred under the North American Indian tuition waiver.

24 (s) The appropriation for Muskegon Community College is \$9,775,400.00, \$9,289,100.00  
25 for operations, \$444,300.00 for performance funding, and \$42,000.00 for costs incurred  
26 under the North American Indian tuition waiver.

27 (t) The appropriation for North Central Michigan College is \$3,779,800.00,  
28 \$3,389,300.00 for operations, \$226,600.00 for performance funding, and \$163,900.00 for  
29 costs incurred under the North American Indian tuition waiver.

30 (u) The appropriation for Northwestern Michigan College is \$10,162,300.00,  
31 \$9,567,100.00 for operations, \$439,700.00 for performance funding, and \$155,500.00 for  
32 costs incurred under the North American Indian tuition waiver.

1 (v) The appropriation for Oakland Community College is \$23,505,300.00, \$22,211,700.00  
2 for operations, \$1,257,800.00 for performance funding, and \$35,800.00 for costs incurred  
3 under the North American Indian tuition waiver.

4 (w) The appropriation for Schoolcraft College is \$13,960,700.00, \$13,196,200.00 for  
5 operations, \$743,300.00 for performance funding, and \$21,200.00 for costs incurred under  
6 the North American Indian tuition waiver.

7 (x) The appropriation for Southwestern Michigan College is \$7,359,900.00,  
8 \$6,979,400.00 for operations, \$353,400.00 for performance funding, and \$27,100.00 for costs  
9 incurred under the North American Indian tuition waiver.

10 (y) The appropriation for St. Clair County Community College is \$7,805,200.00,  
11 \$7,385,200.00 for operations, \$401,400.00 for performance funding, and \$18,600.00 for costs  
12 incurred under the North American Indian tuition waiver.

13 (z) The appropriation for Washtenaw Community College is \$14,875,000.00,  
14 \$13,855,900.00 for operations, \$995,400.00 for performance funding, and \$23,700.00 for  
15 costs incurred under the North American Indian tuition waiver.

16 (aa) The appropriation for Wayne County Community College is \$18,384,700.00,  
17 \$17,593,400.00 for operations, \$782,700.00 for performance funding, and \$8,600.00 for costs  
18 incurred under the North American Indian tuition waiver.

19 (bb) The appropriation for West Shore Community College is \$2,742,200.00,  
20 \$2,585,600.00 for operations, \$135,400.00 for performance funding, and \$21,200.00 for costs  
21 incurred under the North American Indian tuition waiver.

22 (3) The amount appropriated in subsection (2) for community college operations is  
23 \$341,224,400.00 and is appropriated from the state school aid fund.

24 (4) From the appropriations described in subsection (1), both of the following apply:

25 (a) Subject to section 207a, the amount appropriated for fiscal year 2022-2023 to  
26 offset certain fiscal year 2022-2023 retirement contributions is \$1,733,600.00,  
27 appropriated from the state school aid fund.

28 (b) For fiscal year 2022-2023, there is allocated an amount not to exceed  
29 \$10,800,000.00 for payments to participating community colleges, appropriated from the  
30 state school aid fund. A community college that receives money under this subdivision shall  
31 use that money solely for the purpose of offsetting the normal cost contribution rate.

32 (5) From the appropriations described in subsection (1), subject to section 207b, the

1 amount appropriated for payments to community colleges that are participating entities of  
2 the retirement system is \$92,600,000.00, appropriated from the state school aid fund.

3 (6) From the appropriations described in subsection (1), subject to section 207c, the  
4 amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated  
5 from the state school aid fund. Each community college receiving funds in this subsection  
6 shall accrue these payments to its institutional fiscal year ending June 30, 2023.

7 (7) From the appropriations described in subsection (1), subject to section 216, the  
8 amount appropriated for the Michigan reconnect grant program short-term training grants is  
9 \$6,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the  
10 American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.

11 (8) From the appropriations described in subsection (1), there is appropriated  
12 \$9,200,000.00 from the coronavirus state fiscal recovery funds under the American rescue  
13 plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only,  
14 to the nonprofit organization Talent 2025, for the creation and operation of the Michigan  
15 center for adult college success to focus on research, support models, and best practices  
16 on ensuring enrollment and completion of college degrees and certificates among adults  
17 returning to further their education due to being unemployed or underemployed, including,  
18 but not limited to, those whose employment opportunities have been adversely affected by  
19 the COVID-19 pandemic. The goal of the research is to identify barriers that prevent these  
20 individuals from completing degree and certificate programs, create greater support systems  
21 within colleges and universities for these students that address these barriers, and as a  
22 result increase the number of adults completing degree and certificate programs. This  
23 research is meant to serve the overarching aim of increasing the skills and training of  
24 Michiganders impacted by the COVID-19 pandemic. Talent 2025 shall provide information on  
25 request to the house and senate appropriations subcommittees on community colleges, the  
26 house and senate fiscal agencies, and the state budget director on the use of these funds  
27 until the project is completed.

28 (9) From the appropriations described in subsection (1), subject to section 216a,  
29 there is appropriated \$10,000,000.00, from the coronavirus state fiscal recovery funds  
30 under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for  
31 fiscal year 2022-2023 only, to the Michigan Community College Association, for the  
32 community college academic catch-up program.

1 (11) From the appropriations described in subsection (1), subject to section 216b,  
2 the amount appropriated for the Michigan ADN to BSN completion grant program is  
3 \$56,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the  
4 American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.

5 **Sec. 201f. (1) From the funds appropriated in section 201, for the fiscal year ending**  
6 **September 30, 2023 only, there is appropriated an amount not to exceed \$58,722,500.00 from**  
7 **the state school aid fund for infrastructure, technology, equipment, and maintenance. These**  
8 **funds are intended to be used for necessary improvements and deferred maintenance of**  
9 **community college buildings, facilities, and other physical infrastructure; necessary**  
10 **improvements and deferred maintenance of information technology, other technology**  
11 **infrastructure, and other equipment; and other purposes related to infrastructure,**  
12 **technology, equipment, and maintenance. These funds are not intended to be used for any**  
13 **other purpose than what is specified in this section. These funds are distributed to each**  
14 **community college according to their respective share of total fiscal year equated students**  
15 **as reported to the Michigan community college data inventory for the fiscal year ending**  
16 **September 30, 2022. Payments to community colleges under this section shall be distributed**  
17 **in one lump sum to each institution.**

18 (2) From the amount appropriated in subsection (1), each community college is  
19 allocated the following:

- 20 (a) Alpena Community College, \$505,100.00.
- 21 (b) Bay de Noc Community College, \$713,700.00.
- 22 (c) Delta College, \$2,681,100.00.
- 23 (d) Glen Oaks Community College, \$399,400.00.
- 24 (e) Gogebic Community College, \$346,200.00.
- 25 (f) Grand Rapids Community College, \$4,569,300.00.
- 26 (g) Henry Ford College, \$4,709,300.00.
- 27 (h) Jackson College, \$1,734,000.00.
- 28 (i) Kalamazoo Valley Community College, \$2,632,600.00.
- 29 (j) Kellogg Community College, \$1,296,200.00.
- 30 (k) Kirtland Community College, \$470,300.00.
- 31 (l) Lake Michigan College, \$1,029,200.00.
- 32 (m) Lansing Community College, \$4,005,100.00.

- 1 (n) Macomb Community College, \$6,641,800.00.
- 2 (o) Mid Michigan Community College, \$1,124,900.00.
- 3 (p) Monroe County Community College, \$848,400.00.
- 4 (q) Montcalm Community College, \$494,500.00.
- 5 (r) C.S. Mott Community College, \$2,517,400.00.
- 6 (s) Muskegon Community College, \$1,452,800.00.
- 7 (t) North Central Michigan College, \$524,600.00.
- 8 (u) Northwestern Michigan College, \$1,265,500.00.
- 9 (v) Oakland Community College, \$5,590,800.00.
- 10 (w) Schoolcraft College, \$3,424,900.00.
- 11 (x) Southwestern Michigan College, \$688,300.00.
- 12 (y) St. Clair County Community College, \$1,228,900.00.
- 13 (z) Washtenaw Community College, \$4,402,700.00.
- 14 (aa) Wayne County Community College, \$3,079,300.00.
- 15 (bb) West Shore Community College, \$346,200.00.

16 Sec. 201g. (1) From the funds appropriated in section 201 for the fiscal year ending  
17 September 30, 2023 only, there is appropriated an amount not to exceed \$16,148,700.00 from  
18 the state school aid fund for the student wellness fund. These funds shall be used to  
19 evaluate, assess, and identify student mental health and wellness needs on campus and to  
20 provide mental health and wellness support services to students. These funds are not  
21 intended to be used for any other purpose than what is specified in this section. These  
22 funds are distributed to each community college according to their respective share of  
23 total fiscal year equated students as reported to the Michigan community college data  
24 inventory for the fiscal year ending September 30, 2022. Payments to community colleges  
25 under this section shall be distributed in one lump sum to each institution.

26 (2) From the amount appropriated in subsection (1), each community college is  
27 allocated the following:

- 28 (a) Alpena Community College, \$138,900.00.
- 29 (b) Bay de Noc Community College, \$196,300.00.
- 30 (c) Delta College, \$737,300.00.
- 31 (d) Glen Oaks Community College, \$109,800.00.
- 32 (e) Gogebic Community College, \$95,200.00.

- 1 (f) Grand Rapids Community College, \$1,256,600.00.
- 2 (g) Henry Ford College, \$1,295,100.00.
- 3 (h) Jackson College, \$476,900.00.
- 4 (i) Kalamazoo Valley Community College, \$724,000.00.
- 5 (j) Kellogg Community College, \$356,500.00.
- 6 (k) Kirtland Community College, \$129,300.00.
- 7 (l) Lake Michigan College, \$283,000.00.
- 8 (m) Lansing Community College, \$1,101,400.00.
- 9 (n) Macomb Community College, \$1,826,500.00.
- 10 (o) Mid Michigan Community College, \$309,300.00.
- 11 (p) Monroe County Community College, \$233,300.00.
- 12 (q) Montcalm Community College, \$136,000.00.
- 13 (r) C.S. Mott Community College, \$692,300.00.
- 14 (s) Muskegon Community College, \$399,500.00.
- 15 (t) North Central Michigan College, \$144,300.00.
- 16 (u) Northwestern Michigan College, \$348,000.00.
- 17 (v) Oakland Community College, \$1,537,500.00.
- 18 (w) Schoolcraft College, \$941,800.00.
- 19 (x) Southwestern Michigan College, \$189,300.00.
- 20 (y) St. Clair County Community College, \$337,900.00.
- 21 (z) Washtenaw Community College, \$1,210,700.00.
- 22 (aa) Wayne County Community College, \$846,800.00.
- 23 (bb) West Shore Community College, \$95,200.00.



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ARTICLE III

STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, 2023, from the funds indicated in this section. The following is a summary of the appropriations in this section and section 236j, **section 236m and section 236n:**

(a) The gross appropriation is ~~\$2,016,635,700.00.~~ **\$2,196,764,500.00** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$2,016,635,700.00.~~ **\$2,196,764,500.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$128,526,400.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, \$347,888,300.00.

(v) State general fund/general purpose money, ~~\$1,540,221,000.00.~~ **\$1,720,349,800.00.**

(c) The totals and subtotals reflected in subdivisions (a) and (b) do not include

1 amounts appropriated under subsection (7) (f) or (8) (c) to avoid duplicating totals of  
2 amounts appropriated in this section and section 236j.

3 (2) Amounts appropriated for public universities are as follows:

4 (a) The appropriation for Central Michigan University is \$91,145,100.00,  
5 \$87,600,000.00 for operations, \$0.00 for per-student floor funding, \$1,752,000.00 for  
6 operations increase, and \$1,793,100.00 for costs incurred under the North American Indian  
7 tuition waiver.

8 (b) The appropriation for Eastern Michigan University is \$79,152,400.00,  
9 \$77,253,700.00 for operations, \$0.00 for per-student floor funding, \$1,545,100.00 for  
10 operations increase, and \$353,600.00 for costs incurred under the North American Indian  
11 tuition waiver.

12 (c) The appropriation for Ferris State University is \$56,952,900.00, \$55,025,500.00  
13 for operations, \$0.00 for per-student floor funding, \$1,100,500.00 for operations increase,  
14 and \$826,900.00 for costs incurred under the North American Indian tuition waiver.

15 (d) The appropriation for Grand Valley State University is \$81,253,800.00,  
16 \$72,313,500.00 for operations, \$7,661,000.00 for per-student floor funding, \$0.00 for  
17 operations increase, and \$1,279,300.00 for costs incurred under the North American Indian  
18 tuition waiver.

19 (e) The appropriation for Lake Superior State University is \$14,361,900.00,  
20 \$13,307,000.00 for operations, \$0.00 for per-student floor funding, \$266,100.00 for  
21 operations increase, and \$788,800.00 for costs incurred under the North American Indian  
22 tuition waiver.

23 (f) The appropriation for Michigan State University is \$372,054,800.00,  
24 \$287,331,700.00 for operations, \$0.00 for per-student floor funding, \$14,349,600.00 for  
25 operations increase, \$2,046,400.00 for costs incurred under the North American Indian  
26 tuition waiver, \$36,684,200.00 for MSU AgBioResearch, and \$31,642,900.00 for MSU Extension.

27 (g) The appropriation for Michigan Technological University is \$51,951,000.00,  
28 \$50,101,600.00 for operations, \$0.00 for per-student floor funding, \$1,002,000.00 for  
29 operations increase, and \$847,400.00 for costs incurred under the North American Indian  
30 tuition waiver.

31 (h) The appropriation for Northern Michigan University is \$50,751,100.00,  
32 \$47,809,100.00 for operations, \$0.00 for per-student floor funding, \$1,780,700.00 for

1 operations increase, and \$1,161,300.00 for costs incurred under the North American Indian  
2 tuition waiver.

3 (i) The appropriation for Oakland University is \$60,761,900.00, \$53,147,400.00 for  
4 operations, \$7,259,200.00 for per-student floor funding, \$0.00 for operations increase, and  
5 \$355,300.00 for costs incurred under the North American Indian tuition waiver.

6 (j) The appropriation for Saginaw Valley State University is \$32,274,600.00,  
7 \$30,583,800.00 for operations, \$132,900.00 for per-student floor funding, \$1,369,600.00 for  
8 operations increase, and \$188,300.00 for costs incurred under the North American Indian  
9 tuition waiver.

10 (k) The appropriation for University of Michigan - Ann Arbor is \$339,198,000.00,  
11 \$321,970,100.00 for operations, \$0.00 for per-student floor funding, \$16,390,200.00 for  
12 operations increase, and \$837,700.00 for costs incurred under the North American Indian  
13 tuition waiver.

14 (l) The appropriation for University of Michigan - Dearborn is \$28,115,900.00,  
15 \$26,167,000.00 for operations, \$1,702,700.00 for per-student floor funding, \$0.00 for  
16 operations increase, and \$246,200.00 for costs incurred under the North American Indian  
17 tuition waiver.

18 (m) The appropriation for University of Michigan - Flint is \$25,159,200.00,  
19 \$23,616,200.00 for operations, \$953,900.00 for per-student floor funding, \$204,700.00 for  
20 operations increase, and \$384,400.00 for costs incurred under the North American Indian  
21 tuition waiver.

22 (n) The appropriation for Wayne State University is \$213,639,700.00, \$202,996,700.00  
23 for operations, \$0.00 for per-student floor funding, \$10,289,900.00 for operations  
24 increase, and \$353,100.00 for costs incurred under the North American Indian tuition  
25 waiver.

26 (o) The appropriation for Western Michigan University is \$114,351,900.00,  
27 \$111,522,200.00 for operations, \$0.00 for per-student floor funding, \$2,230,400.00 for  
28 operations increase, and \$599,300.00 for costs incurred under the North American Indian  
29 tuition waiver.

30 (3) The amount appropriated in subsection (2) for public universities is  
31 \$1,611,124,200.00, appropriated from the following:

32 (a) State school aid fund, \$343,168,300.00.

1 (b) State general fund/general purpose money, \$1,267,955,900.00.

2 (4) The amount appropriated for Michigan public school employees' retirement system  
3 reimbursement is \$70,000.00, appropriated from the state school aid fund.

4 (5) The amount appropriated for state and regional programs is \$316,800.00,  
5 appropriated from general fund/general purpose money and allocated as follows:

6 (a) Higher education database modernization and conversion, \$200,000.00.

7 (b) Midwestern Higher Education Compact, \$116,800.00.

8 (6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa  
9 Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and  
10 allocated as follows:

11 (a) Select student support services, \$1,956,100.00.

12 (b) Michigan college/university partnership program, \$586,800.00.

13 (c) Morris Hood, Jr. educator development program, \$148,600.00.

14 (7) Subject to subsection (8), the amount appropriated for grants and financial aid  
15 is \$397,783,200.00, allocated as follows:

16 (a) State competitive scholarships, \$29,861,700.00.

17 (b) Tuition grants, \$42,021,500.00.

18 (c) Tuition incentive program, \$71,300,000.00.

19 (d) Children of veterans and officer's survivor tuition grant programs,  
20 \$1,400,000.00.

21 (e) Project GEAR-UP, \$3,200,000.00.

22 (f) Michigan achievement scholarships, \$250,000,000.00. From this amount, up to  
23 \$10,000,000.00 may be used to award skills scholarships under section 248a.

24 (8) The money appropriated in subsection (7) for grants and financial aid is  
25 appropriated from the following:

26 (a) Federal revenues under the United States Department of Education, Office of  
27 Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

28 (b) Federal revenues under the social security act, temporary assistance for needy  
29 families, \$125,326,400.00.

30 (c) Postsecondary scholarship fund, \$250,000,000.00.

31 (d) State general fund/general purpose money, \$19,256,800.00.

32 (9) For fiscal year 2022-2023 only, in addition to the allocation under subsection

1 (4), from the appropriations described in subsection (1), there is allocated an amount not  
2 to exceed \$4,650,000.00 for payments to participating public universities, appropriated  
3 from the state school aid fund. A university that receives money under this subsection  
4 shall use that money solely for the purpose of offsetting the normal cost contribution  
5 rate. As used in this subsection, "participating public universities" means public  
6 universities that are a reporting unit of the Michigan public school employees' retirement  
7 system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301  
8 to 38.1437, and that pay contributions to the Michigan public school employees' retirement  
9 system for the state fiscal year.

10 **Sec. 236m. (1) From the funds appropriated in section 236 for the fiscal year ending**  
11 **September 30, 2023 only, there is appropriated an amount not to exceed \$141,277,500.00 from**  
12 **the state general fund/general purpose money for infrastructure, technology, equipment, and**  
13 **maintenance. These funds are intended to be used for necessary improvements and deferred**  
14 **maintenance of university buildings, facilities, and other physical infrastructure;**  
15 **necessary improvements and deferred maintenance of information technology, other technology**  
16 **infrastructure, and other equipment; and other purposes related to infrastructure,**  
17 **technology, equipment, and maintenance. These funds are not intended to be used for any**  
18 **other purpose than what is specified in this section. These funds are distributed to each**  
19 **university according to their respective share of total fiscal year equated students as**  
20 **reported to the higher education institutional data inventory for the fiscal year ending**  
21 **September 30, 2022. Payments to universities under this section shall be distributed in one**  
22 **lump sum to each institution.**

23 (2) From the amount appropriated in subsection (1), each university is allocated the  
24 following:

- 25 (a) Central Michigan University, \$8,267,100.00.
- 26 (b) Eastern Michigan University, \$7,207,200.00.
- 27 (c) Ferris State University, \$5,085,700.00.
- 28 (d) Grand Valley State University, \$12,017,600.00.
- 29 (e) Lake Superior State University, \$862,600.00.
- 30 (f) Michigan State University, \$27,917,300.00.
- 31 (g) Michigan Technological University, \$3,910,500.00.
- 32 (h) Northern Michigan University, \$3,765,800.00.

- 1 (i) Oakland University, \$8,997,400.00.
- 2 (j) Saginaw Valley State University, \$3,829,600.00.
- 3 (k) University of Michigan - Ann Arbor, \$30,284,700.00.
- 4 (l) University of Michigan - Dearborn, \$3,882,200.00.
- 5 (m) University of Michigan - Flint, \$3,236,400.00.
- 6 (n) Wayne State University, \$12,753,700.00.
- 7 (o) Western Michigan University, \$9,259,700.00.

8 Sec. 236n. (1) From the funds appropriated in section 236 for the fiscal year ending  
9 September 30, 2023 only, there is appropriated an amount not to exceed \$38,851,300.00 from  
10 the state general fund/general purpose money for the student wellness fund. These funds  
11 shall be used to evaluate, assess, and identify student mental health and wellness needs on  
12 campus and to provide mental health and wellness support services to students. These funds  
13 are not intended to be used for any other purpose than what is specified in this section.  
14 These funds are distributed to each university according to their respective share of total  
15 fiscal year equated students as reported to the higher education institutional data  
16 inventory for the fiscal year ending September 30, 2022. Payments to universities under  
17 this section shall be distributed in one lumpsum to each institution.

18 (2) From the amount appropriated in subsection (1), each university is allocated the  
19 following:

- 20 (a) Central Michigan University, \$2,273,500.00.
- 21 (b) Eastern Michigan University, \$1,982,000.00.
- 22 (c) Ferris State University, \$1,398,600.00.
- 23 (d) Grand Valley State University, \$3,304,800.00.
- 24 (e) Lake Superior State University, \$237,200.00.
- 25 (f) Michigan State University, \$7,677,300.00.
- 26 (g) Michigan Technological University, \$1,075,400.00.
- 27 (h) Northern Michigan University, \$1,035,600.00.
- 28 (i) Oakland University, \$2,474,300.00.
- 29 (j) Saginaw Valley State University, \$1,053,100.00.
- 30 (k) University of Michigan - Ann Arbor, \$8,328,200.00.
- 31 (l) University of Michigan - Dearborn, \$1,067,600.00.
- 32 (m) University of Michigan - Flint, \$890,000.00.

1 (n) **Wayne State University, \$3,507,300.00.**

2 (o) **Western Michigan University, \$2,546,400.00.**

3 Sec. 248. (1) The funds appropriated in section 236 for Michigan achievement  
4 scholarships must be distributed as provided in this section and section 248a, pursuant to  
5 the administrative procedures for Michigan achievement scholarships of the department.

6 (2) As used in this section:

7 (a) "Department" means the department of treasury.

8 (b) "Eligible institution" means a public university that receives an appropriation  
9 in section 236, a community college that receives an appropriation in section 201, a  
10 federally recognized tribal college in this state, or an independent nonprofit college or  
11 university in this state as described in section 1 of 1966 PA 313, MCL 390.991.

12 (c) "Gift aid" includes federal Pell grants under 20 USC 1070a, tuition incentive  
13 program benefits under section 256, state tuition grants under section 252, awards received  
14 for minimum payments awarded in subsection (4), higher education expenses paid under the  
15 Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other  
16 federal, state, local, or institutional aid in the form of grants, scholarships, or  
17 discounts applied toward tuition and mandatory fees. Gift aid does not include student  
18 loans, work-study awards, qualified withdrawals made from education savings accounts to pay  
19 higher education expenses pursuant to the Michigan education savings program act, 2000 PA  
20 161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan  
21 education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL  
22 390.1421 to 390.1442.

23 (d) "High school equivalency certificate" means that term as defined in section 4.

24 (3) An individual must meet all of the following criteria and financial thresholds  
25 each year to be eligible for a Michigan achievement scholarship awarded under this section:

26 (a) Be a resident of this state for at least the immediately preceding year.

27 (b) Have graduated from high school in this state with a diploma or certificate of  
28 completion or achieved a high school equivalency certificate in 2023 or after.

29 (c) Be a full-time undergraduate student at an eligible institution, as defined by  
30 that eligible institution, and be a first-time enrollee in an eligible institution during  
31 the 2023-2024 academic year, or a subsequent academic year, within 15 months after high  
32 school graduation or attainment of a high school equivalency certificate or have received a

1 Michigan achievement scholarship in a previous academic year. For the purposes of this  
2 subdivision, participation in a dual enrollment, early college, or other similar program  
3 while attending high school does not disqualify a student from being considered a first-  
4 time enrollee.

5 (d) Maintain satisfactory academic progress, as defined by the eligible institution  
6 in which the student is enrolled.

7 (e) Not be incarcerated in a corrections institution.

8 (f) Not be in default on a federal student loan.

9 (g) Timely complete the Free Application for Federal Student Aid and have an expected  
10 family contribution of \$25,000.00 or less.

11 (h) Timely apply for all available gift aid for each academic year in which the  
12 individual applies for a Michigan achievement scholarship.

13 (4) Michigan achievement scholarships are subject to all of the following:

14 (a) Subject to section 248a(3)(f)(i), an eligible student may receive an award under  
15 this section or section 248a for a maximum of 5 academic years, not more than 3 of which  
16 may be for attending eligible institutions that are community colleges or federally  
17 recognized tribal colleges. A student may not receive an award under this subsection and  
18 section 248a(3)(f)(i) during the same academic year.

19 (b) The amount awarded to an eligible student at an eligible institution that is a  
20 community college or federally recognized tribal college must equal the sum of following:

21 (i) A minimum payment of \$1,750.00, which is comprised of a base payment of \$1,000.00  
22 plus an additional payment of \$750.00.

23 (ii) The lesser of \$1,000.00 or the student's last-dollar payment amount.

24 (c) The amount awarded to an eligible student at an eligible institution that is a  
25 public university must equal the sum of following:

26 (i) A minimum payment of \$2,500.00, which is comprised of a base payment of \$1,000.00  
27 plus an additional payment of \$1,500.00.

28 (ii) The lesser of \$3,000.00 or the student's last-dollar payment amount.

29 (d) The amount awarded to an eligible student at an eligible institution that is an  
30 independent nonprofit college or university must equal the sum of the following:

31 (i) A minimum payment of \$1,000.00.

32 (ii) The lesser of \$3,000.00 or the student's last-dollar payment amount.



1 (e) Money awarded under this subsection for a Michigan achievement scholarship must  
2 be paid to the eligible institution for credit to the student's account.

3 (f) As used in this subsection:

4 (i) "Last-dollar payment amount" means an amount equal to the tuition cost for an  
5 eligible student's courses at the resident rate, regardless of whether the student actually  
6 incurred that rate, plus the student's mandatory fees, minus all gift aid received by the  
7 student.

8 (ii) "Resident rate" means the lowest tuition rate charged to in-state students by the  
9 eligible institution, including, if any, an in-district tuition rate.

10 (5) The department shall work closely with participating institutions to provide the  
11 highest level of participation and ensure that all requirements of the program are met.

12 (6) The department shall ensure that Michigan achievement scholarships are well  
13 publicized and that high school students are provided information on the program. The  
14 department shall provide the necessary funding and staff to fully operate the program.

15 (7) The following reporting obligations apply to the Michigan achievement scholarship  
16 program:

17 (a) Beginning December 1, 2023, by December 1 of each year, the department shall  
18 provide a written report, organized by eligible institution, to the house and senate  
19 appropriations subcommittees on higher education, the house and senate fiscal agencies, and  
20 the state budget director that includes the following information for the previous academic  
21 year:

22 (i) The number of students who qualified for a Michigan achievement scholarship.

23 (ii) The number of students who received a Michigan achievement scholarship.

24 (iii) The average number of credits earned by students who received a Michigan  
25 achievement scholarship.

26 (iv) The number of Michigan achievement scholarships that were canceled due to  
27 failure to maintain satisfactory academic progress under subsection (3)(d).

28 (v) The number of Michigan achievement scholarships that were canceled due to a  
29 student ceasing attendance at an eligible institution. The number must not include any  
30 known transfers to another eligible institution.

31 (vi) The number of Michigan achievement scholarships that were canceled due to a  
32 student's failure to maintain full-time status.

1 (b) Each eligible institution whose students receive awards under this section shall  
2 cooperate with the department in a timely manner to facilitate the creation of the report  
3 under subdivision (a).

4 (8) Beginning April 1, 2024, by April 1 of each year, each eligible institution shall  
5 submit a report that provides the following information to the department, the state budget  
6 office, and the house and senate fiscal agencies:

7 (a) A description of each financial aid or scholarship program offered by the  
8 eligible institution to undergraduate students attending that institution, including the  
9 minimum and maximum dollar amounts available to a qualifying student for each program and  
10 the types of costs that awards from each program may cover. At a minimum, this report must  
11 include the amount of institutional aid, including student loans, work-study awards, merit-  
12 based scholarships, and need-based grants, offered by the institution.

13 (b) A description of any changes made to institutional undergraduate financial aid  
14 programs between the current academic year and prior academic year.

15 (c) The total institutional grant aid per full-year equated undergraduate student for  
16 the current institution fiscal year and for the immediately preceding 3 institution fiscal  
17 years. If the institution does not maintain total institutional grant aid per full-year  
18 equated undergraduate student at the average amount provided over the immediately preceding  
19 3 institution fiscal years, the institution must include in the report a description of  
20 changes to institutional finances or the student population that prevented the institution  
21 from maintaining support for institutional aid. An institution's report of total  
22 institutional grant aid per full-year equated undergraduate student pursuant to this  
23 subdivision must be consistent with data most recently reported to the Integrated  
24 Postsecondary Education Data System.

25 (d) The number of students who received an award and the total dollar amount of  
26 awards for each program described under subdivision (a).

27 (9) For each fiscal year, an eligible institution becomes ineligible for funding  
28 under this section if, in the immediately preceding fiscal year, the institution exceeds 1  
29 of the following tuition restraint requirements, as applicable:

30 (a) For an eligible institution that is a community college, the tuition restraint  
31 described in section 230(5).

32 (b) For an eligible institution that is a public university or independent nonprofit

1 college or university, the tuition restraint described in section 265.

2 (10) It is the intent of the legislature that an eligible institution will not make  
3 changes to scholarship or financial aid programs offered by that eligible institution that  
4 have the goal or net effect of shifting the cost burden of those programs to the program  
5 described in this section.

6 (11) From the funds appropriated in section 236(7) for the Michigan achievement  
7 scholarships, the department may use up to \$1,000,000.00 for the purposes of outreach  
8 programs to raise awareness about the Michigan achievement scholarship outlined in this  
9 section and section 248a. In addition to the funds appropriated in section 236, the  
10 department may receive and expend funds received from outside sources for scholarships,  
11 marketing, or other purposes related to the Michigan achievement scholarship.

1           Enacting section 1. (1) In accordance with section 30 of article I of the state  
2 constitution of 1963, total state spending on school aid under article I as amended by this  
3 amendatory act from state sources for fiscal year 2022-2023 is estimated at  
4 \$17,938,715,900.00 and state appropriations for school aid to be paid to local units of  
5 government for fiscal year 2022-2023 are estimated at \$16,343,118,400.00.

6           (2) In accordance with section 30 of article IX of the state constitution of 1963,  
7 total state spending from state sources for community colleges for fiscal year 2022-2023  
8 under article II as amended by this amendatory act is estimated at \$605,129,200.00 and the  
9 amount of that state spending from state sources to be paid to local units of government  
10 for fiscal year 2022-2023 is estimated at \$605,129,200.00.

11           (3) In accordance with section 30 of article IX of the state constitution of 1963,  
12 total state spending from state sources for higher education for fiscal year 2022-2023  
13 under article III as amended by this amendatory act is estimated at \$2,068,238,100.00 and  
14 the amount of that state spending from state sources to be paid to local units of  
15 government for fiscal year 2022-2023 is estimated at \$0.

16           Enacting section 2. This amendatory act shall be effective immediately.