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Fiscal Years 2022 and 2023  
Executive Budget Recommendation  
Education Budget

A bill to amend 1979 PA 94, entitled

"The state school aid act of 1979," by amending sections 4, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 19, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31m, 31n, 32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 56, 61a, 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 98, 99h, 99s, 101, 104, 104c, 105, 105c, 107, 147, 147a, 147b, 147c, 147e, 152a, 166b, 201, 206, 207a, 207b, 207c, 209, 209a, 222, 226e, 229a, 230, 236, 236b, 236c, 241, 245, 245a, 252, 256, 260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 275h, 276, 277, 278, 279, 280, 281, 282, 285, and 286 (MCL 388.1604, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1619, 388.1620, 388.1620d, 388.1620f, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631m, 388.1631n, 388.1632d, 388.1632p, 388.1635a,

1 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651f, 388.1653a,  
2 388.1654, 388.1654b, 388.1654d, 388.1656, 388.1661a, 388.1661b, 388.1661d, 388.1662,  
3 388.1665, 388.1667, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1698, 388.1699h,  
4 388.1699s, 388.1701, 388.1704, 388.1704c, 388.1705, 388.1705c, 388.1707, 388.1747,  
5 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1766b, 388.1801, 388.1806,  
6 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1822, 388.1826e, 388.1829a,  
7 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1841, 388.1845, 388.1845a, 388.1852,  
8 388.1856, 388.1860, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1867, 388.1868,  
9 388.1869, 388.1870c, 388.1875h, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881,  
10 388.1882, 388.1885, and 388.1886), sections 6, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20,  
11 20d, 20f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d,  
12 31f, 31j, 31n, 32d, 32p, 35a, 39, 39a, 41, 51a, 51c, 51d, 51f, 53a, 54, 54b, 54d, 56, 61a,  
13 61b, 61d, 62, 65, 67, 74, 81, 94, 94a, 98, 99h, 99s, 101, 104, 105, 105c, 107, 147, 147a,  
14 147c, 147e, 152a, 201, 206, 207a, 207b, 207c, 209, 209a, 222, 229a, 230, 236, 236b, 236c,  
15 241, 245, 245a, 256, 265b, 263, 264, 265, 267, 268, 269, 276, 277, 278, 279, 280, 281, and  
16 282 as amended and sections 226e, 260, 270c, and 275h as added by 2020 PA 165, sections 4  
17 and 104c as amended by 2019 PA 58, section 19, 147b and 166b as amended and section 31m as  
18 added by 2018 PA 265, section 21f as amended by 2020 PA 147, sections 252 and 265a as  
19 amended by 2019 PA 162, section 265a as amended by 2019 PA 62, section 285 as amended by  
20 2012 PA 201, section 286 as amended by 2015 PA 85, and by adding sections 26d, 29b, 35g,  
21 201e, 231, 236i; and to repeal acts and parts of acts.

22  
23 The People of the State of Michigan Enact:

24 Article I

25 State Aid to Public Schools, Early Childhood, and Adult Education

26  
27 Sec. 4. (1) "Elementary pupil" means a pupil in membership in grades K to 8 in a  
28 district not maintaining classes above the eighth grade or in grades K to 6 in a district  
29 maintaining classes above the eighth grade or a child enrolled and in regular attendance in  
30 a publicly funded prekindergarten setting.

31 (2) "Extended school year" means an educational program conducted by a district in  
32 which pupils must be enrolled but not necessarily in attendance on the pupil membership

1 count day in an extended year program. The mandatory clock hours must be completed by each  
2 pupil not more than 365 calendar days after the pupil's first day of classes for the school  
3 year prescribed. The department shall prescribe pupil, personnel, and other reporting  
4 requirements for the educational program.

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

7 (4) "High school equivalency certificate" means a certificate granted for the  
8 successful completion of a high school equivalency test.

9 (5) "High school equivalency test" means the G.E.D. test developed by the GED Testing  
10 Service, ~~the Test Assessing Secondary Completion (TASC) developed by CTS/McCraw-Hill,~~ the  
11 HISET test developed by Educational Testing Service (ETS), or another comparable test  
12 approved by the department of labor and economic opportunity.

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

16 (7) "High school pupil" means a pupil in membership in grades 7 to 12, except in a  
17 district not maintaining grades above the eighth grade.

18 Sec. 6. (1) "Center program" means a program operated by a district or by an  
19 intermediate district for special education pupils from several districts in programs for  
20 pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with  
21 moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing  
22 impairment, pupils with visual impairment, and pupils with physical impairment or other  
23 health impairment. Programs for pupils with emotional impairment housed in buildings that  
24 do not serve regular education pupils also qualify. Unless otherwise approved by the  
25 department, a center program either serves all constituent districts within an intermediate  
26 district or serves several districts with less than 50% of the pupils residing in the  
27 operating district. In addition, special education center program pupils placed part-time  
28 in noncenter programs to comply with the least restrictive environment provisions of  
29 section 1412 of the individuals with disabilities education act, 20 USC 1412, may be  
30 considered center program pupils for pupil accounting purposes for the time scheduled in  
31 either a center program or a noncenter program.

32 (2) "District and high school graduation rate" means the annual completion and pupil

1 dropout rate that is calculated by the center pursuant to nationally recognized standards.

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

7 (4) "Membership", except as otherwise provided in this subsection or this article,  
8 means for a district, a public school academy, or an intermediate district the sum of the  
9 product of .90 times the number of full-time equated pupils in grades K to 12 actually  
10 enrolled and in regular daily attendance in the district, public school academy, or  
11 intermediate district on the pupil membership count day for the current school year, plus  
12 the product of .10 times the final audited count from the supplemental count day of full-  
13 time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in  
14 the district, public school academy, or intermediate district for the immediately preceding  
15 school year. A district's, public school academy's, or intermediate district's membership  
16 is adjusted as provided under section 25e for pupils who enroll after the pupil membership  
17 count day in a strict discipline academy operating under sections 1311b to 1311m of the  
18 revised school code, MCL 380.1311b to 380.1311m. ~~For 2020-2021 only, membership means for a~~  
19 ~~district, a public school academy, or an intermediate district, the sum of the product of~~  
20 ~~.75 times the district's, public school academy's, or intermediate district's 2019-2020~~  
21 ~~membership as calculated under this section in 2019-2020 and the product of .25 times [the~~  
22 ~~sum of (the product of .90 times the number of full-time equated pupils engaged in pandemic~~  
23 ~~learning for fall 2020 or, for a public school academy that operates as a cyber school, as~~  
24 ~~that term is defined in section 551 of the revised school code, MCL 380.551, the number of~~  
25 ~~full-time equated pupils in grades K to 12 actually enrolled and in regular daily~~  
26 ~~attendance in the public school academy on pupil membership count day for the current~~  
27 ~~school year) and (the product of .10 times the final audited count from the supplemental~~  
28 ~~count day of full-time equated pupils in grades K to 12 actually enrolled and in regular~~  
29 ~~daily attendance in the district, public school academy, or intermediate district for the~~  
30 ~~immediately preceding school year)]. All pupil counts used in this subsection are as~~  
31 determined by the department and calculated by adding the number of pupils registered for  
32 attendance plus pupils received by transfer and minus pupils lost as defined by rules

1 promulgated by the superintendent, and as corrected by a subsequent department audit. The  
2 amount of the foundation allowance for a pupil in membership is determined under section  
3 20. In making the calculation of membership, all of the following, as applicable, apply to  
4 determining the membership of a district, a public school academy, or an intermediate  
5 district:

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

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

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

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

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

25 (f) A pupil enrolled in a career and technical education program supported by a  
26 millage levied over an area larger than a single district or in an area vocational-  
27 technical education program established under section 690 of the revised school code, MCL  
28 380.690, is counted in membership only in the pupil's district of residence.

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

31 (h) For the purposes of this section and section 6a, for a cyber school, as that term  
32 is defined in section 551 of the revised school code, MCL 380.551, that is in compliance

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

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

11 (i) ~~Except as otherwise provided in this subparagraph, if~~ **If** operations begin before  
12 the pupil membership count day for the fiscal year, membership is the average number of  
13 full-time equated pupils in grades K to 12 actually enrolled and in regular daily  
14 attendance on the pupil membership count day for the current school year and on the  
15 supplemental count day for the current school year, as determined by the department and  
16 calculated by adding the number of pupils registered for attendance on the pupil membership  
17 count day plus pupils received by transfer and minus pupils lost as defined by rules  
18 promulgated by the superintendent, and as corrected by a subsequent department audit, plus  
19 the final audited count from the supplemental count day for the current school year, and  
20 dividing that sum by 2. ~~However, for 2020-2021 only, if operations begin before the pupil~~  
21 ~~membership count day for the fiscal year, except for a public school academy that operates~~  
22 ~~as a cyber school, as that term is defined in section 551 of the revised school code, MCL~~  
23 ~~380.551, membership is the average number of full-time equated pupils engaged in pandemic~~  
24 ~~learning for fall 2020 and full-time equated pupils engaged in pandemic learning for spring~~  
25 ~~2021, as that term is defined in section 6a, as determined by the department and calculated~~  
26 ~~by adding the number of pupils registered for attendance on the pupil membership count day~~  
27 ~~plus pupils received by transfer and minus pupils lost as defined by rules promulgated by~~  
28 ~~the superintendent, and as corrected by a subsequent department audit, plus the final~~  
29 ~~audited count from the supplemental count day for the current school year, and dividing~~  
30 ~~that sum by 2.~~

31 (ii) If operations begin after the pupil membership count day for the fiscal year and

1 not later than the supplemental count day for the fiscal year, membership is the final  
2 audited count of the number of full-time equated pupils in grades K to 12 actually enrolled  
3 and in regular daily attendance on the supplemental count day for the current school year.  
4 ~~, but, for 2020-2021 only, except for a public school academy that operates as a cyber~~  
5 ~~school, as that term is defined in section 551 of the revised school code, MCL 380.551,~~  
6 ~~membership is the final audited count of the number of full time equated pupils engaged in~~  
7 ~~pandemic learning for spring 2021, as that term is defined in section 6a.~~

8 (j) If a district is the authorizing body for a public school academy, then, in the  
9 first school year in which pupils are counted in membership on the pupil membership count  
10 day in the public school academy, the determination of the district's membership excludes  
11 from the district's pupil count for the immediately preceding supplemental count day any  
12 pupils who are counted in the public school academy on that first pupil membership count  
13 day who were also counted in the district on the immediately preceding supplemental count  
14 day.

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

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

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

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

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

31 (B) Had dropped out of school.

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

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

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

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

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

31 (ii) If the public school academy provides instruction for less than 1/2 of the class

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12           (w) For a public school academy that has been in operation for at least 2 years and  
13 that suspended operations for at least 1 semester and is resuming operations, membership is  
14 the sum of the product of .90 times the number of full-time equated pupils in grades K to  
15 12 actually enrolled and in regular daily attendance on the first pupil membership count  
16 day or supplemental count day, whichever is first, occurring after operations resume, plus  
17 the product of .10 times the final audited count from the most recent pupil membership  
18 count day or supplemental count day that occurred before suspending operations, as  
19 determined by the superintendent., but, for 2020-2021 only, except for a public school  
20 academy that operates as a cyber school, as that term is defined in section 551 of the  
21 revised school code, MCL 380.551, membership is the sum of the product of .90 times the  
22 number of full-time equated pupils engaged in pandemic learning for fall 2020 or the number  
23 of full-time equated pupils engaged in pandemic learning for spring 2021, as that term is  
24 defined in section 6a, whichever applies first after operations resume, plus the product of  
25 .10 times the final audited count from the most recent pupil membership count day or  
26 supplemental count day that occurred before suspending operations, as determined by the  
27 superintendent.

28           (x) If a district's membership for a particular fiscal year, as otherwise calculated  
29 under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer  
30 pupils per square mile, as determined by the department, and the district does not receive  
31 funding under section 22d(2), the district's membership is considered to be the membership

1 figure calculated under this subdivision. If a district educates and counts in its  
2 membership pupils in grades 9 to 12 who reside in a contiguous district that does not  
3 operate grades 9 to 12 and if 1 or both of the affected districts request the department to  
4 use the determination allowed under this sentence, the department shall include the square  
5 mileage of both districts in determining the number of pupils per square mile for each of  
6 the districts for the purposes of this subdivision. If a district has established a  
7 community engagement advisory committee in partnership with the department of treasury, is  
8 required to submit a deficit elimination plan or an enhanced deficit elimination plan under  
9 section 1220 of the revised school code, MCL 380.1220, and is located in a city with a  
10 population between 9,000 and 11,000, **as determined by the department**, that is in a county  
11 with a population between ~~155,000~~**150,000** and 160,000, **as determined by the department**,  
12 the district's membership is considered to be the membership figure calculated under this  
13 subdivision. The membership figure calculated under this subdivision is the greater of the  
14 following:

15 (i) The average of the district's membership for the 3-fiscal-year period ending with  
16 that fiscal year, calculated by adding the district's actual membership for each of those 3  
17 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those  
18 3 membership figures by 3.

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

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

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

1 the pupil before Labor Day.

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

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

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

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

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

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

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

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

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

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

21 (hh) A pupil enrolled in a community district is counted in membership in the  
22 community district.

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

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

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

1           (ii) The course in which the pupil is enrolled would meet the definition of an  
2 eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to  
3 388.524, if the course were provided by an eligible postsecondary institution under that  
4 act.

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

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

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

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

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

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

31           (ii) If the district's or public school academy's membership for pupils counted under

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

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

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

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

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

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

19 (a) A nonpublic part-time pupil enrolled in grades K to 12 in accordance with section  
20 166b.

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

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

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

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

30 (f) A pupil who has made an official written complaint or whose parent or legal  
31 guardian has made an official written complaint to law enforcement officials and to school

1 officials of the pupil's district of residence that the pupil has been the victim of a  
2 criminal sexual assault or other serious assault, if the official complaint either  
3 indicates that the assault occurred at school or that the assault was committed by 1 or  
4 more other pupils enrolled in the school the pupil would otherwise attend in the district  
5 of residence or by an employee of the district of residence. A person who intentionally  
6 makes a false report of a crime to law enforcement officials for the purposes of this  
7 subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL  
8 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

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

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

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

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

22 (i) The pupil has been suspended or expelled from his or her district of residence  
23 for any reason, including, but not limited to, a suspension or expulsion under section  
24 1310, 1311, or 1311a of the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

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

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

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

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

30 (j) A pupil who is the child of a person who works at the district or who is the  
31 child of a person who worked at the district as of the time the pupil first enrolled in the

1 district but who no longer works at the district due to a workforce reduction. As used in  
2 this subdivision, "child" includes an adopted child, stepchild, or legal ward.

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

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

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

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

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

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

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

22 (a) Except as provided in subdivision (b), the first Wednesday in October each school  
23 year or, for a district or building in which school is not in session on that Wednesday due  
24 to conditions not within the control of school authorities, with the approval of the  
25 superintendent, the immediately following day on which school is in session in the district  
26 or building. A district is considered to be in session for purposes of this subdivision  
27 when the district is providing pupil instruction pursuant to an extended COVID-19 learning  
28 plan approved under section 98a.

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

31 (i) Fourth Wednesday in July.

32 (ii) First Wednesday in October.

1 (iii) Second Wednesday in February.

2 (iv) Fourth Wednesday in April.

3 (8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance"

4 means pupils in grades K to 12 in attendance and receiving instruction in all classes for  
5 which they are enrolled on the pupil membership count day or the supplemental count day, as  
6 applicable. Except as otherwise provided in this subsection, a pupil who is absent from any  
7 of the classes in which the pupil is enrolled on the pupil membership count day or  
8 supplemental count day and who does not attend each of those classes during the 10  
9 consecutive school days immediately following the pupil membership count day or  
10 supplemental count day, except for a pupil who has been excused by the district, is not  
11 counted as 1.0 full-time equated membership. A pupil who is excused from attendance on the  
12 pupil membership count day or supplemental count day and who fails to attend each of the  
13 classes in which the pupil is enrolled within 30 calendar days after the pupil membership  
14 count day or supplemental count day is not counted as 1.0 full-time equated membership. In  
15 addition, a pupil who was enrolled and in attendance in a district, intermediate district,  
16 or public school academy before the pupil membership count day or supplemental count day of  
17 a particular year but was expelled or suspended on the pupil membership count day or  
18 supplemental count day is only counted as 1.0 full-time equated membership if the pupil  
19 resumed attendance in the district, intermediate district, or public school academy within  
20 45 days after the pupil membership count day or supplemental count day of that particular  
21 year. A pupil not counted as 1.0 full-time equated membership due to an absence from a  
22 class is counted as a prorated membership for the classes the pupil attended. For purposes  
23 of this subsection, "class" means a period of time in 1 day when pupils and an individual  
24 who is appropriately placed under a valid certificate, substitute permit, authorization, or  
25 approval issued by the department, are together and instruction is taking place.

26 ~~(9) "Pupils engaged in pandemic learning for fall 2020" means pupils in grades K to~~  
27 ~~12 who are enrolled in a district, excluding a district that operates as a cyber school, as~~  
28 ~~that term is defined in section 551 of the revised school code, MCL 380.551, or~~  
29 ~~intermediate district and to which any of the following apply:~~

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

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

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

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

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

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

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

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

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

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

24 ~~(c) At a minimum, 1 2-way interaction has occurred between the pupil and the pupil's~~  
25 ~~teacher or at least 1 of the pupil's teachers or another district employee who has~~  
26 ~~responsibility for the pupil's learning, grade progression, or academic progress during the~~  
27 ~~week on which 2020-2021 pupil membership count day falls and during each week for the 3~~  
28 ~~consecutive weeks after the week on which 2020-2021 pupil membership count day falls. A~~  
29 ~~district may utilize 2-way interactions that occur under this subdivision toward meeting~~  
30 ~~the requirement under section 101(3)(h). As used in this subdivision:~~

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

- 12 ~~(A) Electronic mail.~~
- 13 ~~(B) Telephone.~~
- 14 ~~(C) Instant messaging.~~
- 15 ~~(D) Face to face conversation.~~

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

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

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

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

28 **(9)** ~~(10)~~ "Rule" means a rule promulgated pursuant to the administrative procedures  
29 act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

30 **(10)** ~~(11)~~ "The revised school code" means the revised school code, 1976 PA 451, MCL  
31 380.1 to 380.1852.

1           (11) ~~(12)~~-"School district of the first class", "first class school district", and  
2 "district of the first class" mean, for the purposes of this article only, a district that  
3 had at least 40,000 pupils in membership for the immediately preceding fiscal year.

4           (12) ~~(13)~~-"School fiscal year" means a fiscal year that commences July 1 and  
5 continues through June 30.

6           (13) ~~(14)~~-"State board" means the state board of education.

7           (14) ~~(15)~~-"Superintendent", unless the context clearly refers to a district or  
8 intermediate district superintendent, means the superintendent of public instruction  
9 described in section 3 of article VIII of the state constitution of 1963.

10           (15) ~~(16)~~-"Supplemental count day" means the day on which the supplemental pupil  
11 count is conducted under section 6a or the day specified as supplemental count day under  
12 section 6a.

13           (16) ~~(17)~~-"Tuition pupil" means a pupil of school age attending school in a district  
14 other than the pupil's district of residence for whom tuition may be charged to the  
15 district of residence. Tuition pupil does not include a pupil who is a special education  
16 pupil, a pupil described in subsection (6) (c) to (o), or a pupil whose parent or guardian  
17 voluntarily enrolls the pupil in a district that is not the pupil's district of residence.  
18 A pupil's district of residence shall not require a high school tuition pupil, as provided  
19 under section 111, to attend another school district after the pupil has been assigned to a  
20 school district.

21           (17) ~~(18)~~-"State school aid fund" means the state school aid fund established in  
22 section 11 of article IX of the state constitution of 1963.

23           (18) ~~(19)~~-"Taxable value" means the taxable value of property as determined under  
24 section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

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

30           (20) ~~(21)~~-"Total state aid" or "total state school aid", except as otherwise provided  
31 in this article, means the total combined amount of all funds due to a district,  
32 intermediate district, or other entity under this article.

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

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

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

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

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

1 ~~district.~~

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

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

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

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

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

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

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

19 ~~(c) At a minimum, 1 2-way interaction has occurred between the pupil and the pupil's~~  
20 ~~teacher or at least 1 of the pupil's teachers during the week on which 2020-2021~~  
21 ~~supplemental count day falls and during each week for the 3 consecutive weeks after the~~  
22 ~~week on which 2020-2021 supplemental count day falls. A district may utilize 2-way~~  
23 ~~interactions that occur under this subdivision toward meeting the requirement under section~~  
24 ~~101(3)(h). As used in this subdivision:~~

25 ~~(i) "2-way interaction" means a communication that occurs between a pupil and the~~  
26 ~~pupil's teacher or at least 1 of the pupil's teachers, where 1 party initiates~~  
27 ~~communication and a response from the other party follows that communication, and that is~~  
28 ~~relevant to course progress or course content for at least 1 of the courses in which the~~  
29 ~~pupil is enrolled. Responses, as described in this subparagraph, must be to the~~  
30 ~~communication initiated by the teacher, and not some other action taken. The communication~~  
31 ~~described in this subparagraph may occur through, but is not limited to, any of the~~

1 following means:

2 ~~(A) Electronic mail.~~

3 ~~(B) Telephone.~~

4 ~~(C) Instant messaging.~~

5 ~~(D) Face-to-face conversation.~~

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

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

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

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

17 Sec. 11. (1) ~~For the fiscal year ending September 30, 2020, there is appropriated for~~  
18 ~~the public schools of this state and certain other state purposes relating to education the~~  
19 ~~sum of \$12,829,470,800.00 from the state school aid fund, the sum of \$104,660,000.00 from~~  
20 ~~the general fund, an amount not to exceed \$75,900,000.00 from the community district~~  
21 ~~education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489,~~  
22 ~~MCL 12.262, an amount not to exceed \$9,717,800.00 from the talent investment fund created~~  
23 ~~under section 8a of the higher education loan authority act, 1975 PA 222, MCL 390.1158a, an~~  
24 ~~amount not to exceed \$31,900,000.00 from the MPSERS retirement obligation reform reserve~~  
25 ~~fund, and an amount not to exceed \$100.00 from the water emergency reserve fund. For the~~  
26 ~~fiscal year ending September 30, 2021, 2022 there is appropriated for the public schools of~~  
27 ~~this state and certain other state purposes relating to education the sum of~~  
28 ~~\$13,589,621,600.00~~ **\$13,918,589,400.00** ~~from the state school aid fund, the sum of~~  
29 ~~\$50,964,700.00~~ **\$40,000,000.00** ~~from the general fund, an amount not to exceed \$77,700,000.00~~  
30 **\$72,000,000.00** ~~from the community district education trust fund created under section 12 of~~  
31 ~~the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00~~  
32 ~~from the water emergency reserve fund. In addition, all available federal funds are~~

1 appropriated for the fiscal ~~years-year~~ ending ~~September 30, 2020 and~~ September 30, 2021  
2 **2022**.

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

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

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

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

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

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

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

19 (3) Money available in the school aid stabilization fund may not be expended without  
20 a specific appropriation from the school aid stabilization fund. Money in the school aid  
21 stabilization fund must be expended only for purposes for which state school aid fund money  
22 may be expended.

23 (4) The state treasurer shall direct the investment of the school aid stabilization  
24 fund. The state treasurer shall credit to the school aid stabilization fund interest and  
25 earnings from fund investments.

26 (5) Money in the school aid stabilization fund at the close of a fiscal year remains  
27 in the school aid stabilization fund and does not lapse to the unreserved school aid fund  
28 balance or the general fund.

29 (6) If the maximum amount appropriated under section 11 from the state school aid  
30 fund for a fiscal year exceeds the amount available for expenditure from the state school  
31 aid fund for that fiscal year, there is appropriated from the school aid stabilization fund  
32 to the state school aid fund an amount equal to the projected shortfall as determined by

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

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

10 Sec. 11j. From the appropriation in section 11, there is allocated an amount not to  
11 exceed \$111,000,000.00 for ~~2020-2021~~ **2021-2022** for payments to the school loan bond  
12 redemption fund in the department of treasury on behalf of districts and intermediate  
13 districts. Notwithstanding section 296 or any other provision of this act, funds allocated  
14 under this section are not subject to proration and must be paid in full.

15 Sec. 11k. For ~~2020-2021~~, **2021-2022**, there is appropriated from the general fund to  
16 the school loan revolving fund an amount equal to the amount of school bond loans assigned  
17 to the Michigan finance authority, not to exceed the total amount of school bond loans held  
18 in reserve as long-term assets. As used in this section, "school loan revolving fund" means  
19 that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL  
20 141.1066c.

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

25 Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there  
26 is allocated \$5,000,000.00 for ~~2020-2021~~ **2021-2022** and from the general fund money  
27 appropriated in section 11, there is allocated \$3,075,000.00 for ~~2020-2021~~ **2021-2022** for  
28 the purpose of providing services and programs to children who reside within the boundaries  
29 of a district with the majority of its territory located within the boundaries of a city  
30 for which an executive proclamation of emergency concerning drinking water is issued in the  
31 current or immediately preceding 5 fiscal years under the emergency management act, 1976 PA  
32 390, MCL 30.401 to 30.421. From the funding appropriated in section 11, there is allocated

1 for ~~2020-2021~~**2021-2022** \$100.00 from the water emergency reserve fund for the purposes of  
2 this section.

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

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

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

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

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

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

29 (4) From the state school aid fund money allocated in subsection (1), there is  
30 allocated an amount not to exceed \$1,000,000.00 for ~~2020-2021~~**2021-2022** to the intermediate  
31 district described in subsection (3) to enroll children described in subsection (1) in  
32 school-day great start readiness programs, regardless of household income eligibility

1 requirements contained in section 32d. The department shall administer this funding  
2 consistent with all other provisions that apply to great start readiness programs under  
3 sections 32d and 39.

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

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

15 (7) **In addition to the allocation under subsection (1), from the general fund money**  
16 **appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for**  
17 **2021-2022 only for an early childhood collaborative that serves students located in a**  
18 **county with a population of not less than 400,000 or more than 500,000 according to the**  
19 **most recent federal decennial census. The funds shall be used to continue the expansion of**  
20 **early childhood services in response to a drinking water declaration of emergency described**  
21 **in this section.**

22 (8) ~~(7)~~ In addition to other funding allocated and appropriated in this section,  
23 there is appropriated an amount not to exceed \$5,000,000.00 for ~~2020-2021~~ **2021-2022** for  
24 state restricted contingency funds. These contingency funds are not available for  
25 expenditure until they have been transferred to a section within this article under section  
26 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

29 Sec. 15. (1) If a district or intermediate district fails to receive its proper  
30 apportionment, the department, upon satisfactory proof that the district or intermediate  
31 district was entitled justly, shall apportion the deficiency in the next apportionment.  
32 Subject to subsections (2) and (3), if a district or intermediate district has received

1 more than its proper apportionment, the department, upon satisfactory proof, shall deduct  
2 the excess in the next apportionment. Notwithstanding any other provision in this article,  
3 state aid overpayments to a district, other than overpayments in payments for special  
4 education or special education transportation, may be recovered from any payment made under  
5 this article other than a special education or special education transportation payment,  
6 from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA  
7 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under  
8 section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in  
9 special education or special education transportation payments may be recovered from  
10 subsequent special education or special education transportation payments, from the  
11 proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL  
12 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of  
13 the revised school code, MCL 380.1211.

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

27 (3) If, based on an audit by the department or the department's designee or because  
28 of new or updated information received by the department, the department determines that  
29 the amount paid to a district or intermediate district under this article for the current  
30 fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate  
31 deduction or payment in the district's or intermediate district's allocation in the next  
32 apportionment after the adjustment is finalized. The department shall calculate the

1 deduction or payment according to the law in effect in the fiscal year in which the  
2 incorrect amount was paid. If the district does not receive an allocation for the fiscal  
3 year or if the allocation is not sufficient to pay the amount of any deduction, the amount  
4 of any deduction otherwise applicable must be satisfied from the proceeds of a loan to the  
5 district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or  
6 from the proceeds of millage levied or pledged under section 1211 of the revised school  
7 code, MCL 380.1211, as determined by the department.

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

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

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

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

24 Sec. 18. (1) Except as provided in another section of this article, each district or  
25 other entity shall apply the money received by the district or entity under this article to  
26 salaries and other compensation of teachers and other employees, tuition, transportation,  
27 lighting, heating, ventilation, water service, the purchase of textbooks, other supplies,  
28 and any other school operating expenditures defined in section 7. However, not more than  
29 20% of the total amount received by a district under sections 22a and 22b or received by an  
30 intermediate district under section 81 may be transferred by the board to either the  
31 capital projects fund or to the debt retirement fund for debt service. A district or other  
32 entity shall not apply or take the money for a purpose other than as provided in this

1 section. The department shall determine the reasonableness of expenditures and may withhold  
2 from a recipient of funds under this article the apportionment otherwise due upon a  
3 violation by the recipient. A district must not be prohibited or limited from using funds  
4 appropriated or allocated under this article that are permitted for use for  
5 noninstructional services to contract or subcontract with an intermediate district, third  
6 party, or vendor for the noninstructional services.

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

14 (a) The annual operating budget and subsequent budget revisions.

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

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

19 (A) Salaries and wages.

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

22 (C) Retirement benefit costs.

23 (D) All other personnel costs.

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

25 (A) Instruction.

26 (B) Support services.

27 (C) Business and administration.

28 (D) Operations and maintenance.

29 (c) Links to all of the following:

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

31 (ii) Each health care benefits plan, including, but not limited to, medical, dental,

1 vision, disability, long-term care, or any other type of benefits that would constitute  
2 health care services, offered to any bargaining unit or employee in the district.

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

5 (iv) The bids required under section 5 of the public employees health benefit act,  
6 2007 PA 106, MCL 124.75.

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

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

11 (vii) Either the district's accounts payable check register for the most recent school  
12 fiscal year or a statement of the total amount of expenses incurred by board members or  
13 employees of the district that were reimbursed by the district for the most recent school  
14 fiscal year.

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

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

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

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

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

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

31 (3) For the information required under subsection (2) (a), (2) (b) (i), and (2) (c), an

1 intermediate district shall provide the same information in the same manner as required for  
2 a district under subsection (2).

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

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

15 (b) If a district operates in a single building with fewer than 700 full-time equated  
16 pupils, if the district has stable membership, and if the error rate of the immediately  
17 preceding 2 pupil accounting field audits of the district is less than 2%, the district may  
18 have a pupil accounting field audit conducted biennially but must continue to have desk  
19 audits for each pupil count. The auditor must document compliance with the audit cycle in  
20 the pupil auditing manual. As used in this subdivision, "stable membership" means that the  
21 district's membership for the current fiscal year varies from the district's membership for  
22 the immediately preceding fiscal year by less than 5%.

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

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

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

32 (i) A district shall file the annual financial audit reports with the intermediate

1 district and the department.

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

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

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

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

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

1 annual financial report.

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

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

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

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

17 (10) If a district or intermediate district does not comply with subsections (4),  
18 (5), (6), (7), and (12), or if the department determines that the financial data required  
19 under subsection (5) are not consistent with audited financial statements, the department  
20 shall withhold all state school aid due to the district or intermediate district under this  
21 article, beginning with the next payment due to the district or intermediate district,  
22 until the district or intermediate district complies with subsections (4), (5), (6), (7),  
23 and (12). If the district or intermediate district does not comply with subsections (4),  
24 (5), (6), (7), and (12) by the end of the fiscal year, the district or intermediate  
25 district forfeits the amount withheld.

26 (11) If a district or intermediate district does not comply with subsection (2), the  
27 department may withhold up to 10% of the total state school aid due to the district or  
28 intermediate district under this article, beginning with the next payment due to the  
29 district or intermediate district, until the district or intermediate district complies  
30 with subsection (2). If the district or intermediate district does not comply with  
31 subsection (2) by the end of the fiscal year, the district or intermediate district  
32 forfeits the amount withheld.

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

11 (13) By March 31 of each year, the department shall submit to the house and senate  
12 appropriations subcommittees on state school aid, the state budget director, and the house  
13 and senate fiscal agencies a report summarizing the per-pupil costs by vendor type of  
14 virtual courses available under section 21f and virtual courses provided by a school of  
15 excellence that is a cyber school, as defined in section 551 of the revised school code,  
16 MCL 380.551.

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

18 (a) Virtual courses provided by the Michigan Virtual University.

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

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

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

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

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

32 Sec. 19. (1) A district or intermediate district shall comply with all applicable

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

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

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

30 (4) If a district or intermediate district fails to meet the requirements of this  
31 section, the department shall withhold 5% of the total funds for which the district or  
32 intermediate district qualifies under this article until the district or intermediate

1 district complies with all of those subsections. If the district or intermediate district  
2 does not comply with all of those subsections by the end of the fiscal year, the department  
3 shall place the amount withheld in an escrow account until the district or intermediate  
4 district complies with all of those subsections.

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

14 (6) ~~Beginning in 2016-2017, the~~ **The** department shall implement statewide standard  
15 reporting requirements for education data approved by the department in conjunction with  
16 the center. The department shall work with the center, intermediate districts, districts,  
17 and other interested stakeholders to implement this policy change. A district or  
18 intermediate district shall implement the statewide standard reporting requirements not  
19 later than 2017-2018 or when a district or intermediate district updates its education data  
20 reporting system, whichever is later.

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

22 (a) The target foundation allowance is ~~\$8,529.00~~ **\$8,611.00**.

23 (b) The minimum foundation allowance is ~~\$8,111.00~~ **\$8,275.00**.

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

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

30 (a) Except as otherwise provided in this subdivision, for a district that had a  
31 foundation allowance for the immediately preceding fiscal year that was at least equal to  
32 the minimum foundation allowance for the immediately preceding fiscal year, but less than

1 the target foundation allowance for the immediately preceding fiscal year, the district  
2 receives a foundation allowance in an amount equal to the sum of the district's foundation  
3 allowance for the immediately preceding fiscal year plus the difference between twice the  
4 dollar amount of the adjustment from the immediately preceding fiscal year to the current  
5 fiscal year made in the target foundation allowance and [(the difference between the target  
6 foundation allowance for the current fiscal year and target foundation allowance for the  
7 immediately preceding fiscal year minus ~~\$40.00~~ **\$30.00**) times (the difference between the  
8 district's foundation allowance for the immediately preceding fiscal year and the minimum  
9 foundation allowance for the immediately preceding fiscal year) divided by the difference  
10 between the target foundation allowance for the current fiscal year and the minimum  
11 foundation allowance for the immediately preceding fiscal year.] However, the foundation  
12 allowance for a district that had less than the target foundation allowance for the  
13 immediately preceding fiscal year must not exceed the target foundation allowance for the  
14 current fiscal year.

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

20 (c) For a district that had a foundation allowance for the immediately preceding  
21 fiscal year that was greater than the target foundation allowance for the immediately  
22 preceding fiscal year, the district's foundation allowance is an amount equal to the sum of  
23 the district's foundation allowance for the immediately preceding fiscal year plus the  
24 lesser of the increase in the target foundation allowance for the current fiscal year, as  
25 compared to the immediately preceding fiscal year, or the product of the district's  
26 foundation allowance for the immediately preceding fiscal year times the percentage  
27 increase in the United States Consumer Price Index in the calendar year ending in the  
28 immediately preceding fiscal year as reported by the May revenue estimating conference  
29 conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b.

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

1 (4) Except as otherwise provided in this subsection, beginning in 2014-2015, the  
2 state portion of a district's foundation allowance is an amount equal to the district's  
3 foundation allowance or the target foundation allowance for the current fiscal year,  
4 whichever is less, minus the local portion of the district's foundation allowance. For a  
5 district described in subsection (3) (c), beginning in 2014-2015, the state portion of the  
6 district's foundation allowance is an amount equal to \$6,962.00 plus the difference between  
7 the district's foundation allowance for the current fiscal year and the district's  
8 foundation allowance for 1998-99, minus the local portion of the district's foundation  
9 allowance. For a district that has a millage reduction required under section 31 of article  
10 IX of the state constitution of 1963, the department shall calculate the state portion of  
11 the district's foundation allowance as if that reduction did not occur. For a receiving  
12 district, if school operating taxes continue to be levied on behalf of a dissolved district  
13 that has been attached in whole or in part to the receiving district to satisfy debt  
14 obligations of the dissolved district under section 12 of the revised school code, MCL  
15 380.12, the taxable value per membership pupil of property in the receiving district used  
16 for the purposes of this subsection does not include the taxable value of property within  
17 the geographic area of the dissolved district. For a community district, if school  
18 operating taxes continue to be levied by a qualifying school district under section 12b of  
19 the revised school code, MCL 380.12b, with the same geographic area as the community  
20 district, the taxable value per membership pupil of property in the community district to  
21 be used for the purposes of this subsection does not include the taxable value of property  
22 within the geographic area of the community district.

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

1 (6) Except as otherwise provided in this subsection, for pupils in membership, other  
2 than special education pupils, in a public school academy, the allocation calculated under  
3 this section is an amount per membership pupil other than special education pupils in the  
4 public school academy equal to the minimum foundation allowance specified in subsection  
5 (1). Notwithstanding section 101, for a public school academy that begins operations after  
6 the pupil membership count day, the amount per membership pupil calculated under this  
7 subsection must be adjusted by multiplying that amount per membership pupil by the number  
8 of hours of pupil instruction provided by the public school academy after it begins  
9 operations, as determined by the department, divided by the minimum number of hours of  
10 pupil instruction required under section 101(3). The result of this calculation must not  
11 exceed the amount per membership pupil otherwise calculated under this subsection.  
12 **Beginning in 2021-2022, for pupils in membership in a public school academy that was issued**  
13 **a contract under section 552 of the revised school code, MCL 380.552, to operate as a**  
14 **school of excellence that is a cyber school, the allocation calculated under this section**  
15 **shall be an amount equal to 80% of the amount as would otherwise be calculated under this**  
16 **subsection for a public school academy.**

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

23 (8) Subject to subsection (4), for a district that is formed or reconfigured after  
24 June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting  
25 district's foundation allowance under this section beginning after the effective date of  
26 the consolidation or annexation is the lesser of the sum of the average of the foundation  
27 allowances of each of the original or affected districts, calculated as provided in this  
28 section, weighted as to the percentage of pupils in total membership in the resulting  
29 district who reside in the geographic area of each of the original or affected districts  
30 plus \$100.00 or the highest foundation allowance among the original or affected districts.  
31 This subsection does not apply to a receiving district unless there is a subsequent  
32 consolidation or annexation that affects the district.

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

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

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

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

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

32 (c) The index is calculated by multiplying the pupil membership factor by the revenue

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

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

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

12 (14) As used in this section:

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

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

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

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

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

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

28 (g) "Local portion of the district's foundation allowance" means an amount that is  
29 equal to the difference between (the sum of the product of the taxable value per membership  
30 pupil of all property in the district that is nonexempt property times the district's  
31 certified mills and, for a district with certified mills exceeding 12, the product of the  
32 taxable value per membership pupil of property in the district that is commercial personal

1 property times the certified mills minus 12 mills) and (the quotient of the product of the  
2 captured assessed valuation under tax increment financing acts times the district's  
3 certified mills divided by the district's membership excluding special education pupils).

4 (h) "Local school operating revenue" means school operating taxes levied under  
5 section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school  
6 operating taxes are to be levied on behalf of a dissolved district that has been attached  
7 in whole or in part to the receiving district to satisfy debt obligations of the dissolved  
8 district under section 12 of the revised school code, MCL 380.12, local school operating  
9 revenue does not include school operating taxes levied within the geographic area of the  
10 dissolved district.

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

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

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

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

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

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

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

32 (p) "Tax increment financing acts" means parts 2, 3, 4, and 6 of the recodified tax

1 increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or  
2 the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

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

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

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

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

1 attending the center program and excluded nonresident pupils attending the center program.

2 Sec. 20f. (1) From the funds appropriated in section 11, there is allocated an amount  
3 not to exceed \$18,000,000.00 for ~~2020-2021~~**2021-2022** for payments to eligible districts  
4 under this section.

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

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

11 (b) The district's equity payment per membership pupil under former section 22c for  
12 2013-2014.

13 (c) The quotient of the district's allocation under section 147a for 2012-2013  
14 divided by the district's membership pupils for 2012-2013 minus the quotient of the  
15 district's allocation under section 147a for 2013-2014 divided by the district's membership  
16 pupils for 2013-2014.

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

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

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

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

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

29 (d) The quotient of the district's allocation under section 31a for 2015-2016 divided  
30 by the district's membership pupils for 2015-2016 minus the quotient of the district's  
31 allocation under section 31a for 2014-2015 divided by the district's membership pupils for  
32 2014-2015.

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

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

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

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

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

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

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

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

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

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

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

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

7 (4) ~~Except as otherwise provided under subsection (15), if~~ **If** the number of  
8 applicants eligible for acceptance in a virtual course does not exceed the capacity of the  
9 provider to provide the virtual course, the provider shall accept for enrollment all of the  
10 applicants eligible for acceptance. If the number of applicants exceeds the provider's  
11 capacity to provide the virtual course, the provider shall use a random draw system,  
12 subject to the need to abide by state and federal antidiscrimination laws and court orders.  
13 A primary district that is also a provider shall determine whether or not it has the  
14 capacity to accept applications for enrollment from nonresident applicants in virtual  
15 courses and may use that limit as the reason for refusal to enroll a nonresident applicant.

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

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

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

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

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

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

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

31 (g) The virtual course is of insufficient quality or rigor. A primary district that  
32 denies a pupil enrollment request for this reason shall enroll the pupil in a virtual

1 course in the same or a similar subject that the primary district determines is of  
2 acceptable rigor and quality.

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (10) ~~Except as otherwise provided under subsection (15), for~~ **For** a pupil enrolled in  
20 1 or more virtual courses, the primary district shall use foundation allowance or per-pupil  
21 funds calculated under section 20 to pay for the expenses associated with the virtual  
22 course or courses. ~~Except as otherwise provided under subsection (15), a~~ **A** primary district  
23 is not required to pay toward the cost of a virtual course an amount that exceeds 6.67% of  
24 the minimum foundation allowance for the current fiscal year as calculated under section  
25 20.

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

1 (12) If a pupil successfully completes a virtual course, as determined by the pupil's  
2 primary district, the pupil's primary district shall grant appropriate academic credit for  
3 completion of the course and shall count that credit toward completion of graduation and  
4 subject area requirements. A pupil's school record and transcript must identify the virtual  
5 course title as it appears in the virtual course syllabus.

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

13 (14) As used in this section:

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

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

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

23 (d) "Provider" means the district, intermediate district, or community college that  
24 the primary district pays to provide the virtual course or the Michigan Virtual University  
25 if it is providing the virtual course.

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

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

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

30 (iii) Is responsible for providing instruction, determining instructional methods for  
31 each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention

1 strategies and modifying lessons, reporting outcomes, and evaluating the effects of  
2 instruction and support strategies.

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

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

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

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

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

13 (ii) The virtual course content outline.

14 (iii) The virtual course required assessments.

15 (iv) The virtual course prerequisites.

16 (v) Expectations for actual instructor or teacher of record contact time with the  
17 virtual learning pupil and other communications between a pupil and the instructor or  
18 teacher of record.

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

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

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

22 (ix) The name of the institution or organization providing the instructor or teacher  
23 of record.

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

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

30 (xii) The results of the virtual course quality review using the guidelines and model

1 review process published by the Michigan Virtual University.

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

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

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

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

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

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

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

5 (iii) A review of classroom, instructional, and operational practices and curriculum  
6 to ensure alignment with research-based instructional practices and state curriculum  
7 standards.

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

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

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

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

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

31 (4) Funds allocated under this section, excluding funds allocated under subsection

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

8 (5) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~  
9 **2021-2022** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to  
10 be used by districts described in subsection (1). The superintendent of public instruction  
11 shall require districts described in subsection (1) to purchase a data analytics tool  
12 funded under this subsection as part of the agreements described in this section.

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

18 Sec. 22a. (1) From the appropriation in section 11, there is allocated an amount not  
19 to exceed ~~\$4,916,000,000.00 for 2019-2020 and there is allocated an amount not to exceed~~  
20 ~~\$4,880,500,000.00~~ **\$4,729,000,000.00** for ~~2020-2021~~ **2021-2022** for payments to districts and  
21 qualifying public school academies to guarantee each district and qualifying public school  
22 academy an amount equal to its 1994-95 total state and local per pupil revenue for school  
23 operating purposes under section 11 of article IX of the state constitution of 1963.  
24 Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does  
25 not apply to a district in a year in which the district levies a millage rate for school  
26 district operating purposes less than it levied in 1994. However, subsection (2) applies to  
27 calculating the payments under this section. Funds allocated under this section that are  
28 not expended in the fiscal year for which they were allocated, as determined by the  
29 department, may be used to supplement the allocations under sections 22b and 51c to fully  
30 fund those allocations for the same fiscal year. For each fund transfer as described in the  
31 immediately preceding sentence that occurs, the state budget director shall send  
32 notification of the transfer to the house and senate appropriations subcommittees on state

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

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

7 (a) Except as otherwise provided in this subsection, the state portion of a  
8 district's 1994-95 foundation allowance is an amount equal to the district's 1994-95  
9 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum  
10 of the product of the taxable value per membership pupil of all property in the district  
11 that is nonexempt property times the district's certified mills and, for a district with  
12 certified mills exceeding 12, the product of the taxable value per membership pupil of  
13 property in the district that is commercial personal property times the certified mills  
14 minus 12 mills and the quotient of the ad valorem property tax revenue of the district  
15 captured under tax increment financing acts divided by the district's membership. For a  
16 district that has a millage reduction required under section 31 of article IX of the state  
17 constitution of 1963, the department shall calculate the state portion of the district's  
18 foundation allowance as if that reduction did not occur. For a receiving district, if  
19 school operating taxes are to be levied on behalf of a dissolved district that has been  
20 attached in whole or in part to the receiving district to satisfy debt obligations of the  
21 dissolved district under section 12 of the revised school code, MCL 380.12, taxable value  
22 per membership pupil of all property in the receiving district that is nonexempt property  
23 and taxable value per membership pupil of property in the receiving district that is  
24 commercial personal property do not include property within the geographic area of the  
25 dissolved district; ad valorem property tax revenue of the receiving district captured  
26 under tax increment financing acts does not include ad valorem property tax revenue  
27 captured within the geographic boundaries of the dissolved district under tax increment  
28 financing acts; and certified mills do not include the certified mills of the dissolved  
29 district. For a community district, the department shall reduce the allocation as otherwise  
30 calculated under this section by an amount equal to the amount of local school operating  
31 tax revenue that would otherwise be due to the community district if not for the operation  
32 of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is

1 offset by the increase in funding under section 22b(2).

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

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

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

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

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

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

9 (7) As used in this section:

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

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

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

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

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

28 (f) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance  
29 greater than \$6,500.00, the number of mills by which the exemption from the levy of school  
30 operating taxes on a principal residence, qualified agricultural property, qualified forest  
31 property, supportive housing property, industrial personal property, commercial personal  
32 property, and property occupied by a public school academy could be reduced as provided in

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

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

11 (h) "Nonexempt property" means property that is not a principal residence, qualified  
12 agricultural property, qualified forest property, supportive housing property, industrial  
13 personal property, commercial personal property, or property occupied by a public school  
14 academy.

15 (i) "Principal residence", "qualified agricultural property", "qualified forest  
16 property", "supportive housing property", "industrial personal property", and "commercial  
17 personal property" mean those terms as defined in section 1211 of the revised school code,  
18 MCL 380.1211.

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

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

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

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

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

31 (i) For the number of mills by which the exemption from the levy of school operating  
32 taxes on a principal residence, qualified agricultural property, qualified forest property,

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

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

19 Sec. 22b. (1) For discretionary nonmandated payments to districts under this section,  
20 there is allocated for ~~2019-2020 an amount not to exceed \$4,499,100,000.00 from the state~~  
21 ~~school aid fund and general fund appropriations in section 11 and an amount not to exceed~~  
22 ~~\$75,900,000.00 from the community district education trust fund appropriation in section~~  
23 ~~11, and there is allocated for 2020-2021-2021-2022~~ an amount not to exceed  
24 ~~\$4,488,800,000.00~~ **\$4,626,800,000.00** from the state school aid fund and general fund  
25 appropriations in section 11 and an amount not to exceed ~~\$77,700,000.00~~ **\$72,000,000.00** from  
26 the community district education trust fund appropriation in section 11. Except for money  
27 allocated under this section from the community district education trust fund appropriation  
28 in section 11, funds allocated under this section that are not expended in the fiscal year  
29 for which they were allocated, as determined by the department, may be used to supplement  
30 the allocations under sections 22a and 51c to fully fund those allocations for the same  
31 fiscal year. For each fund transfer as described in the immediately preceding sentence that  
32 occurs, the state budget director shall send notification of the transfer to the house and

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

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

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

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

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

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

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

22 (e) Comply with section 21f.

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

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

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

30 (5) From the allocation in subsection (1), the department shall pay up to  
31 \$1,000,000.00 in litigation costs incurred by this state related to commercial or  
32 industrial property tax appeals, including, but not limited to, appeals of classification,

1 that impact revenues dedicated to the state school aid fund.

2 (6) From the allocation in subsection (1), the department shall pay up to  
3 \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by  
4 1 or more districts or intermediate districts against this state. If the allocation under  
5 this section is insufficient to fully fund all payments required under this section, the  
6 payments under this subsection must be made in full before any proration of remaining  
7 payments under this section.

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

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

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

31 (10) If payments resulting from a final determination by the local claims review  
32 board or a court of competent jurisdiction that there has been a violation of section 29 of

1 article IX of the state constitution of 1963 exceed the amount allocated for discretionary  
2 nonmandated payments under this section, the legislature shall provide for adequate funding  
3 for this state's constitutional obligations at its next legislative session.

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

17 Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an  
18 amount not to exceed ~~\$7,000,000.00~~ **\$7,140,000.00** is allocated for ~~2020-2021-2021-~~  
19 ~~2022~~ supplemental payments to rural districts under this section.

20 (2) From the allocation under subsection (1), there is allocated for ~~2020-2021-2021-~~  
21 ~~2022~~ an amount not to exceed ~~\$957,300.00~~ **\$976,500.00** for payments under this subsection to  
22 districts that meet all of the following:

- 23 (a) Operates grades K to 12.
- 24 (b) Has fewer than 250 pupils in membership.
- 25 (c) Each school building operated by the district meets at least 1 of the following:
  - 26 (i) Is located in the Upper Peninsula at least 30 miles from any other public school  
27 building.
  - 28 (ii) Is located on an island that is not accessible by bridge.

29 (3) The amount of the additional funding to each eligible district under subsection  
30 (2) is determined under a spending plan developed as provided in this subsection and  
31 approved by the superintendent of public instruction. The spending plan must be developed

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

11 (4) Subject to subsection (6), from the allocation in subsection (1), there is  
12 allocated for ~~2020-2021~~**2021-2022** an amount not to exceed ~~\$6,042,700.00~~**\$6,163,500.00** for  
13 payments under this subsection to districts that have fewer than 10.0 pupils per square  
14 mile as determined by the department.

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

16 (a) An amount equal to ~~\$5,200,000.00~~**\$5,304,000.00** is allocated to districts with  
17 fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-  
18 pupil basis.

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

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

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

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

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

31 Sec. 22m. (1) From the appropriations in section 11, there is allocated for ~~2020-2021~~

1 **2021-2022** an amount not to exceed \$2,200,000.00 for supporting the integration of local  
2 data systems into the Michigan data hub network based on common standards and applications  
3 that are in compliance with section 19(6).

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

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

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

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

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

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

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

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

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

32 (c) Promoting the use of a more common set of applications by promoting systems that

1 integrate with the Michigan data hub network.

2 (d) Promoting 100% district adoption of the Michigan data hub network by September  
3 30, ~~2021~~-2022.

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

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

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

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

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

19 Sec. 22p. (1) Subject to subsection (2), in order to receive funding under section  
20 22b, a district or public school academy that is assigned by the superintendent of public  
21 instruction as a partnership district must have a signed 3-year partnership agreement with  
22 the department that includes all of the following:

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

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

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

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

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

5           (b) Accountability measures to be imposed if the district or public school academy  
6 does not achieve the measurable academic outcomes described in subdivision (a) for each  
7 school operated by the district or public school academy that is subject to the partnership  
8 agreement. For a district assigned as a partnership district as described in this  
9 subsection, accountability measures under this subdivision must include the reconstitution  
10 of the school. For a public school academy assigned as a partnership district as described  
11 in this subsection, accountability measures under this subdivision may include the  
12 reconstitution of the school.

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

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

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

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

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

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

9 Sec. 24. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~  
10 **2021-2022** an amount not to exceed ~~\$7,150,000.00~~ **\$7,650,000.00** for payments to the educating  
11 district or intermediate district for educating pupils assigned by a court or the  
12 department of health and human services to reside in or to attend a juvenile detention  
13 facility or child caring institution licensed by the department of health and human  
14 services and approved by the department to provide an on-grounds education program. The  
15 amount of the payment under this section to a district or intermediate district is  
16 calculated as prescribed under subsection (2).

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

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

31 (b) "Department's approved per-pupil allocation" for a district or intermediate  
32 district is determined by dividing the total amount allocated under this section for a

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

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

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

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

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

32 (2) In order to receive funding under this section, a strict discipline academy must

1 first comply with section 25e and use the pupil transfer process under that section for  
2 changes in enrollment as prescribed under that section.

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

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

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

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

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

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

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

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

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

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

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

24           Sec. 26b. (1) From the appropriation in section 11, there is allocated an amount not  
25 to exceed \$4,645,000.00 for ~~2020-2021~~**-2021-2022** for payments to districts, intermediate  
26 districts, and community college districts for the portion of the payment in lieu of taxes  
27 obligation that is attributable to districts, intermediate districts, and community college  
28 districts under section 2154 of the natural resources and environmental protection act,  
29 1994 PA 451, MCL 324.2154.

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

1           Sec. 26c. (1) From the state school aid fund money appropriated under section 11,  
2 there is allocated an amount not to exceed ~~\$9,700,000.00~~ **\$13,800,000.00** for ~~2020-2021~~ **2021-**  
3 **2022** to the promise zone fund created in subsection (3). The funds allocated under this  
4 section reflect the amount of revenue from the collection of the state education tax  
5 captured under section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL  
6 390.1677.

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

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

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

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

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

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

29           **Sec. 26d. (1) From the state school aid fund appropriation in section 11, there is**  
30 **allocated an amount not to exceed \$7,500,000.00 for 2021-2022 for reimbursements to**  
31 **intermediate districts as required under section 15b of the Brownfield redevelopment**  
32 **financing act, 1996 PA 381, MCL 125.2665b.**

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

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

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

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

12 (a) Section 22d, isolated and rural districts, ~~\$7,000,000.00.~~ **\$7,140,000.00.**

13 (b) Section 31a, at risk, standard programming, ~~\$510,000,000.00.~~ **\$522,500,000.00.**

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

15 (d) Section 41, bilingual education for English language learners, ~~\$13,000,000.00.~~  
16 **\$13,260,000.00.**

17 (e) Section 51c, special education, mandated percentages, ~~\$713,400,000.00.~~  
18 **\$733,000,000.00.**

19 (f) Section 51f, special education, additional percentages, ~~\$60,207,000.00.~~  
20 **\$61,407,000.00.**

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

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

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

27 **Sec. 29b. (1) From the state school aid fund money appropriated under section 11,**  
28 **there is allocated for 2021-2022 an amount not to exceed \$200,000,000.00 for payments as**  
29 **provided under this section to eligible districts described in subsection (2).**

30 (2) A district for which its 2020-2021 pupils in membership, as defined in this  
31 section, exceeds the calculation of membership for that district under section 6(4) for  
32 2021-2022 is an eligible district under this section.

1 (3) The payment to each eligible district under this section must be equal to [the  
2 difference between the district's total 2020-2021 pupils in membership, as defined in this  
3 section, and the district's total 2021-2022 pupils in membership] multiplied by 0.70  
4 multiplied by the district's foundation allowance calculated under section 20, not to  
5 exceed the target foundation allowance described in section 20.

6 (4) If funds allocated under this section are insufficient to fully fund the  
7 calculations under this section, the department shall apply proration on an equal  
8 percentage per district.

9 (5) As used in this section, "2020-2021 pupils in membership" means the sum of the  
10 product of .75 times the district's 2019-2020 membership as calculated under section 6 in  
11 2019-2020 and the product of .25 times [the sum of (the product of .90 times the number of  
12 full-time equated pupils engaged in pandemic learning for fall 2020 in 2020-2021 or, for a  
13 public school academy that operates as a cyber school, as that term is defined in section  
14 551 of the revised school code, MCL 380.551, the number of full-time equated pupils in  
15 grades K to 12 actually enrolled and in regular daily attendance in the public school  
16 academy on pupil membership count day for 2020-2021) and (the product of .10 times the  
17 final audited count from the supplemental count day of full-time equated pupils in grades K  
18 to 12 actually enrolled and in regular daily attendance in the district, public school  
19 academy, or intermediate district for the 2019-2020 school year)].

20 Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there  
21 is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$535,150,000.00~~  
22 **\$547,650,000.00** for payments to eligible districts and eligible public school academies for  
23 the purposes of ensuring that pupils are proficient in English language arts by the end of  
24 grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are  
25 attending school regularly, that high school graduates are career and college ready, and  
26 for the purposes under subsections (7) and (8).

27 (2) For a district that has combined state and local revenue per membership pupil  
28 under section 20 that is greater than the target foundation allowance under section 20 for  
29 the current fiscal year and that, for the immediately preceding fiscal year, had combined  
30 state and local revenue per membership pupil under section 20 that was greater than the  
31 target foundation allowance under section 20 that was in effect for that fiscal year, the  
32 allocation under this section is an amount equal to ~~30%~~**35%** of the allocation for which it

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

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

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

30 (4) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~  
31 **2021-2022** an amount not to exceed ~~\$510,000,000.00~~ **\$522,500,000.00** to continue a weighted  
32 foundation per pupil payment for districts and public school academies enrolling

1 economically disadvantaged pupils. The department shall pay under this section to each  
2 eligible district or eligible public school academy an amount per pupil equal to 11.5% of  
3 the statewide weighted average foundation allowance for the following, as applicable:

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

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

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

28 (b) If the district or public school academy began operations as a district or public  
29 school academy after the pupil membership count day of the immediately preceding school  
30 year, the number of membership pupils in the district or public school academy who are  
31 determined to be economically disadvantaged, as reported to the center in the form and

1 manner prescribed by the center not later than the fifth Wednesday after the pupil  
2 membership count day of the current fiscal year.

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

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

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

1 provided under this section may be conducted before or after regular school hours or by  
2 adding extra school days to the school year.

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

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

17 (8) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~  
18 **2021-2022** an amount not to exceed \$5,150,000.00 for the state portion of the hearing and  
19 vision screenings as described in section 9301 of the public health code, 1978 PA 368, MCL  
20 333.9301. A local public health department shall pay at least 50% of the total cost of the  
21 screenings. The frequency of the screenings must be as required under R 325.13091 to R  
22 325.13096 and R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be  
23 awarded in a form and manner approved jointly by the department and the department of  
24 health and human services. Notwithstanding section 17b, the department shall make payments  
25 to eligible entities under this subsection on a schedule determined by the department.

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

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

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

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

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

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

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

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

4 **(14) A district or public school academy that receives funds under this section may**  
5 **use up to 10% of those funds received under this section to provide evidence-based**  
6 **instruction for pre-kindergarten instructional and non-instructional services to children**  
7 **who meet at least one of the criteria in subdivision 20(a)(i) to 20(a)(x).**

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

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

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

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

5 **(18)** ~~(17)~~—A district or public school academy that receives funds under this section  
6 may use funds received under this section to provide an anti-bullying or crisis  
7 intervention program.

8 **(19)** ~~(18)~~—The department shall collaborate with the department of health and human  
9 services to prioritize assigning Pathways to Potential Success coaches to elementary  
10 schools that have a high percentage of pupils in grades K to 3 who are not proficient in  
11 English language arts, based upon state assessments for pupils in those grades.

12 **(20)** ~~(19)~~—As used in this section:

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

15 (i) The pupil is economically disadvantaged.

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

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

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

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

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

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

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

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

29 (x) Is a pupil who is at risk of not meeting the district's or public school  
30 academy's core academic curricular objectives in English language arts or mathematics, as

1 demonstrated on local assessments.

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

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

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

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

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

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

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

1 ~~in this subsection is not to exceed \$10.00 per eligible pupil plus 5 cents for each lunch~~  
2 ~~provided, as determined by the department.~~

3 (5) From the federal funds appropriated in section 11, there is allocated for ~~2020-~~  
4 ~~2021-2022~~ all available federal funding, estimated at \$545,000,000.00 for child  
5 nutrition programs and all available federal funding, estimated at ~~\$5,000,000.00~~  
6 **\$11,000,000.00** for food distribution programs.

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

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

13 Sec.31f. (1) From the appropriations in section 11, there is allocated an amount not  
14 to exceed ~~\$4,500,000.00~~ **\$11,900,000.00** for ~~2020-2021-~~ **2021-2022** for the purpose of making  
15 payments to districts to reimburse for the cost of providing breakfast.

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

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

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

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

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

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

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

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

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

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

30           (5) A district or the sponsor of a child care center that receives a grant under this  
31 section shall use those funds for the costs incurred by the district or the sponsor to  
32 purchase whole or minimally processed fruits, vegetables, and legumes that meet all of the

1 following:

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

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

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

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

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

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

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

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

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

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

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

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

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

29 (i) The data used to determine the amount of this increase are the total dollar  
30 amount of Michigan or local fruits, vegetables, and legumes purchased by schools and  
31 sponsors of child care centers, along with the number of different types of products  
32 purchased; school and child care center food purchasing trends identified along with

1 products that are of new and growing interest among food service directors; the number of  
2 businesses impacted; and the percentage of total food budget spent on Michigan-grown  
3 fruits, vegetables, and legumes.

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

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

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

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

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

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

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

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

1 mental health and support services fund.

2 (3) Money available in the school mental health and support services fund shall not  
3 be expended without a specific appropriation.

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

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

14 Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there  
15 is allocated for ~~2019-2020 for the purposes of this section an amount not to exceed~~  
16 ~~\$30,000,000.00 and from the general fund money appropriated in section 11, there is~~  
17 ~~allocated for 2019-2020 for the purposes of this section an amount not to exceed~~  
18 ~~\$1,300,000.00. From the state school aid fund money appropriated in section 11, there is~~  
19 ~~allocated for 2020-2021-2021-2022~~ for the purposes of this section an amount not to exceed  
20 \$35,600,000.00 and from the general fund money appropriated in section 11, there is  
21 allocated for ~~2020-2021-2021-2022~~ for the purposes of this section an amount not to exceed  
22 \$1,300,000.00. The department and the department of health and human services shall  
23 continue a program to distribute this funding to add licensed behavioral health providers  
24 for general education pupils, and shall continue to seek federal Medicaid match funding for  
25 all eligible mental health and support services.

26 (2) The department and the department of health and human services shall maintain an  
27 advisory council for programs funded under this section. The advisory council shall define  
28 goals for implementation of programs funded under this section, and shall provide feedback  
29 on that implementation. At a minimum, the advisory council shall consist of representatives  
30 of state associations representing school health, school mental health, school counseling,  
31 education, health care, and other organizations, representatives from the department and  
32 the department of health and human services, and a representative from the school safety

1 task force created under Executive Order No. 2018-5. The department and department of  
2 health and human services, working with the advisory council, shall determine an approach  
3 to increase capacity for mental health and support services in schools for general  
4 education pupils, and shall determine where that increase in capacity qualifies for federal  
5 Medicaid match funding.

6 (3) The advisory council shall develop a fiduciary agent checklist for intermediate  
7 districts to facilitate development of a plan to submit to the department and to the  
8 department of health and human services. The department and department of health and human  
9 services shall determine the requirements and format for intermediate districts to submit a  
10 plan for possible funding under subsection (5). The department shall make applications for  
11 funding for this program available to districts and intermediate districts not later than  
12 ~~December 1, 2019, for the 2019-2020 fiscal year and December 1, 2020-2021~~ for the ~~2020-2021~~  
13 **2021-2022** fiscal year and shall award the funding not later than ~~February 1, 2020 for the~~  
14 ~~2019-2020 fiscal year and February 1, 2021-2022~~ for the ~~2020-2021-2021-2022~~ fiscal year.

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

23 (5) From the state school aid fund money allocated under subsection (1), there is  
24 allocated for ~~2019-2020 an amount not to exceed \$6,500,000.00 and there is allocated for~~  
25 ~~2020-2021-2021-2022~~ an amount not to exceed \$9,300,000.00 to be distributed to the network  
26 of child and adolescent health centers to place a licensed master's level behavioral health  
27 provider in schools that do not currently have services available to general education  
28 students. Child and adolescent health centers that are part of the network described in  
29 this subsection shall provide a commitment to maintain services and implement all available  
30 federal Medicaid match methodologies. The department of health and human services shall use  
31 all existing or additional federal Medicaid match opportunities to maximize funding  
32 allocated under this subsection. The department shall provide funds under this subsection

1 to child and adolescent health centers that are part of the network described in this  
2 subsection in the same proportion that funding under section 31a(7) is provided to child  
3 and adolescent health centers that are part of the network described in this subsection and  
4 that are located and operating in those districts. A payment from funding allocated under  
5 this subsection must not be paid to an entity that is not part of the network described in  
6 this subsection.

7 (6) From the state school aid fund money allocated under subsection (1), there is  
8 allocated for ~~2019-2020 an amount not to exceed \$23,000,000.00 and there is allocated for~~  
9 ~~2020-2021-2021-2022~~ an amount not to exceed \$25,800,000.00 to be distributed to  
10 intermediate districts for the provision of mental health and support services to general  
11 education students. From the funds allocated under this subsection, the department shall  
12 distribute ~~\$410,700.00 for 2019-2020 and \$460,700.00 for 2020-2021-2021-2022~~ to each  
13 intermediate district that submits a plan approved by the department and the department of  
14 health and human services. The department and department of health and human services shall  
15 work cooperatively in providing oversight and assistance to intermediate districts during  
16 the plan submission process and shall monitor the program upon implementation. An  
17 intermediate district shall use funds awarded under this subsection to provide funding to  
18 its constituent districts, including public school academies that are considered to be  
19 constituent districts under section 705(7) of the revised school code, MCL 380.705, for the  
20 provision of mental health and support services to general education students. In addition  
21 to the criteria identified under subsection (7), an intermediate district shall consider  
22 geography, cost, or other challenges when awarding funding to its constituent districts. If  
23 funding awarded to an intermediate district remains after funds are provided by the  
24 intermediate district to its constituent districts, the intermediate district may hire or  
25 contract for experts to provide mental health and support services to general education  
26 students residing within the boundaries of the intermediate district, including, but not  
27 limited to, expanding, hiring, or contracting for staff and experts to provide those  
28 services directly or to increase access to those services through coordination with outside  
29 mental health agencies.

30 (7) A district requesting funds under this section from the intermediate district in  
31 which it is located shall submit an application for funding for the provision of mental  
32 health and support services to general education pupils. A district receiving funding from

1 the application process described in this subsection shall provide services to nonpublic  
2 students upon request. An intermediate district shall not discriminate against an  
3 application submitted by a public school academy simply on the basis of the applicant being  
4 a public school academy. The department shall approve grant applications based on the  
5 following criteria:

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

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

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

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

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

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

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

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

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

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

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

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

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

32 (a) For ~~2019-2020, an amount not to exceed \$1,000,000.00 and for 2020-2021, 2021-~~

1 **2022**, an amount not to exceed \$1,000,000.00 for the purpose of upgrading technology and  
2 systems infrastructure and other administrative requirements to support the programs funded  
3 under this section.

4 (b) For ~~2019-2020, an amount not to exceed \$300,000.00 and for 2020-2021,~~ **2021-2022**,  
5 an amount not to exceed \$300,000.00 for the purpose of administering the programs under  
6 this section and working on generating additional Medicaid funds as a result of programs  
7 funded under this section.

8 (10) From the state school aid fund money allocated under subsection (1), there is  
9 allocated for ~~2019-2020 an amount not to exceed \$500,000.00 and there is allocated for~~  
10 ~~2020-2021-~~ **2021-2022** an amount not to exceed \$500,000.00 to intermediate districts on an  
11 equal per intermediate district basis for the purpose of administering programs funded  
12 under this section.

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

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

31 Sec. 32d. (1) From the funds appropriated in section 11, there is allocated to  
32 eligible intermediate districts and consortia of intermediate districts for great start

1 readiness programs an amount not to exceed ~~\$249,600,000.00~~ **\$281,800,000.00** for ~~2020-2021-~~  
2 **2021-2022**. An intermediate district or consortium shall use funds allocated under this  
3 section for great start readiness programs to provide part-day, school-day, or GSRP/Head  
4 Start blended comprehensive free compensatory classroom programs designed to improve the  
5 readiness and subsequent achievement of educationally disadvantaged children who meet the  
6 participant eligibility and prioritization guidelines as defined by the department. For a  
7 child to be eligible to participate in a program under this section, the child must be at  
8 least 4, but less than 5, years of age as of September 1 of the school year in which the  
9 program is offered and must meet those eligibility and prioritization guidelines. A child  
10 who is not 4 years of age as of September 1, but who will be 4 years of age not later than  
11 December 1, is eligible to participate if the child's parent or legal guardian seeks a  
12 waiver from the September 1 eligibility date by submitting a request for enrollment in a  
13 program to the responsible intermediate district, if the program has capacity on or after  
14 September 1 of the school year, and if the child meets eligibility and prioritization  
15 guidelines.

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

24 (3) In addition to the allocation under subsection (1), from the general fund money  
25 appropriated under section 11, there is allocated an amount not to exceed ~~\$350,000.00~~  
26 **\$600,000.00** for ~~2020-2021-~~ **2021-2022** for a competitive grant to continue a longitudinal  
27 evaluation of children who have participated in great start readiness programs. ~~This~~  
28 ~~evaluation must include, to the extent, for 2020-2021, that data from the kindergarten~~  
29 ~~readiness assessment are available, a comparative analysis of the relationship between~~  
30 ~~great start readiness programs and performance on the kindergarten readiness assessment~~  
31 ~~funded under section 104. The evaluation must use children wait-listed under this section~~  
32 ~~for comparison, must include a determination of the specific great start readiness program~~

1 ~~in which the kindergarten students were enrolled and attended in the previous school year,~~  
2 ~~and must, to the extent, for 2020-2021, that data from the Michigan kindergarten entry~~  
3 ~~observation tool are available, analyze Michigan kindergarten entry observation tool scores~~  
4 ~~for students taking the Michigan kindergarten entry observation tool each year and produce~~  
5 ~~a report as required under section 104. The performance data on the kindergarten readiness~~  
6 ~~assessment must be submitted to the center at the same time as the fall Michigan student~~  
7 ~~data system collection. The responsibility for the analysis required under this subsection~~  
8 ~~may be added to the requirements that the department currently has with its competitively~~  
9 ~~designated current grantee.~~

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

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

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

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

22 (d) Physical and dental health and developmental screening services for all program  
23 participants.

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

26 (f) Active and continuous involvement of the parents or guardians of the program  
27 participants.

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

30 (h) Participation in a school readiness advisory committee convened as a workgroup of  
31 the great start collaborative that provides for the involvement of classroom teachers,  
32 parents or guardians of program participants, and community, volunteer, and social service

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

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

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

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

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

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

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

30 (i) Teachers possessing proper training. A lead teacher must have a valid **Michigan**  
31 teaching certificate with an early childhood ~~(2A or 2B)~~ **or lower elementary** endorsement or  
32 a bachelor's or higher degree in child development or early childhood education with

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

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

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

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

31 (7) For a grant recipient that enrolls pupils in a GSRP/Head Start blended program,  
32 the grant recipient shall ensure that all Head Start and GSRP policies and regulations are

1 applied to the blended slots, with adherence to the highest standard from either program,  
2 to the extent allowable under federal law.

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

8 (9) An intermediate district or consortium of intermediate districts may retain for  
9 administrative services provided by the intermediate district or consortium of intermediate  
10 districts an amount not to exceed 4% of the grant amount. Expenses incurred by  
11 subrecipients engaged by the intermediate district or consortium of intermediate districts  
12 for directly running portions of the program are considered program costs or a contracted  
13 program fee for service. Subrecipients operating with a federally approved indirect rate  
14 for other early childhood programs may include indirect costs, not to exceed the federal  
15 10% de minimis.

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

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

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

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

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

1 consortium shall submit evidence satisfactory to the department, and the department must be  
2 able to verify this evidence, demonstrating that the intermediate district or consortium  
3 took measures to contract for at least 30% of its total allocation as required under this  
4 subsection, including, but not limited to, at least all of the following measures:

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

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

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

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

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

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

30 (b) Provide, or ensure that an organization with which the department contracts  
31 provides, a community-based provider with a validated great start to quality rating within  
32 90 days of the provider's having submitted a request and self-assessment.

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

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

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

21 (17) As used in this section:

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

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

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

32 (d) "School-day program", ~~except as otherwise provided in this section,~~ means a

1 program that operates for at least the same length of day as a district's first grade  
2 program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a  
3 school-day program must enroll all children for the school day to be considered a school-  
4 day program.

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

12 (19) From the amount allocated in subsection (2), there is allocated for ~~2020-2021~~  
13 **2021-2022** an amount not to exceed \$10,000,000.00 for reimbursement of transportation costs  
14 for children attending great start readiness programs funded under this section. To receive  
15 reimbursement under this subsection, not later than November 1 of each year, a program  
16 funded under this section that provides transportation shall submit to the intermediate  
17 district that is the fiscal agent for the program a projected transportation budget. The  
18 amount of the reimbursement for transportation under this subsection is no more than the  
19 projected transportation budget or \$300.00 multiplied by the number of children funded for  
20 the program under this section. If the amount allocated under this subsection is  
21 insufficient to fully reimburse the transportation costs for all programs that provide  
22 transportation and submit the required information, the department shall prorate the  
23 reimbursement in an equal amount per child funded. The department shall make payments to  
24 the intermediate district that is the fiscal agent for each program, and the intermediate  
25 district shall then reimburse the program provider for transportation costs as prescribed  
26 under this subsection.

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

1 (a) The names of families provided with transportation support along with a  
2 documented reason for the need for transportation support and the type of transportation  
3 provided.

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

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

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

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

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

24 (24) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~  
25 **2021-2022** an amount not to exceed \$2,000,000.00 for payments to intermediate districts or  
26 consortia of intermediate districts for professional development and training materials for  
27 educators in programs implementing new curricula **or child assessment tools approved for use**  
28 **in the great start readiness program.**

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

32 ~~(26) For the 2020-2021 program year only, the hours, days, and weeks specified within~~

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

13 ~~(27) For the 2020-2021 program year only, household income eligibility thresholds~~  
14 ~~requiring household incomes that are equal to or less than 250% of the federal poverty~~  
15 ~~guidelines under subsections (5) (b) and (11) do not apply for all grantees and~~  
16 ~~subrecipients under this section. However, for the 2020-2021 program year, all grantees and~~  
17 ~~subrecipients must continue to enroll children in the quintile with the lowest household~~  
18 ~~income first before enrolling the next quintile and must implement the ranking process~~  
19 ~~described in subsection (11) by first enrolling children from households with incomes that~~  
20 ~~are equal to or less than 250% of the federal poverty guidelines, then enrolling children~~  
21 ~~from households with incomes that are equal to an amount that is greater than 250% but less~~  
22 ~~than or equal to 300% of the federal poverty guidelines, then enrolling children from~~  
23 ~~households with incomes equal to an amount that is greater than 300% but less than or equal~~  
24 ~~to 350% of the federal poverty guidelines, and then continuing enrollment in an order~~  
25 ~~increasing in percentage from a percentage greater than 350% in relation to the federal~~  
26 ~~poverty guidelines until all available slots are filled.~~

27 ~~(28) For the 2020-2021 program year only, intermediate districts will be awarded~~  
28 ~~funding based on the total allocation under subsection (1) and the funding must be~~  
29 ~~allocated to intermediate districts as prescribed under section 39. To receive funding as~~  
30 ~~described in this subsection, an intermediate district must complete the department's~~  
31 ~~process for accepting funds and implement its existing local process for funding current~~  
32 ~~subrecipients under this section, including, but not limited to, adding any necessary new~~

1 ~~subrecipients and implementation of the program. Intermediate districts described in this~~  
2 ~~subsection must report the children served under this section to the center for data-~~  
3 ~~tracking purposes. The data described in this subsection must not be used to determine~~  
4 ~~funding for the 2020-2021 program year or hold harmless funding levels for 2021-2022. Hold~~  
5 ~~harmless funding for 2021-2022 must be determined based on the 2019-2020 final allocations~~  
6 ~~under this section. Both of the following apply for the 2020-2021 program year:~~

7 ~~(a) An intermediate district and its subrecipients under this section must conform to~~  
8 ~~typical expenditures related to the operation of great start readiness programs to ensure~~  
9 ~~the stability of the programs, including, but not limited to, ongoing program and staff~~  
10 ~~costs.~~

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

19 Sec. 32p. (1) From the appropriation in section 11, there is allocated an amount not  
20 to exceed \$13,400,000.00 to intermediate districts for ~~2020-2021~~ **2021-2022** for the purpose  
21 of providing early childhood funding to intermediate districts to support the goals and  
22 outcomes under subsection (2) and subsection (4), and to provide early childhood programs  
23 for children from birth through age 8. The funding provided to each intermediate district  
24 under this section is determined by the distribution formula established by the  
25 department's office of great start to provide equitable funding statewide. In order to  
26 receive funding under this section, each intermediate district must provide an application  
27 to the office of great start not later than September 15 of the immediately preceding  
28 fiscal year indicating the strategies planned to be provided.

29 (2) Each intermediate district or consortium of intermediate districts that receives  
30 funding under this section shall convene a local great start collaborative and a parent  
31 coalition. The goal of each great start collaborative and parent coalition is to ensure the  
32 coordination and expansion of local early childhood infrastructure and programs that allow

1 every child in the community to achieve the following outcomes:

2 (a) Children born healthy.

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

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

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

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

12 (a) Physical health.

13 (b) Social-emotional health.

14 (c) Family supports and basic needs.

15 (d) Parent education.

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

18 (4) From the funds allocated in subsection (1), at least \$2,500,000.00 must be used  
19 for the purpose of providing home visits to at-risk children and their families. The home  
20 visits must be conducted as part of a locally coordinated, family-centered, evidence-based,  
21 data-driven home visit strategic plan that is approved by the department. The goals of the  
22 home visits funded under this subsection are to improve school readiness using evidence-  
23 based methods, including a focus on developmentally appropriate outcomes for early  
24 literacy, to improve positive parenting practices, and to improve family economic self-  
25 sufficiency while reducing the impact of high-risk factors through community resources and  
26 referrals. The department shall coordinate the goals of the home visit strategic plans  
27 approved under this subsection with other state agency home visit programs in a way that  
28 strengthens Michigan's home visiting infrastructure and maximizes federal funds available  
29 for the purposes of at-risk family home visits. The coordination among departments and  
30 agencies is intended to avoid duplication of state services and spending, and should  
31 emphasize efficient service delivery of home visiting programs.

32 (5) Not later than December 1 of each year, each intermediate district shall provide

1 a report to the department detailing the strategies actually implemented during the  
2 immediately preceding school year and the families and children actually served. At a  
3 minimum, the report must include an evaluation of the services provided with additional  
4 funding under subsection (4) for home visits, using the goals identified in subsection (4)  
5 as the basis for the evaluation, including the degree to which school readiness was  
6 improved, the degree to which positive parenting practices were improved, the degree to  
7 which there was improved family economic self-sufficiency, and the degree to which  
8 community resources and referrals were utilized. The department shall compile and summarize  
9 these reports and submit its summary to the house and senate appropriations subcommittees  
10 on school aid and to the house and senate fiscal agencies not later than February 15 of  
11 each year.

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

26 Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2020-2021~~  
27 **2021-2022** for the purposes of this section an amount not to exceed ~~\$55,400,000.00~~  
28 **\$57,400,000.00** from the state school aid fund. ~~and there is allocated for 2020-2021 for the~~  
29 ~~purposes of subsection (8) an amount not to exceed \$2,773,000.00 from the general fund.~~ The  
30 superintendent shall designate staff or contracted employees funded under this section as  
31 critical shortage. Programs funded under this section are intended to ensure that this  
32 state will be a top 10 state in grade 4 reading proficiency by 2025 according to the

1 National Assessment of Educational Progress (NAEP).

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

8 (3) A district that receives funds under subsection (5) may use up to 5% of those  
9 funds to administer department-approved screening and diagnostic tools to monitor the  
10 development of early literacy and early reading skills of pupils in grades pre-K to 3 and  
11 to support research-based professional development for educators in administering screening  
12 and diagnostic tools and in data interpretation of the results obtained through the use of  
13 those tools for the purpose of implementing a multi-tiered system of support to improve  
14 reading proficiency among pupils in grades pre-K to 3. A department-approved screening and  
15 diagnostic tool administered by a district using funding under this section must include  
16 all of the following components: phonemic awareness, phonics, fluency, and comprehension.  
17 Further, all of the following sub-skills must be assessed within each of these components:

18 (a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and  
19 substitution).

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

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

22 (d) Comprehension - making meaning of text.

23 (4) From the allocation under subsection (1), there is allocated an amount not to  
24 exceed \$31,500,000.00 for ~~2020-2021~~ **2021-2022** for the purpose of providing early literacy  
25 coaches at intermediate districts to assist teachers in developing and implementing  
26 instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at  
27 grade level by the end of grade 3. All of the following apply to funding under this  
28 subsection:

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

32 (i) Current state literacy standards for pupils in grades pre-K to 3.

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

5 (iii) The use of data from diagnostic tools to determine the necessary additional  
6 supports and interventions needed by individual pupils in grades pre-K to 3 in order to be  
7 reading at grade level.

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

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

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

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

25 (5) From the allocation under subsection (1), there is allocated an amount not to  
26 exceed \$19,900,000.00 for ~~2020-2021~~ **2021-2022** to districts that provide additional  
27 instructional time to those pupils in grades pre-K to 3, ~~or, for 2020-2021 only, those~~  
28 ~~pupils in grades pre-K to 12,~~ who have been identified by using department-approved  
29 screening and diagnostic tools as needing additional supports and interventions in order to  
30 be reading at grade level by the end of grade 3, ~~or, for 2020-2021 only, reading at the~~  
31 ~~applicable grade level.~~ Additional instructional time may be provided before, during, and

1 after regular school hours or as part of a year-round balanced school calendar. All of the  
2 following apply to funding under this subsection:

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

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

10 (A) Team-based leadership.

11 (B) A tiered delivery system.

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

13 (D) A comprehensive screening and assessment system.

14 (E) Continuous data-based decision making.

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

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

20 (iv) Provided teachers of pupils in grades pre-K to 3 with research-based  
21 professional development in diagnostic data interpretation.

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

24 (b) The department shall distribute funding allocated under this subsection to  
25 eligible districts on an equal per-first-grade-pupil basis.

26 (c) If the funds allocated under this subsection are insufficient to fully fund the  
27 payments under this subsection, payments under this subsection are prorated on an equal  
28 per-pupil basis based on grade 1 pupils.

29 (6) Not later than September 1 of each year, a district that receives funding under  
30 subsection (5) in conjunction with the Michigan student data system, if possible, shall  
31 provide to the department a report that includes at least both of the following, in a form

1 and manner prescribed by the department:

2 (a) For pupils in grades pre-K to 3 ~~or pre-K to 12, as applicable,~~ the pupils,  
3 schools, and grades served with funds under this section and the categories of services  
4 provided.

5 (b) For pupils in grades pre-K to 3 ~~or pre-K to 12, as applicable,~~ pupil proficiency  
6 and growth data that allows analysis both in the aggregate and by each of the following  
7 subgroups, as applicable:

8 (i) School.

9 (ii) Grade level.

10 (iii) Gender.

11 (iv) Race.

12 (v) Ethnicity.

13 (vi) Economically disadvantaged status.

14 (vii) Disability.

15 (viii) Pupils identified as having reading deficiencies.

16 (7) From the allocation under subsection (1), there is allocated an amount not to  
17 exceed ~~\$4,000,000.00~~ **\$6,000,000.00** for ~~2020-2021~~ **2021-2022** to an intermediate district in  
18 which the combined total number of pupils in membership of all of its constituent districts  
19 is the fewest among all intermediate districts. All of the following apply to the funding  
20 under this subsection:

21 (a) Funding under this subsection must be used by the intermediate district, in  
22 partnership with an association that represents intermediate district administrators in  
23 this state, to implement all of the following:

24 (i) Literacy essentials teacher and principal training modules.

25 (ii) Face-to-face and online professional learning of literacy essentials teacher and  
26 principal training modules for literacy coaches, principals, and teachers.

27 (iii) The placement of regional lead literacy coaches to facilitate professional  
28 learning for early literacy coaches. These regional lead literacy coaches shall provide  
29 support for new literacy coaches, building teachers, and administrators and shall  
30 facilitate regional data collection to evaluate the effectiveness of statewide literacy

1 coaches funded under this section.

2 (iv) Provide \$500,000.00 from this subsection for literacy training, modeling,  
3 coaching, and feedback for district principals or chief administrators, as applicable. The  
4 training described in this subparagraph must use the pre-K and K to 3 essential  
5 instructional practices in literacy created by the general education leadership network as  
6 the framework for all training provided under this subparagraph.

7 (v) **Job-embedded professional learning opportunities for mathematics teachers through**  
8 **mathematics instructional coaching. Funding must be used for professional learning for**  
9 **coaches, professional developers, administrators, and teachers; coaching for early**  
10 **mathematics educators; the development of statewide and regional professional learning**  
11 **networks in mathematics instructions; and the development and support of digital**  
12 **professional learning modules.**

13 (b) Not later than September 1 of each year, the intermediate district described in  
14 this subsection, in consultation with grant recipients, shall submit a report to the chairs  
15 of the senate and house appropriations subcommittees on state school aid, the chairs of the  
16 senate and house standing committees responsible for education legislation, the house and  
17 senate fiscal agencies, and the state budget director. The report described under this  
18 subdivision must include student achievement results in English language arts **and**  
19 **mathematics**, and survey results with feedback from parents and teachers regarding the  
20 initiatives implemented under this subsection.

21 (c) Up to 2% of funds allocated under this subsection may be used by the association  
22 representing intermediate district administrators that is in partnership with the  
23 intermediate district specified in this subsection to administer this subsection.

24 ~~(8) From the general fund money allocated in subsection (1), the department shall~~  
25 ~~allocate the amount of \$2,773,000.00 for 2020-2021 to the Michigan Education Corps for the~~  
26 ~~PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the following apply to~~  
27 ~~funding under this subsection:~~

28 ~~(a) By September 1 of the current fiscal year, the Michigan Education Corps shall~~  
29 ~~provide a report concerning its use of the funding to the senate and house appropriations~~  
30 ~~subcommittees on state school aid, the senate and house fiscal agencies, and the senate and~~  
31 ~~house caucus policy offices on outcomes and performance measures of the Michigan Education~~  
32 ~~Corps, including, but not limited to, the degree to which the Michigan Education Corps'~~

1 replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is  
2 demonstrating sufficient efficacy and impact. The report must include data pertaining to at  
3 least all of the following:

4 ~~(i) The current impact of the programs on this state in terms of numbers of children  
5 and schools receiving support. This portion of the report must specify the number of  
6 children tutored, including dosage and completion, and the demographics of those children.~~

7 ~~(ii) Whether the assessments and interventions are implemented with fidelity. This  
8 portion of the report must include details on the total number of assessments and  
9 interventions completed and the range, mean, and standard deviation.~~

10 ~~(iii) Whether the literacy or math improvement of children participating in the  
11 programs is consistent with expectations. This portion of the report must detail at least  
12 all of the following:~~

13 ~~(A) Growth rate by grade or age level, in comparison to targeted growth rate.~~

14 ~~(B) Average linear growth rates.~~

15 ~~(C) Exit rates.~~

16 ~~(D) Percentage of children who exit who also meet or exceed spring benchmarks.~~

17 ~~(iv) The impact of the programs on organizations and stakeholders, including, but not  
18 limited to, school administrators, internal coaches, and AmeriCorps members.~~

19 ~~(b) If the department determines that the Michigan Education Corps has misused the  
20 funds allocated under this subsection, the Michigan Education Corps shall reimburse this  
21 state for the amount of state funding misused.~~

22 ~~(c) The department may not reserve any portion of the allocation provided under this  
23 subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps'  
24 funding, or the Michigan Education Corps' programming unless agreed to in writing by the  
25 Michigan Education Corps. The department shall award the entire \$2,773,000.00 allocated  
26 under this subsection to the Michigan Education Corps and shall not condition the awarding  
27 of this funding on the implementation of an independent evaluation.~~

28 **(8)** ~~(9)~~ If a district or intermediate district expends any funding received under  
29 subsection (4) or (5) for professional development in research-based effective reading  
30 instruction, the district or intermediate district shall select a professional development  
31 program from the list described under subdivision (a). All of the following apply to the

1 requirement under this subsection:

2 (a) The department shall issue a request for proposals for professional development  
3 programs in research-based effective reading instruction to develop an initial approved  
4 list of professional development programs in research-based effective reading instruction.  
5 The department shall make the initial approved list public and shall determine if it will,  
6 on a rolling basis, approve any new proposals submitted for addition to its initial  
7 approved list.

8 (b) To be included as an approved professional development program in research-based  
9 effective reading instruction under subdivision (a), an applicant must demonstrate to the  
10 department in writing the program's competency in all of the following topics:

11 (i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and  
12 comprehension.

13 (ii) Appropriate use of assessments and differentiated instruction.

14 (iii) Selection of appropriate instructional materials.

15 (iv) Application of research-based instructional practices.

16 (c) As used in this subsection, "effective reading instruction" means reading  
17 instruction scientifically proven to result in improvement in pupil reading skills.

18 (9) ~~(10)~~ Notwithstanding section 17b, the department shall make payments made under  
19 ~~subsections~~ **subsection** (7) and ~~(8)~~ on a schedule determined by the department.

20 **Sec. 35g. (1) From the state school aid fund money appropriated in section 11, there**  
21 **is allocated an amount not to exceed \$60,000,000.00 for 2021-2022 for out-of-school**  
22 **learning opportunities designed to address student learning loss and the academic, social,**  
23 **mental, and physical well-being of students preschool through grade 12.**

24 (2) Funding allocated in subsection (1) shall be distributed to each intermediate  
25 district proportionate to the number of membership pupils enrolled in the intermediate  
26 district or constituent districts of the intermediate district who are determined to be  
27 economically disadvantaged, as reported to the center in the form and manner prescribed by  
28 the center not later than the fifth Wednesday after the pupil membership count day of the  
29 2020-2021 fiscal year.

30 (3) Intermediate districts receiving funding under this section shall award funding  
31 to in-person summer programs that provide opportunities for students including out-of-

1 school time providers, day camps, licensed child care providers, and other programs with a  
2 successful track record of providing programming for youth. These programs must be provided  
3 between May 30, 2022 and September 1, 2022. At a minimum, programs awarded funding by the  
4 intermediate district must do all of the following:

5 (a) Respond to learning loss, support social emotional health, promote physical  
6 activity, and, as applicable, provide reliable, affordable childcare.

7 (b) Register with the Michigan After-School Partnership so families have a full list  
8 of available summer programming.

9 (c) Partner with at least one additional local or state effort to achieve these  
10 goals.

11 (d) Use a portion of the funds to provide low or no cost program access.

12 (e) Ensure staff participate in COVID-19 safety training and comply with applicable  
13 safety protocols.

14 (f) Participate in data reporting, as applicable.

15 (4) Programs receiving funding may use funds to offset expenses, expand services, and  
16 hire staff.

17 (5) Intermediate districts are encouraged to partner with local districts and  
18 community foundations to select recipient programs.

19 (6) It is intended that intermediate districts and recipient entities coordinate  
20 programming with existing publicly funded services. This includes, but is not limited to,  
21 connecting districts and summer programs in a manner that allows for sharing of student  
22 benchmark data as permissible, partnering with summer food service programs, and partnering  
23 with other existing federal, state, or locally funded summer programs.

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

26 Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an  
27 application, in a form and manner prescribed by the department, by a date specified by the  
28 department in the immediately preceding fiscal year. An eligible applicant is not required  
29 to amend the applicant's current accounting cycle or adopt this state's fiscal year  
30 accounting cycle in accounting for financial transactions under this section. The  
31 application must include all of the following:

32 (a) The estimated total number of children in the community who meet the criteria of

1 section 32d, as provided to the applicant by the department utilizing the most recent  
2 population data available from the American Community Survey conducted by the United States  
3 Census Bureau. The department shall ensure that it provides updated American Community  
4 Survey population data at least once every 3 years.

5 (b) The estimated number of children in the community who meet the criteria of  
6 section 32d and are being served exclusively by Head Start programs operating in the  
7 community.

8 (c) The number of children whom the applicant has the capacity to serve who meet the  
9 criteria of section 32d including a verification of physical facility and staff resources  
10 capacity.

11 (2) After notification of funding allocations, an applicant receiving funds under  
12 section 32d shall also submit an implementation plan for approval, in a form and manner  
13 prescribed by the department, by a date specified by the department, that details how the  
14 applicant complies with the program components established by the department pursuant to  
15 section 32d.

16 (3) The initial allocation to each eligible applicant under section 32d is the lesser  
17 of the following:

18 (a) The sum of the number of children served in a school-day program in the preceding  
19 school year multiplied by ~~\$7,250.00~~ **\$8,275.00** and the number of children served in a  
20 GSRP/Head Start blended program or a part-day program in the preceding school year  
21 multiplied by ~~\$3,625.00~~ **\$4,138.00**.

22 (b) The sum of the number of children the applicant has the capacity to serve in the  
23 current school year in a school-day program multiplied by ~~\$7,250.00~~ **\$8,275.00** and the  
24 number of children served in a GSRP/Head Start blended program or a part-day program the  
25 applicant has the capacity to serve in the current school year multiplied by ~~\$3,625.00~~  
26 **\$4,138.00**.

27 (4) If funds remain after the allocations under subsection (3), the department shall  
28 distribute the remaining funds to each intermediate district or consortium of intermediate  
29 districts that serves less than the state percentage benchmark determined under subsection

30 (5). The department shall distribute these remaining funds to each eligible applicant based  
31 upon each applicant's proportionate share of the remaining unserved children necessary to  
32 meet the statewide percentage benchmark in intermediate districts or consortia of

1 intermediate districts serving less than the statewide percentage benchmark. When all  
2 applicants have been given the opportunity to reach the statewide percentage benchmark, the  
3 statewide percentage benchmark may be reset, as determined by the department, until greater  
4 equity of opportunity to serve eligible children across all intermediate school districts  
5 has been achieved.

6 (5) For the purposes of subsection (4), the department shall calculate a percentage  
7 of children served by each intermediate district or consortium of intermediate districts by  
8 adding the number of children served in the immediately preceding year by that intermediate  
9 district or consortium with the number of eligible children under section 32d served  
10 exclusively by head start, as reported in a form and manner prescribed by the department,  
11 within the intermediate district or consortia service area and dividing that total by the  
12 total number of children within the intermediate district or consortium of intermediate  
13 districts who meet the criteria of section 32d as determined by the department utilizing  
14 the most recent population data available from the American Community Survey conducted by  
15 the United States Census Bureau. The department shall compare the resulting percentage of  
16 eligible children served to a statewide percentage benchmark to determine if the  
17 intermediate district or consortium is eligible for additional funds under subsection (4).  
18 The statewide percentage benchmark is 60%.

19 (6) If, taking into account the total amount to be allocated to the applicant as  
20 calculated under this section, an applicant determines that it is able to include  
21 additional eligible children in the great start readiness program without additional funds  
22 under section 32d, the applicant may include additional eligible children but does not  
23 receive additional funding under section 32d for those children.

24 (7) The department shall review the program components under section 32d and under  
25 this section at least biennially. The department also shall convene a committee of internal  
26 and external stakeholders at least once every 5 years to ensure that the funding structure  
27 under this section reflects current system needs under section 32d.

28 (8) As used in this section, "GSRP/Head Start blended program", "part-day program",  
29 and "school-day program" mean those terms as defined in section 32d. ~~as, for 2020-2021,~~  
30 ~~impacted by section 32d(26).~~

31 **(9) Hold harmless funding for 2021-2022 must be determined based on the 2019-2020**  
32 **final allocations calculated and paid under section 32d in 2019-2020.**

1           Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated  
2 for ~~2020-2021-2021-2022~~ to districts, intermediate districts, and other eligible entities  
3 all available federal funding, estimated at ~~\$749,200,000.00~~ **\$752,300,000.00** for the federal  
4 programs under the no child left behind act of 2001, Public Law 107-110, or the every  
5 student succeeds act, Public Law 114-95. These funds are allocated as follows:

6           (a) An amount estimated at \$1,200,000.00 for ~~2020-2021-2021-2022~~ to provide students  
7 with drug- and violence-prevention programs and to implement strategies to improve school  
8 safety, funded from DED-OESE, drug-free schools and communities funds.

9           (b) An amount estimated at \$100,000,000.00 for ~~2020-2021-2021-2022~~ for the purpose of  
10 preparing, training, and recruiting high-quality teachers and class size reduction, funded  
11 from DED-OESE, improving teacher quality funds.

12           (c) An amount estimated at ~~\$11,000,000.00~~ **\$13,000,000.00** for ~~2020-2021-2021-2022~~ for  
13 programs to teach English to limited English proficient (LEP) children, funded from DED-  
14 OESE, language acquisition state grant funds.

15           (d) An amount estimated at \$2,800,000.00 for ~~2020-2021-2021-2022~~ for rural and low  
16 income schools, funded from DED-OESE, rural and low income school funds.

17           (e) An amount estimated at \$535,000,000.00 for ~~2020-2021-2021-2022~~ to provide  
18 supplemental programs to enable educationally disadvantaged children to meet challenging  
19 academic standards, funded from DED-OESE, title I, disadvantaged children funds.

20           (f) An amount estimated at \$9,200,000.00 for ~~2020-2021-2021-2022~~ for the purpose of  
21 identifying and serving migrant children, funded from DED-OESE, title I, migrant education  
22 funds.

23           (g) An amount estimated at \$39,000,000.00 for ~~2020-2021-2021-2022~~ for the purpose of  
24 providing high-quality extended learning opportunities, after school and during the summer,  
25 for children in low-performing schools, funded from DED-OESE, twenty-first century  
26 community learning center funds.

27           (h) An amount estimated at \$14,000,000.00 for ~~2020-2021-2021-2022~~ to help support  
28 local school improvement efforts, funded from DED-OESE, title I, local school improvement  
29 grants.

30           (i) An amount estimated at \$35,000,000.00 for ~~2020-2021-2021-2022~~ to improve the  
31 academic achievement of students, funded from DED-OESE, title IV, student support and  
32 academic enrichment grants.

1           (j) **An amount estimated at \$3,100,000.00 for 2021-2022 for literacy programs that**  
2 **advance literacy skills for students from birth through grade 12, including limited-**  
3 **English-proficient students and students with disabilities, funded from DED-OESE, striving**  
4 **readers comprehensive literacy program.**

5           (2) From the federal funds appropriated in section 11, there is allocated to  
6 districts, intermediate districts, and other eligible entities all available federal  
7 funding, estimated at ~~\$55,000,000.00~~ **\$56,500,000.00** for ~~2020-2021~~ **2021-2022** for the  
8 following programs that are funded by federal grants:

9           (a) An amount estimated at \$3,000,000.00 for ~~2020-2021~~ **2021-2022** to provide services  
10 to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

11           (b) An amount estimated at \$24,000,000.00 for ~~2020-2021~~ **2021-2022** for providing  
12 career and technical education services to pupils, funded from DED-OVAE, basic grants to  
13 states.

14           (c) An amount estimated at \$14,000,000.00 for ~~2020-2021~~ **2021-2022** for the Michigan  
15 charter school subgrant program, funded from DED-OII, public charter schools program funds.

16           (d) An amount estimated at \$14,000,000.00 for ~~2020-2021~~ **2021-2022** for the purpose of  
17 promoting and expanding high-quality preschool services, funded from HHS-OCC, preschool  
18 development funds.

19           (e) **An amount estimated at \$1,500,000.00 for 2021-2022 for the purpose of addressing**  
20 **priority substance abuse treatment, prevention, and mental health needs, funded from HHS-**  
21 **SAMHSA.**

22           (3) The department shall distribute all federal funds allocated under this section in  
23 accordance with federal law and with flexibility provisions outlined in Public Law 107-116,  
24 and in the education flexibility partnership act of 1999, Public Law 106-25.  
25 Notwithstanding section 17b, the department shall make payments of federal funds to  
26 districts, intermediate districts, and other eligible entities under this section on a  
27 schedule determined by the department.

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

32           (5) For the purposes of funding federal title I grants under this article, in

1 addition to any other federal grants for which the strict discipline academy is eligible,  
2 the department shall allocate to a strict discipline academy out of title I, part A an  
3 amount equal to what the strict discipline academy would have received if included and  
4 calculated under title I, part D, or what it would receive under the formula allocation  
5 under title I, part A, whichever is greater.

6 (6) As used in this section:

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

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

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

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

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

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

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

14 Sec. 41. (1) For a district to be eligible to receive funding under this section, the  
15 district must administer to English language learners the English language proficiency  
16 assessment known as the "WIDA ACCESS for English language learners" or the "WIDA Alternate  
17 ACCESS". From the appropriation in section 11, there is allocated an amount not to exceed  
18 ~~\$13,000,000.00~~ **\$13,260,000.00** for ~~2020-2021~~ **2021-2022** for payments to eligible districts  
19 for services for English language learners who have been administered the WIDA ACCESS for  
20 English language learners.

21 (2) The department shall distribute funding allocated under subsection (1) to  
22 eligible districts based on the number of full-time equivalent English language learners as  
23 follows:

24 (a) \$900.00 per full-time equivalent English language learner who has been assessed  
25 under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a  
26 WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as  
27 applicable to each assessment.

28 (b) \$620.00 per full-time equivalent English language learner who has been assessed  
29 under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a  
30 WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as  
31 applicable to each assessment.

32 (c) \$100.00 per full-time equivalent English language learner who has been assessed

1 under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a  
2 WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as  
3 applicable to each assessment.

4 (3) If funds allocated under subsection (1) are insufficient to fully fund the  
5 payments as prescribed under subsection (2), the department shall prorate payments on an  
6 equal percentage basis, with the same percentage proration applied to all funding  
7 categories.

8 (4) Each district receiving funds under subsection (1) shall submit to the department  
9 by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the  
10 district of funds under subsection (1) in a form and manner determined by the department,  
11 including a brief description of each program conducted or services performed by the  
12 district using funds under subsection (1) and the amount of funds under subsection (1)  
13 allocated to each of those programs or services. If a district does not comply with this  
14 subsection, the department shall withhold an amount equal to the August payment due under  
15 this section until the district complies with this subsection. If the district does not  
16 comply with this subsection by the end of the fiscal year, the withheld funds are forfeited  
17 to the school aid fund.

18 (5) In order to receive funds under subsection (1), a district must allow access for  
19 the department or the department's designee to audit all records related to the program for  
20 which it receives those funds. The district shall reimburse this state for all  
21 disallowances found in the audit.

22 (6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review  
23 the per-pupil distribution under subsection (2), to ensure that funding levels are  
24 appropriate and make recommendations for adjustments to the members of the senate and house  
25 subcommittees on K-12 school aid appropriations.

26 Sec. 51a. (1) From the appropriation in section 11, there is allocated an amount not  
27 to exceed ~~\$1,023,996,100.00~~ **\$1,120,796,100.00** for ~~2019-2020~~ and there is allocated an  
28 ~~amount not to exceed \$1,079,296,100.00 for 2020-2021~~ **2021-2022** from state sources and all  
29 available federal funding under sections 611 to 619 of part B of the individuals with  
30 disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$370,000,000.00 for 2019-2020~~  
31 ~~and \$375,000,000.00 for 2020-2021~~ **\$380,000,000.00 for 2021-2022**, plus any carryover federal  
32 funds from previous year appropriations. The allocations under this subsection are for the

1 purpose of reimbursing districts and intermediate districts for special education programs,  
2 services, and special education personnel as prescribed in article 3 of the revised school  
3 code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the  
4 Michigan Schools for the Deaf and Blind; and special education programs and services for  
5 pupils who are eligible for special education programs and services according to statute or  
6 rule. For meeting the costs of special education programs and services not reimbursed under  
7 this article, a district or intermediate district may use money in general funds or special  
8 education funds, not otherwise restricted, or contributions from districts to intermediate  
9 districts, tuition payments, gifts and contributions from individuals or other entities, or  
10 federal funds that may be available for this purpose, as determined by the intermediate  
11 district plan prepared under article 3 of the revised school code, MCL 380.1701 to  
12 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds  
13 to districts, intermediate districts, and other eligible entities under this section on a  
14 schedule determined by the department.

15 (2) From the funds allocated under subsection (1), there is allocated the amount  
16 necessary, estimated at ~~\$286,900,000.00 for 2019-2020 and estimated at \$307,500,000.00 for~~  
17 ~~2020-2021,~~ **\$329,900,000.00 for 2021-2022**, for payments toward reimbursing districts and  
18 intermediate districts for 28.6138% of total approved costs of special education, excluding  
19 costs reimbursed under section 53a, and 70.4165% of total approved costs of special  
20 education transportation. Allocations under this subsection are made as follows:

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

1 (b) After the allocations under subdivision (a), the department shall pay a district  
2 or intermediate district for which the payments calculated under subdivision (a) do not  
3 fulfill the specified percentages the amount necessary to achieve the specified percentages  
4 for the district or intermediate district.

5 (3) From the funds allocated under subsection (1), there is allocated for ~~2019-2020~~  
6 ~~an amount not to exceed \$1,000,000.00 and there is allocated for 2020-2021-2021-2022~~ an  
7 amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts  
8 under this subsection. If the amount allocated to a district or intermediate district for a  
9 fiscal year under subsection (2)(b) is less than the sum of the amounts allocated to the  
10 district or intermediate district for 1996-97 under sections 52 and 58, there is allocated  
11 to the district or intermediate district for the fiscal year an amount equal to that  
12 difference, adjusted by applying the same proration factor that was used in the  
13 distribution of funds under section 52 in 1996-97 as adjusted to the district's or  
14 intermediate district's necessary costs of special education used in calculations for the  
15 fiscal year. This adjustment is to reflect reductions in special education program  
16 operations or services between 1996-97 and subsequent fiscal years. The department shall  
17 make adjustments for reductions in special education program operations or services in a  
18 manner determined by the department and shall include adjustments for program or service  
19 shifts.

20 (4) If the department determines that the sum of the amounts allocated for a fiscal  
21 year to a district or intermediate district under subsection (2)(a) and (b) is not  
22 sufficient to fulfill the specified percentages in subsection (2), then the department  
23 shall pay the shortfall to the district or intermediate district during the fiscal year  
24 beginning on the October 1 following the determination and shall adjust payments under  
25 subsection (3) as necessary. If the department determines that the sum of the amounts  
26 allocated for a fiscal year to a district or intermediate district under subsection (2)(a)  
27 and (b) exceeds the sum of the amount necessary to fulfill the specified percentages in  
28 subsection (2), then the department shall deduct the amount of the excess from the  
29 district's or intermediate district's payments under this article for the fiscal year  
30 beginning on the October 1 following the determination and shall adjust payments under  
31 subsection (3) as necessary. However, if the amount allocated under subsection (2)(a) in  
32 itself exceeds the amount necessary to fulfill the specified percentages in subsection (2),

1 there is no deduction under this subsection.

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

4 (6) From the amount allocated in subsection (1), there is allocated an amount not to  
5 exceed ~~\$2,200,000.00 for 2019-2020 and there is allocated an amount not to exceed~~  
6 ~~\$2,200,000.00 for 2020-2021~~ **\$2,200,000.00 for 2021-2022** to reimburse 100% of the net  
7 increase in necessary costs incurred by a district or intermediate district in implementing  
8 the revisions in the administrative rules for special education that became effective on  
9 July 1, 1987. As used in this subsection, "net increase in necessary costs" means the  
10 necessary additional costs incurred solely because of new or revised requirements in the  
11 administrative rules minus cost savings permitted in implementing the revised rules. The  
12 department shall determine net increase in necessary costs in a manner specified by the  
13 department.

14 (7) For purposes of sections 51a to 58, all of the following apply:

15 (a) "Total approved costs of special education" are determined in a manner specified  
16 by the department and may include indirect costs, but must not exceed 115% of approved  
17 direct costs for section 52 and section 53a programs. The total approved costs include  
18 salary and other compensation for all approved special education personnel for the program,  
19 including payments for Social Security and Medicare and public school employee retirement  
20 system contributions. The total approved costs do not include salaries or other  
21 compensation paid to administrative personnel who are not special education personnel as  
22 that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed  
23 by federal funds, other than those federal funds included in the allocation made under this  
24 article, are not included. Special education approved personnel not utilized full time in  
25 the evaluation of students or in the delivery of special education programs, ancillary, and  
26 other related services are reimbursed under this section only for that portion of time  
27 actually spent providing these programs and services, with the exception of special  
28 education programs and services provided to youth placed in child caring institutions or  
29 juvenile detention programs approved by the department to provide an on-grounds education  
30 program.

31 (b) Beginning with the 2004-2005 fiscal year, a district or intermediate district  
32 that employed special education support services staff to provide special education support

1 services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-  
2 2004 receives the same type of support services from another district or intermediate  
3 district shall report the cost of those support services for special education  
4 reimbursement purposes under this article. This subdivision does not prohibit the transfer  
5 of special education classroom teachers and special education classroom aides if the pupils  
6 counted in membership associated with those special education classroom teachers and  
7 special education classroom aides are transferred and counted in membership in the other  
8 district or intermediate district in conjunction with the transfer of those teachers and  
9 aides.

10 (c) If the department determines before bookclosing for a fiscal year that the  
11 amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and  
12 sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections  
13 (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate  
14 district whose reimbursement for that fiscal year would otherwise be affected by  
15 subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for  
16 that district or intermediate district and the department shall calculate reimbursement for  
17 that district or intermediate district in the same manner as it was for 2003-2004. If the  
18 amount of the excess allocations under subsections (2), (3), (6), and (11) and sections  
19 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those  
20 districts and intermediate districts under this subdivision, then the department shall  
21 prorate calculations and resulting reimbursement under this subdivision on an equal  
22 percentage basis. Beginning in 2015-2016, the amount of reimbursement under this  
23 subdivision for a fiscal year must not exceed \$2,000,000.00 for any district or  
24 intermediate district.

25 (d) Reimbursement for ancillary and other related services, as defined by R 340.1701c  
26 of the Michigan Administrative Code, is not provided when those services are covered by and  
27 available through private group health insurance carriers or federal reimbursed program  
28 sources unless the department and district or intermediate district agree otherwise and  
29 that agreement is approved by the state budget director. Expenses, other than the  
30 incidental expense of filing, must not be borne by the parent. In addition, the filing of  
31 claims must not delay the education of a pupil. A district or intermediate district is  
32 responsible for payment of a deductible amount and for an advance payment required until

1 the time a claim is paid.

2 (e) Beginning with calculations for 2004-2005, if an intermediate district purchases  
3 a special education pupil transportation service from a constituent district that was  
4 previously purchased from a private entity; if the purchase from the constituent district  
5 is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the  
6 intermediate district to the constituent does not result in any net change in the revenue  
7 the constituent district receives from payments under sections 22b and 51c, then upon  
8 application by the intermediate district, the department shall direct the intermediate  
9 district to continue to report the cost associated with the specific identified special  
10 education pupil transportation service and shall adjust the costs reported by the  
11 constituent district to remove the cost associated with that specific service.

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

16 (9) Special education personnel transferred from 1 district to another to implement  
17 the revised school code are entitled to the rights, benefits, and tenure to which the  
18 person would otherwise be entitled had that person been employed by the receiving district  
19 originally.

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

25 (11) From the funds allocated in subsection (1), there is allocated the amount  
26 necessary, estimated at ~~\$3,100,000.00 for 2019-2020 and estimated at \$3,000,000.00 for~~  
27 ~~2020-2021,~~ **\$2,500,000.00 for 2021-2022**, to pay the foundation allowances for pupils  
28 described in this subsection. The department shall calculate the allocation to a district  
29 under this subsection by multiplying the number of pupils described in this subsection who  
30 are counted in membership in the district times the sum of the foundation allowance under  
31 section 20 of the pupil's district of residence not to exceed the target foundation  
32 allowance for the current fiscal year, or, for a pupil described in this subsection who is

1 counted in membership in a district that is a public school academy, times an amount equal  
2 to the amount per membership pupil under section 20(6). The department shall calculate the  
3 allocation to an intermediate district under this subsection in the same manner as for a  
4 district, using the foundation allowance under section 20 of the pupil's district of  
5 residence not to exceed the target foundation allowance for the current fiscal year. This  
6 subsection applies to all of the following pupils:

7 (a) Pupils described in section 53a.

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

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

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

19 (a) 100% of the reimbursement required under section 53a.

20 (b) 100% of the reimbursement required under subsection (6).

21 (c) 100% of the payment required under section 54.

22 (d) 100% of the payment required under subsection (3).

23 (e) 100% of the payments under section 56.

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

27 (14) If a public school academy that is not a cyber school, as that term is defined  
28 in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil  
29 who resides outside of the intermediate district in which the public school academy is  
30 located and who is eligible for special education programs and services according to  
31 statute or rule, or who is a child with disabilities, as defined under the individuals with  
32 disabilities education act, Public Law 108-446, the intermediate district in which the

1 public school academy is located and the public school academy shall enter into a written  
2 agreement with the intermediate district in which the pupil resides for the purpose of  
3 providing the pupil with a free appropriate public education, and the written agreement  
4 must include at least an agreement on the responsibility for the payment of the added costs  
5 of special education programs and services for the pupil. If the public school academy that  
6 enrolls the pupil does not enter into an agreement under this subsection, the public school  
7 academy shall not charge the pupil's resident intermediate district or the intermediate  
8 district in which the public school academy is located the added costs of special education  
9 programs and services for the pupil, and the public school academy is not eligible for any  
10 payouts based on the funding formula outlined in the resident or nonresident intermediate  
11 district's plan. If a pupil is not enrolled in a public school academy under this  
12 subsection, the provision of special education programs and services and the payment of the  
13 added costs of special education programs and services for a pupil described in this  
14 subsection are the responsibility of the district and intermediate district in which the  
15 pupil resides.

16 (15) For the purpose of receiving its federal allocation under part B of the  
17 individuals with disabilities education act, Public Law 108-446, a public school academy  
18 that is a cyber school, as that term is defined in section 551 of the revised school code,  
19 MCL 380.551, and is in compliance with section 553a of the revised school code, MCL  
20 380.553a, directly receives the federal allocation under part B of the individuals with  
21 disabilities education act, Public Law 108-446, from the intermediate district in which the  
22 cyber school is located, as the subrecipient. If the intermediate district does not  
23 distribute the funds described in this subsection to the cyber school by the part B  
24 application due date of July 1, the department may distribute the funds described in this  
25 subsection directly to the cyber school according to the formula prescribed in 34 CFR  
26 300.705 and 34 CFR 300.816.

27 (16) For a public school academy that is a cyber school, as that term is defined in  
28 section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a  
29 of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the  
30 intermediate district in which the cyber school is located shall ensure that the cyber  
31 school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised  
32 school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757;

1 applicable rules; and the individuals with disabilities education act, Public Law 108-446.

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

5 Sec. 51c. As required by the court in the consolidated cases known as Durant v State  
6 of Michigan, 456 Mich 175 (1997), from the allocation under section 51a(1), there is  
7 allocated for ~~2019-2020 and for 2020-2021,~~ **2021-2022** the amount necessary, estimated at  
8 ~~\$678,600,000.00 for 2019-2020 and \$713,400,000.00 for 2020-2021,~~ **\$733,000,000.00 for 2021-**  
9 **2022** for payments to reimburse districts for 28.6138% of total approved costs of special  
10 education excluding costs reimbursed under section 53a, and 70.4165% of total approved  
11 costs of special education transportation. Funds allocated under this section that are not  
12 expended in the fiscal year for which they were allocated, as determined by the department,  
13 may be used to supplement the allocations under sections 22a and 22b to fully fund those  
14 allocations for the same fiscal year. For each fund transfer as described in the  
15 immediately preceding sentence that occurs, the state budget director shall send  
16 notification of the transfer to the house and senate appropriations subcommittees on state  
17 school aid and the house and senate fiscal agencies by not later than 14 calendar days  
18 after the transfer occurs.

19 Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated  
20 for ~~2020-2021~~ **2021-2022** all available federal funding, estimated at \$71,000,000.00 for  
21 special education programs and services that are funded by federal grants. The department  
22 shall distribute all federal funds allocated under this section in accordance with federal  
23 law. Notwithstanding section 17b, the department shall make payments of federal funds to  
24 districts, intermediate districts, and other eligible entities under this section on a  
25 schedule determined by the department.

26 (2) From the federal funds allocated under subsection (1), the following amounts are  
27 allocated for ~~2020-2021:~~ **2021-2022:**

28 (a) An amount estimated at \$14,000,000.00 for handicapped infants and toddlers,  
29 funded from DED-OSERS, handicapped infants and toddlers funds.

30 (b) An amount estimated at \$14,000,000.00 for preschool grants (Public Law 94-142),  
31 funded from DED-OSERS, handicapped preschool incentive funds.

32 (c) An amount estimated at \$43,000,000.00 for special education programs funded by

1 DED-OSERS, handicapped program, individuals with disabilities act funds.

2 (3) As used in this section, "DED-OSERS" means the United States Department of  
3 Education Office of Special Education and Rehabilitative Services.

4 Sec. 51f. (1) From the funds appropriated under section 11, there is allocated for  
5 ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$60,207,000.00~~ **\$61,407,000.00** for payments to  
6 districts and intermediate districts to increase the level of reimbursement of costs  
7 associated with providing special education services required under state and federal law.

8 (2) A district's or intermediate district's allocation under this section is equal to  
9 the level percentage multiplied by each district's or intermediate district's costs  
10 reported to the center on the special education actual cost report, known as "SE-4096" as  
11 referred to under section 18(6), as approved by the department.

12 (3) The total reimbursement under this section and under section 51c must not exceed  
13 the total reported costs for a district or intermediate district.

14 (4) For ~~2020-2021,~~ **2021-2022**, the level percentage is estimated at 2.0%.

15 (5) For the purposes of this section, "level percentage" means the percentage  
16 calculated by dividing the allocation in subsection (1) by the total of costs reported to  
17 the center on the special education actual cost report, known as "SE-4096" as referred to  
18 under section 18(6), as approved by the department.

19 Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is  
20 100% of the total approved costs of operating special education programs and services  
21 approved by the department and included in the intermediate district plan adopted under  
22 article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's  
23 foundation allowance calculated under section 20. For intermediate districts, the  
24 department shall calculate reimbursement for pupils described in subsection (2) in the same  
25 manner as for a district, using the foundation allowance under section 20 of the pupil's  
26 district of residence, not to exceed the target foundation allowance under section 20 for  
27 the current fiscal year.

28 (2) Reimbursement under subsection (1) is for the following special education pupils:

29 (a) Pupils assigned to a district or intermediate district through the community  
30 placement program of the courts or a state agency, if the pupil was a resident of another  
31 intermediate district at the time the pupil came under the jurisdiction of the court or a  
32 state agency.

1 (b) Pupils who are residents of institutions operated by the department of health and  
2 human services.

3 (c) Pupils who are former residents of department of community health institutions  
4 for the developmentally disabled who are placed in community settings other than the  
5 pupil's home.

6 (d) Pupils enrolled in a department-approved on-grounds educational program longer  
7 than 180 days, but not longer than 233 days, at a residential child care institution, if  
8 the child care institution offered in 1991-92 an on-grounds educational program longer than  
9 180 days but not longer than 233 days.

10 (e) Pupils placed in a district by a parent for the purpose of seeking a suitable  
11 home, if the parent does not reside in the same intermediate district as the district in  
12 which the pupil is placed.

13 (3) Only those costs that are clearly and directly attributable to educational  
14 programs for pupils described in subsection (2), and that would not have been incurred if  
15 the pupils were not being educated in a district or intermediate district, are reimbursable  
16 under this section.

17 (4) The costs of transportation are funded under this section and are not reimbursed  
18 under section 58.

19 (5) The department shall not allocate more than \$10,500,000.00 of the allocation for  
20 ~~2020-2021-2021-2022~~ in section 51a(1) under this section.

21 Sec. 54. Each intermediate district receives an amount per-pupil for each pupil in  
22 attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to  
23 the total instructional cost at each school. The department shall not allocate more than  
24 \$1,688,000.00 of the allocation for ~~2020-2021-2021-2022~~ in section 51a(1) under this  
25 section.

26 Sec. 54b. (1) From the general fund money appropriated in section 11, there is  
27 allocated an amount not to exceed \$1,600,000.00 for ~~2020-2021-2021-2022~~ to continue the  
28 implementation of the recommendations of the special education reform task force published  
29 in January 2016.

30 (2) The department shall use funds allocated under this section for the purpose of  
31 piloting statewide implementation of the Michigan Integrated Behavior and Learning Support  
32 Initiative (MiBLSI), a nationally recognized program that includes positive behavioral

1 intervention and supports and provides a statewide structure to support local initiatives  
2 for an integrated behavior and reading program. With the assistance of the intermediate  
3 districts involved in MiBLSI, the department shall identify a number of intermediate  
4 districts to participate in the pilot that is sufficient to ensure that MiBLSI can be  
5 implemented statewide with fidelity and sustainability. In addition, the department shall  
6 identify an intermediate district to act as a fiscal agent for these funds.

7       Sec. 54d. (1) From the appropriations in section 11, there is allocated an amount not  
8 to exceed \$7,150,000.00 for ~~2020-2021~~ **2021-2022** to intermediate districts for the purpose  
9 of providing state early on services programs for children from birth to 3 years of age  
10 with a developmental delay or a disability, or both, and their families, as described in  
11 the early on Michigan state plan, as approved by the department.

12       (2) To be eligible to receive grant funding under this section, each intermediate  
13 district must apply in a form and manner determined by the department.

14       (3) The grant funding allocated under this section must be used to increase early on  
15 services and resources available to children that demonstrate developmental delays to help  
16 prepare them for success as they enter school. State early on services include evaluating  
17 and providing early intervention services for eligible infants and toddlers and their  
18 families to address developmental delays, including those affecting physical, cognitive,  
19 communication, adaptive, social, or emotional development. Grant funds must not be used to  
20 supplant existing services that are currently being provided.

21       (4) The department shall distribute the funds allocated under subsection (1) to  
22 intermediate districts according to the department's early on funding formula utilized to  
23 distribute the federal award to Michigan under part C of the individuals with disabilities  
24 education act. Funds received under this section must not supplant existing funds or  
25 resources allocated for early on early intervention services. An intermediate district  
26 receiving funds under this section shall maximize the capture of Medicaid funds to support  
27 early on early intervention services to the extent possible.

28       (5) Each intermediate district that receives funds under this section shall report  
29 data and other information to the department in a form, manner, and frequency prescribed by  
30 the department to allow for monitoring and evaluation of the program and to ensure that the  
31 children described in subsection (1) received appropriate levels and types of services  
32 delivered by qualified personnel, based on the individual needs of the children and their

1 families.

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

4 **(7) Grant funds awarded and allotted to an intermediate district shall be expended by**  
5 **the grant recipient before June 30 of the fiscal year immediately following the fiscal year**  
6 **in which the funds are received.**

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

8 (a) "Membership" means for a particular fiscal year the total membership for the  
9 immediately preceding fiscal year of the intermediate district and the districts  
10 constituent to the intermediate district.

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

14 (c) "Taxable value" means the total taxable value of the districts constituent to an  
15 intermediate district, except that if a district has elected not to come under part 30 of  
16 the revised school code, MCL 380.1711 to 380.1741, membership and taxable value of the  
17 district are not included in the membership and taxable value of the intermediate district.

18 (2) From the allocation under section 51a(1), there is allocated ~~\$40,008,100.00 for~~  
19 ~~2019-2020 and~~ an amount not to exceed \$40,008,100.00 for ~~2020-2021~~ **2021-2022** to reimburse  
20 intermediate districts levying millages for special education under part 30 of the revised  
21 school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the  
22 reimbursement are limited as if the funds were generated by these millages and governed by  
23 the intermediate district plan adopted under article 3 of the revised school code, MCL  
24 380.1701 to 380.1761. As a condition of receiving funds under this section, an intermediate  
25 district distributing any portion of special education millage funds to its constituent  
26 districts must submit for departmental approval and implement a distribution plan.

27 ~~(3) Except as otherwise provided in this subsection, reimbursement for those millages~~  
28 ~~levied in 2018-2019 is made in 2019-2020 at an amount per 2018-2019 membership pupil~~  
29 ~~computed by subtracting from \$201,700.00 the 2018-2019 taxable value behind each membership~~  
30 ~~pupil and multiplying the resulting difference by the 2018-2019 millage levied, and then~~  
31 ~~subtracting from that amount the 2018-2019 local community stabilization share revenue for~~  
32 ~~special education purposes behind each membership pupil for reimbursement of personal~~

1 ~~property exemption loss under the local community stabilization authority act, 2014 PA 86,~~  
2 ~~MCL 123.1341 to 123.1362. Reimbursement in 2019-2020 for an intermediate district whose~~  
3 ~~2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to~~  
4 ~~102.5% of the 2017-2018 allocation to that intermediate district.~~

5 (3) ~~(4)~~ Except as otherwise provided in this subsection, reimbursement for those  
6 millages levied in ~~2019-2020-2020-2021~~ is made in ~~2020-2021-2021-2022~~ at an amount per  
7 ~~2019-2020-2020-2021~~ membership pupil computed by subtracting from ~~\$209,000.00~~ **\$215,900.00**  
8 the ~~2019-2020-2020-2021~~ taxable value behind each membership pupil and multiplying the  
9 resulting difference by the ~~2019-2020-2020-2021~~ millage levied, and then subtracting from  
10 that amount the ~~2019-2020-2020-2021~~ local community stabilization share revenue for special  
11 education purposes behind each membership pupil for reimbursement of personal property  
12 exemption loss under the local community stabilization authority act, 2014 PA 86, MCL  
13 123.1341 to 123.1362. Reimbursement in ~~2020-2021-2021-2022~~ for an intermediate district  
14 whose 2017-2018 allocation was affected by the operation of subsection ~~(5)~~ **(4)** is an amount  
15 equal to 102.5% of the 2017-2018 allocation to that intermediate district.

16 (4) ~~(5)~~ The department shall ensure that the amount paid to a single intermediate  
17 district under this section does not exceed 62.9% of the total amount allocated under  
18 subsection (2).

19 (5) ~~(6)~~ The department shall ensure that the amount paid to a single intermediate  
20 district under this section is not less than 75% of the amount allocated to the  
21 intermediate district under this section for the immediately preceding fiscal year.

22 Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there  
23 is allocated an amount not to exceed \$37,611,300.00 for ~~2020-2021-2021-2022~~ to reimburse on  
24 an added cost basis districts, except for a district that served as the fiscal agent for a  
25 vocational education consortium in the 1993-94 school year and that has a foundation  
26 allowance as calculated under section 20 greater than the minimum foundation allowance  
27 under that section, and secondary area vocational-technical education centers for  
28 secondary-level career and technical education programs according to rules approved by the  
29 superintendent. Applications for participation in the programs must be submitted in the  
30 form prescribed by the department. The department shall determine the added cost for each  
31 career and technical education program area. The department shall prioritize the allocation  
32 of added cost funds based on the capital and program expenditures needed to operate the

1 career and technical education programs provided; the number of pupils enrolled; the  
2 advancement of pupils through the instructional program; the existence of an articulation  
3 agreement with at least 1 postsecondary institution that provides pupils with opportunities  
4 to earn postsecondary credit during the pupil's participation in the career and technical  
5 education program and transfers those credits to the postsecondary institution upon  
6 completion of the career and technical education program; and the program rank in student  
7 placement, job openings, and wages, and shall ensure that the allocation does not exceed  
8 75% of the added cost of any program. Notwithstanding any rule or department determination  
9 to the contrary, when determining a district's allocation or the formula for making  
10 allocations under this section, the department shall include the participation of pupils in  
11 grade 9 in all of those determinations and in all portions of the formula. With the  
12 approval of the department, the board of a district maintaining a secondary career and  
13 technical education program may offer the program for the period from the close of the  
14 school year until September 1. The program shall use existing facilities and must be  
15 operated as prescribed by rules promulgated by the superintendent.

16 (2) Except for a district that served as the fiscal agent for a vocational education  
17 consortium in the 1993-94 school year, the department shall reimburse districts and  
18 intermediate districts for local career and technical education administration, shared time  
19 career and technical education administration, and career education planning district  
20 career and technical education administration. The superintendent shall adopt guidelines  
21 for the definition of what constitutes administration and shall make reimbursement pursuant  
22 to those guidelines. The department shall not distribute more than \$800,000.00 of the  
23 allocation in subsection (1) under this subsection.

24 (3) A career and technical education program funded under this section may provide an  
25 opportunity for participants who are eligible to be funded under section 107 to enroll in  
26 the career and technical education program funded under this section if the participation  
27 does not occur during regular school hours.

28 Sec. 61b. (1) From the funds appropriated under section 11, there is allocated for  
29 ~~2020-2021-2021-2022~~ an amount not to exceed \$8,000,000.00 from the state school aid fund  
30 appropriation for **state-approved** CTE early ~~middle~~ college and CTE dual enrollment  
31 programs authorized under this section and for planning grants for the development or  
32 expansion of **state-approved** CTE early ~~middle~~ college programs. The purpose of these

1 programs is to increase the number of Michigan residents with high-quality degrees or  
2 credentials, and to increase the number of students who are college and career ready upon  
3 high school graduation.

4 (2) From the funds allocated under subsection (1), the department shall allocate an  
5 amount as determined under this subsection to each intermediate district serving as a  
6 fiscal agent for state-approved CTE early ~~middle~~ college and CTE dual enrollment programs  
7 in each of the career education planning districts identified by the department. An  
8 intermediate district shall not use more than 5% of the funds allocated under this  
9 subsection for administrative costs for serving as the fiscal agent.

10 (3) To be an eligible fiscal agent, an intermediate district must agree to do all of  
11 the following in a form and manner determined by the department:

12 (a) Distribute funds to eligible CTE early ~~middle~~ college and CTE dual enrollment  
13 programs in a career education planning district as described in this section.

14 (b) Collaborate with the career and educational advisory council in the workforce  
15 development board service delivery area to develop 1 regional strategic plan under  
16 subsection (4) that aligns CTE programs and services into an efficient and effective  
17 delivery system for high school students. The department will align career education  
18 planning districts, workforce development board service delivery areas, and intermediate  
19 districts for the purpose of creating 1 regional strategic plan for each workforce  
20 development board service delivery area.

21 (c) Implement a regional process to rank career clusters in the workforce development  
22 board service delivery area as described under subsection (4). Regional processes must be  
23 approved by the department before the ranking of career clusters.

24 (d) Report CTE early ~~middle~~ college and CTE dual enrollment program and student  
25 data and information as prescribed by the department and the center.

26 **(e) The local education agency responsible for student reporting in the Michigan**  
27 **Student Data System (MSDS) will report the total number of college credits the student**  
28 **earned, at the time of high school graduation, as determined by the department and the**  
29 **center.**

30 **(f) The local education agency will report each award outcome in the MSDS that the**  
31 **CTE Early Middle College student attained. An on track CTE Early Middle College graduate**  
32 **will have obtained their high school diploma and at least one of the following:**

1 (i) Associate degree

2 (ii) 60 transferrable college credits

3 (iii) Professional certification

4 (iv) Michigan Early Middle College Association certificate

5 (v) Participation in a registered apprenticeship

6 (4) A regional strategic plan must be approved by the career and educational advisory  
7 council before submission to the department. A regional strategic plan must include, but is  
8 not limited to, the following:

9 (a) An identification of regional employer need based on a ranking of all career  
10 clusters in the workforce development board service delivery area ranked by 10-year  
11 **projections of annual** job openings projections and median wage for each standard  
12 occupational code in each career cluster as obtained from the United States Bureau of Labor  
13 Statistics. Standard occupational codes within high-ranking clusters also may be further  
14 ranked by ~~median wage.~~ **annual job openings**. The career and educational advisory council  
15 located in the workforce development board service delivery area shall review the rankings  
16 and modify them if necessary to accurately reflect employer demand for talent in the  
17 workforce development board service delivery area. A career and educational advisory  
18 council shall document that it has conducted this review and certify that it is accurate.  
19 These career cluster rankings must be determined and updated once every 4 years.

20 (b) An identification of educational entities in the workforce development board  
21 service delivery area that will provide eligible CTE early ~~middle~~ college and CTE dual  
22 enrollment programs including districts, intermediate districts, postsecondary  
23 institutions, and noncredit occupational training programs leading to an industry-  
24 recognized credential.

25 (c) A strategy to inform parents and students of CTE early ~~middle~~ college and CTE  
26 dual enrollment programs in the workforce development board service delivery area.

27 (d) Any other requirements as defined by the department.

28 (5) An eligible CTE program is a program that **is state approved and** meets all of the  
29 following:

30 (a) Has been identified in the highest 5 career cluster rankings in any of the 16  
31 workforce development board service delivery area strategic plans jointly approved by the  
32 department of labor and economic opportunity and the department.

1 (b) Has a coherent sequence of courses that will allow a student to earn a high  
2 school diploma and achieve at least 1 of the **outcomes as defined in subsection (3) (f)**  
3 ~~following~~ in a specific career cluster+

4 ~~(i) An associate degree.~~

5 ~~(ii) An industry recognized technical certification approved by the department of~~  
6 ~~labor and economic opportunity.~~

7 ~~(iii) Up to 60 transferable college credits.~~

8 ~~(iv) Participation in a registered apprenticeship, pre apprenticeship, or apprentice~~  
9 ~~readiness program.~~

10 (c) Is aligned with the Michigan merit curriculum.

11 (d) Has ~~an articulation~~ **a college credit** agreement with at least 1 postsecondary  
12 institution that provides students with opportunities to receive postsecondary credits  
13 during the student's participation in the CTE early ~~middle~~ college or CTE dual enrollment  
14 program and transfers those credits to the postsecondary institution upon completion of the  
15 CTE early ~~middle~~ college or CTE dual enrollment program.

16 (e) Provides instruction that is supervised, directed, or coordinated by an  
17 appropriately certificated CTE teacher or, for concurrent enrollment courses, a  
18 postsecondary faculty member.

19 (f) Provides for highly integrated student support services that include at least the  
20 following:

21 (i) Teachers as academic advisors.

22 (ii) Supervised course selection.

23 (iii) Monitoring of student progress and completion.

24 (iv) Career planning services provided by a local one-stop service center as  
25 described in the Michigan works one-stop service center system act, 2006 PA 491, MCL  
26 408.111 to 408.135, or by a high school counselor or advisor.

27 (g) Has courses that are taught on a college campus, are college courses offered at  
28 the high school and taught by college faculty, or are courses taught in combination with  
29 online instruction.

30 (6) The department shall distribute funds to eligible CTE early~~middle~~ college and  
31 CTE dual enrollment programs as follows:

1 (a) The department shall determine statewide average CTE costs per pupil for each CIP  
2 code program by calculating statewide average costs for each CIP code program for the 3  
3 most recent fiscal years.

4 (b) The distribution to each eligible CTE early~~ly~~-middle college or CTE dual  
5 enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment  
6 of each eligible CTE early ~~ly~~-middle college or CTE dual enrollment program in the  
7 immediately preceding school year.

8 (7) In order to receive funds under this section, a CTE early ~~ly~~-middle college or CTE  
9 dual enrollment program shall furnish to the intermediate district that is the fiscal agent  
10 identified in subsection (2), in a form and manner determined by the department, all  
11 information needed to administer this program and meet federal reporting requirements;  
12 shall allow the department or the department's designee to review all records related to  
13 the program for which it receives funds; and shall reimburse the state for all  
14 disallowances found in the review, as determined by the department.

15 (8) There is allocated for ~~2020-2021-2021-2022~~ from the funds under subsection (1) an  
16 amount not to exceed \$500,000.00 from the state school aid fund allocation for grants to  
17 intermediate districts or consortia of intermediate districts for the purpose of planning  
18 for new or expanded early ~~ly~~-middle college programs. Applications for grants must be  
19 submitted in a form and manner determined by the department. The amount of a grant under  
20 this subsection must not exceed \$50,000.00. To be eligible for a grant under this  
21 subsection, an intermediate district or consortia of intermediate districts must provide  
22 matching funds equal to the grant received under this subsection. Notwithstanding section  
23 17b, the department shall make payments under this subsection in the manner determined by  
24 the department.

25 (9) Funds distributed under this section may be used to fund program expenditures  
26 that would otherwise be paid from foundation allowances. A program receiving funding under  
27 section 61a may receive funding under this section for allowable costs that exceed the  
28 reimbursement the program received under section 61a. The combined payments received by a  
29 program under section 61a and this section must not exceed the total allowable costs of the  
30 program. A program provider shall not use more than 5% of the funds allocated under this  
31 section to the program for administrative costs.

32 (10) If the allocation under subsection (1) is insufficient to fully fund payments as

1 otherwise calculated under this section, the department shall prorate payments under this  
2 section on an equal percentage basis.

3 (11) If pupils enrolled in a career cluster in an eligible CTE early ~~middle~~ college  
4 or CTE dual enrollment program qualify to be reimbursed under this section, those pupils  
5 continue to qualify for reimbursement until graduation, even if the career cluster is no  
6 longer identified as being in the highest 5 career cluster rankings.

7 (12) As used in this section:

8 (a) "Allowable costs" means those costs directly attributable to the program as  
9 jointly determined by the department of labor and economic opportunity and the department.

10 (b) "Career and educational advisory council" means an advisory council to the local  
11 workforce development boards located in a workforce development board service delivery area  
12 consisting of educational, employer, labor, and parent representatives.

13 (c) "CIP" means classification of instructional programs.

14 (d) "CTE" means career and technical education programs.

15 (e) "CTE dual enrollment program" means a 4-year high school program of postsecondary  
16 courses offered by eligible postsecondary educational institutions that leads to an  
17 industry-recognized certification or degree.

18 (f) "Early ~~middle~~ college program" means a 5-year high school program.

19 (g) "Eligible postsecondary educational institution" means that term as defined in  
20 section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

21 Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~  
22 **2021-2022** an amount not to exceed \$5,000,000.00 from the state school aid fund for  
23 additional payments to districts for career and technical education programs for the  
24 purpose of increasing the number of Michigan residents with high-quality degrees or  
25 credentials, and to increase the number of pupils who are college- and career-ready upon  
26 high school graduation.

27 (2) The department shall calculate payments to districts under this section in the  
28 following manner:

29 (a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are  
30 counted in membership in the district and are enrolled in at least 1 career and technical  
31 education program.

32 (b) An additional payment of \$35.00 multiplied by the number of pupils in grades 9 to

1 12 who are counted in membership in the district and are enrolled in at least 1 career and  
2 technical education program that provides instruction in critical skills and high-demand  
3 career fields.

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

7 (4) As used in this section:

8 (a) "Career and technical education program" means a state-approved career and  
9 technical education program, as determined by the department.

10 (b) "Career and technical education program that provides instruction in critical  
11 skills and high-demand career field" means a career and technical education program  
12 classified under any of the following 2-digit classification of instructional programs  
13 (CIP) codes:

14 (i) 01, which refers to "agriculture, agriculture operations, and related sciences".

15 (ii) 03, which refers to "natural resources and conservation".

16 (iii) 10 through 11, which refers to "communications technologies/technicians and  
17 support services" and "computer and information sciences and support services".

18 (iv) 14 through 15, which refers to "engineering" and "engineering technologies and  
19 engineering-related fields".

20 (v) 26, which refers to "biological and biomedical sciences".

21 (vi) 46 through 48, which refers to "construction trades", "mechanic and repair  
22 technologies/technicians", and "precision production".

23 (vii) 51, which refers to "health professions and related programs".

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

25 (a) "Membership" means for a particular fiscal year the total membership for the  
26 immediately preceding fiscal year of the intermediate district and the districts  
27 constituent to the intermediate district or the total membership for the immediately  
28 preceding fiscal year of the area vocational-technical program.

29 (b) "Millage levied" means the millage levied for area vocational-technical education  
30 under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a  
31 levy for debt service obligations incurred as the result of borrowing for capital outlay

1 projects and in meeting capital projects fund requirements of area vocational-technical  
2 education.

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

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

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

17 (2) From the appropriation in section 11, there is allocated an amount not to exceed  
18 \$9,190,000.00 ~~each fiscal year for 2019-2020 and for 2020-2021~~ **fiscal year 2021-2022** to  
19 reimburse intermediate districts and area vocational-technical education programs  
20 established under section 690(3) of the revised school code, MCL 380.690, levying millages  
21 for area vocational-technical education under sections 681 to 690 of the revised school  
22 code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are  
23 limited as if the funds were generated by those millages.

24 ~~(3) Reimbursement for those millages levied in 2018-2019 is made in 2019-2020 at an~~  
25 ~~amount per 2018-2019 membership pupil computed by subtracting from \$210,800.00 the 2018-~~  
26 ~~2019 taxable value behind each membership pupil and multiplying the resulting difference by~~  
27 ~~the 2018-2019 millage levied, and then subtracting from that amount the 2018-2019 local~~  
28 ~~community stabilization share revenue for area vocational technical education behind each~~  
29 ~~membership pupil for reimbursement of personal property exemption loss under the local~~  
30 ~~community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.~~

31 (3) ~~(4)~~ Reimbursement for those millages levied in ~~2019-2020~~ **2020-2021** is made in

1 ~~2020-2021-2021-2022~~ at an amount per ~~2019-2020-2020-2021~~ membership pupil computed by  
2 subtracting from ~~\$218,800.00~~ **\$224,800.00** the ~~2019-2020-2020-2021~~ taxable value behind each  
3 membership pupil and multiplying the resulting difference by the ~~2019-2020-2020-2021~~  
4 millage levied, and then subtracting from that amount the ~~2019-2020-2020-2021~~ local  
5 community stabilization share revenue for area vocational technical education behind each  
6 membership pupil for reimbursement of personal property exemption loss under the local  
7 community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

8 (4) ~~(5)~~ The department shall ensure that the amount paid to a single intermediate  
9 district under this section does not exceed 38.4% of the total amount allocated under  
10 subsection (2).

11 (5) ~~(6)~~ The department shall ensure that the amount paid to a single intermediate  
12 district under this section is not less than 75% of the amount allocated to the  
13 intermediate district under this section for the immediately preceding fiscal year.

14 Sec. 65. (1) From the appropriation under section 11, there is allocated an amount  
15 not to exceed \$400,000.00 for ~~2020-2021-2021-2022~~ for a pre-college engineering K-12  
16 educational program that is focused on the development of a diverse future Michigan  
17 workforce, that serves multiple communities within southeast Michigan, that enrolls pupils  
18 from multiple districts, and that received funds appropriated for this purpose in the  
19 appropriations act that provided the Michigan strategic fund budget for 2014-2015.

20 (2) To be eligible for funding under this section, a program must have the ability to  
21 expose pupils to, and motivate and prepare pupils for, science, technology, engineering,  
22 and mathematics careers and postsecondary education with special attention given to groups  
23 of pupils who are at-risk and underrepresented in technical professions and careers.

24 Sec. 67. (1) From the general fund money appropriated in section 11, there is  
25 allocated an amount not to exceed \$3,000,000.00 for ~~2020-2021-2021-2022~~ for college access  
26 programs. The programs funded under this section are intended to inform students of college  
27 and career options and to provide resources intended to increase the number of pupils who  
28 are adequately prepared with the information needed to make informed decisions on college  
29 and career. The funds appropriated under this section are intended to be used to increase  
30 the number of Michigan residents with high-quality degrees or credentials. Funds  
31 appropriated under this section must not be used to supplant funding for counselors already  
32 funded by districts.

1 (2) The department of labor and economic opportunity shall administer funds allocated  
2 under this section in collaboration with the Michigan college access network. These funds  
3 may be used for any of the following purposes:

4 (a) Michigan college access network operations, programming, and services to local  
5 college access networks.

6 (b) Local college access networks, which are community-based college access/success  
7 partnerships committed to increasing the college participation and completion rates within  
8 geographically defined communities through a coordinated strategy.

9 (c) The Michigan college advising program, a program intended to place trained,  
10 recently graduated college advisors in high schools that serve significant numbers of low-  
11 income and first-generation college-going pupils. State funds used for this purpose may not  
12 exceed 33% of the total funds available under this subsection.

13 (d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that  
14 establish a college access team and implement specific strategies to create a college-going  
15 culture in a high school in a form and manner approved by the Michigan college access  
16 network and the department of labor and economic opportunity.

17 (e) The Michigan college access portal, an online one-stop portal to help pupils and  
18 families plan and apply for college.

19 (f) Public awareness and outreach campaigns to encourage low-income and first-  
20 generation college-going pupils to take necessary steps toward college and to assist pupils  
21 and families in completing a timely and accurate free application for federal student aid.

22 (g) Subgrants to postsecondary institutions to recruit, hire, and train college  
23 student mentors and college advisors to assist high school pupils in navigating the  
24 postsecondary planning and enrollment process.

25 (3) For the purposes of this section, "college" means any postsecondary educational  
26 opportunity that leads to a career, including, but not limited to, a postsecondary degree,  
27 industry-recognized technical certification, or registered apprenticeship.

28 Sec. 74. (1) From the amount appropriated in section 11, there is allocated an amount  
29 not to exceed ~~\$3,814,500.00~~ **\$3,805,800.00** for ~~2020-2021~~ **2021-2022** for the purposes of this  
30 section.

31 (2) From the allocation in subsection (1), there is allocated for ~~2020-2021~~ **2021-2022**  
32 the amount necessary for payments to state supported colleges or universities and

1 intermediate districts providing school bus driver safety instruction under section 51 of  
2 the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments  
3 in an amount determined by the department not to exceed the actual cost of instruction and  
4 driver compensation for each public or nonpublic school bus driver attending a course of  
5 instruction. For the purpose of computing compensation, the hourly rate allowed each school  
6 bus driver must not exceed the hourly rate received for driving a school bus. The  
7 department shall make reimbursement compensating the driver during the course of  
8 instruction to the college or university or intermediate district providing the course of  
9 instruction.

10 (3) From the allocation in subsection (1), there is allocated for ~~2020-2021-2021-2022~~  
11 the amount necessary to pay the reasonable costs of nonspecial education auxiliary services  
12 transportation provided under section 1323 of the revised school code, MCL 380.1323.  
13 Districts funded under this subsection do not receive funding under any other section of  
14 this article for nonspecial education auxiliary services transportation.

15 (4) From the funds allocated in subsection (1), there is allocated an amount not to  
16 exceed ~~\$1,789,500.00~~ **\$1,780,800.00** for ~~2020-2021-2021-2022~~ for reimbursement to districts  
17 and intermediate districts for costs associated with the inspection of school buses and  
18 pupil transportation vehicles by the department of state police as required under section  
19 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil  
20 transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare  
21 a statement of costs attributable to each district for which bus inspections are provided  
22 and submit it to the department and to an intermediate district serving as fiduciary in a  
23 time and manner determined jointly by the department and the department of state police.  
24 Upon review and approval of the statement of cost, the department shall forward to the  
25 designated intermediate district serving as fiduciary the amount of the reimbursement on  
26 behalf of each district and intermediate district for costs detailed on the statement  
27 within 45 days after receipt of the statement. The designated intermediate district shall  
28 make payment in the amount specified on the statement to the department of state police  
29 within 45 days after receipt of the statement. The total reimbursement of costs under this  
30 subsection must not exceed the amount allocated under this subsection. Notwithstanding  
31 section 17b, the department shall make payments to eligible entities under this subsection  
32 on a schedule prescribed by the department.

1           Sec. 81. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~  
2 **2021-2022** to the intermediate districts the sum necessary, but not to exceed  
3 ~~\$69,138,000.00, \$70,521,000.00~~, to provide state aid to intermediate districts under this  
4 section.

5           (2) The amount allocated under this section to each intermediate district is an  
6 amount equal to ~~100%~~**102%** of the amount allocated to the intermediate district under this  
7 section for ~~2019-2020.~~**2020-2021**. An intermediate district shall use funding provided under  
8 this section to comply with requirements of this article and the revised school code that  
9 are applicable to intermediate districts, and for which funding is not provided elsewhere  
10 in this article, and to provide technical assistance to districts as authorized by the  
11 intermediate school board.

12           (3) Intermediate districts receiving funds under this section shall collaborate with  
13 the department to develop expanded professional development opportunities for teachers to  
14 update and expand their knowledge and skills needed to support the Michigan merit  
15 curriculum.

16           (4) From the allocation in subsection (1), there is allocated to an intermediate  
17 district, formed by the consolidation or annexation of 2 or more intermediate districts or  
18 the attachment of a total intermediate district to another intermediate district or the  
19 annexation of all of the constituent K-12 districts of a previously existing intermediate  
20 district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for  
21 each intermediate district included in the new intermediate district for 3 years following  
22 consolidation, annexation, or attachment.

23           (5) In order to receive funding under this section, an intermediate district shall do  
24 all of the following:

25           (a) Demonstrate to the satisfaction of the department that the intermediate district  
26 employs at least 1 person who is trained in pupil accounting and auditing procedures,  
27 rules, and regulations.

28           (b) Demonstrate to the satisfaction of the department that the intermediate district  
29 employs at least 1 person who is trained in rules, regulations, and district reporting  
30 procedures for the individual-level student data that serves as the basis for the  
31 calculation of the district and high school graduation and dropout rates.

32           (c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a

1 and 380.1278b.

2 (d) Furnish data and other information required by state and federal law to the  
3 center and the department in the form and manner specified by the center or the department,  
4 as applicable.

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

6 Sec. 94. (1) From the general fund money appropriated in section 11, there is  
7 allocated to the department for ~~2020-2021~~**2021-2022** an amount not to exceed \$1,200,000.00  
8 for efforts to increase the number of pupils who participate and succeed in advanced  
9 placement and international baccalaureate programs, and to support the college-level  
10 examination program (CLEP).

11 (2) From the funds allocated under this section, the department shall award funds to  
12 cover all or part of the costs of advanced placement test fees or international  
13 baccalaureate test fees and international baccalaureate registration fees for low-income  
14 pupils who take an advanced placement or an international baccalaureate test and CLEP fees  
15 for low-income pupils who take a CLEP test.

16 (3) The department shall only award funds under this section if the department  
17 determines that all of the following criteria are met:

18 (a) Each pupil for whom payment is made meets eligibility requirements of the federal  
19 advanced placement test fee program under section 1701 of the no child left behind act of  
20 2001, Public Law 107-110, or under a corresponding provision of the every student succeeds  
21 act, Public Law 114-95.

22 (b) The tests are administered by the college board, the international baccalaureate  
23 organization, or another test provider approved by the department.

24 (c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each  
25 test for which payment is made.

26 (4) The department shall establish procedures for awarding funds under this section.

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

29 Sec. 94a. (1) There is created within the state budget office in the department of  
30 technology, management, and budget the center for educational performance and information.  
31 The center shall do all of the following:

32 (a) Coordinate the collection of all data required by state and federal law from

1 districts, intermediate districts, and postsecondary institutions.

2 (b) Create, maintain, and enhance this state's P-20 longitudinal data system and  
3 ensure that it meets the requirements of subsection (4).

4 (c) Collect data in the most efficient manner possible in order to reduce the  
5 administrative burden on reporting entities, including, but not limited to, electronic  
6 transcript services.

7 (d) Create, maintain, and enhance this state's web-based educational portal to  
8 provide information to school leaders, teachers, researchers, and the public in compliance  
9 with all federal and state privacy laws. Data must include, but are not limited to, all of  
10 the following:

11 (i) **Where additional state or federal laws require it, data** ~~Data~~-sets that link  
12 teachers to student information., ~~allowing districts to assess individual teacher impact on~~  
13 ~~student performance and consider student growth factors in teacher and principal evaluation~~  
14 ~~systems.~~

15 (ii) Data access or, if practical, data sets, provided for regional data hubs that, in  
16 combination with local data, can improve teaching and learning in the classroom.

17 (iii) Research-ready data sets for researchers to perform research that advances this  
18 state's educational performance.

19 (e) Provide data in a useful manner to allow state and local policymakers to make  
20 informed policy decisions.

21 (f) Provide public reports to the residents of this state to allow them to assess  
22 allocation of resources and the return on their investment in the education system of this  
23 state.

24 (g) Other functions as assigned by the state budget director.

25 (2) Each state department, officer, or agency that collects information from  
26 districts, intermediate districts, or postsecondary institutions as required under state or  
27 federal law shall make arrangements with the center to ensure that the state department,  
28 officer, or agency is in compliance with subsection (1). This subsection does not apply to  
29 information collected by the department of treasury under the uniform budgeting and  
30 accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001  
31 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act,

1 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL  
2 380.1351a.

3 (3) The center may enter into any interlocal agreements necessary to fulfill its  
4 functions.

5 (4) The center shall ensure that the P-20 longitudinal data system required under  
6 subsection (1)(b) meets all of the following:

7 (a) Includes data at the individual student level from preschool through  
8 postsecondary education and into the workforce.

9 (b) Supports interoperability by using standard data structures, data formats, and  
10 data definitions to ensure linkage and connectivity in a manner that facilitates the  
11 exchange of data among agencies and institutions within the state and between states.

12 (c) **Where additional state or federal laws require it, enables** ~~Enables~~ the matching  
13 of individual teacher and student records so that an individual student may be matched with  
14 those teachers providing instruction to that student **for programs and services specified in**  
15 **the complementary sections of law.**

16 (d) Enables the matching of individual teachers with information about their  
17 certification and the institutions that prepared and recommended those teachers for state  
18 certification.

19 (e) Enables data to be easily generated for continuous improvement and decision-  
20 making, including timely reporting to parents, teachers, and school leaders on student  
21 achievement.

22 (f) Ensures the reasonable quality, validity, and reliability of data contained in  
23 the system.

24 (g) Provides this state with the ability to meet federal and state reporting  
25 requirements.

26 (h) For data elements related to preschool through grade 12 and postsecondary, meets  
27 all of the following:

28 (i) Contains a unique statewide student identifier that does not permit a student to  
29 be individually identified by users of the system, except as allowed by federal and state  
30 law.

31 (ii) Contains student-level enrollment, demographic, and program participation

1 information.

2 (iii) Contains student-level information about the points at which students exit,  
3 transfer in, transfer out, drop out, or complete education programs.

4 (iv) Has the capacity to communicate with higher education data systems.

5 (i) For data elements related to preschool through grade 12 only, meets all of the  
6 following:

7 (i) Contains yearly test records of individual students for assessments approved by  
8 DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary  
9 education act of 1965, 20 USC 6311, including information on individual students not  
10 tested, by grade and subject.

11 (ii) **Where additional state or federal laws require it, contains** ~~Contains~~ student-  
12 level transcript information, including information on courses completed and grades earned,  
13 **for programs and services specified in the complementary sections of law.**

14 (iii) Contains student-level college readiness test scores.

15 (j) For data elements related to postsecondary education only:

16 (i) Contains data that provide information regarding the extent to which individual  
17 students transition successfully from secondary school to postsecondary education,  
18 including, but not limited to, all of the following:

19 (A) Enrollment in remedial coursework.

20 (B) Completion of 1 year's worth of college credit applicable to a degree within 2  
21 years of enrollment.

22 (ii) Contains data that provide other information determined necessary to address  
23 alignment and adequate preparation for success in postsecondary education.

24 (5) From the general fund money appropriated in section 11, there is allocated an  
25 amount not to exceed ~~\$16,848,900.00~~ **\$18,802,500.00** for ~~2020-2021~~ **2021-2022** to the  
26 department of technology, management, and budget to support the operations of the center.  
27 In addition, from the federal funds appropriated in section 11, there is allocated for  
28 ~~2020-2021~~ **2021-2022** the amount necessary, estimated at \$193,500.00, to support the  
29 operations of the center and to establish a P-20 longitudinal data system necessary for  
30 state and federal reporting purposes. The center shall cooperate with the department to  
31 ensure that this state is in compliance with federal law and is maximizing opportunities

1 for increased federal funding to improve education in this state.

2 (6) From the funds allocated in subsection (5), the center may use an amount  
3 determined by the center for competitive grants for ~~2020-2021~~**2021-2022** to support  
4 collaborative efforts on the P-20 longitudinal data system. All of the following apply to  
5 grants awarded under this subsection:

6 (a) The center shall award competitive grants to eligible intermediate districts or a  
7 consortium of intermediate districts based on criteria established by the center.

8 (b) Activities funded under the grant must support the P-20 longitudinal data system  
9 portal and may include portal hosting, hardware and software acquisition, maintenance,  
10 enhancements, user support and related materials, and professional learning tools and  
11 activities aimed at improving the utility of the P-20 longitudinal data system.

12 (c) An applicant that received a grant under this subsection for the immediately  
13 preceding fiscal year has priority for funding under this section. However, after 3 fiscal  
14 years of continuous funding, an applicant is required to compete openly with new  
15 applicants.

16 (7) Funds allocated under this section that are not expended in the fiscal year in  
17 which they were allocated may be carried forward to a subsequent fiscal year and are  
18 appropriated for the purposes for which the funds were originally allocated.

19 (8) The center may bill departments as necessary in order to fulfill reporting  
20 requirements of state and federal law. The center may also enter into agreements to supply  
21 custom data, analysis, and reporting to other principal executive departments, state  
22 agencies, local units of government, and other individuals and organizations. The center  
23 may receive and expend funds in addition to those authorized in subsection (5) to cover the  
24 costs associated with salaries, benefits, supplies, materials, and equipment necessary to  
25 provide such data, analysis, and reporting services.

26 (9) As used in this section:

27 (a) "DED-OESE" means the United States Department of Education Office of Elementary  
28 and Secondary Education.

29 (b) "State education agency" means the department.

30 Sec. 98. (1) From the general fund money appropriated in section 11, there is  
31 allocated an amount not to exceed \$7,500,000.00 for ~~2020-2021~~**2021-2022** for the purposes  
32 described in this section. The Michigan Virtual University shall provide a report to the

1 legislature not later than November 1 of each year that includes its mission, its plans,  
2 and proposed benchmarks it must meet, including a plan to achieve the organizational  
3 priorities identified in this section, in order to receive full funding for ~~2021-2022-~~  
4 **2022-2023**. Not later than March 1 of each year, the Michigan Virtual University shall  
5 provide an update to the house and senate appropriations subcommittees on school aid to  
6 show the progress being made to meet the benchmarks identified.

7 (2) The Michigan Virtual University shall operate the Michigan Virtual Learning  
8 Research Institute. The Michigan Virtual Learning Research Institute shall do all of the  
9 following:

10 (a) Support and accelerate innovation in education through the following activities:

11 (i) Test, evaluate, and recommend as appropriate new technology-based instructional  
12 tools and resources.

13 (ii) Research, design, and recommend virtual education delivery models for use by  
14 pupils and teachers that include age-appropriate multimedia instructional content.

15 (iii) Research, develop, and recommend annually to the department criteria by which  
16 cyber schools and virtual course providers should be monitored and evaluated to ensure a  
17 quality education for their pupils.

18 (iv) Based on pupil completion and performance data reported to the department or the  
19 center from cyber schools and other virtual course providers operating in this state,  
20 analyze the effectiveness of virtual learning delivery models in preparing pupils to be  
21 college- and career-ready and publish a report that highlights enrollment totals,  
22 completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research  
23 Institute shall submit the report to the house and senate appropriations subcommittees on  
24 state school aid, the state budget director, the house and senate fiscal agencies, the  
25 department, districts, and intermediate districts not later than March 31 of each year.

26 (v) Provide an extensive professional development program to at least 30,000  
27 educational personnel, including teachers, school administrators, and school board members,  
28 that focuses on the effective integration of virtual learning into curricula and  
29 instruction. The Michigan Virtual Learning Research Institute is encouraged to work with  
30 the MiSTEM advisory council created under section 99s to coordinate professional  
31 development of teachers in applicable fields. In addition, the Michigan Virtual Learning

1 Research Institute and external stakeholders are encouraged to coordinate with the  
2 department for professional development in this state. Not later than December 1 of each  
3 year, the Michigan Virtual Learning Research Institute shall submit a report to the house  
4 and senate appropriations subcommittees on state school aid, the state budget director, the  
5 house and senate fiscal agencies, and the department on the number of teachers, school  
6 administrators, and school board members who have received professional development  
7 services from the Michigan Virtual University. The report must also identify barriers and  
8 other opportunities to encourage the adoption of virtual learning in the public education  
9 system.

10 (vi) Identify and share best practices for planning, implementing, and evaluating  
11 virtual and blended education delivery models with intermediate districts, districts, and  
12 public school academies to accelerate the adoption of innovative education delivery models  
13 statewide.

14 (b) Provide leadership for this state's system of virtual learning education by doing  
15 the following activities:

16 (i) Develop and report policy recommendations to the governor and the legislature  
17 that accelerate the expansion of effective virtual learning in this state's schools.

18 (ii) Provide a clearinghouse for research reports, academic studies, evaluations, and  
19 other information related to virtual learning.

20 (iii) Promote and distribute the most current instructional design standards and  
21 guidelines for virtual teaching.

22 (iv) In collaboration with the department and interested colleges and universities in  
23 this state, support implementation and improvements related to effective virtual learning  
24 instruction.

25 (v) Pursue public/private partnerships that include districts to study and implement  
26 competency-based technology-rich virtual learning models.

27 (vi) Create a statewide network of school-based mentors serving as liaisons between  
28 pupils, virtual instructors, parents, and school staff, as provided by the department or  
29 the center, and provide mentors with research-based training and technical assistance  
30 designed to help more pupils be successful virtual learners.

31 (vii) Convene focus groups and conduct annual surveys of teachers, administrators,

1 pupils, parents, and others to identify barriers and opportunities related to virtual  
2 learning.

3 (viii) Produce an annual consumer awareness report for schools and parents about  
4 effective virtual education providers and education delivery models, performance data, cost  
5 structures, and research trends.

6 (ix) Provide an internet-based platform that educators can use to create student-  
7 centric learning tools and resources for sharing in the state's open educational resource  
8 repository and facilitate a user network that assists educators in using the content  
9 creation platform and state repository for open educational resources. As part of this  
10 initiative, the Michigan Virtual University shall work collaboratively with districts and  
11 intermediate districts to establish a plan to make available virtual resources that align  
12 to Michigan's K-12 curriculum standards for use by students, educators, and parents.

13 (x) Create and maintain a public statewide catalog of virtual learning courses being  
14 offered by all public schools and community colleges in this state. The Michigan Virtual  
15 Learning Research Institute shall identify and develop a list of nationally recognized best  
16 practices for virtual learning and use this list to support reviews of virtual course  
17 vendors, courses, and instructional practices. The Michigan Virtual Learning Research  
18 Institute shall also provide a mechanism for intermediate districts to use the identified  
19 best practices to review content offered by constituent districts. The Michigan Virtual  
20 Learning Research Institute shall review the virtual course offerings of the Michigan  
21 Virtual University, and make the results from these reviews available to the public as part  
22 of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure  
23 that the statewide catalog is made available to the public on the Michigan Virtual  
24 University website and shall allow the ability to link it to each district's website as  
25 provided for in section 21f. The statewide catalog must also contain all of the following:

26 (A) The number of enrollments in each virtual course in the immediately preceding  
27 school year.

28 (B) The number of enrollments that earned 60% or more of the total course points for  
29 each virtual course in the immediately preceding school year.

30 (C) The pass rate for each virtual course.

31 (xi) Support registration, payment services, and transcript functionality for the

1 statewide catalog and train key stakeholders on how to use new features.

2 (xii) Collaborate with key stakeholders to examine district level accountability and  
3 teacher effectiveness issues related to virtual learning under section 21f and make  
4 findings and recommendations publicly available.

5 (xiii) Provide a report on the activities of the Michigan Virtual Learning Research  
6 Institute.

7 (3) To further enhance its expertise and leadership in virtual learning, the Michigan  
8 Virtual University shall continue to operate the Michigan Virtual School as a statewide  
9 laboratory and quality model of instruction by implementing virtual and blended learning  
10 solutions for Michigan schools in accordance with the following parameters:

11 (a) The Michigan Virtual School must maintain its accreditation status from  
12 recognized national and international accrediting entities.

13 (b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the  
14 amount allocated under this section to subsidize the cost paid by districts for virtual  
15 courses.

16 (c) In providing educators responsible for the teaching of virtual courses as  
17 provided for in this section, the Michigan Virtual School shall follow the requirements to  
18 request and assess, and the department of state police shall provide, a criminal history  
19 check and criminal records check under sections 1230 and 1230a of the revised school code,  
20 MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a  
21 school district under those sections.

22 (4) From the funds allocated under subsection (1), the Michigan Virtual University  
23 shall allocate up to \$500,000.00 to support the expansion of new online and blended  
24 educator professional development programs.

25 (5) If the course offerings are included in the statewide catalog of virtual courses  
26 under subsection (2) (b) (x), the Michigan Virtual School operated by the Michigan Virtual  
27 University may offer virtual course offerings, including, but not limited to, all of the  
28 following:

29 (a) Information technology courses.

30 (b) College level equivalent courses, as defined in section 1471 of the revised  
31 school code, MCL 380.1471.

1 (c) Courses and dual enrollment opportunities.

2 (d) Programs and services for at-risk pupils.

3 (e) High school equivalency test preparation courses for adjudicated youth.

4 (f) Special interest courses.

5 (g) Professional development programs for teachers, school administrators, other  
6 school employees, and school board members.

7 (6) If a home-schooled or nonpublic school student is a resident of a district that  
8 subscribes to services provided by the Michigan Virtual School, the student may use the  
9 services provided by the Michigan Virtual School to the district without charge to the  
10 student beyond what is charged to a district pupil using the same services.

11 (7) Not later than December 1 of each fiscal year, the Michigan Virtual University  
12 shall provide a report to the house and senate appropriations subcommittees on state school  
13 aid, the state budget director, the house and senate fiscal agencies, and the department  
14 that includes at least all of the following information related to the Michigan Virtual  
15 School for the preceding state fiscal year:

16 (a) A list of the districts served by the Michigan Virtual School.

17 (b) A list of virtual course titles available to districts.

18 (c) The total number of virtual course enrollments and information on registrations  
19 and completions by course.

20 (d) The overall course completion rate percentage.

21 (8) In addition to the information listed in subsection (7), the report under  
22 subsection (7) must also include a plan to serve at least 600 schools with courses from the  
23 Michigan Virtual School or with content available through the internet-based platform  
24 identified in subsection (2) (b) (ix).

25 (9) The governor may appoint an advisory group for the Michigan Virtual Learning  
26 Research Institute established under subsection (2). The members of the advisory group  
27 serve at the pleasure of the governor and without compensation. The purpose of the advisory  
28 group is to make recommendations to the governor, the legislature, and the president and  
29 board of the Michigan Virtual University that will accelerate innovation in this state's  
30 education system in a manner that will prepare elementary and secondary students to be  
31 career and college ready and that will promote the goal of increasing the percentage of  
32 residents of this state with high-quality degrees and credentials to at least 60% by 2025.

1 (10) Not later than November 1 of each year, the Michigan Virtual University shall  
2 submit to the house and senate appropriations subcommittees on state school aid, the state  
3 budget director, and the house and senate fiscal agencies a detailed budget for that fiscal  
4 year that includes a breakdown on its projected costs to deliver virtual educational  
5 services to districts and a summary of the anticipated fees to be paid by districts for  
6 those services. Not later than March 1 each year, the Michigan Virtual University shall  
7 submit to the house and senate appropriations subcommittees on state school aid, the state  
8 budget director, and the house and senate fiscal agencies a breakdown on its actual costs  
9 to deliver virtual educational services to districts and a summary of the actual fees paid  
10 by districts for those services based on audited financial statements for the immediately  
11 preceding fiscal year.

12 (11) As used in this section:

13 (a) "Blended learning" means a hybrid instructional delivery model where pupils are  
14 provided content, instruction, and assessment, in part at a supervised educational facility  
15 away from home where the pupil and a teacher with a valid Michigan teaching certificate are  
16 in the same physical location and in part through internet-connected learning environments  
17 with some degree of pupil control over time, location, and pace of instruction.

18 (b) "Cyber school" means a full-time instructional program of virtual courses for  
19 pupils that may or may not require attendance at a physical school location.

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

24 Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there  
25 is allocated an amount not to exceed ~~\$4,400,000.00~~ **\$4,700,000.00** for ~~2020-2021-2021-2022~~  
26 for competitive grants to districts and intermediate districts, ~~and from the general fund~~  
27 ~~money appropriated in section 11, there is allocated \$300,000.00 for 2020-2021 for~~  
28 ~~competitive grants to nonpublic schools,~~ that provide pupils in grades pre-K to 12 with  
29 expanded opportunities to improve mathematics, science, and technology skills by  
30 participating in events hosted by a science and technology development program known as  
31 FIRST (for inspiration and recognition of science and technology) Robotics, including JR  
32 FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics competition,

1 or other competitive robotics programs, including VEX and those hosted by the Robotics  
2 Education and Competition (REC) Foundation. Programs funded under this section are intended  
3 to increase the number of pupils demonstrating proficiency in science and mathematics on  
4 the state assessments and to increase the number of pupils who are college- and career-  
5 ready upon high school graduation. Notwithstanding section 17b, the department shall make  
6 grant payments to districts, ~~nonpublic schools,~~ and intermediate districts under this  
7 section on a schedule determined by the department. The department shall set maximum grant  
8 awards for each different level of programming and competition in a manner that both  
9 maximizes the number of teams that will be able to receive funds and expands the  
10 geographical distribution of teams.

11 (2) A district, ~~nonpublic school,~~ or intermediate district applying for a grant under  
12 this section shall submit an application in a form and manner prescribed by the department.  
13 To be eligible for a grant, a district, ~~nonpublic school,~~ or intermediate district must  
14 demonstrate in its application that the district, ~~nonpublic school,~~ or intermediate  
15 district has established a partnership for the purposes of the robotics program with at  
16 least 1 sponsor, business entity, higher education institution, or technical school, shall  
17 submit a spending plan, and shall provide a local in-kind or cash match from other private  
18 or local funds of at least 25% of the cost of the robotics program award.

19 (3) The department shall distribute the grant funding under this section for the  
20 following purposes:

21 (a) Grants to districts, ~~nonpublic schools,~~ or intermediate districts to pay for  
22 stipends not to exceed \$1,500.00 per building for coaching.

23 (b) Grants to districts, ~~nonpublic schools,~~ or intermediate districts for event  
24 registrations, materials, travel costs, and other expenses associated with the preparation  
25 for and attendance at robotics events and competitions.

26 (c) Grants to districts, ~~nonpublic schools,~~ or intermediate districts for awards to  
27 teams that advance to the next levels of competition as determined by the department. The  
28 department shall determine an equal amount per team for those teams that advance.

29 ~~(4) The funds allocated under this section for 2020-2021 are a work project~~  
30 ~~appropriation, and any unexpended funds for 2020-2021 are carried forward into 2021-2022.~~  
31 ~~The purpose of the work project is to continue support of FIRST Robotics and must not be~~  
32 ~~used to support other robotics competitions. The estimated completion date of the work~~

1 ~~project is September 30, 2023.~~

2 ~~(5) A nonpublic school that receives a grant under this section may use the funds for~~  
3 ~~either robotics or Science Olympiad programs.~~

4 ~~(6) To be eligible to receive funds under this section, a nonpublic school must be a~~  
5 ~~nonpublic school registered with the department and must meet all applicable state~~  
6 ~~reporting requirements for nonpublic schools.~~

7 Sec. 99s. (1) From the funds appropriated under section 11, there is allocated for  
8 ~~2020-2021-2021-2022~~ an amount not to exceed \$7,634,300.00 from the state school aid fund  
9 appropriation and an amount not to exceed \$300,000.00 from the general fund appropriation  
10 for Michigan science, technology, engineering, **arts**, and mathematics ~~(MiSTEM)~~ **(MiSTEAM)**  
11 programs. In addition, from the federal funds appropriated in section 11, there is  
12 allocated to the department for ~~2020-2021-2021-2022~~ an amount estimated at \$235,000.00 from  
13 DED-OESE, title II, mathematics and science partnership grants. The ~~MiSTEM~~ **MiSTEAM** network  
14 may receive funds from private sources. If the ~~MiSTEM~~ **MiSTEAM** network receives funds from  
15 private sources, the ~~MiSTEM~~ **MiSTEAM** network shall expend those funds in alignment with the  
16 statewide ~~STEM~~ **STEAM** strategy. Programs funded under this section are intended to increase  
17 the number of pupils demonstrating proficiency in science and mathematics on the state  
18 assessments, to increase the number of pupils who are college- and career-ready upon high  
19 school graduation, and to promote certificate and degree attainment in ~~STEM~~ **STEAM** fields.  
20 Notwithstanding section 17b, the department shall make payments under this section on a  
21 schedule determined by the department.

22 ~~(2) All of the following apply to the MiSTEM advisory council:~~

23 ~~(a) The MiSTEM advisory council is created. The MiSTEM advisory council shall provide~~  
24 ~~to the governor, legislature, department of labor and economic opportunity, and department~~  
25 ~~recommendations designed to improve and promote innovation in STEM education and to prepare~~  
26 ~~students for careers in science, technology, engineering, and mathematics.~~

27 ~~(b) The MiSTEM advisory council created under subdivision (a) consists of the~~  
28 ~~following members:~~

29 ~~(i) The governor shall appoint 11 voting members who are representative of business~~  
30 ~~sectors that are important to Michigan's economy and rely on a STEM-educated workforce,~~  
31 ~~nonprofit organizations and associations that promote STEM education, K-12 and~~  
32 ~~postsecondary education entities involved in STEM-related career education, or other~~

1 ~~sectors as considered appropriate by the governor. Each of these members serves at the~~  
2 ~~pleasure of the governor and for a term determined by the governor.~~

3 ~~(ii) The senate majority leader shall appoint 2 members of the senate to serve as~~  
4 ~~nonvoting, ex-officio members of the MiSTEAM advisory council, including 1 majority party~~  
5 ~~member and 1 minority party member.~~

6 ~~(iii) The speaker of the house of representatives shall appoint 2 members of the house~~  
7 ~~of representatives to serve as nonvoting, ex-officio members of the MiSTEAM advisory~~  
8 ~~council, including 1 majority party member and 1 minority party member.~~

9 ~~(iv) The governor shall appoint 1 state officer or employee to serve as a nonvoting,~~  
10 ~~ex-officio member of the MiSTEAM advisory council.~~

11 ~~(e) Each member of the MiSTEM advisory council serves without compensation.~~

12 (2) ~~(d)~~ The ~~MiSTEM advisory~~ **MI-STEM** council annually shall review and make  
13 recommendations to the governor, the legislature, and the department concerning changes to  
14 the statewide strategy adopted by the council for delivering ~~STEM-STEAM~~ education-related  
15 opportunities to pupils. The ~~MiSTEM advisory~~ **MI-STEM** council shall use funds received under  
16 this subsection to ensure that its members or their designees are trained in the Change the  
17 Equation STEMworks rating system program for the purpose of rating ~~STEM-STEAM~~ programs.

18 (3) The ~~MiSTEM advisory~~ **MI-STEM** council shall make specific funding recommendations  
19 for the funds allocated under subsection (4) by December 15 of each fiscal year. Each  
20 specific funding recommendation must be for a program approved by the ~~MiSTEM advisory~~ **MI-**  
21 **STEM** council. All of the following apply:

22 (a) To be eligible for ~~MiSTEM advisory~~ **MI-STEM** council approval as described in this  
23 subsection, a program must satisfy all of the following:

24 (i) Align with this state's academic standards.

25 (ii) Have STEMworks certification.

26 (iii) Provide project-based experiential learning, student programming, or educator  
27 professional learning experiences.

28 (iv) Focus predominantly on classroom-based ~~STEM-STEAM~~ experiences or professional  
29 learning experiences.

30 (b) The ~~MiSTEM advisory~~ **MI-STEM** council shall approve programs that represent all  
31 network regions and include a diverse array of options for students and educators and at

1 least 1 program in each of the following areas:

2 (i) Robotics.

3 (ii) Computer science or coding.

4 (iii) Engineering or bioscience.

5 (c) The ~~MiSTEM advisory~~ **MI-STEM** council is encouraged to work with the ~~MiSTEM-MiSTEAM~~  
6 network to develop locally and regionally developed programs and professional learning  
7 experiences for the programs on the list of approved programs.

8 (d) If the ~~MiSTEM advisory~~ **MI-STEM** council is unable to make specific funding  
9 recommendations by December 15 of a fiscal year, the department shall award and distribute  
10 the funds allocated under subsection (4) on a competitive grant basis that at least follows  
11 the statewide ~~STEM-STEAM~~ strategy plan and rating system recommended by the ~~MiSTEM advisory~~  
12 **MI-STEM** council. Each grant must provide ~~STEM-STEAM~~ education-related opportunities for  
13 pupils.

14 (e) The ~~MiSTEM advisory~~ **MI-STEM** council shall work with the ~~executive director of the~~  
15 ~~MiSTEM network department~~ **department of labor and economic opportunity** to implement the  
16 statewide ~~STEM-STEAM~~ strategy adopted by the ~~MiSTEM advisory~~ **MI-STEM** council.

17 (4) From the state school aid fund money allocated under subsection (1), there is  
18 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed \$3,050,000.00 for the purpose of  
19 funding programs under this section for ~~2020-2021-2021-2022~~ as recommended by the ~~MiSTEM~~  
20 ~~advisory~~ **MI-STEM** council.

21 (5) From the state school aid fund money allocated under subsection (1), there is  
22 allocated an amount not to exceed \$3,834,300.00 for ~~2020-2021-2021-2022~~ to support the  
23 activities and programs of the ~~MiSTEM-MiSTEAM~~ network regions. In addition, from the  
24 federal funds allocated under subsection (1), there is allocated for ~~2020-2021-2021-2022~~ an  
25 amount estimated at \$235,000.00 from DED-OESE, title II, mathematics and science  
26 partnership grants, for the purposes of this subsection. From the money allocated under  
27 this subsection, the department shall award the fiscal agent for each ~~MiSTEM-MiSTEAM~~  
28 network region \$200,000.00 for the base operations of each region. The department shall  
29 distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on  
30 the number of K to 12 pupils enrolled in districts within each region in the immediately  
31 preceding fiscal year.

1 (6) A ~~MISTEM-MiSTEAM~~ network region shall do all of the following:

2 (a) Collaborate with the career and educational advisory council that is located in  
3 the ~~MISTEM-MiSTEAM~~ region to develop a regional strategic plan for ~~STEM-STEAM~~ education  
4 that creates a robust regional ~~STEM-STEAM~~ culture, that empowers ~~STEM-STEAM~~ teachers, that  
5 integrates business and education into the ~~STEM-STEAM~~ network, and that ensures high-  
6 quality ~~STEM-STEAM~~ experiences for pupils. At a minimum, a regional ~~STEM-STEAM~~ strategic  
7 plan should do all of the following:

8 (i) Identify regional employer need for ~~STEM-STEAM~~.

9 (ii) Identify processes for regional employers and educators to create guided pathways  
10 for ~~STEM-STEAM~~ careers that include internships or externships, apprenticeships, and other  
11 experiential engagements for pupils.

12 (iii) Identify educator professional ~~development-learning~~ opportunities, including  
13 internships or externships and apprenticeships, that integrate this state's science  
14 standards into high-quality ~~STEM-STEAM~~ experiences that engage pupils.

15 (b) Facilitate regional ~~STEM-STEAM~~ events such as educator and employer networking  
16 and ~~STEM-STEAM~~ career fairs to raise ~~STEM-STEAM~~ awareness.

17 (c) Contribute to the ~~MISTEM-MiSTEAM~~ website and engage in other ~~MISTEM-MiSTEAM~~  
18 network functions to further the mission of ~~STEM-STEAM~~ in this state in coordination with  
19 the ~~MISTEM~~ advisory **MI-STEM** council and ~~its executive director. the department of labor and~~  
20 **economic opportunity.**

21 (d) Facilitate application and implementation of state and federal funds under this  
22 subsection and any other grants or funds for the ~~MISTEM-MiSTEAM~~ network region.

23 (e) Work with districts to provide ~~STEM-STEAM~~ programming and professional learning.

24 (f) Coordinate recurring discussions and work with the career and educational  
25 advisory council to ensure that feedback and best practices are being shared, including  
26 funding, program, professional learning opportunities, and regional strategic plans.

27 (7) From the state school aid fund money allocated under subsection (1), the  
28 department shall distribute for ~~2020-2021-2021-2022~~ an amount not to exceed \$750,000.00, in  
29 a form and manner determined by the department, to ~~those~~ **MiSTEAM** network regions able to  
30 ~~provide curriculum and professional development support to assist districts in implementing~~  
31 ~~the Michigan merit curriculum components for mathematics and science. to further the~~

1 **statewide STEAM strategy recommended by the council.**

2 (8) In order to receive state or federal funds under subsection (5) or (7), or to  
3 receive funds from private sources as authorized under subsection (1), a grant recipient  
4 must allow access for the department or the department's designee to audit all records  
5 related to the program for which it receives those funds. The grant recipient shall  
6 reimburse the state for all disallowances found in the audit.

7 (9) In order to receive state funds under subsection (5) or (7), a grant recipient  
8 must provide at least a 10% local match from local public or private resources for the  
9 funds received under this subsection.

10 (10) Not later than July 1 of each year, a ~~MiSTEM-MiSTEAM~~ network region that  
11 receives funds under subsection (5) shall report to the executive director of the ~~MiSTEM~~  
12 **MiSTEAM** network in a form and manner prescribed by the executive director on performance  
13 measures developed by the ~~MiSTEM-MiSTEAM~~ network regions and approved by the executive  
14 director. The performance measures must be designed to ensure that the activities of the  
15 ~~MiSTEM-MiSTEAM~~ network are improving student academic outcomes.

16 (11) Not more than 5% of a ~~MiSTEM-MiSTEAM~~ network region grant under subsection (5)  
17 or (7) may be retained by a fiscal agent for serving as the fiscal agent of a ~~MiSTEM~~  
18 **MiSTEAM** network region.

19 (12) From the general fund money allocated under subsection (1), there is allocated  
20 an amount not to exceed \$300,000.00 to the department of labor and economic opportunity to  
21 support the functions of the ~~executive director and executive assistant-staff~~ for the  
22 ~~MiSTEM-MiSTEAM~~ network, and for administrative, training, and travel costs related to the  
23 ~~MiSTEM~~ advisory **MI-STEM** council. The ~~executive director and executive assistant-staff~~ for  
24 the ~~MiSTEM-MiSTEAM~~ network shall do all of the following:

25 (a) Serve as a liaison among and between the department, the department of labor and  
26 economic opportunity, the ~~MiSTEM~~ advisory **MI-STEM** council, the governor's ~~future talent~~  
27 ~~council, workforce development board~~, the ~~MiSTEM-MiSTEAM~~ regions, and any other relevant  
28 organization or entity in a manner that creates a robust statewide **STEM-STEAM** culture, that  
29 empowers **STEM-STEAM** teachers, that integrates business and education into the ~~STEM-STEAM~~  
30 network, and that ensures high-quality **STEM-STEAM** experiences for pupils.

31 (b) Coordinate the implementation of a marketing campaign, including, but not limited  
32 to, a website that includes dashboards of outcomes, to build ~~STEM-STEAM~~ awareness and

1 communicate ~~STEM-STEAM~~ needs and opportunities to pupils, parents, educators, and the  
2 business community.

3 (c) Work with the department and the ~~MI-STEM advisory~~ **MI-STEM** council to coordinate,  
4 award, and monitor ~~MI-STEM-MiSTEAM~~ state and federal grants to the ~~MI-STEM-MiSTEAM~~ network  
5 regions and conduct reviews of grant recipients, including, but not limited to, pupil  
6 experience and feedback.

7 (d) Report to the governor, the legislature, the department, and the ~~MI-STEM advisory~~  
8 **MI-STEM** council annually on the activities and performance of the ~~MI-STEM-MiSTEAM~~ network  
9 regions.

10 (e) Coordinate recurring discussions and work with regional staff to ensure that a  
11 network or loop of feedback and best practices are shared, including funding, programming,  
12 professional learning opportunities, discussion of ~~MI-STEM-MiSTEAM~~ strategic vision, and  
13 regional objectives.

14 (f) Coordinate major grant application efforts with the ~~MI-STEM advisory~~ **MI-STEM**  
15 council to assist regional staff with grant applications on a local level. The ~~MI-STEM~~  
16 ~~advisory~~ **MI-STEM** council shall leverage private and nonprofit relationships to coordinate  
17 and align private funds in addition to funds appropriated under this section.

18 (g) Train state and regional staff in the STEMworks rating system, in collaboration  
19 with the ~~MI-STEM advisory~~ **MI-STEM** council and the department.

20 (h) Hire ~~MI-STEM-MiSTEAM~~ network region staff in collaboration with the network region  
21 fiscal agent.

22 (13) As used in this section:

23 (a) "Career and educational advisory council" means an advisory council to the local  
24 workforce development boards located in a prosperity region consisting of educational,  
25 employer, labor, and parent representatives.

26 (b) "DED" means the United States Department of Education.

27 (c) "DED-OESE" means the DED Office of Elementary and Secondary Education.

28 (d) **"MI-STEM council" means the Michigan Science, Technology, Engineering, and**  
29 **Mathematics Education Advisory Council created as an advisory body within the department of**  
30 **labor and economic opportunity by Executive Order 2019-13.**

31 (e) ~~(d)~~ ~~"STEM"~~ **"STEAM"** means science, technology, engineering, **arts**, and mathematics  
32 delivered in an integrated fashion using cross-disciplinary learning experiences that can

1 include language arts, performing and fine arts, and career and technical education.

2           Sec. 101. (1) To be eligible to receive state aid under this article, not later than  
3 the fifth Wednesday after the pupil membership count day and not later than the fifth  
4 Wednesday after the supplemental count day, each district superintendent shall submit and  
5 certify to the center and the intermediate superintendent, in the form and manner  
6 prescribed by the center, the number of pupils enrolled and in regular daily attendance,  
7 ~~or, for 2020-2021 only, the number of pupils engaged in pandemic learning for fall 2020 or~~  
8 ~~the number of pupils engaged in pandemic learning for spring 2021, as applicable, or, for a~~  
9 ~~district that operates as a cyber school, as that term is defined in section 551 of the~~  
10 ~~revised school code, MCL 380.551, the number of pupils enrolled and in regular daily~~  
11 ~~attendance,~~ including identification of tuition-paying pupils, in the district as of the  
12 pupil membership count day and as of the supplemental count day, as applicable, for the  
13 current school year. In addition, a district maintaining school during the entire year  
14 shall submit and certify to the center and the intermediate superintendent, in the form and  
15 manner prescribed by the center, the number of pupils enrolled and in regular daily  
16 attendance in the district ~~or, for 2020-2021 only, the number of pupils engaged in pandemic~~  
17 ~~learning for fall 2020 or the number of pupils engaged in pandemic learning for spring~~  
18 ~~2021, as applicable, or, for a district that operates as a cyber school, as that term is~~  
19 ~~defined in section 551 of the revised school code, MCL 380.551, the number of pupils~~  
20 ~~enrolled and in regular daily attendance,~~ for the current school year pursuant to rules  
21 promulgated by the superintendent. Not later than the sixth Wednesday after the pupil  
22 membership count day and not later than the sixth Wednesday after the supplemental count  
23 day, the district shall resolve any pupil membership conflicts with another district,  
24 correct any data issues, and recertify the data in a form and manner prescribed by the  
25 center and file the certified data with the intermediate superintendent. If a district  
26 fails to submit and certify the attendance data, as required under this subsection, the  
27 center shall notify the department and the department shall withhold state aid due to be  
28 distributed under this article from the defaulting district immediately, beginning with the  
29 next payment after the failure and continuing with each payment until the district complies  
30 with this subsection. If a district does not comply with this subsection by the end of the  
31 fiscal year, the district forfeits the amount withheld. A person who willfully falsifies a  
32 figure or statement in the certified and sworn copy of enrollment is subject to penalty as

1 prescribed by section 161. ~~As used in this subsection, "pupils engaged in pandemic learning~~  
2 ~~for spring 2021" means that term as defined in section 6a.~~

3 (2) To be eligible to receive state aid under this article, not later than the  
4 twenty-fourth Wednesday after the pupil membership count day and not later than the twenty-  
5 fourth Wednesday after the supplemental count day, an intermediate district shall submit to  
6 the center, in a form and manner prescribed by the center, the audited enrollment and  
7 attendance data as described in subsection (1) for the pupils of its constituent districts  
8 and of the intermediate district. If an intermediate district fails to submit the audited  
9 data as required under this subsection, the department shall withhold state aid due to be  
10 distributed under this article from the defaulting intermediate district immediately,  
11 beginning with the next payment after the failure and continuing with each payment until  
12 the intermediate district complies with this subsection. If an intermediate district does  
13 not comply with this subsection by the end of the fiscal year, the intermediate district  
14 forfeits the amount withheld.

15 (3) Except as otherwise provided in subsections (11), ~~and (12), and (13),~~ all of the  
16 following apply to the provision of pupil instruction:

17 (a) Except as otherwise provided in this section, each district shall provide at  
18 least 1,098 hours and 180 days of pupil instruction. If a collective bargaining agreement  
19 that provides a complete school calendar was in effect for employees of a district as of  
20 June 24, 2014, and if that school calendar is not in compliance with this subdivision, then  
21 this subdivision does not apply to that district until after the expiration of that  
22 collective bargaining agreement. A district may apply for a waiver under subsection (9)  
23 from the requirements of this subdivision.

24 (b) Except as otherwise provided in this article, a district failing to comply with  
25 the required minimum hours and days of pupil instruction under this subsection forfeits  
26 from its total state aid allocation an amount determined by applying a ratio of the number  
27 of hours or days the district was in noncompliance in relation to the required minimum  
28 number of hours and days under this subsection. Not later than **the first business day in**  
29 August, ~~4,~~ the board of each district shall either certify to the department that the  
30 district was in full compliance with this section regarding the number of hours and days of  
31 pupil instruction in the previous school year, or report to the department, in a form and  
32 manner prescribed by the center, each instance of noncompliance. If the district did not

1 provide at least the required minimum number of hours and days of pupil instruction under  
2 this subsection, the department shall make the deduction of state aid in the following  
3 fiscal year from the first payment of state school aid. A district is not subject to  
4 forfeiture of funds under this subsection for a fiscal year in which a forfeiture was  
5 already imposed under subsection (6).

6 (c) Hours or days lost because of strikes or teachers' conferences are not counted as  
7 hours or days of pupil instruction.

8 (d) Except as otherwise provided in subdivisions (e), ~~and (f), and (h)~~, if a district  
9 does not have at least 75% of the district's membership in attendance on any day of pupil  
10 instruction, the department shall pay the district state aid in that proportion of 1/180  
11 that the actual percent of attendance bears to 75%.

12 (e) If a district adds 1 or more days of pupil instruction to the end of its  
13 instructional calendar for a school year to comply with subdivision (a) because the  
14 district otherwise would fail to provide the required minimum number of days of pupil  
15 instruction even after the operation of subsection (4) due to conditions not within the  
16 control of school authorities, then subdivision (d) does not apply for any day of pupil  
17 instruction that is added to the end of the instructional calendar. Instead, for any of  
18 those days, if the district does not have at least 60% of the district's membership in  
19 attendance on that day, the department shall pay the district state aid in that proportion  
20 of 1/180 that the actual percentage of attendance bears to 60%. For any day of pupil  
21 instruction added to the instructional calendar as described in this subdivision, the  
22 district shall report to the department the percentage of the district's membership that is  
23 in attendance, in the form and manner prescribed by the department.

24 (f) At the request of a district that operates a department-approved alternative  
25 education program and that does not provide instruction for pupils in all of grades K to  
26 12, the superintendent shall grant a waiver from the requirements of subdivision (d). The  
27 waiver must provide that an eligible district is subject to the proration provisions of  
28 subdivision (d) only if the district does not have at least 50% of the district's  
29 membership in attendance on any day of pupil instruction. In order to be eligible for this  
30 waiver, a district must maintain records to substantiate its compliance with the following  
31 requirements:

32 (i) The district offers the minimum hours of pupil instruction as required under this

1 section.

2 (ii) For each enrolled pupil, the district uses appropriate academic assessments to  
3 develop an individual education plan that leads to a high school diploma.

4 (iii) The district tests each pupil to determine academic progress at regular  
5 intervals and records the results of those tests in that pupil's individual education plan.

6 (g) All of the following apply to a waiver granted under subdivision (f):

7 (i) If the waiver is for a blended model of delivery, a waiver that is granted for  
8 the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is  
9 revoked by the superintendent.

10 (ii) If the waiver is for a 100% online model of delivery and the educational program  
11 for which the waiver is granted makes educational services available to pupils for a  
12 minimum of at least 1,098 hours during a school year and ensures that each pupil  
13 participates in the educational program for at least 1,098 hours during a school year, a  
14 waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in  
15 effect unless it is revoked by the superintendent.

16 (iii) A waiver that is not a waiver described in subparagraph (i) or (ii) is valid for 3  
17 fiscal years, unless it is revoked by the superintendent, and must be renewed at the end of  
18 the 3-year period to remain in effect.

19 ~~(h) For the 2020-2021 school year only, subdivision (d) does not apply for any day of~~  
20 ~~pupil instruction. However, for the 2020-2021 school year only, a district shall ensure~~  
21 ~~that 1-2 way interaction occurs between a pupil enrolled in the district and the pupil's~~  
22 ~~teacher or at least 1 of the pupil's teachers or another district employee who has~~  
23 ~~responsibility for the pupil's learning, grade progression, or academic progress during~~  
24 ~~each month of the school year for at least 75% of pupils enrolled in the district. As used~~  
25 ~~in the immediately preceding sentence, "school year" means a period comprising at least 9~~  
26 ~~calendar months that are chosen by a district and that are designated as part of the~~  
27 ~~district's 2020-2021 school year. If a district does not ensure that the interactions~~  
28 ~~required under this subdivision occur for at least 75% of pupils enrolled in the district~~  
29 ~~as required under this subdivision, the department shall pay the district state aid in that~~  
30 ~~proportion of 1/9 that the actual percentage of interaction during each month bears to 75%.~~  
31 ~~As used in this subdivision, "2-way interaction" means a communication that occurs between~~

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

11 ~~(i) Electronic mail.~~

12 ~~(ii) Telephone.~~

13 ~~(iii) Instant messaging.~~

14 ~~(iv) Face-to-face conversation.~~

15 (h) ~~(i)~~ The superintendent shall promulgate rules for the implementation of this  
16 subsection.

17 (4) Except as otherwise provided in this subsection, the first 6 days or the  
18 equivalent number of hours for which pupil instruction is not provided because of  
19 conditions not within the control of school authorities, such as severe storms, fires,  
20 epidemics, utility power unavailability, water or sewer failure, or health conditions as  
21 defined by the city, county, or state health authorities, are counted as hours and days of  
22 pupil instruction. With the approval of the superintendent of public instruction, the  
23 department shall count as hours and days of pupil instruction for a fiscal year not more  
24 than 3 additional days or the equivalent number of additional hours for which pupil  
25 instruction is not provided in a district due to unusual and extenuating occurrences  
26 resulting from conditions not within the control of school authorities such as those  
27 conditions described in this subsection. Subsequent such hours or days are not counted as  
28 hours or days of pupil instruction.

29 (5) A district does not forfeit part of its state aid appropriation because it adopts  
30 or has in existence an alternative scheduling program for pupils in kindergarten if the  
31 program provides at least the number of hours required under subsection (3) for a full-time

1 equated membership for a pupil in kindergarten as provided under section 6(4).

2 (6) In addition to any other penalty or forfeiture under this section, if at any time  
3 the department determines that 1 or more of the following have occurred in a district, the  
4 district forfeits in the current fiscal year beginning in the next payment to be calculated  
5 by the department a proportion of the funds due to the district under this article that is  
6 equal to the proportion below the required minimum number of hours and days of pupil  
7 instruction under subsection (3), as specified in the following:

8 (a) The district fails to operate its schools for at least the required minimum  
9 number of hours and days of pupil instruction under subsection (3) in a school year,  
10 including hours and days counted under subsection (4).

11 (b) The board of the district takes formal action not to operate its schools for at  
12 least the required minimum number of hours and days of pupil instruction under subsection  
13 (3) in a school year, including hours and days counted under subsection (4).

14 (7) In providing the minimum number of hours and days of pupil instruction required  
15 under subsection (3), a district shall use the following guidelines, and a district shall  
16 maintain records to substantiate its compliance with the following guidelines:

17 (a) Except as otherwise provided in this subsection, a pupil must be scheduled for at  
18 least the required minimum number of hours of instruction, excluding study halls, or at  
19 least the sum of 90 hours plus the required minimum number of hours of instruction,  
20 including up to 2 study halls.

21 (b) The time a pupil is assigned to any tutorial activity in a block schedule may be  
22 considered instructional time, unless that time is determined in an audit to be a study  
23 hall period.

24 (c) Except as otherwise provided in this subdivision, a pupil in grades 9 to 12 for  
25 whom a reduced schedule is determined to be in the individual pupil's best educational  
26 interest must be scheduled for a number of hours equal to at least 80% of the required  
27 minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.  
28 A pupil in grades 9 to 12 who is scheduled in a 4-block schedule may receive a reduced  
29 schedule under this subsection if the pupil is scheduled for a number of hours equal to at  
30 least 75% of the required minimum number of hours of pupil instruction to be considered a  
31 full-time equivalent pupil.

32 (d) If a pupil in grades 9 to 12 who is enrolled in a cooperative education program

1 or a special education pupil cannot receive the required minimum number of hours of pupil  
2 instruction solely because of travel time between instructional sites during the school  
3 day, that travel time, up to a maximum of 3 hours per school week, is considered to be  
4 pupil instruction time for the purpose of determining whether the pupil is receiving the  
5 required minimum number of hours of pupil instruction. However, if a district demonstrates  
6 to the satisfaction of the department that the travel time limitation under this  
7 subdivision would create undue costs or hardship to the district, the department may  
8 consider more travel time to be pupil instruction time for this purpose.

9 (e) In grades 7 through 12, instructional time that is part of a Junior Reserve  
10 Officer Training Corps (JROTC) program is considered to be pupil instruction time  
11 regardless of whether the instructor is a certificated teacher if all of the following are  
12 met:

13 (i) The instructor has met all of the requirements established by the United States  
14 Department of Defense and the applicable branch of the armed services for serving as an  
15 instructor in the Junior Reserve Officer Training Corps program.

16 (ii) The board of the district or intermediate district employing or assigning the  
17 instructor complies with the requirements of sections 1230 and 1230a of the revised school  
18 code, MCL 380.1230 and 380.1230a, with respect to the instructor to the same extent as if  
19 employing the instructor as a regular classroom teacher.

20 (8) Except as otherwise provided in subsections (11), ~~and (12), and (13)~~, the  
21 department shall apply the guidelines under subsection (7) in calculating the full-time  
22 equivalency of pupils.

23 (9) Upon application by the district for a particular fiscal year, the superintendent  
24 shall waive for a district the minimum number of hours and days of pupil instruction  
25 requirement of subsection (3) for a department-approved alternative education program or  
26 another innovative program approved by the department, including a 4-day school week. If a  
27 district applies for and receives a waiver under this subsection and complies with the  
28 terms of the waiver, the district is not subject to forfeiture under this section for the  
29 specific program covered by the waiver. If the district does not comply with the terms of  
30 the waiver, the amount of the forfeiture is calculated based upon a comparison of the  
31 number of hours and days of pupil instruction actually provided to the minimum number of

1 hours and days of pupil instruction required under subsection (3). A district shall report  
2 pupils enrolled in a department-approved alternative education program under this  
3 subsection to the center in a form and manner determined by the center. All of the  
4 following apply to a waiver granted under this subsection:

5 (a) If the waiver is for a blended model of delivery, a waiver that is granted for  
6 the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is  
7 revoked by the superintendent.

8 (b) If the waiver is for a 100% online model of delivery and the educational program  
9 for which the waiver is granted makes educational services available to pupils for a  
10 minimum of at least 1,098 hours during a school year and ensures that each pupil is on  
11 track for course completion at proficiency level, a waiver that is granted for the 2011-  
12 2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the  
13 superintendent.

14 (c) A waiver that is not a waiver described in subdivision (a) or (b) is valid for 3  
15 fiscal years, unless it is revoked by the superintendent, and must be renewed at the end of  
16 the 3-year period to remain in effect.

17 (10) A district may count up to 38 hours of professional development for teachers as  
18 hours of pupil instruction. All of the following apply to the counting of professional  
19 development as pupil instruction under this subsection:

20 (a) If the professional development exceeds 5 hours in a single day, that day may be  
21 counted as a day of pupil instruction.

22 (b) At least 8 hours of the professional development counted as hours of pupil  
23 instruction under this subsection must be recommended by a districtwide professional  
24 development advisory committee appointed by the district board. The advisory committee must  
25 be composed of teachers employed by the district who represent a variety of grades and  
26 subject matter specializations, including special education; nonteaching staff; parents;  
27 and administrators. The majority membership of the committee must be composed of teaching  
28 staff.

29 (c) Professional development provided online is allowable and encouraged, as long as  
30 the instruction has been approved by the district. The department shall issue a list of  
31 approved online professional development providers that must include the Michigan Virtual  
32 School.

1 (d) Professional development may only be counted as hours of pupil instruction under  
2 this subsection for the pupils of those teachers scheduled to participate in the  
3 professional development.

4 (e) The professional development must meet all of the following to be counted as  
5 pupil instruction under this subsection:

6 (i) Be aligned to the school or district improvement plan for the school or district  
7 in which the professional development is being provided.

8 (ii) Be linked to 1 or more criteria in the evaluation tool developed or adopted by  
9 the district or intermediate district under section 1249 of the revised school code, MCL  
10 380.1249.

11 (iii) Has been approved by the department as counting for state continuing education  
12 clock hours. The number of hours of professional development counted as hours of pupil  
13 instruction under this subsection may not exceed the number of state continuing education  
14 clock hours for which the professional development was approved.

15 (iv) Not more than a combined total of 10 hours of the professional development takes  
16 place before the first scheduled day of school for the school year ending in the fiscal  
17 year and after the last scheduled day of school for that school year.

18 (v) Not more than 10 hours of the professional development takes place in a single  
19 month.

20 (vi) At least 75% of teachers scheduled to participate in the professional  
21 development are in attendance.

22 (11) Subsections (3) and (8) do not apply to a school of excellence that is a cyber  
23 school, as that term is defined in section 551 of the revised school code, MCL 380.551, and  
24 is in compliance with section 553a of the revised school code, MCL 380.553a.

25 (12) Subsections (3) and (8) do not apply to eligible pupils enrolled in a dropout  
26 recovery program that meets the requirements of section 23a. As used in this subsection,  
27 "eligible pupil" means that term as defined in section 23a.

28 ~~(13) For the 2020-2021 school year only, the minimum number of hours and days of~~  
29 ~~pupil instruction requirement under subsection (3) is waived for each district that, at a~~  
30 ~~minimum, provides pupil instruction for the 2020-2021 school year at school, at a different~~  
31 ~~location, in person, online, digitally, by other remote means, in a synchronous or~~

1 ~~asynchronous format, or through any combination therein that results in an amount of hours~~  
2 ~~and days necessary to deliver the educational or course content that would have been~~  
3 ~~delivered in 180 days and 1,098 hours in a school year in which pandemic learning was not~~  
4 ~~provided and that would have led to course completion. As used in this subsection,~~  
5 ~~"pandemic learning" means a mode of pupil instruction provided as a result of the COVID-19~~  
6 ~~pandemic.~~

7 (13) ~~(14)~~ At least every 2 years the superintendent shall review the waiver standards  
8 set forth in the pupil accounting and auditing manuals to ensure that the waiver standards  
9 and waiver process continue to be appropriate and responsive to changing trends in online  
10 learning. The superintendent shall solicit and consider input from stakeholders as part of  
11 this review.

12 Sec. 104. (1) In order to receive state aid under this article, a district shall  
13 comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL  
14 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to  
15 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in  
16 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed  
17 ~~\$31,009,400.00~~ **\$29,509,400.00** for payments on behalf of districts for costs associated with  
18 complying with those provisions of law. In addition, from the federal funds appropriated in  
19 section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount estimated at \$6,250,000.00  
20 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, section 504 of  
21 part B of the individuals with disabilities education act, Public Law 94-142, plus any  
22 carryover federal funds from previous year appropriations, for the purposes of complying  
23 with the every student succeeds act, Public Law 114-95.

24 (2) The results of each test administered as part of the Michigan student test of  
25 educational progress (M-STEP), including tests administered to high school students, must  
26 include an item analysis that lists all items that are counted for individual pupil scores  
27 and the percentage of pupils choosing each possible response. The department shall work  
28 with the center to identify the number of students enrolled at the time assessments are  
29 given by each district. In calculating the percentage of pupils assessed for a district's  
30 scorecard, the department shall use only the number of pupils enrolled in the district at  
31 the time the district administers the assessments and shall exclude pupils who enroll in  
32 the district after the district administers the assessments.

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

4 ~~(4) From the funds allocated in subsection (1), there is allocated an amount not to~~  
5 ~~exceed \$1,500,000.00 to an intermediate district described in this subsection for, except~~  
6 ~~as otherwise provided in this subsection, statewide implementation of the Michigan~~  
7 ~~kindergarten entry observation tool (MKEO), utilizing the Maryland-Ohio observational tool,~~  
8 ~~also referred to as the Kindergarten Readiness Assessment, as piloted under this subsection~~  
9 ~~in 2017-2018 and implemented in 2018-2019 and 2019-2020. The funding in this subsection is~~  
10 ~~allocated to an intermediate district in prosperity region 9 with at least 3,000~~  
11 ~~kindergarten pupils enrolled in its constituent districts. An intermediate district~~  
12 ~~described in this subsection is not required to carry out the statewide implementation of~~  
13 ~~the Michigan kindergarten entry observation tool (MKEO), as described in this subsection,~~  
14 ~~for the fall of 2020. It is the intent of the legislature to account for health, safety,~~  
15 ~~and welfare concerns related to the COVID-19 pandemic by temporarily suspending the~~  
16 ~~requirement for statewide implementation of the Michigan kindergarten entry observation~~  
17 ~~tool (MKEO) under this subsection for the fall of 2020. All of the following apply to the~~  
18 ~~implementation of the kindergarten entry observation tool under this subsection:~~

19 ~~(a) The department, in collaboration with all intermediate districts, shall ensure~~  
20 ~~that the Michigan kindergarten entry observation tool is administered in each kindergarten~~  
21 ~~classroom to either the full census of kindergarten pupils enrolled in the classroom or to~~  
22 ~~a representative sample of not less than 35% of the total kindergarten pupils enrolled in~~  
23 ~~each classroom. If a district elects to administer the Michigan kindergarten entry~~  
24 ~~observation tool to a random sample of pupils within each classroom, the district's~~  
25 ~~intermediate district shall select the pupils who will receive the assessment based on the~~  
26 ~~same random method. Beginning in 2021, the observation tool must be administered within 45~~  
27 ~~days after the start of the school year.~~

28 ~~(b) The intermediate district that receives funding under this subsection, in~~  
29 ~~collaboration with all other intermediate districts, shall implement a "train the trainer"~~  
30 ~~professional development model on the usage of the Michigan kindergarten entry observation~~  
31 ~~tool. This training model must provide training to intermediate district staff so that they~~  
32 ~~may provide similar training for staff of their constituent districts. This training model~~

1 ~~must also ensure that the tool produces reliable data and that there are a sufficient~~  
2 ~~number of trainers to train all kindergarten teachers statewide.~~

3 ~~(c) By March 1, 2022, and each year thereafter, the department and the intermediate~~  
4 ~~district that receives funding under this subsection shall report to the house and senate~~  
5 ~~appropriations subcommittees on state school aid, the house and senate fiscal agencies, and~~  
6 ~~the state budget director on the results of the statewide implementation, including, but~~  
7 ~~not limited to, an evaluation of the demonstrated readiness of kindergarten pupils~~  
8 ~~statewide and the effectiveness of state and federal early childhood programs that are~~  
9 ~~designed for school readiness under this state's authority, including the great start~~  
10 ~~readiness program and the great start readiness/Head Start blended program, as referenced~~  
11 ~~under section 32d. By September 1, 2022, and each year thereafter, the department and the~~  
12 ~~center shall provide a method for districts and public school academies with kindergarten~~  
13 ~~enrollment to look up and verify their student enrollment data for pupils who were enrolled~~  
14 ~~in a publicly funded early childhood program in the year before kindergarten, including the~~  
15 ~~individual great start readiness program, individual great start readiness/Head Start~~  
16 ~~blended program, individual title I preschool program, individual section 31a preschool~~  
17 ~~program, individual early childhood special education program, or individual developmental~~  
18 ~~kindergarten or program for young 5-year-olds in which each tested child was enrolled. A~~  
19 ~~participating district shall analyze the data to determine whether high performing children~~  
20 ~~were enrolled in any specific early childhood program and, if so, report that finding to~~  
21 ~~the department and to the intermediate district that receives funding under this~~  
22 ~~subsection.~~

23 ~~(d) The department shall approve the language and literacy domain within the~~  
24 ~~Kindergarten Readiness Assessment for use by districts as an initial assessment that may be~~  
25 ~~delivered to all kindergarten pupils to assist with identifying any possible area of~~  
26 ~~concern for a pupil in English language arts.~~

27 ~~(e) As used in this subsection:~~

28 ~~(i) "Kindergarten" includes a classroom for young 5-year-olds, commonly referred to~~  
29 ~~as "young 5s" or "developmental kindergarten".~~

30 ~~(ii) "Representative sample" means a sample capable of producing valid and reliable~~  
31 ~~assessment information on all or major subgroups of kindergarten pupils in a district.~~

1           (4) ~~(5)~~—The department may recommend, but may not require, districts to allow pupils  
2 to use an external keyboard with tablet devices for online M-STEP testing, including, but  
3 not limited to, open-ended test items such as constructed response or equation builder  
4 items.

5           (5) ~~(6)~~—Notwithstanding section 17b, the department shall make payments on behalf of  
6 districts, intermediate districts, and other eligible entities under this section on a  
7 schedule determined by the department.

8           (6) ~~(7)~~—From the allocation in subsection (1), there is allocated an amount not to  
9 exceed \$500,000.00 for ~~2020–2021~~**2021–2022** for the operation of an online reporting tool to  
10 provide student-level assessment data in a secure environment to educators, parents, and  
11 pupils immediately after assessments are scored. The department and the center shall ensure  
12 that any data collected by the online reporting tool do not provide individually  
13 identifiable student data to the federal government.

14           ~~(8) In order to receive state aid under this article for 2020–2021, a district shall  
15 meet both of the following requirements:~~

16           ~~(a) Within the first 9 weeks of the 2020–2021 school year, the district shall  
17 administer 1 or more benchmark assessments provided by a provider approved under subsection  
18 (9), benchmark assessments described in subsection (10), or local benchmark assessments, or  
19 any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading  
20 and mathematics.~~

21           ~~(b) In addition to the benchmark assessment or benchmark assessments administered  
22 under subdivision (a), by not later than the last day of the 2020–2021 school year, the  
23 district shall administer 1 or more benchmark assessments provided by a provider approved  
24 under subsection (9), benchmark assessments described in subsection (10), or local  
25 benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to  
26 measure proficiency in reading and mathematics.~~

27           ~~(9) The department shall approve at least 4 but not more than 5 providers of  
28 benchmark assessments for the purposes of subsection (8). The department shall inform  
29 districts of all of the providers approved under this subsection in an equitable manner.  
30 The benchmark assessments provided for the purposes of subsection (8) by approved providers  
31 under this subsection, with the exclusion of the benchmark assessment described in  
32 subsection (14), must meet all of the following:~~

- 1 ~~(a) Be 1 of the most commonly administered benchmark assessments in this state.~~
- 2 ~~(b) Be aligned to the content standards of this state.~~
- 3 ~~(c) Complement the state's summative assessment system.~~
- 4 ~~(d) Be internet-delivered and include a standards-based remote, in-person, or both~~
- 5 ~~remote and in-person assessment using a computer-adaptive model to target the instructional~~
- 6 ~~level of each pupil.~~
- 7 ~~(e) Provide information on pupil achievement with regard to learning content required~~
- 8 ~~in a given year or grade span.~~
- 9 ~~(f) Provide immediate feedback to pupils and teachers.~~
- 10 ~~(g) Be nationally normed.~~
- 11 ~~(h) Provide multiple measures of growth and provide for multiple testing~~
- 12 ~~opportunities.~~
- 13 ~~(10) A district may administer 1 or more of the following benchmark assessments~~
- 14 ~~toward meeting the requirement under subsection (8):~~
- 15 ~~(a) A benchmark assessment in reading for students in grades K to 9 that contains~~
- 16 ~~progress monitoring tools and enhanced diagnostic assessments.~~
- 17 ~~(b) A benchmark assessment in math for students in grades K to 8 that contains~~
- 18 ~~progress monitoring tools.~~
- 19 ~~(11) To the extent practicable, if a district administers a benchmark assessment or~~
- 20 ~~benchmark assessments under this section, the district shall administer the same benchmark~~
- 21 ~~assessment or benchmark assessments provided by a provider approved under subsection (9),~~
- 22 ~~benchmark assessment or benchmark assessments described in subsection (10), or local~~
- 23 ~~benchmark assessment or local benchmark assessments that it administered to pupils in~~
- 24 ~~previous school years, as applicable.~~
- 25 ~~(12) By not later than June 30, 2021, a district shall send the aggregate district-~~
- 26 ~~level data from a benchmark assessment or benchmark assessments, excluding data from a~~
- 27 ~~local benchmark assessment or local benchmark assessments, administered under this section~~
- 28 ~~to a regional data hub that is part of the Michigan data hub network that shall compile the~~
- 29 ~~data and send it to the center. Not later than September 1, 2021, the department and the~~
- 30 ~~center shall provide a report to the governor and the senate and house standing committees~~
- 31 ~~responsible for education legislation identifying the number and percentage of pupils in~~
- 32 ~~this state who are significantly behind grade level as determined by the department and the~~

1 ~~center based on the data provided to the center under this subsection. The benchmark~~  
2 ~~assessment data under this subsection may also be used to measure pupils' growth based on~~  
3 ~~their performance on state summative assessments to identify districts and schools where~~  
4 ~~pupil achievement has increased or decreased. However, the benchmark assessment data under~~  
5 ~~this subsection must not be utilized for the state accountability system. It is the intent~~  
6 ~~of the legislature that the benchmark assessment data under this subsection be primarily~~  
7 ~~utilized to determine the loss of learning, if any, resulting from the COVID-19 pandemic.~~  
8 ~~After the administration of statewide assessments resumes, the department shall also~~  
9 ~~provide a report to the governor and the senate and house standing committees responsible~~  
10 ~~for education legislation identifying the specific pupil groups whose expected trajectory~~  
11 ~~toward grade-level proficiency were most impacted by school closures that occurred pursuant~~  
12 ~~to the COVID-19 pandemic.~~

13 ~~(13) If a district administers a benchmark assessment or benchmark assessments under~~  
14 ~~this section, the district shall provide each pupil's data from the benchmark assessment or~~  
15 ~~benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days~~  
16 ~~of administering the benchmark assessment or benchmark assessments.~~

17 ~~(14) The department shall make 1 of the benchmark assessments provided by a provider~~  
18 ~~approved under subsection (9), available to districts at no cost to the districts. The~~  
19 ~~benchmark assessment described in this subsection must meet all of the following:~~

20 ~~(a) Be aligned to the content standards of this state.~~

21 ~~(b) Complement the state's summative assessment system.~~

22 ~~(c) Be internet delivered and include a standards based assessment.~~

23 ~~(d) Provide information on pupil achievement with regard to learning content required~~  
24 ~~in a given year or grade span.~~

25 ~~(e) Provide timely feedback to pupils and teachers.~~

26 ~~(f) Be nationally normed.~~

27 ~~(g) Provide information to educators about student growth and allow for multiple~~  
28 ~~testing opportunities.~~

29 ~~(15) If a local benchmark assessment or local benchmark assessments are administered~~  
30 ~~under subsection (8), the district shall report to the department and the center, in a form~~  
31 ~~and manner prescribed by the center, the local benchmark assessment or local benchmark~~  
32 ~~assessments that were administered and how that assessment or those assessments measure~~

1 ~~changes, including any losses, as applicable, in learning, and the district's plan for~~  
2 ~~addressing any losses in learning.~~

3 ~~(16) From the general fund money appropriated in section 11, there is allocated for~~  
4 ~~2020-2021 an amount not to exceed \$150,000.00 to a higher education institution or other~~  
5 ~~entity that is not a state governmental entity that has expertise in conducting a study~~  
6 ~~described in this subsection to conduct a study that, at a minimum, accomplishes all of the~~  
7 ~~following:~~

8 ~~(a) Provides for an assessment of the distance-learning programs utilized in this~~  
9 ~~state that were effective at meeting educational goals and attainment.~~

10 ~~(b) Provides for an assessment of how the programs described in subdivision (a)~~  
11 ~~operated.~~

12 ~~(c) Provides for an assessment of the best practices implemented by the programs~~  
13 ~~described in subdivision (a) that should be replicated by schools engaged in distance~~  
14 ~~learning.~~

15 ~~(d) Notes distance-learning models that were ineffective in achieving educational~~  
16 ~~goals.~~

17 **(7)** ~~(17)~~ As used in this section:

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

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

20 (c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative  
21 Services.

22 Sec. 104c. (1) In order to receive state aid under this article, a district shall  
23 administer the state assessments described in this section.

24 (2) For the purposes of this section, the department shall develop and administer the  
25 Michigan student test of educational progress (M-STEP) assessments in English language arts  
26 and mathematics. These assessments shall be aligned to state standards.

27 (3) For the purposes of this section, the department shall implement a summative  
28 assessment system that is proven to be valid and reliable for administration to pupils as  
29 provided under this subsection. The summative assessment system must meet all of the  
30 following requirements:

31 (a) The summative assessment system must measure student proficiency on the current  
32 state standards, must measure student growth for consecutive grade levels in which students

1 are assessed in the same subject area in both grade levels, and must be capable of  
2 measuring individual student performance.

3 (b) The summative assessments for English language arts and mathematics must be  
4 administered to all public school pupils in grades 3 to 11, including those pupils as  
5 required by the federal individuals with disabilities education act, Public Law 108-446,  
6 and by title I of the federal every student succeeds act (ESSA), Public Law 114-95.

7 (c) The summative assessments for science must be administered to all public school  
8 pupils in at least grades 5 and 8, including those pupils as required by the federal  
9 individuals with disabilities education act, Public Law 108-446, and by title I of the  
10 federal every student succeeds act (ESSA), Public Law 114-95.

11 (d) The summative assessments for social studies must be administered to all public  
12 school pupils in at least grades 5 and 8, including those pupils as required by the federal  
13 individuals with disabilities education act, Public Law 108-446, and by title I of the  
14 federal every student succeeds act (ESSA), Public Law 114-95.

15 (e) The content of the summative assessments must be aligned to state standards.

16 (f) The pool of questions for the summative assessments must be subject to a  
17 transparent review process for quality, bias, and sensitive issues involving educator  
18 review and comment. The department shall post samples from tests or retired tests featuring  
19 questions from this pool for review by the public.

20 (g) The summative assessment system must ensure that students, parents, and teachers  
21 are provided with reports that convey individual student proficiency and growth on the  
22 assessment and that convey individual student domain-level performance in each subject  
23 area, including representative questions, and individual student performance in meeting  
24 state standards.

25 (h) The summative assessment system must be capable of providing, and the department  
26 shall ensure that students, parents, teachers, administrators, and community members are  
27 provided with, reports that convey aggregate student proficiency and growth data by  
28 teacher, grade, school, and district.

29 (i) The summative assessment system must ensure the capability of reporting the  
30 available data to support educator evaluations.

31 (j) The summative assessment system must ensure that the reports provided to  
32 districts containing individual student data are available within 60 days after completion

1 of the assessments.

2 (k) The summative assessment system must ensure that access to individually  
3 identifiable student data meets all of the following:

4 (i) Is in compliance with 20 USC 1232g, commonly referred to as the family  
5 educational rights and privacy act of 1974.

6 (ii) Except as may be provided for in an agreement with a vendor to provide assessment  
7 services, as necessary to support educator evaluations pursuant to subdivision (i), or for  
8 research or program evaluation purposes, is available only to the student; to the student's  
9 parent or legal guardian; and to a school administrator or teacher, to the extent that he  
10 or she has a legitimate educational interest.

11 (l) The summative assessment system must ensure that the assessments are pilot tested  
12 before statewide implementation.

13 (m) The summative assessment system must ensure that assessments are designed so that  
14 the maximum total combined length of time that schools are required to set aside for a  
15 pupil to answer all test questions on all assessments that are part of the system for the  
16 pupil's grade level does not exceed that maximum total combined length of time for the  
17 previous statewide assessment system or 9 hours, whichever is less. This subdivision does  
18 not limit the amount of time a district may allow a pupil to complete a test.

19 (n) The total cost of executing the summative assessment system statewide each year,  
20 including, but not limited to, the cost of contracts for administration, scoring, and  
21 reporting, must not exceed an amount equal to 2 times the cost of executing the previous  
22 statewide assessment after adjustment for inflation.

23 (o) ~~Beginning with the 2017-2018 school year, the~~ **The** summative assessment system  
24 must not require more than 3 hours in duration, on average, for an individual pupil to  
25 complete the combined administration of the math and English language arts portions of the  
26 assessment for any 1 grade level.

27 (p) The summative assessments for English language arts and mathematics for pupils in  
28 grades 8 to 10 must be aligned to the college entrance test portion of the Michigan merit  
29 examination required under section 104b.

30 (4) The department shall offer benchmark assessments in the fall and spring of each  
31 school year to measure English language arts and mathematics in each of grades K to 2. Full

1 implementation must occur not later than the 2019-2020 school year. These assessments are  
2 necessary to determine a pupil's proficiency level before grade 3. ~~and must meet the~~  
3 ~~requirements under section 104d(4).~~

4 (5) This section does not prohibit districts from adopting interim assessments.

5 (6) As used in this section, "English language arts" means that term as defined in  
6 section 104b.

7 Sec. 105. (1) In order to avoid a penalty under this section, and in order to count a  
8 nonresident pupil residing within the same intermediate district in membership without the  
9 approval of the pupil's district of residence, a district must comply with this section.

10 (2) Except as otherwise provided in this section, a district shall determine whether  
11 or not it will accept applications for enrollment by nonresident applicants residing within  
12 the same intermediate district for the next school year. If the district determines to  
13 accept applications for enrollment of a number of nonresidents, beyond those entitled to  
14 preference under this section, the district shall use the following procedures for  
15 accepting applications from and enrolling nonresidents:

16 (a) The district shall publish the grades, schools, and special programs, if any, for  
17 which enrollment may be available to, and for which applications will be accepted from,  
18 nonresident applicants residing within the same intermediate district.

19 (b) If the district has a limited number of positions available for nonresidents  
20 residing within the same intermediate district in a grade, school, or program, all of the  
21 following apply to accepting applications for and enrollment of nonresidents in that grade,  
22 school, or program:

23 (i) The district shall do all of the following not later than the second Friday in  
24 August:

25 (A) Provide notice to the general public that applications will be taken for a period  
26 of at least 15 calendar days but not more than 30 calendar days from nonresidents residing  
27 within the same intermediate district for enrollment in that grade, school, or program. The  
28 notice must identify the dates of the application period and the place and manner for  
29 submitting applications.

30 (B) During the application period under sub-subparagraph (A), accept applications  
31 from nonresidents residing within the same intermediate district for enrollment in that  
32 grade, school, or program.

1 (C) Within 15 calendar days after the end of the application period under sub-  
2 subparagraph (A) ~~or, for 2020-2021 only, not later than October 13, 2020,~~ using the  
3 procedures and preferences required under this section, determine which nonresident  
4 applicants will be allowed to enroll in that grade, school, or program, using the random  
5 draw system required under subsection ~~(14)~~ **(13)** as necessary, and notify the parent or  
6 legal guardian of each nonresident applicant of whether or not the applicant may enroll in  
7 the district. The notification to parents or legal guardians of nonresident applicants  
8 accepted for enrollment must contain notification of the date by which the applicant must  
9 enroll in the district and procedures for enrollment. The date for enrollment must be no  
10 later than the end of the first week of school. ~~, or, for 2020-2021 only, not later than~~  
11 ~~October 13, 2020.~~

12 (ii) Beginning on the third Monday in August and not later than the end of the first  
13 week of school ~~or, for 2020-2021 only, not later than October 13, 2020,~~ if any positions  
14 become available in a grade, school, or program due to accepted applicants failing to  
15 enroll or to more positions being added, the district may enroll nonresident applicants  
16 from the waiting list maintained under subsection ~~(14)~~ **(13)**, offering enrollment in the  
17 order that applicants appear on the waiting list. If there are still positions available  
18 after enrolling all applicants from the waiting list who desire to enroll, the district may  
19 not fill those positions until the second semester or trimester enrollment under subsection  
20 (3), as provided under that subsection, or until the next school year.

21 (c) For a grade, school, or program that has an unlimited number of positions  
22 available for nonresidents residing within the same intermediate district, all of the  
23 following apply to enrollment of nonresidents in that grade, school, or program:

24 (i) The district may accept applications for enrollment in that grade, school, or  
25 program, and may enroll nonresidents residing within the same intermediate district in that  
26 grade, school, or program until the end of the first week of school. ~~or, for 2020-2021~~  
27 ~~only, the district may enroll nonresidents residing within the same intermediate district~~  
28 ~~in that grade, school, or program until October 13, 2020 if the application was received by~~  
29 ~~the end of the first week of school.~~ The district shall provide notice to the general  
30 public of the place and manner for submitting applications and, if the district has a  
31 limited application period, the notice must include the dates of the application period.

1 The application period shall be at least a 15-calendar-day period.

2 (ii) Not later than the end of the first week of school ~~or, for 2020-2021 only, not~~  
3 ~~later than October 13, 2020,~~ the district shall notify the parent or legal guardian of each  
4 nonresident applicant who is accepted for enrollment that the applicant has been accepted  
5 for enrollment in the grade, school, or program and of the procedures for enrollment. The  
6 date for enrollment must be no later than the end of the first week of school. ~~or, for~~  
7 ~~2020-2021 only, not later than October 13, 2020.~~

8 (3) If a district determines during the first semester or trimester of a school year  
9 that it has positions available for enrollment of a number of nonresidents residing within  
10 the same intermediate district, beyond those entitled to preference under this section, for  
11 the second semester or trimester of the school year, the district may accept applications  
12 from and enroll nonresidents residing within the same intermediate district for the second  
13 semester or trimester using the following procedures:

14 (a) Not later than 2 weeks before the end of the first semester or trimester, the  
15 district shall publish the grades, schools, and special programs, if any, for which  
16 enrollment for the second semester or trimester may be available to, and for which  
17 applications will be accepted from, nonresident applicants residing within the same  
18 intermediate district.

19 (b) During the last 2 weeks of the first semester or trimester, the district shall  
20 accept applications from nonresidents residing within the same intermediate district for  
21 enrollment for the second semester or trimester in the available grades, schools, and  
22 programs.

23 (c) By the beginning of the second semester or trimester, using the procedures and  
24 preferences required under this section, the district shall determine which nonresident  
25 applicants will be allowed to enroll in the district for the second semester or trimester  
26 and notify the parent or legal guardian of each nonresident applicant residing within the  
27 same intermediate district of whether or not the applicant may enroll in the district. The  
28 notification to parents or legal guardians of nonresident applicants accepted for  
29 enrollment must contain notification of the date by which the applicant must enroll in the  
30 district and procedures for enrollment. The date for enrollment must be no later than the  
31 end of the first week of school.

32 (4) If deadlines similar to those described in subsection (2) or (3) have been

1 established in an intermediate district, and if those deadlines are not later than the  
2 deadlines under subsection (2) or (3), the districts within the intermediate district may  
3 use those deadlines.

4 (5) A district offering to enroll nonresident applicants residing within the same  
5 intermediate district may limit the number of nonresident pupils it accepts in a grade,  
6 school, or program, at its discretion, and may use that limit as the reason for refusal to  
7 enroll an applicant.

8 (6) A nonresident applicant residing within the same intermediate district must not  
9 be granted or refused enrollment based on intellectual, academic, artistic, or other  
10 ability, talent, or accomplishment, or lack thereof, or based on a mental or physical  
11 disability, except that a district may refuse to admit a nonresident applicant if the  
12 applicant does not meet the same criteria, other than residence, that an applicant who is a  
13 resident of the district must meet to be accepted for enrollment in a grade or a  
14 specialized, magnet, or intra-district choice school or program to which the applicant  
15 applies.

16 (7) A nonresident applicant residing within the same intermediate district must not  
17 be granted or refused enrollment based on age, except that a district may refuse to admit a  
18 nonresident applicant applying for a program that is not appropriate for the age of the  
19 applicant.

20 (8) A nonresident applicant residing within the same intermediate district must not  
21 be granted or refused enrollment based upon religion, race, color, national origin, sex,  
22 height, weight, marital status, or athletic ability, or, generally, in violation of any  
23 state or federal law prohibiting discrimination.

24 (9) Subject to subsection (10), a district may refuse to enroll a nonresident  
25 applicant if any of the following are met:

26 (a) The applicant is, or has been within the preceding 2 years, suspended from  
27 another school.

28 (b) The applicant, at any time before enrolling under this section, has been expelled  
29 from another school.

30 (c) The applicant, at any time before enrolling under this section, has been  
31 convicted of a felony.

32 (10) If a district has counted a pupil in membership on either the pupil membership

1 count day or the supplemental count day, the district shall not refuse to enroll or refuse  
2 to continue to enroll that pupil for a reason specified in subsection (9). This subsection  
3 does not prohibit a district from expelling a pupil described in this subsection for  
4 disciplinary reasons.

5 (11) A district shall continue to allow a pupil who was enrolled in and attended the  
6 district under this section in the school year or semester or trimester immediately  
7 preceding the school year or semester or trimester in question to enroll in the district  
8 until the pupil graduates from high school. This subsection does not prohibit a district  
9 from expelling a pupil described in this subsection for disciplinary reasons.

10 (12) A district shall give preference for enrollment under this section over all  
11 other nonresident applicants residing within the same intermediate district to other  
12 school-age children who reside in the same household as a pupil described in subsection  
13 (11).

14 ~~(13) If a nonresident pupil was enrolled in and attending school in a district as a~~  
15 ~~nonresident pupil in the 1995-96 school year and continues to be enrolled continuously each~~  
16 ~~school year in that district, the district shall allow that nonresident pupil to continue~~  
17 ~~to enroll in and attend school in the district until high school graduation, without~~  
18 ~~requiring the nonresident pupil to apply for enrollment under this section. This subsection~~  
19 ~~does not prohibit a district from expelling a pupil described in this subsection for~~  
20 ~~disciplinary reasons.~~

21 (13) ~~(14)~~ If the number of qualified nonresident applicants eligible for acceptance  
22 in a school, grade, or program does not exceed the positions available for nonresident  
23 pupils in the school, grade, or program, the school district shall accept for enrollment  
24 all of the qualified nonresident applicants eligible for acceptance. If the number of  
25 qualified nonresident applicants residing within the same intermediate district eligible  
26 for acceptance exceeds the positions available in a grade, school, or program in a district  
27 for nonresident pupils, the district shall use a random draw system, subject to the need to  
28 abide by state and federal antidiscrimination laws and court orders and subject to  
29 preferences allowed by this section. The district shall develop and maintain a waiting list  
30 based on the order in which nonresident applicants were drawn under this random draw  
31 system.

32 (14) ~~(15)~~ If a district, or the nonresident applicant, requests the district in which

1 a nonresident applicant resides to supply information needed by the district for evaluating  
2 the applicant's application for enrollment or for enrolling the applicant, the district of  
3 residence shall provide that information on a timely basis.

4 **(15)** ~~(16)~~—If a district is subject to a court-ordered desegregation plan, and if the  
5 court issues an order prohibiting pupils residing in that district from enrolling in  
6 another district or prohibiting pupils residing in another district from enrolling in that  
7 district, this section is subject to the court order.

8 **(16)** ~~(17)~~—This section does not require a district to provide transportation for a  
9 nonresident pupil enrolled in the district under this section or for a resident pupil  
10 enrolled in another district under this section. However, at the time a nonresident pupil  
11 enrolls in the district, a district shall provide to the pupil's parent or legal guardian  
12 information on available transportation to and from the school in which the pupil enrolls.

13 **(17)** ~~(18)~~—A district may participate in a cooperative education program with 1 or  
14 more other districts or intermediate districts whether or not the district enrolls any  
15 nonresidents under this section.

16 **(18)** ~~(19)~~—A district that, under this section, enrolls a nonresident pupil who is  
17 eligible for special education programs and services according to statute or rule, or who  
18 is a child with disabilities, as defined under the individuals with disabilities education  
19 act, Public Law 108-446, is considered to be the resident district of the pupil for the  
20 purpose of providing the pupil with a free appropriate public education. Consistent with  
21 state and federal law, that district is responsible for developing and implementing an  
22 individualized education program annually for a nonresident pupil described in this  
23 subsection.

24 **(19)** ~~(20)~~—If a district does not comply with this section, the district forfeits 5%  
25 of the total state school aid allocation to the district under this act.

26 **(20)** ~~(21)~~—Upon application by a district, the superintendent may grant a waiver for  
27 the district from a specific requirement under this section for not more than 1 year.

28 Sec. 105c. (1) In order to avoid a penalty under this section, and in order to count  
29 a nonresident pupil residing in a district located in a contiguous intermediate district in  
30 membership without the approval of the pupil's district of residence, a district must  
31 comply with this section.

32 (2) Except as otherwise provided in this section, a district shall determine whether

1 or not it will accept applications for enrollment by nonresident applicants residing in a  
2 district located in a contiguous intermediate district for the next school year. If the  
3 district determines to accept applications for enrollment of a number of nonresidents under  
4 this section, beyond those entitled to preference under this section, the district shall  
5 use the following procedures for accepting applications from and enrolling nonresidents  
6 under this section:

7 (a) The district shall publish the grades, schools, and special programs, if any, for  
8 which enrollment may be available to, and for which applications will be accepted from,  
9 nonresident applicants residing in a district located in a contiguous intermediate  
10 district.

11 (b) If the district has a limited number of positions available for nonresidents  
12 residing in a district located in a contiguous intermediate district in a grade, school, or  
13 program, all of the following apply to accepting applications for and enrollment of  
14 nonresidents under this section in that grade, school, or program:

15 (i) The district shall do all of the following not later than the second Friday in  
16 August:

17 (A) Provide notice to the general public that applications will be taken for a period  
18 of at least 15 calendar days but not more than 30 calendar days from nonresidents residing  
19 in a district located in a contiguous intermediate district for enrollment in that grade,  
20 school, or program. The notice must identify the dates of the application period and the  
21 place and manner for submitting applications.

22 (B) During the application period under sub-subparagraph (A), accept applications  
23 from nonresidents residing in a district located in a contiguous intermediate district for  
24 enrollment in that grade, school, or program.

25 (C) Within 15 calendar days after the end of the application period under sub-  
26 subparagraph (A) ~~or, for 2020-2021 only, not later than October 13, 2020,~~ using the  
27 procedures and preferences required under this section, determine which nonresident  
28 applicants will be allowed to enroll under this section in that grade, school, or program,  
29 using the random draw system required under subsection (14) as necessary, and notify the  
30 parent or legal guardian of each nonresident applicant of whether or not the applicant may  
31 enroll in the district. The notification to parents or legal guardians of nonresident  
32 applicants accepted for enrollment under this section must contain notification of the date

1 by which the applicant must enroll in the district and procedures for enrollment. The date  
2 for enrollment must be no later than the end of the first week of school. ~~or, for 2020-2021~~  
3 ~~only, not later than October 13, 2020.~~

4 (ii) Beginning on the third Monday in August and not later than the end of the first  
5 week of school ~~or, for 2020-2021 only, not later than October 13, 2020~~, if any positions  
6 become available in a grade, school, or program due to accepted applicants failing to  
7 enroll or to more positions being added, the district may enroll nonresident applicants  
8 from the waiting list maintained under subsection (14), offering enrollment in the order  
9 that applicants appear on the waiting list. If there are still positions available after  
10 enrolling all applicants from the waiting list who desire to enroll, the district may not  
11 fill those positions until the second semester or trimester enrollment under subsection  
12 (3), as provided under that subsection, or until the next school year.

13 (c) For a grade, school, or program that has an unlimited number of positions  
14 available for nonresidents residing in a district located in a contiguous intermediate  
15 district, all of the following apply to enrollment of nonresidents in that grade, school,  
16 or program under this section:

17 (i) The district may accept applications for enrollment in that grade, school, or  
18 program, and may enroll nonresidents residing in a district located in a contiguous  
19 intermediate district in that grade, school, or program until the end of the first week of  
20 school. ~~or, for 2020-2021 only, the district may enroll nonresidents residing in a district~~  
21 ~~located in a contiguous intermediate district in that grade, school, or program until~~  
22 ~~October 13, 2020 if the application was received by the end of the first week of school.~~  
23 The district shall provide notice to the general public of the place and manner for  
24 submitting applications and, if the district has a limited application period, the notice  
25 must include the dates of the application period. The application period must be at least a  
26 15-calendar-day period.

27 (ii) Not later than the end of the first week of school ~~or, for 2020-2021 only, not~~  
28 ~~later than October 13, 2020~~, the district shall notify the parent or legal guardian of each  
29 nonresident applicant who is accepted for enrollment under this section that the applicant  
30 has been accepted for enrollment in the grade, school, or program and of the date by which  
31 the applicant must enroll in the district and the procedures for enrollment. The date for

1 enrollment must be no later than the end of the first week of school. ~~or, for 2020-2021~~  
2 ~~only, not later than October 13, 2020.~~

3 (3) If a district determines during the first semester or trimester of a school year  
4 that it has positions available for enrollment of a number of nonresidents residing in a  
5 district located in a contiguous intermediate district, beyond those entitled to preference  
6 under this section, for the second semester or trimester of the school year, the district  
7 may accept applications from and enroll nonresidents residing in a district located in a  
8 contiguous intermediate district for the second semester or trimester using the following  
9 procedures:

10 (a) Not later than 2 weeks before the end of the first semester or trimester, the  
11 district shall publish the grades, schools, and special programs, if any, for which  
12 enrollment for the second semester or trimester may be available to, and for which  
13 applications will be accepted from, nonresident applicants residing in a district located  
14 in a contiguous intermediate district.

15 (b) During the last 2 weeks of the first semester or trimester, the district shall  
16 accept applications from nonresidents residing in a district located in a contiguous  
17 intermediate district for enrollment for the second semester or trimester in the available  
18 grades, schools, and programs.

19 (c) By the beginning of the second semester or trimester, using the procedures and  
20 preferences required under this section, the district shall determine which nonresident  
21 applicants will be allowed to enroll under this section in the district for the second  
22 semester or trimester and notify the parent or legal guardian of each nonresident applicant  
23 residing in a district located in a contiguous intermediate district of whether or not the  
24 applicant may enroll in the district. The notification to parents or legal guardians of  
25 nonresident applicants accepted for enrollment must contain notification of the date by  
26 which the applicant must enroll in the district and procedures for enrollment. The date for  
27 enrollment must be no later than the end of the first week of school.

28 (4) If deadlines similar to those described in subsection (2) or (3) have been  
29 established in an intermediate district, and if those deadlines are not later than the  
30 deadlines under subsection (2) or (3), the districts within the intermediate district may  
31 use those deadlines.

32 (5) A district offering to enroll nonresident applicants residing in a district

1 located in a contiguous intermediate district may limit the number of those nonresident  
2 pupils it accepts in a grade, school, or program, at its discretion, and may use that limit  
3 as the reason for refusal to enroll an applicant under this section.

4 (6) A nonresident applicant residing in a district located in a contiguous  
5 intermediate district must not be granted or refused enrollment based on intellectual,  
6 academic, artistic, or other ability, talent, or accomplishment, or lack thereof, or based  
7 on a mental or physical disability, except that a district may refuse to admit a  
8 nonresident applicant under this section if the applicant does not meet the same criteria,  
9 other than residence, that an applicant who is a resident of the district must meet to be  
10 accepted for enrollment in a grade or a specialized, magnet, or intra-district choice  
11 school or program to which the applicant applies.

12 (7) A nonresident applicant residing in a district located in a contiguous  
13 intermediate district must not be granted or refused enrollment under this section based on  
14 age, except that a district may refuse to admit a nonresident applicant applying for a  
15 program that is not appropriate for the age of the applicant.

16 (8) A nonresident applicant residing in a district located in a contiguous  
17 intermediate district must not be granted or refused enrollment under this section based  
18 upon religion, race, color, national origin, sex, height, weight, marital status, or  
19 athletic ability, or, generally, in violation of any state or federal law prohibiting  
20 discrimination.

21 (9) Subject to subsection (10), a district may refuse to enroll a nonresident  
22 applicant under this section if any of the following are met:

23 (a) The applicant is, or has been within the preceding 2 years, suspended from  
24 another school.

25 (b) The applicant, at any time before enrolling under this section, has been expelled  
26 from another school.

27 (c) The applicant, at any time before enrolling under this section, has been  
28 convicted of a felony.

29 (10) If a district has counted a pupil in membership on either the pupil membership  
30 count day or the supplemental count day, the district shall not refuse to enroll or refuse  
31 to continue to enroll that pupil for a reason specified in subsection (9). This subsection  
32 does not prohibit a district from expelling a pupil described in this subsection for

1 disciplinary reasons.

2 (11) A district shall continue to allow a pupil who was enrolled in and attended the  
3 district under this section in the school year or semester or trimester immediately  
4 preceding the school year or semester or trimester in question to enroll in the district  
5 until the pupil graduates from high school. This subsection does not prohibit a district  
6 from expelling a pupil described in this subsection for disciplinary reasons.

7 (12) A district shall give preference for enrollment under this section over all  
8 other nonresident applicants residing in a district located in a contiguous intermediate  
9 district to other school-age children who reside in the same household as a pupil described  
10 in subsection (11).

11 (13) If a nonresident pupil was enrolled in and attending school in a district as a  
12 nonresident pupil in the 1995-96 school year and continues to be enrolled continuously each  
13 school year in that district, the district shall allow that nonresident pupil to continue  
14 to enroll in and attend school in the district until high school graduation, without  
15 requiring the nonresident pupil to apply for enrollment under this section. This subsection  
16 does not prohibit a district from expelling a pupil described in this subsection for  
17 disciplinary reasons.

18 (14) If the number of qualified nonresident applicants eligible for acceptance under  
19 this section in a school, grade, or program does not exceed the positions available for  
20 nonresident pupils under this section in the school, grade, or program, the school district  
21 shall accept for enrollment all of the qualified nonresident applicants eligible for  
22 acceptance. If the number of qualified nonresident applicants residing in a district  
23 located in a contiguous intermediate district eligible for acceptance under this section  
24 exceeds the positions available in a grade, school, or program in a district for  
25 nonresident pupils, the district shall use a random draw system, subject to the need to  
26 abide by state and federal antidiscrimination laws and court orders and subject to  
27 preferences allowed by this section. The district shall develop and maintain a waiting list  
28 based on the order in which nonresident applicants were drawn under this random draw  
29 system.

30 (15) If a district, or the nonresident applicant, requests the district in which a  
31 nonresident applicant resides to supply information needed by the district for evaluating  
32 the applicant's application for enrollment or for enrolling the applicant under this

1 section, the district of residence shall provide that information on a timely basis.

2 (16) If a district is subject to a court-ordered desegregation plan, and if the court  
3 issues an order prohibiting pupils residing in that district from enrolling in another  
4 district or prohibiting pupils residing in another district from enrolling in that  
5 district, this section is subject to the court order.

6 (17) This section does not require a district to provide transportation for a  
7 nonresident pupil enrolled in the district under this section or for a resident pupil  
8 enrolled in another district under this section. However, at the time a nonresident pupil  
9 enrolls in the district, a district shall provide to the pupil's parent or legal guardian  
10 information on available transportation to and from the school in which the pupil enrolls.

11 (18) A district may participate in a cooperative education program with 1 or more  
12 other districts or intermediate districts whether or not the district enrolls any  
13 nonresidents pursuant to this section.

14 (19) In order for a district or intermediate district to enroll under this section a  
15 nonresident pupil who resides in a district located in a contiguous intermediate district  
16 and who is eligible for special education programs and services according to statute or  
17 rule, or who is a child with disabilities, as defined under the individuals with  
18 disabilities education act, Public Law 108-446, the enrolling district shall have a written  
19 agreement with the resident district of the pupil for the purpose of providing the pupil  
20 with a free appropriate public education. The written agreement must include, but is not  
21 limited to, an agreement on the responsibility for the payment of the added costs of  
22 special education programs and services for the pupil. The written agreement must address  
23 how the agreement must be amended in the event of significant changes in the costs or level  
24 of special education programs or services required by the pupil.

25 (20) If a district does not comply with this section, the district forfeits 5% of the  
26 total state school aid allocation to the district under this act.

27 (21) Upon application by a district, the superintendent may grant a waiver for the  
28 district from a specific requirement under this section for not more than 1 year.

29 (22) This section is repealed if the final decision of a court of competent  
30 jurisdiction holds that any portion of this section is unconstitutional, ineffective,  
31 invalid, or in violation of federal law.

32 (23) As used in this section, "district located in a contiguous intermediate

1 district" means a district located in an intermediate district that is contiguous to the  
2 intermediate district in which a pupil's district of residence is located.

3 Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not  
4 to exceed \$30,000,000.00 for ~~2020-2021~~ **2021-2022** for adult education programs authorized  
5 under this section. Except as otherwise provided under subsections (14) and (15), funds  
6 allocated under this section are restricted for adult education programs as authorized  
7 under this section only. A recipient of funds under this section shall not use those funds  
8 for any other purpose.

9 (2) To be eligible for funding under this section, an eligible adult education  
10 provider shall employ certificated teachers and qualified administrative staff and shall  
11 offer continuing education opportunities for teachers to allow them to maintain  
12 certification.

13 (3) To be eligible to be a participant funded under this section, an individual must  
14 be enrolled in an adult basic education program, an adult secondary education program, an  
15 adult English as a second language program, a high school equivalency test preparation  
16 program, or a high school completion program, that meets the requirements of this section,  
17 and for which instruction is provided, and the individual must be at least 18 years of age  
18 **by July 1 of the program year** and the individual's graduating class must have graduated.

19 (4) By April 1 of each fiscal year, the intermediate districts within a prosperity  
20 region or subregion shall determine which intermediate district will serve as the  
21 prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify  
22 the department in a form and manner determined by the department. The department shall  
23 approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From  
24 the funds allocated under subsection (1), an amount as determined under this subsection is  
25 allocated to each intermediate district serving as a fiscal agent for adult education  
26 programs in each of the prosperity regions or subregions identified by the department. An  
27 intermediate district shall not use more than 5% of the funds allocated under this  
28 subsection for administration costs for serving as the fiscal agent. The allocation  
29 provided to each intermediate district serving as a fiscal agent ~~is an amount equal to what~~  
30 ~~the intermediate district received in 2019-2019.~~ **shall be calculated as follows:**

31 (a) **Sixty percent of this portion of the funding shall be distributed based upon the**  
32 **proportion of the state population of individuals between the ages of 18 and 24 that are**

1 not high school graduates that resides in each of the prosperity regions or subregions, as  
2 reported by the most recent 5-year estimates from the American Community Survey (ACS) from  
3 the United States Census Bureau.

4 (b) Thirty-five percent of this portion of the funding shall be distributed based  
5 upon the proportion of the state population of individuals age 25 or older who are not high  
6 school graduates that resides in each of the prosperity regions or subregions, as reported  
7 by the most recent 5-year estimates from the American Community Survey (ACS) from the  
8 United States Census Bureau.

9 (c) Five percent of this portion of the funding shall be distributed based upon the  
10 proportion of the state population of individuals age 18 or older who lack basic English  
11 language proficiency that resides in each of the prosperity regions or subregions, as  
12 reported by the most recent 5-year estimates from the American Community Survey (ACS) from  
13 the United States Census Bureau.

14 (5) To be an eligible fiscal agent, an intermediate district must agree to do the  
15 following in a form and manner determined by the department:

16 (a) Distribute funds to adult education programs in a prosperity region or subregion  
17 as described in this section.

18 (b) Collaborate with the career and educational advisory council, which is an  
19 advisory council of the workforce development boards located in the prosperity region or  
20 subregion, or its successor, to develop a regional strategy that aligns adult education  
21 programs and services into an efficient and effective delivery system for adult education  
22 learners, with special consideration for providing contextualized learning and career  
23 pathways and addressing barriers to education and employment.

24 (c) Collaborate with the career and educational advisory council, which is an  
25 advisory council of the workforce development boards located in the prosperity region or  
26 subregion, or its successor, to create a local process and criteria that will identify  
27 eligible adult education providers to receive funds allocated under this section based on  
28 location, demand for services, past performance, quality indicators as identified by the  
29 department, and cost to provide instructional services. The fiscal agent shall determine  
30 all local processes, criteria, and provider determinations. However, the local processes,  
31 criteria, and provider services must be approved by the department before funds may be  
32 distributed to the fiscal agent.

1 (d) Provide oversight to its adult education providers throughout the program year to  
2 ensure compliance with the requirements of this section.

3 (e) Report adult education program and participant data and information as prescribed  
4 by the department.

5 (6) An adult basic education program, an adult secondary education program, or an  
6 adult English as a second language program operated on a year-round or school year basis  
7 may be funded under this section, subject to all of the following:

8 (a) The program enrolls adults who are determined by a department-approved  
9 assessment, in a form and manner prescribed by the department, to be below twelfth grade  
10 level in reading or mathematics, or both, or to lack basic English proficiency.

11 (b) The program tests individuals for eligibility under subdivision (a) before  
12 enrollment and upon completion of the program in compliance with the state-approved  
13 assessment policy.

14 (c) A participant in an adult basic education program is eligible for reimbursement  
15 until 1 of the following occurs:

16 (i) The participant's reading and mathematics proficiency are assessed at or above  
17 the ninth grade level.

18 (ii) The participant fails to show progress on 2 successive assessments after having  
19 completed at least 450 hours of instruction.

20 (d) A participant in an adult secondary education program is eligible for  
21 reimbursement until 1 of the following occurs:

22 (i) The participant's reading and mathematics proficiency are assessed above the  
23 twelfth grade level.

24 (ii) The participant fails to show progress on 2 successive assessments after having  
25 at least 450 hours of instruction.

26 (e) A funding recipient enrolling a participant in an English as a second language  
27 program is eligible for funding according to subsection (9) until the participant meets 1  
28 of the following:

29 (i) The participant is assessed as having attained basic English proficiency as  
30 determined by a department-approved assessment.

31 (ii) The participant fails to show progress on 2 successive department-approved

1 assessments after having completed at least 450 hours of instruction. The department shall  
2 provide information to a funding recipient regarding appropriate assessment instruments for  
3 this program.

4 (7) A high school equivalency test preparation program operated on a year-round or  
5 school year basis may be funded under this section, subject to all of the following:

6 (a) The program enrolls adults who do not have a high school diploma or a high school  
7 equivalency certificate.

8 (b) The program administers a pre-test approved by the department before enrolling an  
9 individual to determine the individual's literacy levels, administers a high school  
10 equivalency practice test to determine the individual's potential for success on the high  
11 school equivalency test, and administers a post-test upon completion of the program in  
12 compliance with the state-approved assessment policy.

13 (c) A funding recipient receives funding according to subsection (9) for a  
14 participant, and a participant may be enrolled in the program until 1 of the following  
15 occurs:

16 (i) The participant achieves a high school equivalency certificate.

17 (ii) The participant fails to show progress on 2 successive department-approved  
18 assessments used to determine readiness to take a high school equivalency test after having  
19 completed at least 450 hours of instruction.

20 (8) A high school completion program operated on a year-round or school year basis  
21 may be funded under this section, subject to all of the following:

22 (a) The program enrolls adults who do not have a high school diploma.

23 (b) The program tests participants described in subdivision (a) before enrollment and  
24 upon completion of the program in compliance with the state-approved assessment policy.

25 (c) A funding recipient receives funding according to subsection (9) for a  
26 participant in a course offered under this subsection until 1 of the following occurs:

27 (i) The participant passes the course and earns a high school diploma.

28 (ii) The participant fails to earn credit in 2 successive semesters or terms in which  
29 the participant is enrolled after having completed at least 900 hours of instruction.

30 (9) The department shall make payments to a funding recipient under this section in  
31 accordance with all of the following:

1 (a) Statewide allocation criteria, including 3-year average enrollments, census data,  
2 and local needs.

3 (b) Participant completion of the adult basic education objectives by achieving an  
4 educational gain as determined by the national reporting system levels; for achieving basic  
5 English proficiency, as determined by the department; for achieving a high school  
6 equivalency certificate or passage of 1 or more individual high school equivalency tests;  
7 for attainment of a high school diploma or passage of a course required for a participant  
8 to attain a high school diploma; for enrollment in a postsecondary institution, or for  
9 entry into or retention of employment, as applicable.

10 (c) Participant completion of core indicators as identified in the innovation and  
11 opportunity act.

12 (d) Allowable expenditures.

13 (10) A person who is not eligible to be a participant funded under this section may  
14 receive adult education services upon the payment of tuition. In addition, a person who is  
15 not eligible to be served in a program under this section due to the program limitations  
16 specified in subsection (6), (7), or (8) may continue to receive adult education services  
17 in that program upon the payment of tuition. The local or intermediate district conducting  
18 the program shall determine the tuition amount.

19 (11) An individual who is an inmate in a state correctional facility is not counted  
20 as a participant under this section.

21 (12) A funding recipient shall not commingle money received under this section or  
22 from another source for adult education purposes with any other funds and shall establish a  
23 separate ledger account for funds received under this section. This subsection does not  
24 prohibit a district from using general funds of the district to support an adult education  
25 or community education program.

26 (13) A funding recipient receiving funds under this section may establish a sliding  
27 scale of tuition rates based upon a participant's family income. A funding recipient may  
28 charge a participant tuition to receive adult education services under this section from  
29 that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per  
30 participant must not exceed the actual operating cost per participant minus any funds  
31 received under this section per participant. A funding recipient may not charge a  
32 participant tuition under this section if the participant's income is at or below 200% of

1 the federal poverty guidelines published by the United States Department of Health and  
2 Human Services.

3 (14) In order to receive funds under this section, a funding recipient shall furnish  
4 to the department, in a form and manner determined by the department, all information  
5 needed to administer this program and meet federal reporting requirements; shall allow the  
6 department or the department's designee to review all records related to the program for  
7 which it receives funds; and shall reimburse the state for all disallowances found in the  
8 review, as determined by the department. In addition, a funding recipient shall agree to  
9 pay to a career and technical education program under section 61a the amount of funding  
10 received under this section in the proportion of career and technical education coursework  
11 used to satisfy adult basic education programming, as billed to the funding recipient by  
12 programs operating under section 61a. In addition to the funding allocated under subsection  
13 (1), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$500,000.00 to  
14 reimburse funding recipients for administrative and instructional expenses associated with  
15 commingling programming under this section and section 61a. The department shall make  
16 payments under this subsection to each funding recipient in the same proportion as funding  
17 calculated and allocated under subsection (4).

18 (15) From the amount appropriated in subsection (1), an amount not to exceed  
19 \$4,000,000.00 is allocated for ~~2020-2021~~ **2021-2022** for grants to adult education or state-  
20 approved career technical center programs that connect adult education participants with  
21 employers as provided under this subsection. The department shall determine the amount of  
22 the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible  
23 for funding under this subsection, a program must provide a collaboration linking adult  
24 education programs within the county, the area career technical center, **an approved MI**  
25 **Training Connect training program**, and local employers. To receive funding under this  
26 subsection, an eligible program must satisfy all of the following:

27 (a) Connect adult education participants directly with employers by linking adult  
28 education, career and technical skills, and workforce development.

29 (b) Require adult education staff to work with Michigan Works! agency to identify a  
30 cohort of participants who are most prepared to successfully enter the workforce. Except as  
31 otherwise provided under this subdivision, participants identified under this subsection  
32 must be dually enrolled in adult education programming and in at least 1 state-approved

1 **high-demand** technical course at the area career and technical center **or in a high-demand**  
2 **approved MI Training Connect program.** ~~A program that links participants identified under~~  
3 ~~this subsection with adult education programming and commercial driver license courses does~~  
4 ~~not need to enroll the participants in at least 1 state-approved technical course at the~~  
5 ~~area career and technical center to be considered an eligible program under this~~  
6 ~~subsection.~~

7 (c) Employ an individual staffed as an adult education navigator who will serve as a  
8 caseworker for each participant identified under subdivision (b). The navigator shall work  
9 with adult education staff and potential employers to design an educational program best  
10 suited to the personal and employment needs of the participant and shall work with human  
11 service agencies or other entities to address any barrier in the way of participant access.

12 (16) Each program funded under subsection (15) will receive funding for 3 years.  
13 After 3 years of operations and funding, a program must reapply for funding.

14 (17) Not later than December 1 of each year, a program funded under subsection (15)  
15 shall provide a report to the senate and house appropriations subcommittees on school aid,  
16 to the senate and house fiscal agencies, and to the state budget director identifying the  
17 number of participants, graduation rates, and a measure of transition to employment.

18 ~~(18) It is the intent of the legislature to implement a phased-in cap on the~~  
19 ~~percentage of adult education participants under subsection (15) that may already have a~~  
20 ~~high school diploma or a high school equivalency certificate at the time of enrollment.~~

21 **(18) Participants must be concurrently enrolled and actively working toward obtaining**  
22 **a high school diploma or a high school equivalency certificate. Concurrent enrollment is**  
23 **not required for a participant that was enrolled in adult education during the same program**  
24 **year and obtained a high school diploma or a high school equivalency certificate prior to**  
25 **enrollment in an eligible career and technical skills program under subsection (15). Up to**  
26 **25% of adult education participants served under subsection (15) may already have a high**  
27 **school diploma or a high school equivalency certificate at the time of enrollment in an**  
28 **eligible career and technical skills program under subsection (15) and receive remediation**  
29 **services. It is intended that this cap continued to be lowered on an annual basis until it**  
30 **eventually reaches 0%.**

31 (19) The department shall approve at least 3 high school equivalency tests and  
32 determine whether a high school equivalency certificate meets the requisite standards for

1 high school equivalency in this state.

2 (20) As used in this section:

3 (a) "Career and educational advisory council" means an advisory council to the local  
4 workforce development boards located in a prosperity region consisting of educational,  
5 employer, labor, and parent representatives.

6 (b) "Career pathway" means a combination of rigorous and high-quality education,  
7 training, and other services that comply with all of the following:

8 (i) Aligns with the skill needs of industries in the economy of this state or in the  
9 regional economy involved.

10 (ii) Prepares an individual to be successful in any of a full range of secondary or  
11 postsecondary education options, including apprenticeships registered under the act of  
12 August 16, 1937 (commonly known as the "national apprenticeship act"), 29 USC 50 et seq.

13 (iii) Includes counseling to support an individual in achieving the individual's  
14 education and career goals.

15 (iv) Includes, as appropriate, education offered concurrently with and in the same  
16 context as workforce preparation activities and training for a specific occupation or  
17 occupational cluster.

18 (v) Organizes education, training, and other services to meet the particular needs of  
19 an individual in a manner that accelerates the educational and career advancement of the  
20 individual to the extent practicable.

21 (vi) Enables an individual to attain a secondary school diploma or its recognized  
22 equivalent, and at least 1 recognized postsecondary credential.

23 (vii) Helps an individual enter or advance within a specific occupation or  
24 occupational cluster.

25 (c) "Department" means the department of labor and economic opportunity.

26 (d) "Eligible adult education provider" means a district, intermediate district, a  
27 consortium of districts, a consortium of intermediate districts, or a consortium of  
28 districts and intermediate districts that is identified as part of the local process  
29 described in subsection (5) (c) and approved by the department.

30 Sec. 147. (1) The allocation for ~~2020-2021~~**2021-2022** for the public school employees'  
31 retirement system pursuant to the public school employees retirement act of 1979, 1980 PA

1 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age  
2 normal cost method of valuation and risk assumptions adopted by the public school employees  
3 retirement board and the department of technology, management, and budget.

4 (2) The annual level percentage of payroll contribution rates for the ~~2020-2021~~**2021-**  
5 **2022** fiscal year, as determined by the retirement system, are estimated as follows:

6 (a) For public school employees who first worked for a public school reporting unit  
7 before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level  
8 percentage of payroll contribution rate is estimated at ~~42.72%~~**43.28%** with ~~28.21%~~**28.23%**  
9 paid directly by the employer.

10 (b) For public school employees who first worked for a public school reporting unit  
11 on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual  
12 level percentage of payroll contribution rate is estimated at ~~39.76%~~**40.36%** with ~~25.25%~~  
13 **25.31%** paid directly by the employer.

14 (c) For public school employees who first worked for a public school reporting unit  
15 on or after July 1, 2010 and who participate in the personal healthcare fund, the annual  
16 level percentage of payroll contribution rate is estimated at ~~38.90%~~**39.50%** with ~~24.39%~~  
17 **24.45%** paid directly by the employer.

18 (d) For public school employees who first worked for a public school reporting unit  
19 on or after September 4, 2012, who elect defined contribution, and who participate in the  
20 personal healthcare fund, the annual level percentage of payroll contribution rate is  
21 estimated at ~~35.47%~~**36.01%** with 20.96% paid directly by the employer.

22 (e) For public school employees who first worked for a public school reporting unit  
23 before July 1, 2010, who elect defined contribution, and who are enrolled in the health  
24 premium subsidy, the annual level percentage of payroll contribution rate is estimated at  
25 ~~36.33%~~**36.87%** with 21.82% paid directly by the employer.

26 (f) For public school employees who first worked for a public school reporting unit  
27 before July 1, 2010, who elect defined contribution, and who participate in the personal  
28 healthcare fund, the annual level percentage of payroll contribution rate is estimated at  
29 ~~35.47%~~**36.01%** with 20.96% paid directly by the employer.

30 (g) For public school employees who first worked for a public school reporting unit  
31 before July 1, 2010 and who participate in the personal healthcare fund, the annual level  
32 percentage of payroll contribution rate is estimated at ~~41.86%~~**42.42%** with ~~27.35%~~**27.37%**

1 paid directly by the employer.

2 (h) For public school employees who first worked for a public school reporting unit  
3 after January 31, 2018 and who elect to become members of the MPSERS plan, the annual level  
4 percentage of payroll contribution rate is estimated at ~~41.67%~~ **42.21%** with 27.16% paid  
5 directly by the employer.

6 (3) In addition to the employer payments described in subsection (2), the employer  
7 shall pay the applicable contributions to the Tier 2 plan, as determined by the public  
8 school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

9 (4) The contribution rates in subsection (2) reflect an amortization period of ~~18-17~~  
10 years for ~~2020-2021-~~ **2021-2022**. The public school employees' retirement system board shall  
11 notify each district and intermediate district by February 28 of each fiscal year of the  
12 estimated contribution rate for the next fiscal year.

13 Sec.147a. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~  
14 **2021-2022** an amount not to exceed \$100,000,000.00 for payments to participating districts.  
15 A participating district that receives money under this subsection shall use that money  
16 solely for the purpose of offsetting a portion of the retirement contributions owed by the  
17 district for the fiscal year in which it is received. The amount allocated to each  
18 participating district under this subsection is based on each participating district's  
19 percentage of the total statewide payroll for all participating districts for the  
20 immediately preceding fiscal year. As used in this subsection, "participating district"  
21 means a district that is a reporting unit of the Michigan public school employees'  
22 retirement system under the public school employees retirement act of 1979, 1980 PA 300,  
23 MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees'  
24 retirement system for the applicable fiscal year.

25 (2) In addition to the allocation under subsection (1), from the state school aid  
26 fund money appropriated under section 11, there is allocated an amount not to exceed  
27 ~~\$155,136,000.00~~ **\$177,400,000.00** for ~~2020-2021-~~ **2021-2022** for payments to participating  
28 districts and intermediate districts and from the general fund money appropriated under  
29 section 11, there is allocated an amount not to exceed ~~\$70,000.00~~ **\$60,000.00** for ~~2020-2021~~  
30 **2021-2022** for payments to participating district libraries. The amount allocated to each  
31 participating entity under this subsection is based on each participating entity's reported  
32 quarterly payroll for members that became tier 1 prior to February 1, 2018 for the current

1 fiscal year. A participating entity that receives money under this subsection shall use  
2 that money solely for the purpose of offsetting a portion of the normal cost contribution  
3 rate. As used in this subsection:

4 (a) "District library" means a district library established under the district  
5 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

6 (b) "Participating entity" means a district, intermediate district, or district  
7 library that is a reporting unit of the Michigan public school employees' retirement system  
8 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
9 38.1437, and that reports employees to the Michigan public school employees' retirement  
10 system for the applicable fiscal year.

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

13 (2) The state treasurer may receive money or other assets from any source for deposit  
14 into the MPSERS retirement obligation reform reserve fund. The state treasurer shall direct  
15 the investment of the MPSERS retirement obligation reform reserve fund. The state treasurer  
16 shall credit to the MPSERS retirement obligation reform reserve fund interest and earnings  
17 from the MPSERS retirement obligation reform reserve fund.

18 (3) Money available in the MPSERS retirement obligation reform reserve fund shall not  
19 be expended without a specific appropriation.

20 (4) Money in the MPSERS retirement obligation reform reserve fund at the close of the  
21 fiscal year shall ~~remain in the MPSERS retirement obligation reform reserve fund and shall~~  
22 ~~not~~ lapse to the state school aid fund. ~~or to the general fund.~~ The department of treasury  
23 shall be the administrator of the MPSERS retirement obligation reform reserve fund for  
24 auditing purposes.

25 Sec. 147c. From the state school aid fund money appropriated in section 11, there is  
26 allocated for ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$1,219,300,000.00~~

27 **\$1,328,500,000.00** for payments to districts and intermediate districts that are  
28 participating entities of the Michigan public school employees' retirement system. In  
29 addition, from the general fund money appropriated in section 11, there is allocated for  
30 ~~2020-2021-2021-2022~~ an amount not to exceed \$500,000.00 for payments to district libraries  
31 that are participating entities of the Michigan public school employees' retirement system.

32 All of the following apply to funding under this subsection:

1 (a) For ~~2020-2021~~, **2021-2022**, the amounts allocated under this subsection are  
2 estimated to provide an average MPSERS rate cap per pupil amount of ~~\$827.00~~ **\$911.00** and are  
3 estimated to provide a rate cap per pupil for districts ranging between \$5.00 and  
4 ~~\$4,000.00~~ **\$4,200.00**.

5 (b) Payments made under this subsection are equal to the difference between the  
6 unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41  
7 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as  
8 calculated without taking into account the maximum employer rate of 20.96% included in  
9 section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,  
10 and the maximum employer rate of 20.96% included in section 41 of the public school  
11 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

12 (c) The amount allocated to each participating entity under this subsection is based  
13 on each participating entity's proportion of the total covered payroll for the immediately  
14 preceding fiscal year for the same type of participating entities. A participating entity  
15 that receives funds under this subsection shall use the funds solely for the purpose of  
16 retirement contributions as specified in subdivision (d).

17 (d) Each participating entity receiving funds under this subsection shall forward an  
18 amount equal to the amount allocated under subdivision (c) to the retirement system in a  
19 form, manner, and time frame determined by the retirement system.

20 (e) Funds allocated under this subsection should be considered when comparing a  
21 district's growth in total state aid funding from 1 fiscal year to the next.

22 (f) Not later than December 20, ~~2020~~, **2021**, the department shall publish and post on  
23 its website an estimated MPSERS rate cap per pupil for each district.

24 (g) The office of retirement services shall first apply funds allocated under this  
25 subsection to pension contributions and, if any funds remain after that payment, shall  
26 apply those remaining funds to other postemployment benefit contributions.

27 (h) As used in this section:

28 (i) "District library" means a district library established under the district  
29 library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

30 (ii) "MPSERS rate cap per pupil" means an amount equal to the quotient of the  
31 district's payment under this subsection divided by the district's pupils in membership.

1 (iii) "Participating entity" means a district, intermediate district, or district  
2 library that is a reporting unit of the Michigan public school employees' retirement system  
3 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
4 38.1437, and that reports employees to the Michigan public school employees' retirement  
5 system for the applicable fiscal year.

6 (iv) "Retirement board" means the board that administers the retirement system under  
7 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

8 (v) "Retirement system" means the Michigan public school employees' retirement system  
9 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
10 38.1437.

11 Sec. 147e. (1) From the appropriation in section 11, there is allocated for ~~2020-2021~~  
12 **2021-2022** an amount not to exceed ~~\$51,400,000.00~~ **\$65,300,000.00** from the state school aid  
13 fund for payments to participating entities.

14 (2) The payment to each participating entity under this section is the sum of the  
15 amounts under this subsection as follows:

16 (a) An amount equal to the contributions made by a participating entity for the  
17 additional contribution made to a qualified participant's Tier 2 account in an amount equal  
18 to the contribution made by the qualified participant not to exceed 3% of the qualified  
19 participant's compensation as provided for under section 131(6) of the public school  
20 employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

21 (b) Beginning October 1, 2017, an amount equal to the contributions made by a  
22 participating entity for a qualified participant who is only a Tier 2 qualified participant  
23 under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL  
24 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the  
25 qualified participant's compensation.

26 (c) An amount equal to the increase in employer normal cost contributions under  
27 section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL  
28 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in  
29 Tier 1, compared to the employer normal cost contribution for a member under section 41b(1)  
30 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

31 (3) As used in this section:

1 (a) "Member" means that term as defined under the public school employees retirement  
2 act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

3 (b) "Participating entity" means a district, intermediate district, or community  
4 college that is a reporting unit of the Michigan public school employees' retirement system  
5 under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
6 38.1437, and that reports employees to the Michigan public school employees' retirement  
7 system for the applicable fiscal year.

8 (c) "Qualified participant" means that term as defined under section 124 of the  
9 public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

10 Sec. 152a. (1) As required by the court in the consolidated cases known as Adair v  
11 State of Michigan, 486 Mich 468 (2010), from the state school aid fund money appropriated  
12 in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed  
13 \$38,000,500.00 to be used solely for the purpose of paying necessary costs related to the  
14 state-mandated collection, maintenance, and reporting of data to this state.

15 (2) From the allocation in subsection (1), the department shall make payments to  
16 districts and intermediate districts in an equal amount per-pupil based on the total number  
17 of pupils in membership in each district and intermediate district. The department shall  
18 not make any adjustment to these payments after the final installment payment under section  
19 17b is made.

20 Sec. 166b. (1) This act does not prohibit a parent or legal guardian of a minor who  
21 is enrolled in any of grades kindergarten to 12 in a nonpublic school or who is being home-  
22 schooled from also enrolling the minor in a district, public school academy, or  
23 intermediate district in any curricular offering that is provided by the district, public  
24 school academy, or intermediate district at a public school site and is available to pupils  
25 in the minor's grade level or age group, subject to compliance with the same requirements  
26 that apply to a full-time pupil's participation in the offering. However, state school aid  
27 shall be provided under this act for a minor enrolled as described in this subsection only  
28 for a curricular offering that is restricted to nonessential elective courses and is  
29 available to full-time pupils in the minor's grade level or age group. For the purposes of  
30 this subsection, a curricular offering includes optional experiences associated with the  
31 curricular offering.

32 (2) This act does not prohibit a parent or legal guardian of a minor who is enrolled

1 in any of grades kindergarten to 12 in a nonpublic school or who resides within a district  
2 and is being home-schooled from also enrolling the minor in the district in any  
3 nonessential elective curricular offering being provided by the district at a nonpublic  
4 school site or that is provided by the district, a public school academy, or an  
5 intermediate district at a public school site, and that is available to pupils in the  
6 minor's grade level or age group, subject to compliance with the same requirements that  
7 apply to a full-time pupil's participation in the offering. For the purposes of this  
8 subsection, a curricular offering includes optional experiences associated with the  
9 curricular offering. State school aid shall be provided under this act for a minor enrolled  
10 as described in this subsection only if all of the following apply:

11 (a) Either of the following:

12 (i) The nonpublic school site is located, or the nonpublic students are educated,  
13 within the geographic boundaries of the district.

14 (ii) If the nonpublic school has submitted a written request to the district in which  
15 the nonpublic school is located for the district to provide certain instruction under this  
16 subsection for a school year and the district does not agree to provide some or all of that  
17 instruction by May 1 immediately preceding that school year or, if the request is submitted  
18 after March 1 immediately preceding that school year, within 60 days after the nonpublic  
19 school submits the request, the instruction is instead provided by an eligible other  
20 district. This subparagraph does not require a nonpublic school to submit more than 1  
21 request to the district in which the nonpublic school is located for that district to  
22 provide instruction under this subsection, and does not require a nonpublic school to  
23 submit an additional request to the district in which the nonpublic school is located for  
24 that district to provide additional instruction under this subsection beyond the  
25 instruction requested in the original request, before having the instruction provided by an  
26 eligible other district. A public school academy that is located in the district in which  
27 the nonpublic school is located or in an eligible other district also may provide  
28 instruction under this subparagraph under the same conditions as an eligible other  
29 district. As used in this subparagraph, "eligible other district" means a district that is  
30 located in the same intermediate district as the district in which the nonpublic school is  
31 located or is located in an intermediate district that is contiguous to that intermediate

1 district.

2 (b) The nonpublic school is registered with the department as a nonpublic school and  
3 meets all state reporting requirements for nonpublic schools.

4 (c) The instruction is provided directly by a certified teacher of the district,  
5 public school academy, or intermediate district.

6 (d) The curricular offering is also available to full-time pupils in the minor's  
7 grade level or age group in the district or public school academy at a public school site.

8 (e) The curricular offering is restricted to nonessential elective courses for pupils  
9 in grades kindergarten to 12.

10 (f) The district ensures that all individuals that have contact with pupils as part  
11 of a course provided to pupils enrolled in the district under section 166b and counted in  
12 membership under section 6 have not been convicted of sexual misconduct.

13 (g) The district ensures that an individual who provides direct or indirect  
14 curricular offerings to pupils as part of an optional or required course provided to pupils  
15 enrolled in the district under section 166b and counted in membership under section 6, or  
16 who has unsupervised contact with pupils as part of such a course, is subject to the  
17 requirements under sections 1230, 1230a, 1230b, 1230c, 1230d, 1230e, and 1230g of the  
18 revised school code, MCL 380.1230, 380.1230a, 380.1230b, 380.1230c, 380.1230d, 380.1230e,  
19 and 380.1230g, as if the individual is offered full-time or part-time employment in the  
20 district, is an employee of the district, or is assigned to regularly and continuously work  
21 under contract in any of its schools, as applicable.

22 (h) The district ensures that each optional experience associated with a course  
23 provided to pupils enrolled in the district under section 166b and counted in membership  
24 under section 6 is offered on a schedule that ensures that the experience is available to  
25 the majority of full-time pupils in membership in the district in the same grade level or  
26 age group as pupils participating in the course and enrolled in the district under section  
27 166b.

28 (i) The district provides the department information necessary to quantify all of the  
29 following, in a form and manner prescribed by the department in conjunction with the  
30 center:

31 (i) A complete listing of all courses provided to pupils counted in membership in the  
32 district.

1           ~~(ii) Course enrollments by each participant using local coding and the school codes~~  
2 ~~for the exchange of data (SCED). An indication of each course for which participation by~~  
3 ~~pupils enrolled in the district under this section and counted in membership under section~~  
4 ~~6 represents greater than 50 percent of all participants in the course.~~

5           ~~(iii) Identification of each course teacher or mentor.~~

6           (3) A nonessential course in grades 1 to 8 is a course other than a mathematics,  
7 science, social studies, and English language arts course required by the district for  
8 grade progression. Nonessential courses in grades 9 to 12 are those other than algebra 1,  
9 algebra 2, English 9-12, geometry, biology, chemistry, physics, economics, geography,  
10 American history, world history, the Constitution, government, and civics, or courses that  
11 fulfill the same credit requirement as these courses. Nonessential elective courses include  
12 courses offered by the local district for high school credit that are also capable of  
13 generating postsecondary credit, including, at least, advanced placement and international  
14 baccalaureate courses. College level courses taken by high school students for college  
15 credit are nonessential courses. Remedial courses for any grade in the above-listed  
16 essential courses are considered essential. Kindergarten is considered nonessential.

17           (4) Subject to section 6(4) *(ii)*, a minor enrolled as described in this section is a  
18 part-time pupil for purposes of state school aid under this act.

19           (5) A district that receives a written request to provide instruction under  
20 subsection (2) shall reply to the request in writing by May 1 immediately preceding the  
21 applicable school year or, if the request is made after March 1 immediately preceding that  
22 school year, within 60 days after the nonpublic school submits the request. The written  
23 reply shall specify whether the district agrees to provide or does not agree to provide the  
24 instruction for each portion of instruction included in the request.

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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, ~~2021~~, 2022, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$425,667,600.00~~. **\$434,653,600.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$425,667,600.00~~.

1 **\$434,653,600.00.**

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

4 (i) Total federal revenues, \$0.00.

5 (ii) Total local revenues, \$0.00.

6 (iii) Total private revenues, \$0.00.

7 (iv) Total other state restricted revenues, ~~\$425,667,600.00.~~ **\$434,653,600.00.**

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

9 (2) Subject to subsection (3), the amount appropriated for community college  
10 operations is ~~\$325,440,000.00.~~ **\$325,346,900.00**, allocated as follows:

11 (a) The appropriation for Alpena Community College is ~~\$5,767,500.00,~~ **\$5,777,200.00,**  
12 ~~\$5,753,300.00 for operations, \$0.00 for performance funding, and \$14,200.00~~ **\$23,900.00** for  
13 costs incurred under the North American Indian tuition waiver.

14 (b) The appropriation for Bay de Noc Community College is ~~\$5,719,500.00,~~  
15 **\$5,714,400.00,** \$5,602,800.00 for operations, ~~\$0.00 for performance funding, and \$116,700.00~~  
16 **\$111,600.00** for costs incurred under the North American Indian tuition waiver.

17 (c) The appropriation for Delta College is ~~\$15,208,200.00,~~ **\$15,220,600.00,**  
18 ~~\$15,160,500.00 for operations, \$0.00 for performance funding, and \$47,700.00~~ **\$60,100.00** for  
19 costs incurred under the North American Indian tuition waiver.

20 (d) The appropriation for Glen Oaks Community College is \$2,651,200.00, \$2,651,200.00  
21 for operations, ~~\$0.00 for performance funding,~~ and \$0.00 for costs incurred under the North  
22 American Indian tuition waiver.

23 (e) The appropriation for Gogebic Community College is ~~\$4,923,300.00,~~ **\$4,925,700.00,**  
24 ~~\$4,873,700.00 for operations, \$0.00 for performance funding, and \$49,600.00~~ **\$52,000.00** for  
25 costs incurred under the North American Indian tuition waiver.

26 (f) The appropriation for Grand Rapids Community College is ~~\$19,007,000.00,~~  
27 **\$18,971,700.00,** \$18,773,100.00 for operations, ~~\$0.00 for performance funding,~~ and  
28 ~~\$233,900.00~~ **\$198,600.00** for costs incurred under the North American Indian tuition waiver.

29 (g) The appropriation for Henry Ford College is ~~\$22,557,600.00,~~ **\$22,548,100.00,**  
30 ~~\$22,533,100.00 for operations, \$0.00 for performance funding, and \$24,500.00~~ **\$15,000.00** for  
31 costs incurred under the North American Indian tuition waiver.

32 (h) The appropriation for Jackson College is ~~\$12,814,200.00,~~ **\$12,802,400.00,**

1 \$12,756,200.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$58,000.00~~  
2 **\$46,200.00** for costs incurred under the North American Indian tuition waiver.

3 (i) The appropriation for Kalamazoo Valley Community College is  
4 ~~\$13,163,700.00,~~ **\$13,186,000.00**, \$13,099,900.00 for operations, ~~\$0.00 for performance~~  
5 ~~funding,~~ and ~~\$63,800.00~~ **\$86,100.00** for costs incurred under the North American Indian  
6 tuition waiver.

7 (j) The appropriation for Kellogg Community College is ~~\$10,328,700.00,~~  
8 **\$10,318,400.00**, \$10,267,100.00 for operations, ~~\$0.00 for performance funding,~~ and  
9 ~~\$61,600.00~~ **\$51,300.00** for costs incurred under the North American Indian tuition  
10 waiver.

11 (k) The appropriation for Kirtland Community College is ~~\$3,394,800.00,~~  
12 **\$3,364,900.00**, \$3,358,400.00 for operations, ~~\$0.00 for performance funding,~~ and  
13 ~~\$36,400.00~~ **\$6,500.00** for costs incurred under the North American Indian tuition  
14 waiver.

15 (l) The appropriation for Lake Michigan College is ~~\$5,711,300.00,~~  
16 **\$5,715,800.00**, \$5,702,700.00 for operations, ~~\$0.00 for performance funding,~~ and  
17 ~~\$8,600.00~~ **\$13,100.00** for costs incurred under the North American Indian tuition  
18 waiver.

19 (m) The appropriation for Lansing Community College is ~~\$33,010,000.00,~~  
20 **\$32,974,700.00**, \$32,852,000.00 for operations, ~~\$0.00 for performance funding,~~ and  
21 ~~\$158,000.00~~ **\$122,700.00** for costs incurred under the North American Indian tuition  
22 waiver.

23 (n) The appropriation for Macomb Community College is ~~\$34,319,500.00,~~  
24 **\$34,299,400.00**, \$34,276,100.00 for operations, ~~\$0.00 for performance funding,~~ and  
25 ~~\$43,400.00~~ **\$23,300.00** for costs incurred under the North American Indian tuition  
26 waiver.

27 (o) The appropriation for Mid Michigan Community College is ~~\$5,309,200.00,~~  
28 **\$5,338,300.00**, \$5,184,400.00 for operations, ~~\$0.00 for performance funding,~~ and  
29 ~~\$124,800.00~~ **\$153,900.00** for costs incurred under the North American Indian tuition  
30 waiver.

31 (p) The appropriation for Monroe County Community College is ~~\$4,746,700.00,~~  
32 **\$4,746,900.00**, \$4,746,200.00 for operations, ~~\$0.00 for performance funding,~~ and

1 ~~\$500.00~~ **\$700.00** for costs incurred under the North American Indian tuition waiver.

2 (q) The appropriation for Montcalm Community College is ~~\$3,577,700.00,~~ **\$3,575,400.00,**  
3 \$3,570,600.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$7,100.00~~ **\$4,800.00** for  
4 costs incurred under the North American Indian tuition waiver.

5 (r) The appropriation for C.S. Mott Community College is ~~\$16,464,000.00,~~  
6 **\$16,481,000.00,** \$16,440,000.00 for operations, ~~\$0.00 for performance funding,~~ and  
7 ~~\$24,000.00~~ **\$41,000.00** for costs incurred under the North American Indian tuition waiver.

8 (s) The appropriation for Muskegon Community College is ~~\$9,363,000.00,~~ **\$9,346,600.00,**  
9 \$9,289,100.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$73,900.00~~ **\$57,500.00** for  
10 costs incurred under the North American Indian tuition waiver.

11 (t) The appropriation for North Central Michigan College is ~~\$3,562,700.00,~~  
12 **\$3,570,500.00,** \$3,389,300.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$173,400.00~~  
13 **\$181,200.00** for costs incurred under the North American Indian tuition waiver.

14 (u) The appropriation for Northwestern Michigan College is ~~\$9,843,100.00,~~  
15 **\$9,818,300.00,** \$9,567,100.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$276,000.00~~  
16 **\$251,200.00** for costs incurred under the North American Indian tuition waiver.

17 (v) The appropriation for Oakland Community College is ~~\$22,246,800.00,~~  
18 **\$22,245,200.00,** \$22,211,700.00 for operations, ~~\$0.00 for performance funding,~~ and  
19 ~~\$35,100.00~~ **\$33,500.00** for costs incurred under the North American Indian tuition waiver.

20 (w) The appropriation for Schoolcraft College is ~~\$13,236,500.00,~~ **\$13,235,000.00,**  
21 \$13,196,200.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$40,300.00~~ **\$38,800.00** for  
22 costs incurred under the North American Indian tuition waiver.

23 (x) The appropriation for Southwestern Michigan College is ~~\$7,016,600.00,~~  
24 **\$7,013,500.00,** \$6,979,400.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$37,200.00~~  
25 **\$34,100.00** for costs incurred under the North American Indian tuition waiver.

26 (y) The appropriation for St. Clair County Community College is ~~\$7,388,600.00,~~  
27 **\$7,400,300.00,** \$7,385,200.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$3,400.00~~  
28 **\$15,100.00** for costs incurred under the North American Indian tuition waiver.

29 (z) The appropriation for Washtenaw Community College is ~~\$13,888,200.00,~~  
30 **\$13,891,200.00,** \$13,855,900.00 for operations, ~~\$0.00 for performance funding,~~ and  
31 ~~\$32,300.00~~ **\$35,300.00** for costs incurred under the North American Indian tuition waiver.

32 (aa) The appropriation for Wayne County Community College is ~~\$17,608,300.00,~~

1 **\$17,608,400.00**, \$17,593,400.00 for operations, ~~\$0.00 for performance funding~~, and  
2 ~~\$14,900.00~~ **\$15,000.00** for costs incurred under the North American Indian tuition  
3 waiver.

4 (bb) The appropriation for West Shore Community College is ~~\$2,612,100.00~~  
5 **\$2,605,800.00**, \$2,585,600.00 for operations, ~~\$0.00 for performance funding~~, and  
6 ~~\$26,500.00~~ **\$20,200.00** for costs incurred under the North American Indian tuition  
7 waiver.

8 (3) The amount appropriated in subsection (2) for community college operations  
9 is ~~\$325,440,000.00~~ **\$325,346,900.00** and is appropriated from the state school aid  
10 fund.

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

13 (a) Subject to section 207a, the amount appropriated for fiscal year ~~2020-2021~~  
14 **2021-2022** to offset certain fiscal year ~~2020-2021~~ **2021-2022** retirement contributions  
15 is \$1,733,600.00, appropriated from the state school aid fund.

16 (b) For fiscal year ~~2020-2021~~, **2021-2022**, there is allocated an amount not to  
17 exceed ~~\$12,394,000.00~~ **\$11,700,000.00** for payments to participating community  
18 colleges, appropriated from the state school aid fund. A community college that  
19 receives money under this subdivision shall use that money solely for the purpose of  
20 offsetting the normal cost contribution rate.

21 (5) From the appropriations described in subsection (1), subject to section  
22 207b, the amount appropriated for payments to community colleges that are  
23 participating entities of the retirement system is ~~\$83,900,000.00~~ **\$87,200,000.00**  
24 appropriated from the state school aid fund.

25 (6) From the appropriations described in subsection (1), subject to section  
26 207c, the amount appropriated for renaissance zone tax reimbursements is  
27 \$2,200,000.00, appropriated from the state school aid fund. Each community college  
28 receiving funds in this subsection shall accrue these payments to its institutional  
29 fiscal year ending June 30, ~~2021~~. **2022**.

30 **Sec. 201e. (1) In addition to the funds appropriated under section 201(2) for**  
31 **community college operations, for the fiscal year ending September 30, 2022 only,**  
32 **there is appropriated an amount not to exceed \$6,473,100.00 from the state school aid**

1 fund for operational support payments. These funds are intended to be used for the same  
2 purposes as the funds appropriated under section 201(2) for community college operations.

3 (2) From the amount appropriated under subsection (1), each community college is  
4 allocated the following:

- 5 (a) Alpena Community College, \$106,800.00.
- 6 (b) Bay de Noc Community College, \$116,000.00.
- 7 (c) Delta College, \$286,800.00.
- 8 (d) Glen Oaks Community College, \$66,700.00.
- 9 (e) Gogebic Community College, \$84,700.00.
- 10 (f) Grand Rapids Community College, \$443,000.00.
- 11 (g) Henry Ford College, \$411,600.00.
- 12 (h) Jackson College, \$219,800.00.
- 13 (i) Kalamazoo Valley Community College, \$268,700.00.
- 14 (j) Kellogg Community College, \$201,500.00.
- 15 (k) Kirtland Community College, \$78,300.00.
- 16 (l) Lake Michigan College, \$104,800.00.
- 17 (m) Lansing Community College, \$561,100.00.
- 18 (n) Macomb Community College, \$660,500.00.
- 19 (o) Mid Michigan Community College, \$116,400.00.
- 20 (p) Monroe County Community College, \$102,400.00.
- 21 (q) Montcalm Community College, \$74,600.00.
- 22 (r) C.S. Mott Community College, \$285,000.00.
- 23 (s) Muskegon Community College, \$170,100.00.
- 24 (t) North Central Michigan College, \$84,400.00.
- 25 (u) Northwestern Michigan College, \$177,100.00.
- 26 (v) Oakland Community College, \$480,100.00.
- 27 (w) Schoolcraft College, \$303,500.00.
- 28 (x) Southwestern Michigan College, \$136,800.00.
- 29 (y) St. Clair County Community College, \$156,700.00.
- 30 (z) Washtenaw Community College, \$378,700.00.
- 31 (aa) Wayne County Community College, \$347,400.00.
- 32 (bb) West Shore Community College, \$49,600.00.

1           Sec. 206. (1) ~~The~~ **With the exception of section 201(4) (b), the** funds  
2 appropriated in section 201 **and section 201e** are appropriated for community colleges  
3 with fiscal years ending June 30, ~~2021~~ **2022** and shall be paid out of the state  
4 treasury and distributed by the state treasurer to the respective community colleges  
5 in 11 monthly installments on the sixteenth of each month, or the next succeeding  
6 business day, beginning with October 16, ~~2020.~~ **2021**. Each community college shall  
7 accrue its July and August ~~2021~~ **2022** payments to its institutional fiscal year ending  
8 June 30, ~~2021.~~ **2022**.

9           **(2) The funds appropriated in section 201(4) (b) are appropriated for community**  
10 **colleges with fiscal years ending June 30, 2022 and shall be distributed to the**  
11 **respective community colleges in quarterly installments on the sixteenth of each**  
12 **November, February, May, and August. Each community college shall accrue its August**  
13 **2022 payments to its institutional fiscal year ending June 30, 2022.**

14           **(3)** ~~(2)~~ If the state budget director determines that a community college  
15 failed to submit any of the information described in subdivisions (a) to ~~(f)~~ **(e)** in  
16 the form and manner specified by the center, the state treasurer shall, ~~subject to~~  
17 ~~subdivision (g),~~ withhold the monthly installments from that community college until  
18 those data are submitted:

19           (a) The Michigan community colleges verified data inventory data for the  
20 preceding academic year to the center by the first business day of ~~December for~~  
21 ~~fiscal year 2020-2021 and the first business day of~~ November of each year ~~thereafter~~  
22 as specified in section 217.

23           ~~(b) The college credit opportunity data set as specified in section 209.~~

24           **(b)** ~~(e)~~ The longitudinal data set for the preceding academic year to the  
25 center as specified in section 219.

26           **(c)** ~~(d)~~ The annual independent audit as specified in section 222.

27           **(d)** ~~(e)~~ Tuition and mandatory fees information for the current academic year  
28 as specified in section 225.

29           **(e)** ~~(f)~~ The number and type of associate degrees and other certificates  
30 awarded during the previous academic year as specified in section 226.

31           ~~(g) The state budget director shall notify the chairs of the house and senate~~  
32 ~~appropriations subcommittees on community colleges at least 10 days before~~

1 ~~withholding funds from any community college.~~

2           Sec. 207a. ~~All of the~~ **The** following apply to the allocation of the fiscal year ~~2020-~~  
3 ~~2021~~ **2021-2022** appropriations described in section 201(4):

4           (a) A community college that receives money under section 201(4) shall use that money  
5 solely for the purpose of offsetting a portion of the retirement contributions owed by the  
6 college for that fiscal year.

7           (b) The amount allocated to each participating community college under section ~~201(4)~~  
8 **201(4) (a)** shall be based on each college's percentage of the total covered payroll for all  
9 community colleges that are participating colleges in the immediately preceding fiscal  
10 year.

11           **(c) The amount allocated to each participating community college under section**  
12 **201(4) (b) shall be based on each college's reported quarterly payroll for members for the**  
13 **current fiscal year.**

14           Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2020-2021~~  
15 **2021-2022** appropriations described in section 201(5) for payments to community colleges  
16 that are participating entities of the retirement system:

17           (a) The amount of a payment under section 201(5) shall be the difference between the  
18 unfunded actuarial accrued liability contribution rate as calculated under section 41 of  
19 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated  
20 without taking into account the maximum employer rate of 20.96% included in section 41 of  
21 the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the  
22 maximum employer rate of 20.96% under section 41 of the public school employees retirement  
23 act of 1979, 1980 PA 300, MCL 38.1341.

24           (b) The amount allocated to each community college under section 201(5) shall be  
25 based on each community college's percentage of the total covered payroll for all community  
26 colleges that are participating colleges in the immediately preceding fiscal year. A  
27 community college that receives funds under this subdivision shall use the funds solely for  
28 the purpose of retirement contributions under section 201(5).

29           (c) Each participating college that receives funds under section 201(5) shall forward  
30 an amount equal to the amount allocated under subdivision (b) to the retirement system in a  
31 form and manner determined by the retirement system.

32           Sec. 207c. All of the following apply to the allocation of the appropriations

1 described in section 201(6) to community colleges described in section 12(3) of the  
2 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

3 (a) The amount allocated to each community college under section 201(6) for  
4 fiscal year ~~2020-2021~~ **2021-2022** shall be based on that community college's proportion  
5 of total revenue lost by community colleges as a result of the exemption of property  
6 taxes levied in ~~2020~~ **2021** under the Michigan renaissance zone act, 1996 PA 376, MCL  
7 125.2681 to 125.2696.

8 (b) The appropriations described in section 201(6) shall be made to each  
9 eligible community college within 60 days after the department of treasury certifies  
10 to the state budget director that it has received all necessary information to  
11 properly determine the amounts payable to each eligible community college under  
12 section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

13 Sec.209. (1) Within 30 days after the board of a community college adopts its  
14 annual operating budget for the following fiscal year, or after the board adopts a  
15 subsequent revision to that budget, the community college shall make all of the  
16 following available through a link on its website homepage:

17 (a) The annual operating budget and subsequent budget revisions.

18 (b) A link to the most recent "Michigan Community College Data Inventory  
19 Report".

20 (c) General fund revenue and expenditure projections for the current fiscal  
21 year and the next fiscal year.

22 (d) A listing of all debt service obligations, detailed by project,  
23 anticipated payment of each project, and total outstanding debt for the current  
24 fiscal year.

25 (e) Links to all of the following for the community college:

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

27 (ii) Each health care benefits plan, including, but not limited to, medical,  
28 dental, vision, disability, long-term care, or any other type of benefits that would  
29 constitute health care services, offered to any bargaining unit or employee of the  
30 community college.

31 (iii) Audits and financial reports for the most recent fiscal year for which  
32 they are available.

1 (iv) A copy of the board of trustees resolution regarding compliance with best  
2 practices for the local strategic value component described in section 230(2).

3 (f) A map that includes the boundaries of the community college district.

4 (2) For statewide consistency and public visibility, community colleges must use the  
5 icon badge provided by the department of technology, management, and budget consistent with  
6 the icon badge developed by the department of education for K-12 school districts. It must  
7 appear on the front of each community college's homepage. The size of the icon may be  
8 reduced to 150 x 150 pixels.

9 ~~(3) The state budget director shall determine whether a community college has  
10 complied with this section. The state budget director may withhold a community college's  
11 monthly installments described in section 206 until the community college complies with  
12 this section. The state budget director shall notify the chairs of the house and senate  
13 appropriations subcommittee on community colleges at least 10 days before withholding funds  
14 from any community college.~~

15 ~~(4) Each community college shall report the following information to the senate and  
16 house appropriations subcommittees on community colleges, the senate and house fiscal  
17 agencies, and the state budget office by December 15 for fiscal year 2020-2021 and November  
18 15 of each fiscal year thereafter and post that information on its website as required  
19 under subsection (1):~~

20 ~~(a) Budgeted current fiscal year general fund revenue from tuition and fees.~~

21 ~~(b) Budgeted current fiscal year general fund revenue from state appropriations.~~

22 ~~(c) Budgeted current fiscal year general fund revenue from property taxes.~~

23 ~~(d) Budgeted current fiscal year total general fund revenue.~~

24 ~~(e) Budgeted current fiscal year total general fund expenditures.~~

25 ~~(5) By the first business day of November of each year, a community college shall  
26 post the following information on its website under the budget transparency icon badge:~~

27 ~~(a) Opportunities for earning college credit through the following programs:~~

28 ~~(i) State approved career and technical education or a tech prep articulated program  
29 of study.~~

30 ~~(ii) Direct college credit or concurrent enrollment.~~

31 ~~(iii) Dual enrollment.~~

32 ~~(iv) An early college/middle college program.~~

1           ~~(b) For each program described in subdivision (a) that the community college~~  
2 ~~offers, all of the following information:~~

3           ~~(i) The number of high school students participating in the program.~~

4           ~~(ii) The number of school districts that participate in the program with the~~  
5 ~~community college.~~

6           ~~(iii) Whether a college professor, qualified local school district employee,~~  
7 ~~or other individual teaches the course or courses in the program.~~

8           ~~(iv) The total cost to the community college to operate the program.~~

9           ~~(v) The cost per credit hour for the course or courses in the program.~~

10           ~~(vi) The location where the course or courses in the program are held.~~

11           ~~(vii) Instructional resources offered to the program instructors.~~

12           ~~(viii) Resources offered to the student in the program.~~

13           ~~(ix) Transportation services provided to students in the program.~~

14           Sec. 209a. (1) A public community college shall develop, maintain, and update  
15 a "campus safety information and resources" link, prominently displayed on the  
16 homepage of its website, to a section of its website containing all of the  
17 information required under subsection (2).

18           (2) The "campus safety information and resources" section of a public  
19 community college's website shall include, but not be limited to, all of the  
20 following information:

21           (a) Emergency contact numbers for police, fire, health, and other services.

22           (b) Hours, locations, phone numbers, and electronic mail contacts for campus  
23 public safety offices and title IX offices.

24           (c) A list of safety and security services provided by the community college,  
25 including transportation, escort services, building surveillance, anonymous tip  
26 lines, and other available security services.

27           (d) A public community college's policies applicable to minors on community  
28 college property.

29           (e) A directory of resources available at the community college or surrounding  
30 community for students or employees who are survivors of sexual assault or sexual  
31 abuse.

32           (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault

1 Survivors, Friends and Family", published in 2018.

2 (g) Campus security policies and crime statistics pursuant to the student right-to-  
3 know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include  
4 all material prepared pursuant to the public information reporting requirements under the  
5 crime awareness and campus security act of 1990, title II of the student right-to-know and  
6 campus security act, Public Law 101-542, 104 Stat 2381.

7 ~~(3) A community college shall certify to the state budget director by October 1, 2020~~  
8 ~~that it is in compliance with this section. The state budget director may withhold a public~~  
9 ~~community college's monthly installments described in section 206 until the public~~  
10 ~~community college complies with this section.~~

11 Sec. 222. Each community college shall have an annual audit of all income and  
12 expenditures performed by an independent auditor and shall furnish the independent  
13 auditor's management letter and an annual audited accounting of all general and current  
14 funds income and expenditures including audits of college foundations to the center before  
15 ~~December 15 for fiscal year 2020-2021 and~~ November 15 of each year. ~~thereafter.~~ The center  
16 shall provide this information to members of the senate and house appropriations  
17 subcommittees on community colleges, the senate and house fiscal agencies, the auditor  
18 general, the department of labor and economic opportunity, and the state budget director.  
19 If a community college fails to furnish the audit materials, the monthly state aid  
20 installments shall be withheld from that college until the information is submitted. All  
21 reporting shall conform to the requirements set forth in the "2001 Manual for Uniform  
22 Financial Reporting, Michigan Public Community Colleges". A community college shall make  
23 the information the community college is required to provide under this section available  
24 to the public on its website.

25 Sec. 226e. It is the ~~intent of the legislature~~ **goal of the governor** to ensure that  
26 60% of Michigan's residents achieve a postsecondary credential, high-quality industry  
27 certification, associate degree, or bachelor's degree by 2030.

28 Sec. 229a. Included in the fiscal year ~~2020-2021~~ **2021-2022** appropriations for the  
29 department of technology, management, and budget are appropriations totaling ~~\$35,696,200.00~~  
30 **\$32,681,600.00** to provide funding for the state share of costs for previously constructed  
31 capital projects for community colleges. Those appropriations for state building authority  
32 rent represent additional state general fund support for community colleges, and the

1 following is an estimate of the amount of that support to each community college:

- 2 (a) Alpena Community College, ~~\$701,800.00.~~ **\$933,000.00.**
- 3 (b) Bay de Noc Community College, ~~\$686,600.00.~~ **\$538,000.00.**
- 4 (c) Delta College, ~~\$3,845,000.00.~~ **\$2,706,700.00.**
- 5 (d) Glen Oaks Community College, ~~\$124,700.00.~~ **\$128,500.00.**
- 6 (e) Gogebic Community College, ~~\$56,800.00.~~ **\$58,500.00.**
- 7 (f) Grand Rapids Community College, ~~\$2,604,800.00.~~ **\$1,210,000.00.**
- 8 (g) Henry Ford College, ~~\$1,042,600.00.~~ **\$1,073,900.00.**
- 9 (h) Jackson College, ~~\$2,194,800.00.~~ **\$2,260,600.00.**
- 10 (i) Kalamazoo Valley Community College, ~~\$1,969,600.00.~~ **\$2,028,700.00.**
- 11 (j) Kellogg Community College, ~~\$688,600.00.~~ **\$709,300.00.**
- 12 (k) Kirtland Community College, ~~\$228,200.00.~~ **\$235,000.00.**
- 13 (l) Lake Michigan College, ~~\$1,032,500.00.~~ **\$1,009,100.00.**
- 14 (m) Lansing Community College, ~~\$1,157,200.00.~~ **\$1,191,900.00.**
- 15 (n) Macomb Community College, ~~\$1,672,400.00.~~ **\$1,722,600.00.**
- 16 (o) Mid Michigan Community College, ~~\$1,637,900.00.~~ **\$1,687,100.00.**
- 17 (p) Monroe County Community College, ~~\$1,585,200.00.~~ **\$1,608,700.00.**
- 18 (q) Montcalm Community College, ~~\$984,800.00.~~ **\$465,900.00.**
- 19 (r) C.S. Mott Community College, ~~\$2,157,600.00.~~ **\$2,196,900.00.**
- 20 (s) Muskegon Community College, ~~\$996,000.00.~~ **\$1,025,800.00.**
- 21 (t) North Central Michigan College, ~~\$694,700.00.~~ **\$502,500.00.**
- 22 (u) Northwestern Michigan College, ~~\$1,857,000.00.~~ **\$1,866,800.00.**
- 23 (v) Oakland Community College, ~~\$471,600.00.~~ **\$0.00.**
- 24 (w) Schoolcraft College, ~~\$1,770,800.00.~~ **\$1,824,000.00.**
- 25 (x) Southwestern Michigan College, ~~\$834,200.00.~~ **\$859,200.00.**
- 26 (y) St. Clair County Community College, ~~\$758,600.00.~~ **\$750,100.00.**
- 27 (z) Washtenaw Community College, ~~\$1,699,800.00.~~ **\$1,792,600.00.**
- 28 (aa) Wayne County Community College, ~~\$1,482,800.00.~~ **\$1,527,300.00.**
- 29 (bb) West Shore Community College, ~~\$759,600.00.~~ **\$768,900.00.**

30 Sec. 230. (1) ~~With the exception of fiscal year 2020-2021, money included in~~  
31 ~~the appropriations for community college operations under section 201(2) for~~  
32 ~~performance funding~~ **Money appropriated under section 201e for operational support**

1 **payments** is distributed based on the following formula:

2 (a) Allocated proportionate to fiscal year ~~2018-2019~~ **2020-2021** base appropriations,  
3 30%.

4 (b) Based on a weighted student contact hour formula as provided for in the 2016  
5 recommendations of the performance indicators task force, 30%.

6 (c) Based on the performance improvement as provided for in the 2016 recommendations  
7 of the performance indicators task force and based on data provided by the center, 10%.

8 (d) Based on the performance completion number as provided for in the 2016  
9 recommendations of the performance indicators task force, 10%.

10 (e) Based on the performance completion rate as provided for in the 2016  
11 recommendations of the performance indicators task force and based on data provided by the  
12 center, 10%.

13 (f) Based on administrative costs, 5%.

14 (g) Based on the local strategic value component, as developed in cooperation with  
15 the Michigan Community College Association and described in subsection (2), 5%.

16 (2) Money included in the appropriations for community college ~~operations~~ **operational**  
17 **support payments** under section ~~201(2)~~ **201e** for local strategic value shall be allocated to  
18 each community college that certifies to the state budget director, through a board of  
19 trustees resolution on or before October 15, ~~2020,~~ **2021**, that the college has met 4 out of  
20 5 best practices listed in each category described in subsection (3). The resolution shall  
21 provide specifics as to how the community college meets each best practice measure within  
22 each category. One-third of funding available under the strategic value component shall be  
23 allocated to each category described in subsection (3). Amounts distributed under local  
24 strategic value shall be on a proportionate basis to each college's fiscal year 2019-2020  
25 operations funding. Payments to community colleges that qualify for local strategic value  
26 funding shall be distributed with the November installment payment described in section  
27 206.

28 (3) For purposes of subsection (2), the following categories of best practices  
29 reflect functional activities of community colleges that have strategic value to the local  
30 communities and regional economies:

31 (a) For Category A, economic development and business or industry partnerships, the  
32 following:

1           (i) The community college has active partnerships with local employers  
2 including hospitals and health care providers.

3           (ii) The community college provides customized on-site training for area  
4 companies, employees, or both.

5           (iii) The community college supports entrepreneurship through a small business  
6 assistance center or other training or consulting activities targeted toward small  
7 businesses.

8           (iv) The community college supports technological advancement through industry  
9 partnerships, incubation activities, or operation of a Michigan technical education  
10 center or other advanced technology center.

11           (v) The community college has active partnerships with local or regional  
12 workforce and economic development agencies.

13           (b) For Category B, educational partnerships, the following:

14           (i) The community college has active partnerships with regional high schools,  
15 intermediate school districts, and career-tech centers to provide instruction through  
16 dual enrollment, concurrent enrollment, direct credit, middle college, or academy  
17 programs.

18           (ii) The community college hosts, sponsors, or participates in enrichment  
19 programs for area K-12 students, such as college days, summer or after-school  
20 programming, or Science Olympiad.

21           (iii) The community college provides, supports, or participates in programming  
22 to promote successful transitions to college for traditional age students, including  
23 grant programs such as talent search, upward bound, or other activities to promote  
24 college readiness in area high schools and community centers.

25           (iv) The community college provides, supports, or participates in programming  
26 to promote successful transitions to college for new or reentering adult students,  
27 such as adult basic education, a high school equivalency test preparation program and  
28 testing, or recruiting, advising, or orientation activities specific to adults. As  
29 used in this subparagraph, "high school equivalency test preparation program" means  
30 that term as defined in section 4.

31           (v) The community college has active partnerships with regional 4-year  
32 colleges and universities to promote successful transfer, such as articulation, 2+2,

1 or reverse transfer agreements or operation of a university center.

2 (c) For Category C, community services, the following:

3 (i) The community college provides continuing education programming for leisure,  
4 wellness, personal enrichment, or professional development.

5 (ii) The community college operates or sponsors opportunities for community members  
6 to engage in activities that promote leisure, wellness, cultural or personal enrichment  
7 such as community sports teams, theater or musical ensembles, or artist guilds.

8 (iii) The community college operates public facilities to promote cultural,  
9 educational, or personal enrichment for community members, such as libraries, computer  
10 labs, performing arts centers, museums, art galleries, or television or radio stations.

11 (iv) The community college operates public facilities to promote leisure or wellness  
12 activities for community members, including gymnasiums, athletic fields, tennis courts,  
13 fitness centers, hiking or biking trails, or natural areas.

14 (v) The community college promotes, sponsors, or hosts community service activities  
15 for students, staff, or community members.

16 (4) Payments for ~~performance funding~~ **operational support payments** under section  
17 ~~201(2)~~ **201e** shall be made to a community college only if that community college actively  
18 participates in the Michigan Transfer Network sponsored by the Michigan Association of  
19 Collegiate Registrars and Admissions Officers and submits timely updates, including updated  
20 course equivalencies at least every 6 months, to the Michigan transfer network. The state  
21 budget director shall determine if a community college has not satisfied this requirement.  
22 The state budget director may withhold payments for ~~performance funding~~ **operational support**  
23 **payments** until a community college is in compliance with this section.

24 **Sec. 231. (1) Payments under section 201e for operational support payments for fiscal**  
25 **year 2021-2022 shall only be made to a public community college that certifies to the state**  
26 **budget director by the last business day of August that its board will not adopt an**  
27 **increase in tuition and fee rates for in-district students for the 2021-2022 academic year**  
28 **that is greater than 4.2%. As used in this subsection:**

29 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all  
30 in-district students at least once during their enrollment at a public community college. A  
31 community college increasing a fee that applies to a specific subset of students or courses  
32 shall provide sufficient information to prove that the increase applied to that subset will

1 not cause the increase in the average amount of board-authorized total tuition and  
2 fees paid by in-district students in the 2021-2022 academic year to exceed the limit  
3 established in this section.

4 (b) "Tuition and fee rate" means the average of full-time rates paid by a  
5 majority of students in each class, based on an unweighted average of the rates  
6 authorized by the community college board and actually charged to students, deducting  
7 any uniformly rebated or refunded amounts, for the 2 semesters with the highest  
8 levels of full-time equated in-district enrollment during the academic year.

9 (2) The state budget director shall implement uniform reporting requirements  
10 to ensure that a public community college receiving a payment under section 201e for  
11 operational support payments has satisfied the tuition restraint requirements of this  
12 section. The state budget director shall have the sole authority to determine if a  
13 public community college has met the requirements of this section. Information  
14 reported by a public community college to the state budget director under this  
15 subsection shall also be reported to the house and senate appropriations  
16 subcommittees on community colleges and the house and senate fiscal agencies.

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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, ~~2021~~, **2022**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$1,699,925,400.00~~. **\$1,731,967,300.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$1,699,925,400.00~~. **\$1,731,967,300.00**.

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

(i) Total federal revenues, ~~\$126,026,400.00~~. **\$122,726,400.00**.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$356,063,300.00~~. **\$361,403,300.00**.

(v) State general fund/general purpose money, ~~\$1,217,835,700.00~~. **\$1,247,837,600.00**.

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

1 (a) The appropriation for Central Michigan University is \$89,564,500.00,  
2 \$87,600,000.00 for operations, ~~\$0.00 for performance funding,~~ and \$1,964,500.00 for costs  
3 incurred under the North American Indian tuition waiver.

4 (b) The appropriation for Eastern Michigan University is ~~\$77,555,200.00,~~  
5 **\$77,533,400.00**, \$77,253,700.00 for operations, ~~\$0.00 for performance funding,~~ and  
6 ~~\$301,500.00~~ **\$279,700.00** for costs incurred under the North American Indian tuition waiver.

7 (c) The appropriation for Ferris State University is ~~\$55,934,300.00,~~ **\$55,991,300.00**,  
8 \$55,025,500.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$908,800.00~~ **\$965,800.00**  
9 for costs incurred under the North American Indian tuition waiver.

10 (d) The appropriation for Grand Valley State University is \$73,490,700.00,  
11 \$72,313,500.00 for operations, ~~\$0.00 for performance funding,~~ and \$1,177,200.00 for costs  
12 incurred under the North American Indian tuition waiver.

13 (e) The appropriation for Lake Superior State University is ~~\$15,252,100.00,~~  
14 **\$14,233,500.00**, \$13,307,000.00 for operations, ~~\$0.00 for performance funding,~~ and  
15 ~~\$945,100.00~~ **\$926,500.00** for costs incurred under the North American Indian tuition waiver,  
16 and ~~\$1,000,000.00 for a 1 time pass through payment for Bay Mills Community College.~~

17 (f) The appropriation for Michigan State University is ~~\$354,009,100.00,~~  
18 **\$354,337,900.00**, \$287,331,700.00 for operations, ~~\$0.00 for performance funding,~~  
19 ~~\$1,604,000.00~~ **\$1,932,800.00** for costs incurred under the North American Indian tuition  
20 waiver, \$34,937,300.00 for MSU AgBioResearch, and \$30,136,100.00 for MSU Extension.

21 (g) The appropriation for Michigan Technological University is ~~\$50,795,200.00,~~  
22 **\$50,870,900.00**, \$50,101,600.00 for operations, ~~\$0.00 for performance funding,~~ and  
23 ~~\$693,600.00~~ **\$769,300.00** for costs incurred under the North American Indian tuition waiver.

24 (h) The appropriation for Northern Michigan University is ~~\$48,869,700.00,~~  
25 **\$48,860,600.00**, \$47,809,100.00 for operations, ~~\$0.00 for performance funding,~~ and  
26 ~~\$1,060,600.00~~ **\$1,051,500.00** for costs incurred under the North American Indian tuition  
27 waiver.

28 (i) The appropriation for Oakland University is ~~\$53,413,500.00,~~ **\$53,481,400.00**,  
29 \$53,147,400.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$266,100.00~~ **\$334,000.00**  
30 for costs incurred under the North American Indian tuition waiver.

31 (j) The appropriation for Saginaw Valley State University is ~~\$30,803,300.00,~~  
32 **\$30,737,700.00**, \$30,583,800.00 for operations, ~~\$0.00 for performance funding,~~ and

1 ~~\$219,500.00~~ **\$153,900.00** for costs incurred under the North American Indian tuition waiver.

2 (k) The appropriation for University of Michigan - Ann Arbor is ~~\$322,931,100.00,~~  
3 **\$323,045,700.00**, \$321,970,100.00 for operations, ~~\$0.00 for performance funding,~~ and  
4 ~~\$961,000.00~~ **\$1,075,600.00** for costs incurred under the North American Indian tuition  
5 waiver.

6 (l) The appropriation for University of Michigan - Dearborn is ~~\$26,334,800.00,~~  
7 **\$26,332,000.00**, \$26,167,000.00 for operations, ~~\$0.00 for performance funding,~~ and  
8 ~~\$167,800.00~~ **\$165,000.00** for costs incurred under the North American Indian tuition waiver.

9 (m) The appropriation for University of Michigan - Flint is ~~\$23,964,400.00,~~  
10 **\$23,961,200.00**, \$23,616,200.00 for operations, ~~\$0.00 for performance funding,~~ and  
11 ~~\$348,200.00~~ **\$345,000.00** for costs incurred under the North American Indian tuition waiver.

12 (n) The appropriation for Wayne State University is ~~\$203,458,900.00,~~ **\$203,466,400.00**,  
13 \$202,996,700.00 for operations, ~~\$0.00 for performance funding,~~ and ~~\$462,200.00~~ **\$469,700.00**  
14 for costs incurred under the North American Indian tuition waiver.

15 (o) The appropriation for Western Michigan University is ~~\$112,363,900.00,~~  
16 **\$112,317,500.00**, \$111,522,200.00 for operations, ~~\$0.00 for performance funding,~~ and  
17 ~~\$841,700.00~~ **\$795,300.00** for costs incurred under the North American Indian tuition waiver.

18 (3) The amount appropriated in subsection (2) for public universities is  
19 ~~\$1,538,740,700.00,~~ **\$1,538,224,700.00**, appropriated from the following:

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

21 (b) State general fund/general purpose money, ~~\$1,195,572,400.00.~~ **\$1,195,056,400.00.**

22 (4) The amount appropriated for Michigan public school employees' retirement system  
23 reimbursement is ~~\$11,695,000.00,~~ **\$13,495,000.00**, appropriated from the state school aid  
24 fund.

25 (5) The amount appropriated for state and regional programs is ~~\$315,000.00,~~  
26 **\$316,800.00**, appropriated from general fund/general purpose money and allocated as follows:

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

28 (b) Midwestern Higher Education Compact, ~~\$115,000.00.~~ **\$116,800.00.**

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

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

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

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

3 (7) Subject to subsection (8), the amount appropriated for grants and financial aid  
4 is ~~\$145,293,200.00~~, **\$141,983,200.00**, allocated as follows:

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

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

7 (c) Tuition incentive program, ~~\$68,800,000.00~~, **\$65,500,000.00**.

8 (d) Children of veterans and officer's survivor tuition grant programs,  
9 \$1,400,000.00.

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

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

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

15 (b) Federal revenues under the social security act, temporary assistance for needy  
16 families, ~~\$122,826,400.00~~, **\$119,526,400.00**.

17 (c) State general fund/general purpose money, \$19,256,800.00.

18 (9) For fiscal year ~~2020-2021~~ **2021-2022** only, in addition to the allocation under  
19 subsection (4), from the appropriations described in subsection (1), there is allocated an  
20 amount not to exceed ~~\$1,200,000.00~~ **\$4,740,000.00** for payments to participating public  
21 universities, appropriated from the state school aid fund. A university that receives money  
22 under this subsection shall use that money solely for the purpose of offsetting the normal  
23 cost contribution rate. As used in this subsection, "participating public universities"  
24 means public universities that are a reporting unit of the Michigan public school  
25 employees' retirement system under the public school employees retirement act of 1979, 1980  
26 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school  
27 employees' retirement system for the state fiscal year.

28 Sec. 236b. In addition to the funds appropriated in section 236, there is  
29 appropriated for grants and financial aid in fiscal year ~~2020-2021~~ **2021-2022** an amount not  
30 to exceed \$6,000,000.00 for federal contingency funds. These funds are not available for  
31 expenditure until they have been transferred under section 393(2) of the management and  
32 budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

1           Sec. 236c. In addition to the funds appropriated for fiscal year ~~2020-2021~~ **2021-2022**  
2 in section 236, appropriations to the department of technology, management, and budget in  
3 the act providing general appropriations for fiscal year ~~2020-2021~~ **2021-2022** for state  
4 building authority rent, totaling an estimated ~~\$145,848,500.00~~ **\$130,595,300.00** provide  
5 funding for the state share of costs for previously constructed capital projects for state  
6 universities. These appropriations for state building authority rent represent additional  
7 state general fund support provided to public universities, and the following is an  
8 estimate of the amount of that support to each university:

- 9           (a) Central Michigan University, ~~\$13,078,900.00~~ **\$13,227,700.00**.
- 10           (b) Eastern Michigan University, ~~\$7,074,300.00~~ **\$6,168,300.00**.
- 11           (c) Ferris State University, ~~\$7,939,200.00~~ **\$8,104,200.00**.
- 12           (d) Grand Valley State University, ~~\$7,229,800.00~~ **\$7,380,000.00**.
- 13           (e) Lake Superior State University, ~~\$1,805,200.00~~ **\$1,842,700.00**.
- 14           (f) Michigan State University, ~~\$15,199,500.00~~ **\$17,351,100.00**.
- 15           (g) Michigan Technological University, ~~\$6,805,300.00~~ **\$3,488,700.00**.
- 16           (h) Northern Michigan University, ~~\$7,334,200.00~~ **\$7,486,500.00**.
- 17           (i) Oakland University, ~~\$12,708,600.00~~ **\$9,059,800.00**.
- 18           (j) Saginaw Valley State University, ~~\$7,907,100.00~~ **\$8,009,900.00**.
- 19           (k) University of Michigan - Ann Arbor, ~~\$9,644,100.00~~ **\$10,459,000.00**.
- 20           (l) University of Michigan - Dearborn, ~~\$11,106,100.00~~ **\$11,336,800.00**.
- 21           (m) University of Michigan - Flint, ~~\$6,413,000.00~~ **\$6,546,200.00**.
- 22           (n) Wayne State University, ~~\$16,610,900.00~~ **\$10,489,800.00**.
- 23           (o) Western Michigan University, ~~\$14,989,300.00~~ **\$9,644,600.00**.

24           **Sec. 236i. (1) In addition to the funds appropriated under section 236(2) for**  
25 **university operations, for the fiscal year ending September 30, 2022 only, there is**  
26 **appropriated an amount not to exceed \$29,214,700.00 from the state general fund/general**  
27 **purpose money for operational support payments. These funds are intended to be used for the**  
28 **same purposes as the funds appropriated under section 201(2) for university operations.**

29           **(2) From the amount appropriated under subsection (1), each university is allocated**  
30 **the following:**

- 31           **(a) Central Michigan University, \$1,752,000.00.**
- 32           **(b) Eastern Michigan University, \$1,545,100.00.**

- 1 (c) Ferris State University, \$1,100,500.00.
- 2 (d) Grand Valley State University, \$1,446,300.00.
- 3 (e) Lake Superior State University, \$266,100.00.
- 4 (f) Michigan State University, \$5,746,600.00.
- 5 (g) Michigan Technological University, \$1,002,000.00.
- 6 (h) Northern Michigan University, \$956,200.00.
- 7 (i) Oakland University, \$1,062,900.00.
- 8 (j) Saginaw Valley State University, \$611,700.00.
- 9 (k) University of Michigan - Ann Arbor, \$6,439,400.00.
- 10 (l) University of Michigan - Dearborn, \$523,300.00.
- 11 (m) University of Michigan - Flint, \$472,300.00.
- 12 (n) Wayne State University, \$4,059,900.00.
- 13 (o) Western Michigan University, \$2,230,400.00.

14 (3) In addition to the funds appropriated in section 236(2) for MSU AgBioResearch,  
15 for the fiscal year ending September 30, 2022 only, there is appropriated an amount not to  
16 exceed \$698,700.00 from the state general fund/general purpose money for MSU AgBioResearch.

17 (4) In addition to the funds appropriated in section 236(2) for MSU Extension, for  
18 the fiscal year ending September 30, 2022 only, there is appropriated an amount not to  
19 exceed \$602,700.00 from the state general fund/general purpose money for MSU Extension.

20 Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in section 236  
21 and section 236i to public universities shall be paid out of the state treasury and  
22 distributed by the state treasurer to the respective institutions in 11 equal monthly  
23 installments on the sixteenth of each month, or the next succeeding business day, beginning  
24 with October 16, ~~2020~~ 2021. Except for Wayne State University, each institution shall  
25 accrue its July and August ~~2021~~ 2022 payments to its institutional fiscal year ending June  
26 30, ~~2021~~ 2022.

27 (2) All public universities shall submit higher education institutional data  
28 inventory (HEIDI) data and associated financial and program information requested by and in  
29 a manner prescribed by the state budget director. For public universities with fiscal years  
30 ending June 30, these data shall be submitted to the state budget director by ~~November 15~~  
31 ~~for fiscal year 2020-2021 and~~ October 15 of each fiscal year thereafter. Public  
32 universities with a fiscal year ending September 30, ~~2020~~ 2021 shall submit preliminary

1 HEIDI data by November 15, ~~2020~~ **2021** and final data by December 15, ~~2020-~~ **2021**. If a public  
2 university fails to submit HEIDI data and associated financial aid program information in  
3 accordance with this reporting schedule, the state treasurer may withhold the monthly  
4 installments under subsection (1) to the public university until those data are submitted.

5 Sec. 245. (1) A public university shall maintain a public transparency website  
6 available through a link on its website homepage. The public university shall update this  
7 website within 30 days after the university's governing board adopts its annual operating  
8 budget for the next academic year, or after the governing board adopts a subsequent  
9 revision to that budget.

10 (2) The website required under subsection (1) shall include all of the following  
11 concerning the public university:

12 (a) The annual operating budget and subsequent budget revisions.

13 (b) A summary of current expenditures for the most recent fiscal year for which they  
14 are available, expressed as pie charts in the following 2 categories:

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

16 (A) Earnings and wages.

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

19 (C) Retirement benefit costs.

20 (D) All other personnel costs.

21 (ii) A chart of all current expenditures the public university reported as part of  
22 its higher education institutional data inventory data under section 241(2), broken into  
23 the same subcategories in which it reported those data.

24 (c) Links to all of the following for the public university:

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

26 (ii) Each health care benefits plan, including, but not limited to, medical, dental,  
27 vision, disability, long-term care, or any other type of benefits that would constitute  
28 health care services, offered to any bargaining unit or employee of the public university.

29 (iii) Audits and financial reports for the most recent fiscal year for which they are  
30 available.

31 ~~(d) A list of all positions funded partially or wholly through institutional general~~  
32 ~~fund revenue that includes the position title and annual salary or wage amount for each~~

1 ~~position.~~

2 (d) ~~(e)~~ General fund revenue and expenditure projections for the current fiscal year  
3 and the next fiscal year.

4 (e) ~~(f)~~ A listing of all debt service obligations, detailed by project, anticipated  
5 fiscal year payment for each project, and total outstanding debt for the current fiscal  
6 year.

7 (f) ~~(g)~~ The institution's policy regarding the transferability of core college  
8 courses between community colleges and the university.

9 (g) ~~(h)~~ A listing of all community colleges that have entered into reverse transfer  
10 agreements with the university.

11 (3) On the website required under subsection (1), a public university shall provide a  
12 dashboard or report card demonstrating the university's performance in several "best  
13 practice" measures. The dashboard or report card shall include at least all of the  
14 following for the 3 most recent academic years for which the data are available:

15 (a) Enrollment.

16 (b) Student retention rate.

17 (c) Six-year graduation rates.

18 (d) Number of Pell grant recipients and graduating Pell grant recipients.

19 (e) Geographic origination of students, categorized as in-state, out-of-state, and  
20 international.

21 (f) Faculty to student ratios and total university employee to student ratios.

22 (g) Teaching load by faculty classification.

23 (h) Graduation outcome rates, including employment and continuing education.

24 (4) For statewide consistency and public visibility, public universities must use the  
25 icon badge provided by the department of technology, management, and budget consistent with  
26 the icon badge developed by the department of education for K-12 school districts. It must  
27 appear on the front of each public university's homepage. The size of the icon may be  
28 reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent  
29 with other documents on each university's website.

30 ~~(5) The state budget director shall determine whether a public university has~~  
31 ~~complied with this section. The state budget director may withhold a public university's~~  
32 ~~monthly installments described in section 241 until the public university complies with~~

1 ~~this section.~~

2 ~~(6) By the first business day of November of each year, a public university shall~~  
3 ~~post the following information on its website under the budget transparency icon badge:~~

4 ~~(a) Opportunities for earning college credit through the following programs:~~

5 ~~(i) State approved career and technical education or a tech prep articulated program~~  
6 ~~of study.~~

7 ~~(ii) Direct college credit or concurrent enrollment.~~

8 ~~(iii) Dual enrollment.~~

9 ~~(iv) An early college/middle college program.~~

10 ~~(b) For each program described in subdivision (a) that the public university offers,~~  
11 ~~all of the following information:~~

12 ~~(i) The number of high school students participating in the program.~~

13 ~~(ii) The number of school districts that participate in the program with the public~~  
14 ~~university.~~

15 ~~(iii) Whether a university professor, qualified local school district employee, or~~  
16 ~~other individual teaches the course or courses in the program.~~

17 ~~(iv) The total cost to the public university to operate the program.~~

18 ~~(v) The cost per credit hour for the course or courses in the program.~~

19 ~~(vi) The location where the course or courses in the program are held.~~

20 ~~(vii) Instructional resources offered to the program instructors.~~

21 ~~(viii) Resources offered to the student in the program.~~

22 ~~(ix) Transportation services provided to students in the program.~~

23 ~~(5) (7)~~ A public university shall collect and report the number and percentage of all  
24 enrolled students who complete the Free Application for Federal Student Aid, broken out by  
25 undergraduate and graduate/professional classifications, to the center and post the  
26 information on its website under the budget transparency icon badge.

27 Sec. 245a. (1) A public university shall develop, maintain, and update a "campus  
28 safety information and resources" link, prominently displayed on the homepage of its  
29 website, to a section of its website containing all of the information required under  
30 subsection (2).

31 (2) The "campus safety information and resources" section of a public university's  
32 website shall include, but not be limited to, all of the following information:

1 (a) Emergency contact numbers for police, fire, health, and other services.

2 (b) Hours, locations, phone numbers, and electronic mail contacts for campus public  
3 safety offices and title IX offices.

4 (c) A listing of safety and security services provided by the university, including  
5 transportation, escort services, building surveillance, anonymous tip lines, and other  
6 available security services.

7 (d) A public university's policies applicable to minors on university property.

8 (e) A directory of resources available at the university or surrounding community for  
9 students or employees who are survivors of sexual assault or sexual abuse.

10 (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors,  
11 Friends and Family", published in 2018.

12 (g) Campus security policies and crime statistics pursuant to the student right-to-  
13 know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include  
14 all material prepared pursuant to the public information reporting requirements under the  
15 crime awareness and campus security act of 1990, title II of the student right-to-know and  
16 campus security act, Public Law 101-542, 104 Stat 2381.

17 ~~(3) A public university shall certify to the state budget director by October 1, 2020~~  
18 ~~that it is in compliance with this section. The state budget director may withhold a public~~  
19 ~~university's monthly installments described in section 241 until the public university~~  
20 ~~complies with this section.~~

21 Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant  
22 program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

23 (2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in  
24 undergraduate degree programs who are qualified and who apply by March 1 of each year for  
25 the next academic year.

26 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6)  
27 and (7), the department of treasury shall determine an actual tuition grant award per  
28 student, which shall be \$2,800.00, that ensures that the aggregate payments for the tuition  
29 grant program do not exceed the appropriation contained in section 236 for the state  
30 tuition grant program. If the department determines that insufficient funds are available  
31 to establish an award amount equal to \$2,800.00, the department shall immediately report to  
32 the house and senate appropriations subcommittees on higher education, the house and senate

1 fiscal agencies, and the state budget director regarding the estimated amount of additional  
2 funds necessary to establish a \$2,800.00 award amount. If the department determines that  
3 sufficient funds are available to establish an award amount equal to \$2,800.00, the  
4 department shall immediately report to the house and senate appropriations subcommittees on  
5 higher education, the house and senate fiscal agencies, and the state budget director  
6 regarding the award amount established and the projected amount of any projected year-end  
7 appropriation balance based on that award amount. By February 18 of each fiscal year, the  
8 department shall analyze the status of award commitments, shall make any necessary  
9 adjustments, and shall confirm that those award commitments will not exceed the  
10 appropriation contained in section 236 for the tuition grant program. The determination and  
11 actions shall be reported to the state budget director and the house and senate fiscal  
12 agencies no later than the final day of February of each year. If award adjustments are  
13 necessary, the students shall be notified of the adjustment by March 4 of each year.

14 (4) The department of treasury shall continue a proportional tuition grant award  
15 level for recipients enrolled less than full-time in a given semester or term.

16 (5) If the department of treasury increases the award per eligible student from that  
17 provided in the previous fiscal year, it shall not have the effect of reducing the number  
18 of eligible students receiving awards in relation to the total number of eligible  
19 applicants. Any increase in the grant shall be proportional for all eligible students  
20 receiving awards for that fiscal year.

21 (6) The department of treasury shall not award more than \$4,800,000.00 in tuition  
22 grants to eligible students enrolled in the same independent nonprofit college or  
23 university in this state. Any decrease in the grant shall be proportional for all eligible  
24 students enrolled in that college or university, as determined by the department. ~~The limit~~  
25 ~~described in this subsection does not apply to any other student financial aid program or~~  
26 ~~in combination with any other student financial aid program.~~

27 (7) The department of treasury shall not award tuition grants to otherwise eligible  
28 students enrolled in an independent college or university that does not report, in a form  
29 and manner directed by and satisfactory to the department of treasury, by October 31 of  
30 each year, all of the following:

31 (a) The number of students in the most recently completed academic year who in any  
32 academic year received a state tuition grant at the reporting institution and successfully

1 completed a program or graduated.

2 (b) The number of students in the most recently completed academic year who in any  
3 academic year received a state tuition grant at the reporting institution and took a  
4 remedial education class.

5 (c) The number of students in the most recently completed academic year who in any  
6 academic year received a Pell grant at the reporting institution and successfully completed  
7 a program or graduated.

8 (8) By February 1 of each year, each independent college and university participating  
9 in the tuition grant program shall report to the senate and house appropriations  
10 subcommittees on higher education, the senate and house fiscal agencies, and the state  
11 budget director on its efforts to develop and implement sexual assault response training  
12 for the institution's title IX coordinator, campus law enforcement personnel, campus public  
13 safety personnel, and any other campus personnel charged with responding to on-campus  
14 incidents, including information on sexual assault response training materials and the  
15 status of implementing sexual assault response training for institutional personnel.

16 Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program  
17 must be distributed as provided in this section and pursuant to the administrative  
18 procedures for the tuition incentive program of the department of treasury.

19 (2) As used in this section:

20 (a) "Phase I" means the first part of the tuition incentive program defined as the  
21 academic period of 80 semester or 120 term credits, or less, leading to an associate degree  
22 or certificate. Students must be enrolled in a certificate or associate degree program and  
23 taking classes within the program of study for a certificate or associate degree. Tuition  
24 will not be covered for courses outside of a certificate or associate degree program.

25 (b) "Phase II" means the second part of the tuition incentive program that provides  
26 assistance in the third and fourth year of 4-year degree programs.

27 (c) "Department" means the department of treasury.

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

29 (3) An individual must meet the following basic criteria and financial thresholds to  
30 be eligible for tuition incentive program benefits:

31 (a) To be eligible for phase I, an individual must meet all of the following  
32 criteria:

1 (i) Be less than 20 years of age at the time he or she graduates from high school  
2 with a diploma or certificate of completion or achieves a high school equivalency  
3 certificate or, for students attending a 5-year middle college approved by the Michigan  
4 department of education, be less than 21 years of age when he or she graduates from high  
5 school.

6 (ii) Be a United States citizen and a resident of this state according to  
7 institutional criteria.

8 (iii) Be at least a half-time student, earning less than 80 semester or 120 term  
9 credits at a participating educational institution within 4 years of high school graduation  
10 or achievement of a high school equivalency certificate. All program eligibility expires 10  
11 years after initial enrollment at a participating educational institution.

12 (iv) Meet the satisfactory academic progress policy of the educational institution he  
13 or she attends.

14 (b) To be eligible for phase II, an individual must meet either of the following  
15 criteria in addition to the criteria in subdivision (a):

16 (i) Complete at least 56 transferable semester or 84 transferable term credits.

17 (ii) Obtain an associate degree or certificate at a participating institution.

18 (c) To be eligible for phase I or phase II, an individual must be financially  
19 eligible as determined by the department. An individual is financially eligible for the  
20 tuition incentive program if he or she was eligible for Medicaid from this state for 24  
21 months within the 36 consecutive months before application. The department shall accept  
22 certification of Medicaid eligibility only from the department of health and human services  
23 for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36  
24 consecutive months before application. Certification of eligibility may begin in the sixth  
25 grade.

26 (4) For phase I, the department shall provide payment on behalf of a person eligible  
27 under subsection (3). The department shall only accept standard per-credit hour tuition  
28 billings and shall reject billings that are excessive or outside the guidelines for the  
29 type of educational institution.

30 (5) For phase I, all of the following apply:

31 (a) Payments for associate degree or certificate programs must not be made for more  
32 than 80 semester or 120 term credits for any individual student at any participating

1 institution.

2 (b) For persons enrolled at a Michigan community college, the department shall pay  
3 the current in-district tuition and mandatory fees. For persons residing in an area that is  
4 not included in any community college district, the out-of-district tuition rate may be  
5 authorized.

6 (c) For persons enrolled at a Michigan public university, the department shall pay  
7 ~~lower division resident tuition and~~ mandatory fees for the current year **and a per-credit**  
8 **payment that does not exceed 2.5 times the average community college in-district per-credit**  
9 **tuition rate as reported by the last business day of August, for the immediately preceding**  
10 **academic year.**

11 (d) For persons enrolled at a Michigan independent, nonprofit degree-granting college  
12 or university, or a Michigan federal tribally controlled community college, or Focus: HOPE,  
13 the department shall pay mandatory fees for the current year and a per-credit payment that  
14 does not exceed the average community college in-district per-credit tuition rate as  
15 reported by the last business day of August for the immediately preceding academic year.

16 (6) A person participating in phase II may be eligible for additional funds not to  
17 exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the  
18 following conditions:

19 (a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year  
20 college or university.

21 (b) The tuition reimbursement is for coursework completed within 30 months of  
22 completion of the phase I requirements.

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

25 (8) The department shall notify students of their financial eligibility for the  
26 program any time after the student begins sixth grade.

27 (9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant act,  
28 2020 PA 84, MCL 390.1703, and section 17 of the Michigan reconnect grant recipient act,  
29 2020 PA 68, MCL 390.1717, each institution shall ensure that all known available restricted  
30 grants for tuition and fees are used prior to billing the tuition incentive program for any  
31 portion of a student's tuition and fees.

32 (10) The department shall ensure that the tuition incentive program is well

1 publicized and that eligible Medicaid clients are provided information on the program. The  
2 department shall provide the necessary funding and staff to fully operate the program.

3 (11) The department of treasury shall collaborate with the center to use the P-20  
4 longitudinal data system to report the following information for each qualified  
5 postsecondary institution:

6 (a) The number of phase I students in the most recently completed academic year who  
7 in any academic year received a tuition incentive program award and who successfully  
8 completed a degree or certificate program. Cohort graduation rates for phase I students  
9 shall be calculated using the established success rate methodology developed by the center  
10 in collaboration with the postsecondary institutions.

11 (b) The number of students in the most recently completed academic year who in any  
12 academic year received a Pell grant at the reporting institution and who successfully  
13 completed a degree or certificate program. Cohort graduation rates for students who  
14 received Pell grants must be calculated using the established success rate methodology  
15 developed by the center in collaboration with the postsecondary institutions.

16 (12) ~~Beginning in fiscal year 2020-2021, if~~ **If** a qualified postsecondary institution  
17 does not report the data necessary to complete the reporting in subsection (11) to the P-20  
18 longitudinal data system by October 15 for the prior academic year, the department of  
19 treasury shall not award phase I tuition incentive program funding to otherwise eligible  
20 students enrolled in that institution until the data are submitted.

21 Sec. 260. (1) The department of treasury shall work with student and postsecondary  
22 education groups, including the Michigan College Access Network, the Michigan Association  
23 of State Universities, the Michigan Community College Association, and the Michigan  
24 Independent Colleges and Universities, to provide an online informational resource for  
25 prospective and current student loan borrowers. The online informational resource must be a  
26 website or a portion of an existing website designed and maintained by the department of  
27 treasury that, to the extent practicable, contains information including, but not limited  
28 to, all of the following:

29 (a) A list of public and private community support centers, student debt clinics, and  
30 other organizations and their contact information submitted by Michigan College Access  
31 Network that provides free information and services for student loan borrowers to help  
32 educate them about repayment options and to help them access student loan programs or

1 benefits for which they may be eligible.

2 (b) Links to state and federal financial aid programs, including FAFSA and College  
3 Scorecard.

4 (c) Benefits of federal student loans that may no longer be available if a borrower  
5 refinances a loan.

6 (d) Links to net price calculators for community colleges receiving an appropriation  
7 in section 201 and universities receiving an appropriation in section 236, if available.

8 ~~(e) A list of loan servicers, including FAFSA.gov for federal loans, and contact  
9 information for each and for federally held loans made through the William D. Ford Federal  
10 Direct Loan Program and the Federal Family Education Loan Program.~~

11 **(e)** ~~(f)~~ Information on the fundamentals of borrowing and repayment, including, but  
12 not limited to, all of the following:

13 ~~(i) Types of student loans and repayment options, including income-driven repayment,  
14 and a listing of employers in this state offering employment eligible for public service  
15 loan forgiveness. A link to the federal public service loan forgiveness program.~~

16 (ii) Deciding how much to borrow.

17 (iii) Creating a plan for borrowing and repayment.

18 (iv) Estimating how much borrowing is needed for a given school year.

19 ~~(v) Evaluating financial aid offers.~~

20 **(v)** ~~(vi)~~ Factors that affect total student loan costs.

21 **(vi)** ~~(vii)~~ Tips for graduating with less student loan debt.

22 **(vii)** ~~(viii)~~ A loan payment calculator or a link to a loan payment calculator that can  
23 be used for different types of loans.

24 **(viii)** ~~(ix)~~ Links to federal student loan entrance and exit counseling services and  
25 the FACT tool.

26 **(ix)** ~~(x)~~ Student loan debt relief scams.

27 ~~(g) A list of student loan providers in this state.~~

28 (2) A university receiving an appropriation in section 236 shall place a prominent  
29 link to the website created under this section on its website homepage.

30 (3) Independent colleges and universities in this state are encouraged to place a  
31 link to the website created under this section on their website homepages.

32 Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2020-2021~~

1 **2021-2022** for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in  
2 section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is  
3 intended to address critical regulatory, food safety, economic, and environmental problems  
4 faced by this state's plant-based agriculture, forestry, and processing industries.  
5 "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and  
6 Economic Needs.

7 (2) The department of agriculture and rural development and Michigan State  
8 University, in consultation with agricultural commodity groups and other interested  
9 parties, shall develop Project GREEN and its program priorities.

10 Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2020-2021~~  
11 **2021-2022** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of  
12 America Association. This \$80,000.00 allocation shall not supplant any existing support  
13 that Michigan State University provides to the Michigan Future Farmers of America  
14 Association.

15 Sec. 265. (1) Payments under section 265a for ~~performance funding~~ **operational support**  
16 **payments** for fiscal ~~years 2020-2021, 2021-2022, and 2022-2023~~ **year 2021-2022** shall only be  
17 made to a public university that certifies to the state budget director by ~~October 1, 2020~~  
18 **the last business day of August** that its board did not adopt an increase in tuition and fee  
19 rates for resident undergraduate students after September 1, ~~2019~~ **2020** for the ~~2019-2020~~  
20 **2020-2021** academic year and that its board will not adopt an increase in tuition and fee  
21 rates for resident undergraduate students for the ~~2020-2021~~ **2021-2022** academic year that is  
22 greater than ~~4.25%~~ **4.2%** or ~~\$586.00,~~ **\$590.00**, whichever is greater. As used in this  
23 subsection:

24 (a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all  
25 resident undergraduate students at least once during their enrollment at a public  
26 university, as described in the higher education institutional data inventory (HEIDI) user  
27 manual. A university increasing a fee that applies to a specific subset of students or  
28 courses shall provide sufficient information to prove that the increase applied to that  
29 subset will not cause the increase in the average amount of board-authorized total tuition  
30 and fees paid by resident undergraduate students in the ~~2020-2021~~ **2021-2022** academic year  
31 to exceed the limit established in this subsection.

32 (b) "Tuition and fee rate" means the average of full-time rates paid by a majority of

1 students in each undergraduate class, based on an unweighted average of the rates  
2 authorized by the university board and actually charged to students, deducting any  
3 uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-  
4 time equated resident undergraduate enrollment during the academic year, as described in  
5 the higher education institutional data inventory (HEIDI) user manual.

6 (2) The state budget director shall implement uniform reporting requirements to  
7 ensure that a public university receiving a payment under section 265a for ~~performance~~  
8 **funding operational support payments** has satisfied the tuition restraint requirements of  
9 this section. The state budget director shall have the sole authority to determine if a  
10 public university has met the requirements of this section. Information reported by a  
11 public university to the state budget director under this subsection shall also be reported  
12 to the house and senate appropriations subcommittees on higher education and the house and  
13 senate fiscal agencies.

14 ~~(3) Universities that exceed the tuition and fee rate cap described in subsection (1)~~  
15 ~~shall not receive a planning or construction authorization for a state-funded capital~~  
16 ~~outlay project in fiscal years 2021-2022, 2022-2023, or 2023-2024.~~

17 ~~(4) Notwithstanding any other provision of this act, the legislature may at any time~~  
18 ~~adjust appropriations for a university that adopts an increase in tuition and fee rates for~~  
19 ~~resident undergraduate students that exceeds the rate cap established in subsection (1).~~

20 Sec. 265a. (1) Appropriations to public universities in section ~~236~~ **236i** for fiscal  
21 ~~years 2019-2020, 2020-2021, and 2021-2022~~ **year 2021-2022** for ~~performance funding~~  
22 **operational support payments** shall be paid only to a public university that complies with  
23 section 265 and certifies to the state budget director, the house and senate appropriations  
24 subcommittees on higher education, and the house and senate fiscal agencies by ~~October 1,~~  
25 **2019 the last business day of August** that it complies with all of the following  
26 requirements:

27 (a) The university participates in reverse transfer agreements described in section  
28 286 with at least 3 Michigan community colleges.

29 (b) The university does not and will not consider whether dual enrollment credits  
30 earned by an incoming student were utilized towards his or her high school graduation  
31 requirements when making a determination as to whether those credits may be used by the  
32 student toward completion of a university degree or certificate program.

1 (c) The university actively participates in and submits timely updates to the  
2 Michigan Transfer Network created as part of the Michigan Association of Collegiate  
3 Registrars and Admissions Officers transfer agreement.

4 (2) Any ~~performance funding amounts~~ **operational support payments** under section ~~236~~  
5 **236i** that are not paid to a public university because it did not comply with 1 or more  
6 requirements under subsection (1) are unappropriated and reappropriated for ~~performance~~  
7 ~~funding~~ **operational support payments** to those public universities that meet the  
8 requirements under subsection (1), distributed in proportion to their ~~performance funding~~  
9 **operational support payments** appropriation amounts under section ~~236~~. **236i**.

10 (3) The state budget director shall report to the house and senate appropriations  
11 subcommittees on higher education and the house and senate fiscal agencies by ~~October 15,~~  
12 ~~2019,~~ **September 15, 2021** regarding any ~~performance funding~~ **operational support payments**  
13 amounts that are not paid to a public university because it did not comply with 1 or more  
14 requirements under subsection (1) and any reappropriation of funds under subsection (2).

15 (4) ~~Performance funding amounts~~ **Operational support payments** described in section ~~236~~  
16 **236i** are distributed ~~based on the following formula:~~ **across-the-board proportional to each**  
17 **university's share of total operations funding appropriated in fiscal year 2020-2021.**

18 ~~(a) Proportional to each university's share of total operations funding appropriated~~  
19 ~~in fiscal year 2010-2011, 50%.~~

20 ~~(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.~~

21 ~~(c) Based on research and development expenditures, for universities classified in~~  
22 ~~Carnegie classifications as doctoral universities: moderate research activity, doctoral~~  
23 ~~universities: higher research activity, or doctoral universities: highest research activity~~  
24 ~~only, 5.6%.~~

25 ~~(d) Based on 6-year graduation rate, total degree completions, and institutional~~  
26 ~~support as a percentage of core expenditures, and the percentage of students receiving Pell~~  
27 ~~grants, scored against national Carnegie classification peers and weighted by total~~  
28 ~~undergraduate fiscal year equated students, 33.3%.~~

29 ~~(5) For purposes of determining the score of a university under subsection (4) (d),~~  
30 ~~each university is assigned 1 of the following scores:~~

31 ~~(a) A university classified as in the top 20%, a score of 3.~~

32 ~~(b) A university classified as above national median, a score of 2.~~

1 ~~(c) A university classified as improving, a score of 2. It is the intent of the~~  
2 ~~legislature that, beginning in the 2020-2021 state fiscal year, a university classified as~~  
3 ~~improving is assigned a score of 1.~~

4 ~~(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.~~

5 ~~(6) As used in this section, "Carnegie classification" means the basic classification~~  
6 ~~of the university according to the most recent version of the Carnegie classification of~~  
7 ~~institutions of higher education, published by the Carnegie Foundation for the Advancement~~  
8 ~~of Teaching.~~

9 ~~(7) It is the intent of the legislature to allocate more funding based on an updated~~  
10 ~~set of performance metrics in future years. Updated metrics will be based on the outcome of~~  
11 ~~joint hearings between the house and senate appropriations subcommittees on higher~~  
12 ~~education and community colleges intended to be held in the fall of 2019.~~

13 Sec.265b. (1) Appropriations to public universities in section 236 for the fiscal  
14 year ending September 30, ~~2021~~ **2022** for operations funding shall be reduced by 10% pursuant  
15 to the procedures described in subdivision (a) for a public university that fails to submit  
16 certification to the state budget director, the house and senate appropriations  
17 subcommittees on higher education, and the house and senate fiscal agencies by October 1,  
18 ~~2020~~ **2021** that the university complies with sections 274c and 274d and that it complies  
19 with all of the requirements described in subdivisions (b) to (i), as follows:

20 (a) If a university fails to submit certification, the state budget director shall  
21 withhold 10% of that university's annual operations funding until the university submits  
22 certification. If a university fails to submit certification by the end of the fiscal year,  
23 the 10% of its annual operations funding that is withheld shall lapse to the general fund.

24 (b) For title IX investigations of alleged sexual misconduct, the university  
25 prohibits the use of medical experts that have an actual or apparent conflict of interest.

26 (c) For title IX investigations of alleged sexual misconduct, the university  
27 prohibits the issuance of divergent reports to complainants, respondents, and  
28 administration and instead requires that identical reports be issued to them.

29 (d) Consistent with the university's obligations under 20 USC 1092(f), the university  
30 notifies each individual who reports having experienced sexual assault by a student,  
31 faculty member, or staff member of the university that the individual has the option to  
32 report the matter to law enforcement, to the university, to both, or to neither, as the

1 individual may choose.

2 (e) The university provides both of the following:

3 (i) For all freshmen and incoming transfer students enrolled, an in-person sexual  
4 misconduct prevention presentation or course, which must include contact information for  
5 the title IX office of the university.

6 (ii) For all students not considered freshmen or incoming transfer students, an  
7 online or electronic sexual misconduct prevention presentation or course.

8 (f) The university prohibits seeking compensation from the recipient of any medical  
9 procedure, treatment, or care provided by a medical professional who has been convicted of  
10 a felony arising out of the medical procedure, treatment, or care.

11 (g) The university had a third party review its title IX compliance office and  
12 related policies and procedures by the end of the 2018-2019 academic year. A copy of the  
13 third-party review shall be transmitted to the state budget director, the house and senate  
14 appropriations subcommittees on higher education, and the house and senate fiscal agencies.  
15 ~~After the third-party review has been conducted for the 2018-2019 academic year, the~~  
16 ~~university~~ **Universities** shall have a third-party review once every three years and a copy  
17 of the third-party review shall be transmitted to the state budget director, the house and  
18 senate appropriations subcommittees on higher education, and the house and senate fiscal  
19 agencies.

20 (h) The university requires that the governing board and the president or chancellor  
21 of the university receive not less than quarterly reports from their title IX coordinator  
22 or title IX office. The report shall contain aggregated data of the number of sexual  
23 misconduct reports that the office received for the academic year, the types of reports  
24 received, including reports received against employees, and a summary of the general  
25 outcomes of the reports and investigations. A member of the governing board may request to  
26 review a title IX investigation report involving a complaint against an employee, and the  
27 university shall provide the report in a manner it considers appropriate. The university  
28 shall protect the complainant's anonymity, and the report shall not contain specific  
29 identifying information.

30 (i) If allegations against an employee are made in more than 1 title IX complaint  
31 that resulted in the university finding that no misconduct occurred, the university  
32 requires that the title IX officer promptly notify the president or chancellor and a member

1 of the university's governing board in writing and take all appropriate steps to ensure  
2 that the matter is being investigated thoroughly, including hiring an outside investigator  
3 for future cases involving that employee. A third-party title IX investigation under this  
4 subdivision does not prohibit the university from simultaneously conducting its own title  
5 IX investigation through its own title IX coordinator.

6 (2) Each public university that receives an appropriation in section 236 shall also  
7 certify that its president or chancellor and a member of its governing board has reviewed  
8 all title IX reports involving the alleged sexual misconduct of an employee of the  
9 university, and shall send the certification to the house and senate appropriations  
10 subcommittees on higher education, the house and senate fiscal agencies, and the state  
11 budget director by October 1, ~~2020~~ **2021**.

12 (3) For purposes of this section, "sexual misconduct" includes, but is not limited  
13 to, any of the following:

14 (a) Intimate partner violence.

15 (b) Nonconsensual sexual conduct.

16 (c) Sexual assault.

17 (d) Sexual exploitation.

18 (e) Sexual harassment.

19 (f) Stalking.

20 Sec. 267. All public universities shall submit the amount of tuition and fees  
21 actually charged to a full-time resident undergraduate student for academic year ~~2020-2021~~  
22 **2021-2022** as part of their higher education institutional data inventory (HEIDI) data by  
23 ~~October 1, 2020, and by~~ the last business day of August each year. ~~thereafter~~. A public  
24 university shall report any revisions for any semester of the reported academic year ~~2020-~~  
25 ~~2021~~ **2021-2022** tuition and fee charges to HEIDI within 15 days of being adopted.

26 Sec. 268. ~~(1) For the fiscal year ending September 30, 2021, it is the intent of the~~  
27 ~~legislature that funds be allocated for unfunded North American Indian tuition waiver costs~~  
28 ~~incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the~~  
29 ~~general fund.~~

30 **(1)** ~~(2)~~ By January 15 of each year, the department of civil rights shall annually  
31 submit to the state budget director, the house and senate appropriations subcommittees on  
32 higher education, and the house and senate fiscal agencies a report on North American

1 Indian tuition waivers for the preceding academic year that includes, but is not limited  
2 to, all of the following information:

3 (a) The number of waiver applications received and the number of waiver applications  
4 approved.

5 (b) For each university submitting information under subsection (3), all of the  
6 following:

7 (i) The number of graduate and undergraduate North American Indian students enrolled  
8 each term for the previous academic year.

9 (ii) The number of North American Indian waivers granted each term, including to  
10 continuing education students, and the monetary value of the waivers for the previous  
11 academic year.

12 (iii) The number of graduate and undergraduate students attending under a North  
13 American Indian tuition waiver who withdrew from the university each term during the  
14 previous academic year. For purposes of this subparagraph, a withdrawal occurs when a  
15 student who has been awarded the waiver withdraws from the institution at any point during  
16 the term, regardless of enrollment in subsequent terms.

17 (iv) The number of graduate and undergraduate students attending under a North  
18 American Indian tuition waiver who successfully complete a degree or certificate program,  
19 separated by degree or certificate level, and the graduation rate for graduate and  
20 undergraduate students attending under a North American Indian tuition waiver who complete  
21 a degree or certificate within 150% of the normal time to complete, separated by the level  
22 of the degree or certificate.

23 (2) ~~(3)~~ A public university that receives funds under section 236, or a tribal  
24 college receiving pass-through funds under section 269, 270, or 270c, shall provide to the  
25 department of civil rights any information necessary for preparing the report detailed in  
26 subsection ~~(2)~~, (1), using guidelines and procedures developed by the department of civil  
27 rights.

28 (3) ~~(4)~~ The department of civil rights may consolidate the report required under this  
29 section with the report required under section 223, but a consolidated report must  
30 separately identify data for universities and data for community colleges.

31 Sec. 269. For fiscal year ~~2020-2021~~, 2021-2022, from the amount appropriated in  
32 section 236 to Central Michigan University for costs incurred under the North American

1 Indian tuition waiver, ~~\$79,700.00~~ **\$82,380.00** shall be paid to Saginaw Chippewa Tribal  
2 College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL  
3 390.1251 to 390.1253. ~~It is the intent of the legislature that~~ **The** Saginaw Chippewa Tribal  
4 College **is encouraged to** provide the department of civil rights the necessary information  
5 for the college to be included in the report required under section 268.

6 Sec. 270c. For fiscal year ~~2020-2021~~, **2021-2022**, from the amount appropriated in  
7 section 236 to Northern Michigan University for costs incurred under the North American  
8 Indian tuition waiver, \$50,000.00 is to be paid to Keweenaw Bay Ojibwa Community College  
9 for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251  
10 to 390.1253. ~~It is the intent of the legislature that~~ Keweenaw Bay Ojibwa Community College  
11 **is encouraged to** provide the department of civil rights the necessary information for the  
12 community college to be included in the report required under section 268.

13 Sec. 275h. It is the ~~intent of the legislature~~ **goal of the governor** to ensure that  
14 60% of Michigan's residents achieve a postsecondary credential, high-quality industry  
15 certification, associate degree, or bachelor's degree by 2030.

16 Sec. 276. (1) Included in the appropriation for fiscal year ~~2020-2021~~ **2021-2022** for  
17 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
18 Chavez - Rosa Parks future faculty program that is intended to increase the pool of  
19 academically or economically disadvantaged candidates pursuing faculty teaching careers in  
20 postsecondary education. Preference may not be given to applicants on the basis of race,  
21 color, ethnicity, gender, or national origin. Institutions should encourage applications  
22 from applicants who would otherwise not adequately be represented in the graduate student  
23 and faculty populations. Each public university shall apply the percentage change  
24 applicable to every public university in the calculation of appropriations in section 236  
25 to the amount of funds allocated to the future faculty program.

26 (2) The program shall be administered by each public university in a manner  
27 prescribed by the department of labor and economic opportunity. The department of labor and  
28 economic opportunity shall use a good faith effort standard to evaluate whether a  
29 fellowship is in default.

30 Sec. 277. (1) Included in the appropriation for fiscal year ~~2020-2021~~ **2021-2022** for  
31 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
32 Chavez - Rosa Parks college day program that is intended to introduce academically or

1 economically disadvantaged schoolchildren to the potential of a college education.  
2 Preference may not be given to participants on the basis of race, color, ethnicity, gender,  
3 or national origin. Public universities should encourage participation from those who would  
4 otherwise not adequately be represented in the student population.

5 (2) Individual program plans of each public university shall include a budget of  
6 equal contributions from this program, the participating public university, the  
7 participating school district, and the participating independent degree-granting college.  
8 College day funds shall not be expended to cover indirect costs. Not more than 20% of the  
9 university match shall be attributable to indirect costs. Each public university shall  
10 apply the percentage change applicable to every public university in the calculation of  
11 appropriations in section 236 to the amount of funds allocated to the college day program.

12 (3) The program described in this section shall be administered by each public  
13 university in a manner prescribed by the department of labor and economic opportunity.

14 Sec. 278. (1) Included in section 236 for fiscal year ~~2020-2021~~ **2021-2022** is funding  
15 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services  
16 program for developing academically or economically disadvantaged student retention  
17 programs for 4-year public and independent educational institutions in this state.  
18 Preference may not be given to participants on the basis of race, color, ethnicity, gender,  
19 or national origin. Institutions should encourage participation from those who would  
20 otherwise not adequately be represented in the student population.

21 (2) An award made under this program to any 1 institution shall not be greater than  
22 \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or  
23 university basis.

24 (3) The program described in this section shall be administered by the department of  
25 labor and economic opportunity.

26 Sec. 279. (1) Included in section 236 for fiscal year ~~2020-2021~~ **2021-2022** is funding  
27 for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership  
28 program between 4-year public and independent colleges and universities and public  
29 community colleges, which is intended to increase the number of academically or  
30 economically disadvantaged students who transfer from community colleges into baccalaureate  
31 programs. Preference may not be given to participants on the basis of race, color,  
32 ethnicity, gender, or national origin. Institutions should encourage participation from

1 those who would otherwise not adequately be represented in the transfer student population.

2 (2) The grants shall be made under the program described in this section to Michigan  
3 public and independent colleges and universities. An award to any 1 institution shall not  
4 be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30%  
5 college or university basis.

6 (3) The program described in this section shall be administered by the department of  
7 labor and economic opportunity.

8 Sec. 280. (1) Included in the appropriation for fiscal year ~~2020-2021~~ **2021-2022** for  
9 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
10 Chavez - Rosa Parks visiting professors program which is intended to increase the number of  
11 instructors in the classroom to provide role models for academically or economically  
12 disadvantaged students. Preference may not be given to participants on the basis of race,  
13 color, ethnicity, gender, or national origin. Public universities should encourage  
14 participation from those who would otherwise not adequately be represented in the student  
15 population.

16 (2) The program described in this section shall be administered by the department of  
17 labor and economic opportunity.

18 Sec. 281. (1) Included in the appropriation for fiscal year ~~2020-2021~~ **2021-2022** in  
19 section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
20 initiative for the Morris Hood, Jr. educator development program which is intended to  
21 increase the number of academically or economically disadvantaged students who enroll in  
22 and complete K-12 teacher education programs at the baccalaureate level. Preference may not  
23 be given to participants on the basis of race, color, ethnicity, gender, or national  
24 origin. Institutions should encourage participation from those who would otherwise not  
25 adequately be represented in the teacher education student population.

26 (2) The program described in this section shall be administered by each state-  
27 approved teacher education institution in a manner prescribed by the department of labor  
28 and economic opportunity.

29 (3) Approved teacher education institutions may and are encouraged to use student  
30 support services funding in coordination with the Morris Hood, Jr. funding to achieve the  
31 goals of the program described in this section.

32 Sec. 282. Each institution receiving funds for fiscal year ~~2020-2021~~ **2021-2022** under

1 section 278, 279, or 281 shall provide to the department of labor and economic opportunity  
2 by April 15, ~~2021~~ **2022** the unobligated and unexpended funds as of March 31, ~~2021~~ **2022** and a  
3 plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award  
4 limitations in sections 278 and 279, the amount of funding reported as not being expended  
5 will be reallocated to the institutions that intend to expend all funding received under  
6 section 278, 279, or 281.

7           Sec. 285. ~~Public~~ **From the funds appropriated in section 236(2), public** universities  
8 shall work with the state community colleges to encourage the transfer of students from the  
9 community colleges to the public universities and to facilitate the transfer of credits  
10 from the community colleges to those public universities.

11           Sec. 286. ~~Public~~ **From the funds appropriated in section 236(2), public** universities  
12 shall work with community colleges in the state to implement statewide reverse transfer  
13 agreements to increase the number of students that are awarded credentials of value upon  
14 completion of the necessary credits. These statewide agreements shall enable students who  
15 have earned a significant number of credits at a community college and transfer to a  
16 baccalaureate granting institution before completing a degree to transfer the credits  
17 earned at the baccalaureate institution back to the community college in order to be  
18 awarded a credential of value.

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Article IV

Summary of Anticipated Appropriations

Sec. 298. (1) Subject to the conditions set forth in this act, the amounts appropriated in this act for the fiscal year ending September 30, 2022 for the public schools, intermediate school districts, community colleges and public universities of this state, and certain other state purposes relating to education are anticipated to be the same amounts appropriated for the fiscal year ending September 30, 2023, with the following exceptions:

	For Fiscal Year Ending Sept. 30, 2022	For Fiscal Year Ending Sept. 30, 2023
1	(2) Appropriations for School Aid (Article I)	
2	Early Childhood Collaborative .....	1,000,000                      0
3	Proposal A Obligation Payment .....	4,729,000,000            4,671,000,000
4	Discretionary Payment .....	4,698,800,000            4,660,800,000
5	Promise Zone Payments .....	13,800,000                17,000,000
6	Enrollment Stability Supports .....	200,000,000                0
7	GSRP Longitudinal Evaluation .....	600,000                    350,000
8	Summer Learning Programs .....	60,000,000                0
9	Special Education Foundations .....	329,900,000                344,200,000
10	Special Education Headlee Obligation .....	733,000,000                765,000,000
11	Michigan Public School Employees Retirement System ....	1,671,760,000            1,783,270,000
12	(3) Appropriations for Community Colleges (Article II)	
13	Michigan Public School Employees Retirement System ....	\$ 100,633,600    \$ 106,733,600
14	One-Time Operations Support .....	\$ 6,473,100        \$ 0
15	(4) Appropriations for Universities and Student Financial Aid (Article III)	
16	Michigan Public School Employees Retirement System ....	\$ 18,235,000    \$ 19,368,000
17	One-Time Operations Support .....	\$ 30,516,100        \$ 0

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 2021-2022 is estimated at  
4 \$14,030,589,500.00 and state appropriations for school aid to be paid to local units of  
5 government for fiscal year 2021-2022 are estimated at \$13,873,111,900.00.

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 2021-2022  
8 under article II as amended by this amendatory act is estimated at \$434,653,600.00 and the  
9 amount of that state spending from state sources to be paid to local units of government  
10 for fiscal year 2021-2022 is estimated at \$434,653,600.00.

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 2021-2022  
13 under article III as amended by this amendatory act is estimated at \$1,609,240,900.00 and  
14 the amount of that state spending from state sources to be paid to local units of  
15 government for fiscal year 2021-2022 is estimated at \$0.

16           Enacting section 2. Sections 11d, 11p, 11q, 25i, 25j, 29a, 31k, 35b, 35d, 35e, 35f,  
17 55, 61c, 67a, 91a, 91c, 94b, 95b, 98a, 98d, 99i, 99t, 99u, 99w, 99x, 99z, 104d, 104f, 104g,  
18 105b, 152b, 164g, 164h, 166, 208, 212, 220, 226b, 226d, 228, 259, 261, 265e, 270, 270b,  
19 271a, 274, 275a, 275d, 275f, 275g, 275i, and 291 of the state school aid act of 1979, 1979  
20 PA 94, MCL 388.1611d, 388.1611p, 388.1611q, 388.1625i, 388.1625j, 388.1629a, 388.1631k,  
21 388.1635b, 388.1635d, 388.1635e, 388.1635f, 388.1655, 388.1661c, 388.1667a, 388.1691a,  
22 388.1691c, 388.1694b, 388.1695b, 388.1698a, 388.1698d, 388.1699i, 388.1699t, 388.1699u,  
23 388.1699w, 388.1699x, 388.1699z, 388.1704d, 388.1704f, 388.1704g, 388.1705b, 388.1752b,  
24 388.1764g, 388.1764h, 388.1766, 388.1808, 388.1812, 388.1820, 388.1826b, 388.1826d,  
25 388.1828, 388.1859, 388.1861, 388.1865e, 388.1870, 388.1870b, 388.1871a, 388.1874,  
26 388.1875a, 388.1875d, 388.1875f, 388.1875g, 388.1875i, and 388.1891 are repealed effective  
27 October 1, 2021.

28           Enacting section 3. This amendatory act takes effect October 1, 2021.